FORM ADV PART 2A

BROCHURE

Item 1 – Cover Page

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This brochure provides information about the qualifications and business practices of Pathways Wealth Management, Inc. If you have any questions regarding the contents of this brochure, please do not hesitate to contact our Chief Compliance Officer, Sonia Goforth by telephone at (502) 540-2300 or by email at sonia.goforth@dinsmorecomplianceserivces.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.

Pathways Wealth Management, Inc. is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training. Additional information about Pathways Wealth Management, Inc. is available on the SEC's website at www.adviserinfo.sec.gov.

March 2025

Item 2 – Material Changes

The purpose of this page is to inform you of any material changes since the previous version of this brochure dated March 2025.

Item 1 – Update to the firm's address

Item 5 – Section A – Update to how fee calculations and withdrawal of fees are handled.

If you would like to receive a complete copy of our current brochure free of charge at any time, please contact us at 937-552-7307 or at dbeam@pathwayswm.com.

Item 3 - Table of Contents

Item 4 - Advisory Business

A. Description of the Advisory Firm

Pathways Wealth Management, Inc. ("Pathways" or the "Firm") is a corporation organized in the State of Ohio. Pathways is an investment advisory firm registered with the United States Securities and Exchange Commission ("SEC"). Pathways is owned by Dustin Beam.

B. Types of Advisory Services

Pathways provides discretionary and non-discretionary investment management services, as well as personalized financial planning, to individuals and entities, including, but not limited to, trusts, estates, business entities and qualified retirement plans.

Investment Management Services

Pathways offers investment management services on a discretionary basis and non-discretionary basis which are based on the individual needs of the clients. An initial interview and data gathering questionnaire is undertaken to determine the client's financial situation and investment objectives, and to give the client the opportunity to impose reasonable restrictions on the management of the client's account. Depending upon the agreement with the client, financial planning services may also be provided. Previously, while state registered, Pathways provided investment management services to clients through a wrap fee program (the "Pathways Wrap Fee Program"). The provision of investment management services through the Pathways Wrap Fee Program is limited clients that were previously clients of Pathways while Pathways was state registered.

The securities utilized by Pathways for investment in client accounts mainly consist of exchange traded equity securities, registered mutual funds and exchange traded funds (ETFs), but we will also invest in US government/agency bonds, corporate bonds, and certificates of deposit if we determine such investments fit within a client's objectives and are in the best interest of our clients.

Pathways may further recommend to clients that all or a portion of their investment portfolio be managed on a discretionary basis by one or more unaffiliated money managers or investment platforms ("External Managers"). The client may be required to enter into a separate agreement with the External Manager(s), which will set forth the terms and conditions of the client's engagement of the External Manager. Pathways generally renders services to the client relative to the discretionary selection of External Managers. Pathways also assists in establishing the client's investment objectives for the assets managed by External Managers, monitors and reviews the account performance and defines any restrictions on the account. External Managers may utilize investment types that are not utilized by Pathways in providing investment management services. The investment management fees charged by the designated External Managers, together with the fees charged by the corresponding designated broker-dealer/custodian of the client's assets, are exclusive of, and in addition to, the annual advisory fee charged by Pathways.

Financial Planning Services

Pathways offers stand alone financial planning services consistent with the individual client's financial and tax status, as well as risk and reward objecties. Financial planning services may be comprehensive, or segmented with a focus on investment, insurance, taxes and/or estate plans. Pathways prepares and provides the financial planning client with a written financial plan and the delivery of stand alone financial planning services are completed upon the delivery of the financial plan to the client. Clients should notify us promptly anytime there is a change in their financial situation, goals, objectives, or needs and/or if there is any change to the financial information initially provided to us. Depending upon our agreement with you, financial planning services may be provided for investment management services clients for no additional fee.

Clients are under no obligation to implement any of the recommendations provided in their written financial plan. However, should a client decide to proceed with the implementation of the investment recommendations then the client can either have Pathways implement those recommendations or utilize the services of any investment adviser or broker-dealer of their choice.

Pathways cannot provide any guarantees or promises that a client's financial goals and objectives will be met.

Investment Management Services to Retirement Plans

Pathways offers discretionary and non-discretionary advisory services to qualified plans, including 401k plans. These services include, depending upon the needs of the plan client, recommending, or for discretionary clients selecting, investment options for plans to offer to participants, ongoing monitoring of a plan's investment options, assisting plan fiduciaries in creating and/or updating the plan's written investment policy statements, working with plan service providers, and providing general investment education to plan participants.

Note for IRA and Retirement Plan Clients: When Pathways provides investment advice to you regarding your retirement plan account or individual retirement account, Pathways is a fiduciary within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way Pathways makes money creates some conflicts with your interests, so Pathways operates under a special rule that requires Pathways to act in your best interest and not put Pathways's interest ahead of yours.

Note Regarding Tax or Legal Advice: In providing services, Pathways does not offer or otherwise provide tax or legal advice. Pathways will, at a client's direction and approval, work with a client's existing tax or legal professionals to assist in the provision of the services. Fees charged by any tax, legal or other third-party professionals are the responsibility of the client. Pathways may refer professionals; however, there is no compensation to Pathways for these referrals, and clients are under no obligation to use the referred service providers.

C. Client-Tailored Advisory Services

Clients may impose reasonable restrictions on the management of their accounts if Pathways determines, in its sole discretion, that the conditions would not materially impact the performance of a management strategy or prove overly burdensome for Pathways's management efforts.

D. Information Received From Clients

Pathways will not assume any responsibility for the accuracy or the information provided by clients. Pathways is not obligated to verify any information received from a client or other professionals (e.g., attorney, accountant) designated by a client, and Pathways is expressly authorized by the client to rely on such information provided. Under all circumstances, clients are responsible for promptly notifying Pathways in writing of any material changes to the client's financial situation, investment objectives, time horizon, or risk tolerance.

E. Assets Under Management

As of December 31, 2024, Pathways had $65,614,869 assets under management on a discretionary basis, and $67,697,114 of assets under management on a non-discretionary basis.

Item 5 - Fees and Compensation

Pathways charges fees based on a percentage of assets under management as well as fixed fees and hourly fees, depending on the particular types of services to be provided. The specific fees charged by Pathways for services provided will be set forth in each client's agreement.

A. Financial Planning and Investment Management Services

Fees for Investment Management Services

Pathways charges an annual advisory fee that is agreed upon with each client and set forth in an agreement executed by Pathways and the client. If fixed, the advisory fee will be specified on the fee schedule as set forth in the agreement executed by Pathways and the client. If based on a percentage of the value of assets under management, the Management Fee shall be paid quarterly in advance based on the value of the assets in your account as of the last business day of the preceding month and is automatically deducted from the Account by the Custodian. For Accounts opened after the beginning of a new calendar quarter the Management Fee for the initial quarter will be paid, on a pro rata basis, in arrears, based on the value of the Assets in your Account at the end of that initial quarter. For purposes of fee calculation, the asset value of client accounts include cash and cash equivalents, as well as margined securities. Pathways does not reduce management fees for margin borrowing, regardless of whether the assets are in cash or other securities. Pathways has a financial incentive to recommend that clients borrow money for the purchase of additional securities for the client's account managed by Pathways or otherwise not liquidate some or all the assets Pathways manages. Pathways addresses this conflict of interest by this disclosure and working and working to ensure that any recommendation to a client regarding the use of margin is suitable for the client. The maximum asset based fee for investment management services is 1.50% per annum. There are clients of Pathways that became clients of Pathways while Pathways was a state registered investment adviser that pay a higher fee for investment management services.

Fees for Financial Planning and Consulting Services

Clients that are receiving financial planning services only are charged a fixed fee ranging from $500.00 to $10,000.00, depending upon the complexity of a client's plan and services provided. In the alternative clients that are receiving financial planning services only may be charged an hourly fee rate up to $250.00. The fixed or hourly fee can be charged in monthly or quarterly installments, or otherwise in full upon delivery of the completed financial plan and, therefore, the completion of the financial planning services. Actual fees charged are clearly outlined in the financial planning agreement and clients receive invoices reflecting the amount of the fee due and payable.

Notwithstanding the foregoing, Pathways and the client may choose to negotiate an annual advisory fee that varies from the ranges and schedules set forth above. Factors upon which a different annual advisory fee may be based include, but are not limited to, the size and nature of the relationship, the services rendered, the nature and complexity of the products and investments involved, time commitments, and travel requirements. The advisory fee charged by the Firm will apply to all of the client's assets under management, unless specifically excluded in the client agreement. The advisory fee may include the financial planning services described above. Although Pathways believes that its fees are competitive, clients should understand that lower fees for comparable services may be available from other sources and firms.

The investment advisory agreement between Pathways and the client may be terminated at will by either Pathways or the client upon written notice. Pathways does not impose termination fees when the client terminates the investment advisory relationship, except when agreed upon in advance.

B. Payment of Fees

Pathways generally deducts its advisory fee from a client's investment account(s) held at his/her custodian. Upon engaging Pathways to manage such account(s), a client grants Pathways this limited authority through a written instruction to the custodian of his/her account(s). The client is responsible for verifying the accuracy of the calculation of the advisory fee; the custodian will not determine whether the fee is accurate or properly calculated. A client may utilize the same procedure for financial planning or consulting fees if the client has investment accounts held at a custodian.

Although clients generally are required to have their investment advisory fees deducted from their accounts, in some cases, Pathways will directly bill a client for investment advisory fees if it determines that such billing arrangement is appropriate given the circumstances.

The custodian of the client's accounts provides each client with a statement, at least quarterly, indicating separate line items for all amounts disbursed from the client's account(s), including any fees paid directly to Pathways.

Clients may make additions to and withdrawals from their account at any time, subject to Pathways's right to terminate an account. Additions may be in cash or securities provided that the Firm reserves the right to liquidate transferred securities or decline to accept particular securities into a client's account. Clients may withdraw account assets at any time on notice to Pathways, subject to the usual and customary securities settlement procedures. However, the Firm generally designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. Pathways 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, short-term redemption fees, fees assessed at the mutual fund level (e.g. contingent deferred sales charges) and/or tax ramifications.

C. Clients Responsible for Fees Charged by Financial Institutions and External Money Managers

In connection with Pathways's management of an account, a client will incur fees and/or expenses separate from and in addition to Pathways's advisory fee. These additional fees may include transaction charges and the fees/expenses charged by any custodian, subadvisor, mutual fund, ETF, separate account manager (and the manager's platform manager, if any), limited partnership, or other advisor, transfer taxes, odd lot differentials, exchange fees, interest charges, ADR processing fees, and any charges, taxes or other fees mandated by any federal, state or other applicable law, retirement plan account fees (where applicable), margin interest, brokerage commissions, mark-ups or mark-downs and other transaction-related costs, electronic fund and wire fees, and any other fees that reasonably may be borne by a brokerage account. For External Managers, clients should review each manager's Form ADV 2A disclosure brochure and any contract they sign with the External Manager (in a dual contract relationship). The client is responsible for all such fees and expenses. Please see Item 12 of this brochure regarding brokerage practices.

D. Prepayment of Fees

As noted in Item 5(B) above, Pathways's advisory fees generally are paid in advance. Upon the termination of a client's advisory relationship, Pathways will issue a refund equal to any unearned management fee for the remainder of the quarter. The client may specify how he/she would like such refund issued (i.e., a check sent directly to the client or a check sent to the client's custodian for deposit into his/her account).

E. Outside Compensation for the Sale of Securities or Other Investment Products to Clients

Pathways does not buy or sell securities and does not receive any compensation for securities transactions in any client account, other than the investment advisory fees noted above. However, as further described in Item 10, certain personnel of Pathways, in their individual capacities, are registered representatives of L.M. Kohn & Company ("L.M. Kohn"). In this capacity these individuals will engage in various types of securities or investment products transactions and will receive separate and typical compensation for doing so. In addition, representatives of Pathways, in their individual capacities, are also are licensed as insurance professionals. Such persons earn commission-based compensation for selling insurance products to clients.

Item 6 - Performance-Based Fees and Side-by-Side Management

Pathways does not charge performance-based fees or participate in side-by-side management. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Pathways's fees are calculated as described in Item 5 above.

Item 7 - Types of Clients

Pathways offers investment advisory services to individuals and entities, including, but not limited to, trusts, estates, business entities and qualified retirement plans. Pathways does not impose a minimum portfolio size or a minimum initial investment to open an account. However, Pathways does reserve the right to accept or decline a potential client for any reason in its sole discretion.

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

A. Methods of Analysis and Risk of Loss

A primary step in Pathways's investment strategy is getting to know the clients – to understand their financial condition, risk profile, investment goals, tax situation, liquidity constraints – and assemble a picture of their financial situation. To aid in this understanding, Pathways offers clients financial planning that is highly customized and tailored. Once Pathways has an understanding of its clients' needs and goals, the investment process can begin, and the Firm can recommend strategies and investments that it believes are aligned with the client's goals and risk profile.

Pathways primarily employs charting, fundamental, technical and cyclical analysis methods in developing investment strategies for its clients. Research and analysis from Pathways is based on numerous sources, including third-party research materials and publicly-available materials, such as company annual reports, prospectuses, and press releases.

Pathways, in managing client portfolios, utilizes an asset allocation strategy. Pathways generally employs a long-term investment strategy for its clients, as consistent with their financial goals. At times, the Firm may also buy and sell positions that are more short-term in nature, depending on the goals of the client and/or the fundamentals of the security, sector or asset class.

Client portfolios with similar investment objectives and asset allocation goals may own different securities and investments. The client's portfolio size, tax sensitivity, desire for simplicity, income needs, long-term wealth transfer objectives, time horizon and choice of custodian are all factors that influence Pathways's investment recommendations.

Investing in securities involves a risk of loss. A client can lose all or a substantial portion of his/her investment. A client should be willing to bear such a loss. Some investments are intended only for sophisticated investors and can involve a high degree of risk.

B. Material Risks Involved

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

Generally, the market value of equity stocks will fluctuate with market conditions, and small-stock prices generally will fluctuate more than large-stock prices. The market value of fixed income securities will generally fluctuate inversely with interest rates and other market conditions prior to maturity. Fixed income securities are obligations of the issuer to make payments of principal and/or interest on future dates, and include, among other securities: bonds, notes and debentures issued by corporations; debt securities issued or guaranteed by the U.S. government or one of its agencies or instrumentalities, or by a non-U.S. government or one of its agencies or instrumentalities; municipal securities; and mortgage-backed and asset-backed securities. These securities may pay fixed, variable, or floating rates of interest, and may include zero coupon obligations and inflation-linked fixed income securities. The value of longer duration fixed income securities will generally fluctuate more than shorter duration fixed income securities. Investments in overseas markets also pose special risks, including currency fluctuation and political risks, and it may be more volatile than that of a U.S. only investment. Such risks are generally intensified for investments in emerging markets. In addition, there is no assurance that a mutual fund or ETF will achieve its investment objective. Past performance of investments is no guarantee of future results.

Additional risks involved in the securities recommended by Pathways include, among others:

- *Stock market risk*, which is the chance that stock prices overall will decline. The market value of equity securities will generally fluctuate with market conditions. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices. Prices of equity securities tend to fluctuate over the short term as a result of factors affecting the individual companies, industries or the securities market as a whole. Equity securities generally have greater price volatility than fixed income securities.
- *Sector risk*, which is the chance that significant problems will affect a particular sector, or that returns from that sector will trail returns from the overall stock market. Daily fluctuations in specific market sectors are often more extreme than fluctuations in the overall market.
- *Issuer risk*, which is the risk that the value of a security will decline for reasons directly related to the issuer, such as management performance, financial leverage, and reduced demand for the issuer's goods or services.
- *Non-diversification risk*, which is the risk of focusing investments in a small number of issuers, industries or foreign currencies, including being more susceptible to risks associated with a single economic, political or regulatory occurrence than a more diversified portfolio might be.
- *Value investing risk*, which is the risk that value stocks not increase in price, not issue the anticipated stock dividends, or decline in price, either because the market fails to recognize the stock’s intrinsic value, or because the expected value was misgauged. If the market does not recognize that the securities are undervalued, the prices of those securities might not appreciate as anticipated. They also may decline in price even though in theory they are already undervalued. Value stocks are typically less volatile than growth stocks, but may lag behind growth stocks in an up market.
- *Smaller company risk*, which is the risk that the value of securities issued by a smaller company will go up or down, sometimes rapidly and unpredictably as compared to more widely held securities. Investments in smaller companies are subject to greater levels of credit, market and issuer risk.
- *Foreign (non-U.S.) investment risk*, which is the risk that investing in foreign securities result in the portfolio experiencing more rapid and extreme changes in value than a portfolio that invests exclusively in securities of U.S. companies. Risks associated with investing in foreign securities include fluctuations in the exchange rates of foreign currencies that may affect the U.S. dollar value of a security, the possibility of substantial price volatility as a result of political and economic instability in the foreign country, less public information about issuers of securities, different securities regulation, different accounting, auditing and financial reporting standards and less liquidity than in the U.S. markets.

- *Interest rate risk*, which is the chance that prices of fixed income securities decline because of rising interest rates. Similarly, the income from fixed income securities may decline because of falling interest rates. In addition, the interest for a fixed income security or a certificate of deposit may not keep pace with the rate of inflation.
- *Credit risk,* which is the chance that an issuer of a fixed income security will fail to pay interest and principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of that fixed income security to decline.
- *Exchange Traded Fund (ETF) risk*, which is the risk of an investment in an ETF, including the possible loss of principal. ETFs typically trade on a securities exchange and the prices of their shares fluctuate throughout the day based on supply and demand, which may not correlate to their net asset values. Although ETF shares will be listed on an exchange, there can be no guarantee that an active trading market will develop or continue. Owning an ETF generally reflects the risks of owning the underlying securities it is designed to track. ETFs are also subject to secondary market trading risks. In addition, an ETF may not replicate exactly the performance of the index it seeks to track for a number of reasons, including transaction costs incurred by the ETF, the temporary unavailability of certain securities in the secondary market, or discrepancies between the ETF and the index with respect to weighting of securities or number of securities held.
- *Alternative Investments / Private Funds risk*, investing in alternative investments is speculative, not suitable for all clients, and intended for experienced and sophisticated investors who are willing to bear the high economic risks of the investment, which can include:
    - loss of all or a substantial portion of the investment due to leveraging, short-selling or other speculative investment practices;
    - lack of liquidity in that there may be no secondary market for the investment and none expected to develop;
    - volatility of returns;
    - restrictions on transferring interests in the investment;
    - potential lack of diversification and resulting higher risk due to concentration of trading authority when a single adviser is utilized;
    - absence of information regarding valuations and pricing;
    - delays in tax reporting;
    - less regulation and higher fees than mutual funds;
    - risks associated with the operations, personnel, and processes of the manager of the funds investing in alternative investments.
- *Management risk*, which is the risk that the investment techniques and risk analyses applied by Pathways may not produce the desired results and that legislative, regulatory, or tax developments, affect the investment techniques available to Pathways. There is no guarantee that a client's investment objectives will be achieved.
- *Real Estate risk*, which is the risk that an investor's investments in Real Estate Investment Trusts ("REITs") or real estate-linked derivative instruments will subject the investor to risks similar to those associated with direct ownership of real estate, including losses from casualty or condemnation, and changes in local and general economic conditions, supply and demand, interest rates, zoning laws, regulatory limitations on rents, property taxes and operating expenses. An investment in REITs or real estate-linked derivative instruments subject the investor to management and tax risks.
- *Investment Companies ("Mutual Funds") risk*, when an investor invests in mutual funds, the investor will bear additional expenses based on his/her pro rata share of the mutual fund's

operating expenses, including the management fees. The risk of owning a mutual fund generally reflects the risks of owning the underlying investments the mutual fund holds.

- *Commodity risk*, generally commodity prices fluctuate for many reasons, including changes in market and economic conditions or political circumstances (especially of key energy-producing and consuming countries), the impact of weather on demand, levels of domestic production and imported commodities, energy conservation, domestic and foreign governmental regulation (agricultural, trade, fiscal, monetary and exchange control), international politics, policies of OPEC, taxation and the availability of local, intrastate and interstate transportation systems and the emotions of the marketplace. The risk of loss in trading commodities can be substantial.
- *Cybersecurity risk,* which is the risk related to unauthorized access to the systems and networks of Pathways and its service providers. The computer systems, networks and devices used by Pathways and service providers to us and our clients to carry out routine business operations employ a variety of protections designed to prevent damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches. Despite the various protections utilized, systems, networks or devices potentially can be breached. A client could be negatively impacted as a result of a cybersecurity breach. Cybersecurity breaches can include unauthorized access to systems, networks or devices; infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow or otherwise disrupt operations, business processes or website access or functionality. Cybersecurity breaches cause disruptions and impact business operations, potentially resulting in financial losses to a client; impediments to trading; the inability by us and other service providers to transact business; violations of applicable privacy and other laws; regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or other compliance costs; as well as the inadvertent release of confidential information. Similar adverse consequences could result from cybersecurity breaches affecting issues of securities in which a client invests; governmental and other regulatory authorities; exchange and other financial market operators, banks, brokers, dealers and other financial institutions; and other parties. In addition, substantial costs may be incurred by those entities in order to prevent any cybersecurity breaches in the future.
- *Closed-End Funds risk*, Closed-end funds typically use a high degree of leverage. They may be diversified or non-diversified. Risks associated with closed-end fund investments include liquidity risk, credit risk, volatility and the risk of magnified losses resulting from the use of leverage. Additionally, closed-end funds may trade below their net asset value.

Clients are advised that they should only commit assets for management that can be invested for the long term, that volatility from investing can occur, and that all investing is subject to risk. Pathways does not guarantee the future performance of a client's portfolio, as investing in securities involves the risk of loss that clients should be prepared to bear.

Past performance of a security or a fund is not necessarily indicative of future performance or risk of loss.

Use of External Managers

Pathways may select certain External Managers to manage a portion of its clients' assets. In these situations, the success of such recommendations relies to a great extent on the External Managers' ability to successfully implement their investment strategies. In addition, Pathways generally may not have the ability to supervise the External Managers on a day-to-day basis.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's evaluation of the adviser and the integrity of the adviser's management. Pathways has no information applicable to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

Insurance Agent Activities
As mentioned above in Item 5, advisory persons of Pathways are licensed as insurance professionals. Such persons earn commission-based compensation for selling insurance products to clients. Insurance commissions earned by advisory persons who are insurance professionals are separate from and in addition to Pathways's advisory fee. This practice presents a conflict of interest as an advisory person who is an insurance professional has an incentive to recommend insurance products for the purpose of generating commissions rather than solely based on client needs. Pathways addresses this conflict through disclosure and strives to make recommendations which are in the best interests of its clients. Clients are under no obligation to purchase insurance products through any person affiliated with Pathways. Pathways clients should understand that lower fees and/or commissions for comparable services may be available from other insurance providers.

Registered Representative Activities
As mentioned above in Item 5, certain representatives of Pathways are also registered representatives with L.M. Kohn. L.M. Kohn is a registered broker-dealer and member of FINRA. In this capacity, such representatives of Pathways offer securities or alternative investments and receive normal and customary fees or commissions as a result of these transactions. In addition, these individuals receive additional ongoing 12b-1 fees for mutual fund purchases from the mutual fund company during the period that the client maintains the mutual fund investment. As a result of this relationship, L.M. Kohn has access to certain confidential information (e.g., financial information, investment objectives, transactions and holdings) about clients, even if a client does not establish an account through L.M. Kohn. If you would like a copy of the L.M. Kohn privacy policy, please contact Pathways as described on the cover page of this brochure.

Clients should be aware that the receipt of additional compensation itself creates an inherent conflict of interest, and may affect the judgment of these individuals when making recommendations. Pathways and L.M. Kohn are separate, nonaffiliated entities. Nevertheless, to the extent that a Pathways representative recommends the purchase of securities or other investment products where the representative receives commissions for doing so, a conflict of interest exists because the representative is incentivized to make recommendations based on the compensation received rather than on a client's needs. Pathways has adopted certain procedures designed to mitigate the effects of this conflict. As part of Pathway's fiduciary duty to clients, Pathways and its representatives endeavor at all times to put the interests of clients first, and recommendations will only be made to the extent that they are reasonably believed to be in the best interests of clients. Additionally, the conflicts presented by this relationship are disclosed to clients through this brochure, client agreement and/or verbally prior to or at the time of entering into an Agreement. Clients are not obligated to implement recommended transactions through any Pathways representative or any particular broker-dealer. Clients have the option to purchase any recommended investment through broker-dealers other than L.M. Kohn.

Pathways clients should understand that lower fees and/or commissions for comparable services may be available from other broker-dealers.

Recommendation of External Managers

Pathways may recommend that clients use External Managers based on clients' needs and suitability. Pathways does not receive separate compensation, directly or indirectly, from such External Managers for recommending that clients use their services. Pathways does not have any other business relationships with the recommended External Managers.

Item 11 – Code of Ethics, Participation or Interest in Client Transactions

A. Description of Code of Ethics

Pathways has a Code of Ethics (the "Code") which requires Pathways's employees ("supervised persons") to comply with their legal obligations and fulfill the fiduciary duties owed to the Firm's clients. Among other things, the Code of Ethics sets forth policies and procedures related to conflicts of interest, outside business activities, gifts and entertainment, compliance with insider trading laws and policies and procedures governing personal securities trading by supervised persons.

Personal securities transactions of supervised persons present potential conflicts of interest with the price obtained in client securities transactions or the investment opportunity available to clients. The Code addresses these potential conflicts by prohibiting securities trades that would breach a fiduciary duty to a client and requiring, with certain exceptions, supervised persons to report their personal securities holdings and transactions to Pathways for review by the Firm's Chief Compliance Officer. The Code also requires supervised persons to obtain pre-approval of certain investments, including initial public offerings and limited offerings.

Pathways will provide a copy of the Code of Ethics to any client or prospective client upon request.

Item 12 – Brokerage Practices

A. Factors Used to Select Custodians and/or Broker-Dealers

Pathways generally recommends that its investment management clients utilize the custody and brokerage services of an unaffiliated broker/dealer custodians (a "BD/Custodian") with which Pathways has an institutional relationship. Currently, this includes National Financial Services, LLC and Fidelity Brokerage Services LLC (together with all affiliates "Fidelity"), which is a "qualified custodian" as that term is described in Rule 206(4)-2 of the Advisers Act. Each BD/Custodian provides custody of securities, trade execution, and clearance and settlement of transactions placed on behalf of clients by Pathways. If your accounts are custodied at Fidelity, Fidelity will hold your assets in a brokerage account and buy and sell securities when we instruct them to. Clients will pay fees to Fidelity for custody and the execution of securities transactions in their accounts.

In making BD/Custodian recommendations, Pathways will consider a number of judgmental factors, including, without limitation: 1) clearance and settlement capabilities; 2) quality of confirmations and account statements; 3) the ability of the BD/Custodian to settle the trade promptly and accurately; 4) the financial standing, reputation and integrity of the BD/Custodian; 5) the BD/Custodian's access to markets, research capabilities, market knowledge, and any "value added" characteristics; 6) Pathways's past experience with the BD/Custodian; and 7) Pathways's past experience with similar trades. Recognizing the value of these factors, clients may pay a brokerage commission in excess of that which another broker might have charged for effecting the same transaction.

In exchange for using the services of Fidelity, Pathways may receive, without cost, computer software and related systems support that allows Pathways to monitor and service its clients' accounts maintained with Fidelity. Fidelity also makes available to the Firm products and services that benefit the Firm but may not directly benefit the client or the client's account. These products and services assist Pathways in managing and administering client accounts. They include investment research, both Fidelity's own and that of third parties. Pathways may use this research to service all or some substantial number of client accounts, including accounts not maintained at Fidelity. In addition to investment research, Fidelity 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.

Fidelity 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.

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

The benefits received by Pathways through its participation in the Fidelity custodial platform do not depend on the amount of brokerage transactions directed to Fidelity. In addition, there is no corresponding commitment made by Pathways to Fidelity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of participation in the program. While as a fiduciary, we endeavor to act in our clients' best interests, our recommendation that clients maintain their assets in accounts at Fidelity will be based in part on the benefit to Pathways of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by Fidelity. The receipt of these benefits creates a potential conflict of interest and may indirectly influence Pathways's choice of Fidelity for custody and brokerage services.

Pathways will periodically review its arrangements with the BD/Custodians and other broker-dealers against other possible arrangements in the marketplace as it strives to achieve best execution on behalf of its clients. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including, but not limited to, the following:

- a broker-dealer's trading expertise, including its ability to complete trades, execute and settle difficult trades, obtain liquidity to minimize market impact and accommodate unusual market conditions, maintain anonymity, and account for its trade errors and correct them in a satisfactory manner;
- a broker-dealer's infrastructure, including order-entry systems, adequate lines of communication, timely order execution reports, an efficient and accurate clearance and settlement process, and capacity to accommodate unusual trading volume;
- a broker-dealer's ability to minimize total trading costs while maintaining its financial health, such as whether a broker-dealer can maintain and commit adequate capital when necessary to complete trades, respond during volatile market periods, and minimize the number of incomplete trades;
- a broker-dealer's ability to provide research and execution services, including advice as to the value or advisability of investing in or selling securities, analyses and reports concerning such matters as companies, industries, economic trends and political factors, or services incidental to executing securities trades, including clearance, settlement and custody; and
- a broker-dealer's ability to provide services to accommodate special transaction needs, such as the broker-dealer's ability to execute and account for client-directed arrangements and soft dollar arrangements, participate in underwriting syndicates, and obtain initial public offering shares.

Pathways's clients may utilize qualified custodians other than Fidelity for certain accounts and assets, particularly where clients have a previous relationship with such qualified custodians.

<u>Brokerage for Client Referrals</u>

Pathways does not select or recommend BD/Custodians based solely on whether or not it may receive client referrals from a BD/Custodian or third party.

<u>Client Directed Brokerage</u>

Pathways does not accept instructions from clients to custody his/her account at a specific broker-dealer and/or direct some or all of his/her brokerage transactions to a specific broker-dealer.

<u>Trade Errors</u>

Pathways's goal is to execute trades seamlessly and in the best interests of the client. In the event a trade error occurs, Pathways endeavors to identify the error in a timely manner, correct the error so that the client's account is in the position it would have been had the error not occurred, and, after evaluating the error, assess what action(s) might be necessary to prevent a recurrence of similar errors in the future.

Trade errors generally are corrected through the use of a "trade error" account or similar account at Trade-PMR, or another BD, as the case may be. In the event an error is made in a client account custodied elsewhere, Pathways works directly with the broker in question to take corrective action. In all cases, Pathways will take the appropriate measures to return the client's account to its intended position.

B. Trade Aggregation

To the extent that the Firm determines to aggregate client orders for the purchase or sale of securities, including securities in which the Firm's supervised persons may invest, the Firm will generally do so in a fair equitable manner in accordance with applicable rules promulgated under the Advisers Act and guidance provided by the staff of the SEC and consistent with policies and procedures established by the Firm.

Item 13 – Review of Accounts

A. Periodic Reviews

Investment Management Account Reviews
While investment management accounts are monitored on an ongoing basis, Pathways's investment adviser representatives seek to have at least one annual meeting with each client to conduct a formal review of the clients' accounts. Accounts are reviewed for consistency with the investment strategy and other parameters set forth for the account and to determine if any adjustments need to be made.

Financial Planning and Consulting Services Account Reviews
Pathways provides financial planning services that are completed upon the delivery of the financial plan to the client. Therefore, Pathways does not provide any ongoing reviews of the client's financial plan.

B. Other Reviews and Triggering Factors

In addition to the periodic reviews described above, reviews may be triggered by changes in an account holder's personal, tax or financial status. Other events that may trigger a review of an account are material changes in market conditions as well as macroeconomic and company- specific events. Clients are encouraged to notify Pathways of any changes in his/her personal financial situation that might affect his/her investment needs, objectives, or time horizon.

C. Regular Reports

Written brokerage statements are generated no less than quarterly and are sent directly from the qualified custodian. These reports list the account positions, activity in the account over the covered period, and other related information. Clients are also sent confirmations following each brokerage account transaction unless confirmations have been waived.

Pathways may also determine to provide account statements and other reporting to clients on a periodic basis. Clients are urged to carefully review all custodial account statements and compare them to any statements and reports provided by Pathways. Pathways statements and reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 14 – Client Referrals and Other Compensation

A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients

Pathways does not receive benefits from third parties for providing investment advice to clients.

B. Compensation to Non-Supervised Persons for Client Referrals

Pathways does not enter into agreements with individuals or organizations for the referral of clients.

Item 15 – Custody

All clients must utilize a “qualified custodian” as detailed in Item 12. Clients are required to engage the custodian to retain their funds and securities and direct Pathways to utilize the custodian for the client’s securities transactions. Pathways’s agreement with clients and/or the clients’ separate agreements with the B/D Custodian may authorize Pathways through such BD/Custodian to debit the clients’ accounts for the amount of Pathways’s fee and to directly remit that fee to Pathways in accordance with applicable custody rules.

The BD/Custodian recommended by Pathways has agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to Pathways. Pathways encourages clients to review the official statements provided by the custodian, and to compare such statements with any reports or other statements received from Pathways. For more information about custodians and brokerage practices, see “Item 12 - Brokerage Practices.”

Item 16 – Investment Discretion

Clients have the option of providing Pathways with investment discretion on their behalf, pursuant to a grant of a limited power of attorney contained in Pathways’s client agreement. By granting Pathways investment discretion, a client authorizes Pathways to direct securities transactions and determine which securities are bought and sold, the total amount to be bought and sold, and the costs at which the transactions will be effected. Clients may impose reasonable limitations in the form of specific constraints on any of these areas of discretion with the consent and written acknowledgement of Pathways if Pathways determines, in its sole discretion, that the conditions would not materially impact the performance of a management strategy or prove overly burdensome for Pathways. See also Item 4(C), Client-Tailored Advisory Services.

Item 17 – Voting Client Securities

Pathways does not accept the authority to and does not vote proxies on behalf of clients. Clients retain the responsibility for receiving and voting proxies for all and any securities maintained in client portfolios.

Item 18 – Financial Information

Pathways is not required to disclose any financial information pursuant to this item due to the following:

a) Pathways does not require or solicit the prepayment of more than $1,200 in fees six months or more in advance of rendering services;

b) Pathways is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts; and

c) Pathways has never been the subject of a bankruptcy petition.

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