



# **ARNOLD & MOTE**

## Wealth Management

### **Firm Brochure** (Part 2A of Form ADV)

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This brochure provides information about the qualifications and business practices of Arnold & Mote Wealth Management. If you have any questions about the content of this brochure, please contact us by telephone or email at: 319-393-4020 or 1-877-814-0920 or at [Quinn@arnoldmote.com](mailto:Quinn@arnoldmote.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.

Additional information about Mote Wealth Management is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

January 20, 2020

## **Item 2 Material Changes**

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We will provide ongoing disclosure information about material changes as necessary and will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

### **Material Changes Since the Last Update**

None

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### **Full Brochure Available**

Any time you would like to receive a complete copy of our Firm Brochure (Part 2A of Form ADV), please contact us by telephone or email at: 319-393-4020 or 1-877-814-0920 or [Quinn@arnoldmote.com](mailto:Quinn@arnoldmote.com).

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## **Item 4 Advisory Business**

### **Firm Description**

Arnold Financial Planning DBA as Arnold & Mote Wealth Management (“AMWM” the “Firm”) was founded in August 2018, but its origins date back to 2000. Quinn Arnold and Matthew Hylland own the firm. There are no intermediate subsidiaries.

Arnold & Mote Wealth Management offers personalized financial planning and investment management services to individuals, trusts, and small businesses. Financial advice is provided through consultation with the client and, depending on the client, may include, but is not limited to the following: determination of financial objectives, identification of and solutions for financial problems, tax planning, insurance/risk management review, investment management, education funding, retirement planning, estate planning and other financial questions or issues that arise.

AMWM is a strictly commission-free, Fee-Only firm. The Firm acts as a fiduciary, putting client interests ahead of our own. AMWM sells no products. The Firm does not sell annuities, insurance, stocks, bonds, mutual funds, limited partnerships, or any other commissioned product. AMWM is not affiliated with entities that sell financial products or securities. No commissions in any form are accepted, and no incentives for recommendations for mutual funds or any other investments are allowed.

After an introductory telephone call, the initial meeting with a prospective client (which is generally in person but may be conducted by telephone or Internet), is free of charge and with absolutely no obligation. The initial meeting is considered an exploratory interview to determine whether the financial planning and investment management needs of the client align with services offered by Arnold & Mote Wealth Management and whether the company and the prospective client may be a good match.

Arnold & Mote Wealth Management also manages clients’ employer retirement accounts such as 401(k), 403(b), profit sharing, or 457 plans. Investment choices are selected from those available in the plan, and the asset allocation determined according to the client’s investment plan. Employer accounts are invested and rebalanced with the client’s permission. Fees for management of these accounts are charged according to the firm’s usual fee schedule.

Other professionals such as attorneys, accountants, insurance agents, etc. are engaged directly by the client on an as-needed basis. Any conflicts of interest AMWM has with these professionals will be disclosed to the client in the unlikely event they should occur. Fees for outside assistance are the responsibility of the client. With the client's concurrence, outside professionals may participate directly or indirectly in the financial advising process, such as estate planning or tax review. AMWM receives no remuneration or soft-dollar compensation from other professionals who provide support sources.

As of December 31, 2019, Arnold & Mote Wealth Management manages approximately \$73,483,837 in assets for approximately 103 families.

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### **Types of Agreements**

The following agreements define the typical client relationships:

- Wealth Management (Comprehensive Financial Planning and Asset Management) and
- Financial Planning Engagement

AMWM has a small number of legacy clients that have a “Retainer” engagement whereby they pay a flat fee for the Firm’s wealth management services. These engagements are no longer offered.

## **Wealth Management (Comprehensive Financial Planning and Asset Management)**

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This is a comprehensive engagement wherein AMWM provides ongoing financial advice and investment management services. Depending on a client’s needs, a Wealth Management Agreement encompasses the following services: risk management (insurance) review, investment recommendations, education planning, retirement planning, estate planning, charitable gifting, and tax planning, as well as the implementation of investment recommendations.

When Arnold & Mote Wealth Management performs investment management services, it does so pursuant to discretionary authority. A client will appoint AMWM with discretionary authority to manage the cash and securities in their account(s) within agreed guidelines. In granting this discretionary authority, the client gives AMWM the full power to direct, manage, and supervise the investment and reinvestment of assets in client’s account(s) without client’s prior approval.

Although the Wealth Management Agreement is an ongoing agreement, the length of service to the client is at the discretion of both parties.

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## **Financial Planning Engagement**

This service involves working one-on-one with a planner over an extended period. By paying a monthly/quarterly fee, clients get continuous access to a planner who will work with them to design their plan. The planner will monitor the plan, recommend any changes and ensure the plan is up to date.

A client will be taken through establishing their goals and values around money. They will be required to provide information to help complete the following areas of analysis: net worth, cash flow, insurance, credit scores/reports, employee benefit, retirement planning, insurance, investments, college planning and estate planning. Once the client’s information is reviewed, their plan will be built and analyzed, and then the findings, analysis and potential changes to their current situation will be reviewed with the client. Clients subscribing to this service will receive a written or an electronic report, providing the client with a detailed financial plan designed to achieve his or her stated financial goals and objectives. Follow up meetings as required, will be scheduled as needed. The plan and the client’s financial situation and goals will be monitored throughout the year and follow-up phone calls and emails will be made to the client to confirm that any agreed upon action steps have been carried out. On an annual basis there will be a full review of this plan to ensure its accuracy and ongoing appropriateness. Any needed updates will be discussed with the client.

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## **Automated Investment Program**

We offer an automated investment program (the “Program”) through which clients are invested in a range of investment strategies we have constructed and manage, each consisting of a portfolio of exchange-traded or mutual funds (“Funds”) and a cash allocation. The client’s portfolio is held in a brokerage account opened by the client at Charles Schwab & Co., Inc. (“CS&Co”). We use the Institutional Intelligent Portfolios® platform (“Platform”), offered by Schwab Performance Technologies (“SPT”), a software provider to independent investment advisors and an affiliate of Schwab, to operate the Program.

We are independent of and not owned by, affiliated with, or sponsored or supervised by SPT, Schwab, or their affiliates (together, “Schwab”). We, and not Schwab, are the client’s investment advisor and primary point of contact with respect to the Program. We are solely responsible, and Schwab is not responsible, for determining the appropriateness of the Program for the client, choosing a suitable investment strategy and portfolio for the client’s investment needs and goals and managing that portfolio on an ongoing basis. We have contracted with SPT to provide us with the Platform, which consists of technology and related trading and account management services for the Program. The Platform enables us to make the Program available to clients online and includes a system that automates certain key parts of our investment process (the “System”).

Based on information the client provides to us, we will recommend a portfolio via the System. The System also includes an automated investment engine through which we manage the client’s portfolio on an ongoing basis through automatic rebalancing and tax-loss harvesting (if the client is eligible and elects).

Clients do not pay brokerage commissions or any other fees to Schwab as part of the Program. Schwab does receive other revenues, including (i) the profit earned by Charles Schwab Bank, a Schwab affiliate, on the allocation to the Schwab Intelligent Portfolios Sweep Program described in the Schwab Intelligent Portfolios Sweep Program Disclosure Statement; (ii) investment advisory and/or administrative service fees (or unitary fees) received by Charles Schwab Investment Management, Inc., a Schwab affiliate, from Schwab ETFs™ Schwab Funds® and Laudus Funds® that we select to buy and hold in the client’s brokerage account; (iii) fees received by Schwab from third-party ETFs that participate in the Schwab ETF OneSource™ program and mutual funds in the Schwab Mutual Fund Marketplace® (including certain Schwab Funds and Laudus Funds) in the client’s brokerage account for services Schwab provides; and (iv) remuneration Schwab may receive from the market centers where it routes ETF trade orders for execution.

We do not pay SPT fees for the Platform so long as we maintain \$100 million in client assets in accounts at Schwab that are not enrolled in the Program. If we do not meet this condition, then we pay SPT an annual licensing fee of 0.10% (10 basis points) on the value of our clients’ assets in the Program. This fee arrangement gives us an incentive to recommend or require that our clients with accounts not enrolled in the Program be maintained with Schwab

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## **Termination of Agreement**

The client or Arnold & Mote Wealth Management may terminate any of the aforementioned agreements at any time by notifying the other party in writing. AMWM reserves the right to

stop work on any account that is more than 30 days overdue. In addition, AMWM reserves the right to terminate any financial planning engagement in which a client willfully conceals or refuses to provide pertinent information about financial situations when necessary and appropriate, in the judgment of AMWM, to providing proper financial advice.

If a client has not received a copy of AMWM's Disclosure Statement at least 48 hours prior to execution of an agreement, the client has five (5) business days from the date of execution of the advisory agreement to terminate AMWM's services without penalty or fee.

## Item 5 Fees and Compensation

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### Description

AMWM's fees in a wealth management engagement are charged as a percentage of the assets under AMWM's management. In a financial planning engagement, AMWM charges a fixed annual fee.

**Wealth Management Fee:** AMWM's Wealth Management fee is an annual percentage of the assets managed by the Firm according to the following schedule, charged on a pro-rata basis quarterly, in arrears, using the value in the account(s) on the last day of the preceding quarter.

Assets under Management	Annual Percentage Fee	Quarterly Percentage Fee
\$0 to \$500,000	1.00%	0.25%
\$500,001 to \$1,000,000	0.90%	0.225%
\$1,000,001 to \$2,000,000	0.80%	0.20%
\$2,000,001 to \$5,000,000	0.70%	0.175%
Amounts over \$5,000,000	0.50%	0.125%

AMWM's minimum annual fee for wealth management services is \$5,000.

Current client relationships may exist where the fees are higher or lower than the fee schedule above. Fees may be negotiable under some circumstances. AMWM, at its sole discretion, may waive the minimum fee and/or charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, types of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with clients, etc.).

The wealth management fee generally includes financial planning services. However, if the client requests work beyond the usual scope of the planning provided in a Wealth Management relationship, the Firm may, at its discretion charge a separate and additional fee for the additional services. In these circumstances, AMWM will provide the client with a separate engagement agreement setting forth the additional work to be completed and the additional fee. The agreement for the additional work would have to be agreed to by the client and the Firm before the additional work commences and charged hourly at a rate of \$300 per hour.

**Financial Planning Engagement Fee:** For AMWM's financial planning services, the firm charges a fixed fee based on the scope and complexity of the services requested or needed that is identified and agreed to before performing any services. The fee can range between \$2,400-



\$6,000 per year and is due pro-rata monthly or quarterly, in arrears.

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### **Fee Billing**

Wealth Management fees are billed quarterly in arrears – clients are invoiced after the three-month billing period has ended. Payment in full is expected upon invoice presentation. Unless otherwise arranged, fees are deducted from designated client accounts. Direct debiting of a client's investment account can only occur with the client's authorization in advance.

Financial Planning fees are billed monthly or quarterly in arrears with an invoice. These fees are paid by check or debiting via ACH.

### **Other Fees**

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Custodians may charge transaction fees on purchases or sales of certain mutual funds or exchange-traded funds. Transaction fees are paid to the custodian and are not paid directly or indirectly to AMWM. Fund companies charge each fund shareholder an investment management fee that is disclosed in the fund prospectus. AMWM does not receive any fees or any other remuneration from the fund companies or Schwab.

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### **Past Due Accounts and Termination of Agreement**

In most cases, services of the Firm are performed prior to payment, but in the unusual event a client makes an advance payment, AMWM will refund any unearned portion of a fee payment within 15 days of the date of termination of an agreement.

For Wealth Management engagements, fees at termination will be billed on a pro rata basis for the portion of the quarter completed. The portfolio value as of the termination date is used as the basis for the fee computation, adjusted for the number of days during the billing quarter prior to termination. There is no termination fee.

For Financial Planning engagements, fees at termination will be billed through the current month via final invoice. There is no termination fee.

### **Item 6 Performance-Based Fees**

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#### **Sharing of Capital Gains**

Fees are not based on a share of the capital gains or capital appreciation of managed securities.

Arnold & Mote Wealth Management does not use a performance-based fee structure because of the potential conflict of interest. Performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk than is appropriate for the client's situation.

## Item 7 Types of Clients

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### Description

Arnold & Mote Wealth Management provides financial planning and investment management services to individuals, trusts, estates, and business entities.

Client relationships vary in scope and length of service.

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### Account Minimums

Generally, the minimum account size for an ongoing Wealth Management engagement with AMWM is approximately \$500,000 of assets under management, which equates to an annual fee of \$5,000. When an account holds investable assets below \$500,000 in value, the minimum annual fee of \$5,000 may be levied resulting in a fee that is higher as a percentage of assets under management than shown in the fee schedule. Minimums may be negotiable or waived in AMWM's sole discretion. There is no asset minimum for fixed-fee financial planning services.

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

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### Methods of Analysis

Arnold & Mote Wealth Management generally does not recommend individual stock investments. If a client owns individual stocks, however, the Firm includes those holdings as part of the client's overall asset allocation.

Security analysis methods may include fundamental analysis, technical analysis, and cyclical analysis.

Resources for analysis include but are not limited to financial newspapers and magazines, research materials and reports prepared by others, corporate rating services, timing services, annual reports, prospectuses, filings with the Securities and Exchange Commission (SEC), and company press releases.

Other sources of information that AMWM may use include Morningstar Advisor Workstation NAPFA Edition for mutual fund and stock information, Charles Schwab & Company's research service, and the Internet.

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### Investment Strategies

The investment strategy used for client accounts is strategic asset allocation primarily composed of passively-managed index mutual funds, exchange-traded funds, and asset class mutual funds. Portfolio design and management is focused on asset allocation, diversification, investment cost minimization, monitoring, rebalancing, and simplification. Portfolios are globally diversified to help control the risk associated with traditional markets and to provide exposure to the potential opportunities offered in foreign markets, both developed and

emerging. The assets are invested primarily in no-load or low-load mutual funds and exchange-traded funds, usually through Charles Schwab & Company, Inc. Except in specific, individual situations, initial public offerings (IPOs), options contracts, futures contracts, or interests in partnerships are not customarily available through AMWM.

The investment strategy for a specific client considers the objectives stated by the client and other factors. Client objectives may change over time. Arnold & Mote Wealth Management generally executes a written investment plan for each client, often in the form of an Investment Policy Statement, that documents objectives and a recommended investment strategy. Individual client restrictions and guidelines may affect the composition of the investment strategy and/or portfolio.

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## **Risk of Loss**

All investment programs have certain risks that are borne by the investor. Our investment approach keeps the risk of loss in mind. Investors face the following investment risks:

- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund may 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. For example, political, economic, and social conditions may trigger market events.
- **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.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. Currency risk is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). Reinvestment risk primarily relates to fixed income securities.
- **Business Risk:** These risks are 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.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

## **Item 9 Disciplinary Information**

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### **Legal and Disciplinary**

AMWM and its employees have not been involved in legal or disciplinary events related to past or present investment clients.

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

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### **Financial Industry Activities**

AMWM does not have other financial industry activity or arrangements that are material to its advisory business or its clients.

### **Affiliations**

AMWM has no arrangements that are material to its advisory or its clients with any related person or entity.

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

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### **Code of Ethics**

Arnold & Mote Wealth Management has adopted a written Code of Ethics which, among other things, outlines the various professional obligations and responsibilities of the Firm's access persons. A true and correct copy of the Firm's Code of Ethics is available upon request by clients and prospective clients.

### **Participation or Interest in Client Transactions**

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Neither the Advisor nor any related person of Advisor recommends, buys or sells securities for client accounts in which the Advisor or any related person of Advisor has a material financial interest.

### **Personal Trading**

AMWM and employees of the Firm may buy or sell securities for themselves that are also held by clients. This practice may create a situation where the Advisor and/or representatives of the firm are in a position to materially benefit from the sale or purchase of those securities.

Therefore, this situation creates a potential conflict of interest. No employees of AMWM may trade their own securities ahead of client trades. The clients of the Firm receive preferential treatment.

## Item 12 Brokerage Practices

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### Selecting Brokerage Firms

Arnold & Mote Wealth Management does not have any affiliation with product sales firms. Specific custodian recommendations are made to clients based on their need for such services. AMWM recommends custodians based on the proven integrity and financial responsibility of the firm and the best execution of orders at reasonable commission rates.

AMWM may recommend that clients establish brokerage accounts with the Schwab Institutional® division of Charles Schwab & Co., Inc. (Schwab), a FINRA-registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Although AMWM may recommend that clients establish accounts at Schwab, it is the client's decision to custody assets with Schwab. Arnold & Mote Wealth Management is independently owned and operated and not affiliated with Schwab.

For clients enrolled in the Automated Investment Program, client accounts are maintained at and receive the brokerage services of Schwab. While clients are required to use Schwab as custodian/broker to enroll in the Program, the client decides whether to do so and opens its account with Schwab by entering into a brokerage account agreement directly with Schwab. We do not open the account for the client. If the client does not wish to place his or her assets with Schwab, then we cannot manage the client's account through the Program. Schwab may aggregate purchase and sale orders for Funds across accounts enrolled in the Program, including both accounts for our clients and accounts for clients of other independent investment advisory firms using the Platform.

Schwab Advisor Services™ (formerly called Schwab Institutional) is Schwab's business serving independent investment advisory firms like us. Through Schwab Advisor Services, Schwab provides us and our clients with access to its institutional brokerage services—trading, custody, reporting, and related services—many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients' accounts, while others help us manage and grow our business. Schwab's support services described below are generally available on an unsolicited basis (we don't have to request them) and at no charge to us. The availability to us of Schwab's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

Here is a more detailed description of Schwab's support services:

Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit the client and the client's account.

Schwab also makes available to us other products and services that benefit us but may not directly benefit the client or its account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or some substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to

investment research, Schwab also makes available software and other technology that:

- provide access to client account data (such as duplicate trade confirmations and account statements);
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- provide pricing and other market data;
- facilitate payment of our fees from our clients' accounts; and
- assist with back-office functions, recordkeeping, and client reporting.

Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- educational conferences and events;
- technology, compliance, legal, and business consulting;
- publications and conferences on practice management and business succession; and
- access to employee benefits providers, human capital consultants, and insurance providers.

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide us with other benefits such as occasional business entertainment of our personnel.

The availability of services from Schwab benefits us because we do not have to produce or purchase them. We don't have to pay for these services, and they are not contingent upon us committing any specific amount of business to Schwab in trading commissions or assets in custody. With respect to the Automated Investment Program, as described above under Item 4 Advisory Business, we do not pay SPT fees for the Platform so long as we maintain \$100 Million in client assets in accounts at Schwab that are not enrolled in the Program. In light of our arrangements with Schwab, we have an incentive to recommend that our clients maintain their accounts with Schwab based on our interest in receiving Schwab's services that benefit our business rather than based on the client's interest in receiving the best value in custody services and the most favorable execution of transactions. This is a conflict of interest. We believe, however, that our selection of Schwab as custodian and broker is in the best interests of our clients. It is primarily supported by the scope, quality, and price of Schwab's services and not Schwab's services that benefit only us.

AMWM does not receive fees or commissions or any other form of compensation from any of these arrangements.

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## **Best Execution**

Arnold & Mote Wealth Management periodically reviews the execution of trades and trading fees at Charles Schwab & Company, Inc. AMWM does not receive any portion of the trading fees.

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## **Soft Dollars**

Arnold & Mote Wealth Management receives a software interface discount of about \$500 per year from Charles Schwab & Company, because client assets are custodied at Schwab. This credit offsets annual maintenance fees for portfolio management software. All clients benefit from this credit, as it reduces the Firm's overall expenses.

The selection of Charles Schwab & Company as a custodian for clients is not affected by this nominal credit.

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### **Order Aggregation**

Most trades are mutual funds or exchange-traded funds where trade aggregation does not garner any client benefit.

## **Item 13 Review of Accounts**

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### **Periodic Reviews**

Account reviews are performed periodically by advisors Quinn Arnold, CFP® and Matthew Hylland. Account reviews may be performed more frequently when market conditions dictate.

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### **Review Triggers**

Other conditions that may trigger a review are changes in the tax laws, new investment information, and changes in a client's own situation.

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### **Regular Reports**

Wealth Management clients receive communications on at least an annual basis.

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

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### **Incoming Referrals**

Arnold & Mote Wealth Management is fortunate to receive referrals of new clients from existing clients, attorneys, accountants, professional organizations, and similar sources. The firm does not compensate referring parties for these referrals.

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### **Referrals Out**

Arnold & Mote Wealth Management does not accept referral fees or any form of remuneration from other professionals when a prospective client is referred to them.

## **Item 15 Custody**

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AMWM does not accept custody of client funds except for debiting of client fees. For a client in which AMWM directly debits their advisory fee from their account AMWM will: 1) send a

copy of its invoice to the custodian at the same time that it sends the client a copy, 2) the custodian will send at least quarterly statements to the client showing all disbursements for the account, including the amount of the advisory fee, and 3) the client will provide written authorization to AMWM, permitting the firm to be paid directly from the accounts held by the custodian.

### **Account Statements**

All assets are held at qualified custodians. The client approves the custodian to be used and any commission rates paid to the custodian. The custodians provide account statements directly to clients at their address of record at least quarterly.

Arnold & Mote Wealth Management does not receive any portion of the transaction fees or commissions paid by the client to the custodian.

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### **Performance Reports**

Clients are urged to compare the account statements received directly from their custodians to the performance report statements provided by Arnold & Mote Wealth Management.

## **Item 16 Investment Discretion**

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### **Discretionary Authority for Trading**

Arnold & Mote Wealth Management accepts discretionary authority to manage securities accounts on behalf of clients. AMWM has the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold in a client's account. All discretionary changes are made within the client's asset allocations as defined in their written investment plan or Investment Policy Statement. Clients receive confirmation of trades after the fact from the account's custodian.

## **Item 17 Voting Client Securities**

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### **Proxy Votes**

Arnold & Mote Wealth Management does not vote proxies on securities. Clients are expected to vote their own proxies. When assistance on voting proxies is requested, AMWM will provide recommendations to the client. Although a conflict of interest is unlikely, if a conflict of interest exists, it will be disclosed to the client.

## **Item 18 Financial Information**

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### **Financial Condition**

Arnold & Mote Wealth Management does not have any financial impairment that will preclude the Firm from meeting contractual commitments to clients.

A balance sheet is not required to be provided, because Arnold & Mote Wealth Management does not serve as a custodian for client funds or securities and does not require prepayment of \$500 or more in fees six months or more in advance.



## Item 19 Requirements for State-Registered Advisors

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Registered Investment Advisors are required to make disclosures if they have been involved in any of the events listed below. Neither Arnold & Mote Wealth Management nor Quinn Arnold nor Eric Mote nor Jean Mote nor Matt Hylland have the following disclosures:

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500 involving any of the following:
  - (a) An investment or an investment-related business or activity;
  - (b) Fraud, false statement(s), or omission(s);
  - (c) Theft, embezzlement, or other wrongful taking of property;
  - (d) Bribery, forgery, counterfeiting, or extortion; or
  - (e) Dishonest, unfair, or unethical practices.
  
2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
  - (a) An investment or an investment related business or activity;
  - (b) Fraud, false statement(s), or omission(s);
  - (c) Theft, embezzlement, or other wrongful taking of property;
  - (d) Bribery, forgery, counterfeiting, or extortion; or
  - (e) Dishonest, unfair, or unethical practice.

**Firm Brochure Supplement**

**For  
Quinn Arnold  
and  
Eric Mote  
and  
Jean Mote  
and  
Matt Hylland**

**Arnold & Mote Wealth Management  
1202 Dina Court, Suite B  
Hiawatha, Iowa 52233**

**319-393-4020**

**1-877-814-0920**

**Fax: 1-888-688-8434**

**[www.arnoldmote.com](http://www.arnoldmote.com)**

January 20, 2020

This brochure supplement provides information about the qualifications and business practices of Quinn Arnold, Eric Mote, Jean Mote, and Matt Hylland of Arnold & Mote Wealth Management. If you have any questions about the content of this brochure supplement, please contact us by telephone or email at: 319-393-4020 or [Quinn@ArnoldMote.com](mailto:Quinn@ArnoldMote.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.

Additional information about our advisors is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Individuals of the Firm use the designation of CERTIFIED FINANCIAL PLANNER™ (CFP®) that need to be explained in further detail.

The CFP® designation identifies individuals who have completed the mandatory examination, education, experience, and ethics requirements mandated by the CFP® Board of Standards. Candidates must have at least three years of qualifying work experience that relates to financial planning. Candidates are required to hold a bachelors degree from an accredited university. CFP® candidates must pass a comprehensive 2-day, ten-hour examination that covers over 100 financial planning topics, which broadly include: general principles of financial planning, insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning. Finally, candidates have annual continuing education and ongoing ethics requirements and oversight by the CFP® Board of Standards.

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**QUINN ARNOLD, CFP®, CRD # 6638323**

Born: 1977

**Education:**

- 2005 – MBA, University of Minnesota
- 1999 – BA, Concordia College, Moorhead, MN
- Certification: CERTIFIED FINANCIAL PLANNER™ Practitioner

**Business Experience:**

- 07/2018 – Present, Arnold & Mote Wealth Management, Managing Member and CCO
- 03/2016 – 07/2018, Arnold Financial Planning, LLC, Managing Member and CCO
- 04/2006 – 05/2018, Willis Towers Watson, Finance Manager
- 06/1999 – 04/2006, Hewitt Associates, Financial Analyst

**Disciplinary Information:** None

**Other Business Activities:** None

**Additional Compensation:** None

**Supervision:** Quinn Arnold is the Firm's Chief Compliance Officer and there is no employee in a position to supervise him. Mr. Arnold is bound by the Firm's Code of Ethics and its compliance procedures, as well as the advisory contract entered into with each client.

**Requirements for State Registered Advisers:**

Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceeding: None

Bankruptcy Petition: None

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**ERIC ALLEN MOTE, CFP®, CRD # 4488021**

Born: 1950

**Education:** Certification: CERTIFIED FINANCIAL PLANNER™ Practitioner  
College for Financial Planning CERTIFIED FINANCIAL PLANNER® Certification  
Professional Education Program”  
Series 65, Uniform Investment Adviser Law Examination  
Kirkwood Community College, A.A.S. degree in Engineering Technology

**Business Background:**

- July 2018 to Present, Arnold & Mote Wealth Management, Investment Adviser Representative
- January 2001 to July 2018, Mote Wealth Management, LLC, Cedar Rapids, Iowa. Co-Owner, President and Advisor
- October 2000 to December 2000, Self-Employed, Creating Mote Wealth Management firm, Cedar Rapids, Iowa.
- May 2000 to October 2000, Cavitt Asset Management, Inc., Iowa City, Iowa. Advisor
- July 1997 to May 2000, Eric Mote Consulting, Cedar Rapids, Iowa. President
- February 1995 to July 1997, Global Crossing Communications, Cedar Rapids, Iowa. Vice President of Operations

**Disciplinary information:** None

**Other Business Activities:** None

**Additional Compensation:** None

**Supervision:** Quinn Arnold is the Firm’s Chief Compliance Officer and supervises Eric Mote’s activities. If you have any questions you can contact him at: 319-393-4020.

**Requirements for State Registered Advisers:**

Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceeding: None

Bankruptcy Petition: None

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**JEAN KAYE CLINGMAN MOTE, CFP®, CRD # 4488024**

Born 1948

**Education:** Certification: CERTIFIED FINANCIAL PLANNER™ Practitioner  
College for Financial Planning CERTIFIED FINANCIAL PLANNER® Certification  
Professional Education Program”  
Series 65, Uniform Investment Adviser Law Examination  
University of Northern Iowa, Cedar Falls, Iowa, M.A. in Library Science  
Truman State University, Kirksville, Missouri, B.S. in English Education

**Business Background:**

- July 2018 to Present, Arnold & Mote Wealth Management, Investment Adviser Representative
- December 2000 to July 2018, Mote Wealth Management, LLC, Cedar Rapids, Iowa. Co-Owner, President and Advisor
- May 2000 to October 2000, Cavitt Asset Management, Inc., Iowa City, Iowa. Advisor
- September 1994 to March 2000, Global Crossing Communications, Cedar Rapids, Iowa. Vice President of Caller Services

**Disciplinary Information:** None

**Other Business Activities:** None

**Additional Compensation:** None

**Supervision:** Quinn Arnold is the Firm’s Chief Compliance Officer and supervises Jean Mote’s activities. If you have any questions you can contact him at: 319-393-4020.

**Requirements for State Registered Advisers:**

Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceeding: None

Bankruptcy Petition: None

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**MATTHEW HYLLAND, CRD # 6564138**

Born: 1987

**Education:** 2009 – Bachelor of Science – Physics, Appalachian State University

**Business Background:**

- December 2018 to Present, Arnold & Mote Wealth Management, Investment Adviser Representative
- 09/2015 – 10/2019, Hylland Capital Management, LLC, President and CCO
- 12/2010 – 08/2017, US Department of Defense, Physical Science Tech.
- 05/2007 – 12/2010, Family Only, Inc., Assistant Manager

**Disciplinary information:** None

**Other Business Activities:** None

**Additional Compensation:** None

**Supervision:** Quinn Arnold is the Firm's Chief Compliance Officer and supervises Matthew Hylland's activities. If you have any questions you can contact him at: 319-393-4020.

**Requirements for State Registered Advisers:**

Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceeding: None

Bankruptcy Petition: None