This Brochure provides information about the qualifications and business practices of AWM Capital, LLC dba AWM, herein after referred to as “AWM”. If you have any questions about the contents of this Brochure, please contact us at 323-940-1339. 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.

Although AWM uses the term “registered investment advisor” or “registered” throughout this Form ADV Part 2A, the use of these terms is not intended to imply a certain level of skill or training.

Additional information about AWM is also available on the SEC’s website at www.adviserinfo.sec.gov. The CRD number for AWM is 287980.
Item 2 - Material Changes

The purpose of this page is to inform you of material changes since the last annual amendment of this brochure. If you are receiving this brochure for the first time this section may not be relevant to you.

The following are a summary of material changes to our Brochure since the last annual amendment dated March 19, 2021:

- No material changes

We will provide you with a new Brochure as necessary based on changes or new information, at any time, without charge. Currently, our Brochure may be requested by contacting Brandon Averill at (323) 940-1339 or brandon@awmcap.com. Our Brochure is also available free of charge on our web site http://www.awmcap.com.
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Item 4 - Advisory Business

A. Describe Your Advisory Firm

AWM Capital, LLC (hereinafter “AWM” or the “firm”) is an SEC registered investment adviser and began its business as an Arizona state registered investment adviser on May 23, 2017. AWM is 41.66% owned by Erik Averill, 31.66% owned by Brandon Averill, 16.66% by the Robert McConchie and 10% by various members. Brandon Averill is the Managing Member. Erik Averill and Robert McConchie are Members of AWM.

We provide fee-based investment and financial planning advice that is focused on the best outcome for the client. We are held to a fiduciary standard and must always act in the best interest of our clients.

Our investment platform is open architecture meaning that we are not influenced or incentivized to push proprietary products. We instead focus on providing the best solution for each individual client.

B. Describe the Types of Advisory Services Offered

1. Financial Planning

Our financial planning services involve defining priorities and implementing portfolio recommendations. Non-investment related services provided by AWM may include:

Budgeting & Cash Flow Management
- Prepare a financial budget (Includes all anticipated income and expenses, as well as a targeted savings goal).
- Provide the necessary daily operating funds by facilitating the movement of funds between your operating and investment accounts per the prepared budget.

Tax Planning
- Proactively implement sophisticated tax-minimization strategies.
- Conduct comprehensive reviews of prior year returns.

Estate Planning Services
- Present and implement wealth preservation and distribution strategies.
- Integrate estate planning strategies with income tax and investment strategies.
- Coordinate estate plan documentation with qualified attorney.

Insurance Analysis and Risk Management
- Coordinate a review of all current insurance policies and make recommendations for cost savings or additional coverage if considered necessary.
- Implement insurance recommendations with best practices for securing competitive rates.

We rely on the information the client or the client’s other professional advisors provide to us for our services. We will not verify this information when doing our analysis. We may recommend the services of other professionals such as attorneys, insurance brokers, real estate agents, and mortgage brokers to implement our recommendations. The client is under no obligation to use our services or recommendations, retains discretion over all such implementation decisions and is free to accept or reject any of our recommendations.
2. Asset Management

AWM’s asset management services are implemented on a discretionary and non-discretionary basis. Our investment recommendations typically include the use of registered mutual funds and exchange-traded funds (“ETFs”) and can also include separate investments in equities, bonds, and cash-equivalents. Additionally, we will include the use of private placements and third-party separate account managers (“SAMs”) for some clients if their situation fits such a strategy.

For Clients where we have discretionary authority, Clients authorize us, without prior consultation, consent, or approval, to delegate the management of all or part of Client’s Account to one or more third party separate account managers in our sole discretion. For Clients where we do not have discretionary authority, we may from time to time recommend one or more SAMs for Client’s approval. In either case, whether or not we delegate to or recommend a SAM will be in our sole discretion. We provide investment consulting services that include allocation of assets among different asset classes, portfolio diversification, managing portfolio risk, and other general economic and financial topics.

Clients are required to provide AWM with financial information that helps AWM determine client’s stated income, priorities and desired outcomes from which their investment objectives are determined. Based on the client’s unique priorities we develop a custom portfolio using a liability matching framework, also known as liability driven investing (or “LDI”). Clients must notify us if their goals and priorities change in a material fashion. We consult with clients on a periodic basis regarding their information and, if appropriate, will update their portfolio to reflect any changes in their goals and priorities.

Under certain circumstances, AWM will recommend SAMs to clients for specific and specialized asset classes. Under such a scenario, the client will enter into separate agreements with AWM and the SAM, respectively. The client typically grants the SAM full investment discretion, trading authority, with sole responsibility for the implementation of the client’s investment program and we monitor the SAM’s performance. SAMs may deduct their management fees from the client account at the custodian. We will not place orders for transactions in the client’s SAM account or otherwise exercise trading authority over the account. In addition, in some cases the agreement authorizes AWM to terminate the SAM. SAMs are subjected to a due diligence process conducted by AWM. Factors AWM considers when evaluating SAMs include: the independence and reputation of the SAM, the SAM’s reputation and history, performance record, philosophy and continuity of management, client services, level of diversification, commitment to an investment mandate, awareness of after-tax performance objectives, minimum investment requirement, fees and the SAM’s administration, recordkeeping and reporting services. We obtain SAM information from tracking organizations, business publications, investment managers, personal interviews, and other sources which we believe are reliable.

Additionally, under certain circumstances, AWM will recommend private placements, including but not limited to private equity, venture capital and private real estate, to clients for specific and specialized asset classes. Under such a scenario, the client will enter into separate agreements with a private fund (for more information see Item 4. B. 3. below), directly with the manager of the private placement, or directly with the entity. In the case of the private fund, the client grants AWM full investment discretion, trading authority, with sole responsibility for the implementation of the stated objectives of the private fund. Any private placement is subjected to a due diligence process conducted by AWM. Factors AWM considers when evaluating a private placement include: the independence and reputation of the source of the opportunity, the reputation and history of the key individuals involved in the opportunity, performance track record, philosophy and continuity of management, client services, level of diversification, commitment to an investment mandate, awareness of after-tax performance objectives, minimum investment requirement,
fees and administration, recordkeeping and reporting services. We obtain information from tracking organizations, business publications, investment managers, personal interviews, and other sources which we believe are reliable.

3. **Private Fund Management**

AWM has formed private funds for the purpose of making investments into alternative assets on behalf of certain eligible clients. The funds seek long-term investments in private equity funds and venture capital funds as described in each fund’s operating agreement and fund documents. These funds are closed-end, without redemption rights and structured as limited liability companies in which investors are limited partners and an AWM affiliate serves as the general partner.

Due to the nature of private equity and venture capital investments there is an inherent risk in these types of investments. Investors should have a high level of sophistication and net worth when considering these types of investments.

Please refer to the Fund’s operating documents for private fund detail.

4. **Retirement Account Advice**

When we recommend investing in one of our proprietary or related private funds or provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Securities Act ("ERISA") and/or the Internal Revenue Code ("IRC"), as applicable, which are laws governing retirement accounts. The receipt of our advisory fee for making a recommendation creates a conflict of interest under ERISA/IRC with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours. For example, if we recommend that you roll over assets from one retirement account to another and we will receive increased compensation as a result of that recommendation, we have a conflict that requires us to operate under this special rule.

5. **Other Services**

We provide business consulting to select small businesses for compensation. This consulting involves an analysis of cash flow, tax planning, and overall business strategy. We provide these services on an hourly or fixed fee basis.

6. **Wrap Fee Programs**

AWM does not participate or sponsor a wrap fee program.

7. **Assets Under Management**

As of March 7, 2022 we managed $432,604,263 of client assets on a discretionary basis and $0 on a non-discretionary basis.
Item 5 - Fees and Compensation

A. Financial Planning/Consulting Services

Consulting services for financial planning and other consulting may be offered on either a flat or hourly fee basis through AWM. The type and amount of the fees charged to the client will be negotiated on a case-by-case basis and are predicated on the complexity and scope of services to be provided. An estimate of the total cost will be determined at the start of the advisory relationship and shall be clearly set forth in the agreement for services. Consulting fees are payable either in advance or in arrears as agreed with the client.

The client may terminate the consulting agreement within five business days of the date of acceptance without penalty to the client. After the five-day period, either party may terminate the agreement by providing written notice to the other party.

B. Asset Management

For our investment advisory services, we are paid an annual fee based on the percentage of client assets under advisement, ranging up to 1.25% annually of the assets’ value. The compensation method is explained and agreed upon with the clients in advance of services being provided. Fees may be negotiated on a case-by-case basis and are determined based on several factors include the scope of work being provided, the assets under advisement, and the attention required to manage the account. Alternatively, we may consider a fixed fee in lieu of an asset-based management fee. Asset management fees charged by SAMs are not included in AWM’s advisory fee.

Clients are billed quarterly in advance and blended based on the assets under advisement. The advisory fee is calculated by applying the applicable advisory fee rate to the assets in each tier of the fee schedule. Asset values are determined by the independent qualified custodian or for the Private Funds by the valuation policies of the underlying investments.

Fees are generally deducted directly from the client’s brokerage account under a written investment management agreement between AWM and the client (the “Advisory Agreement”). The initial fee is payable when the investment accounts are established, prorated for the first partial quarter, if any, and for withdrawals and additions in excess of $25,000 during a quarter. Thereafter, fees will be payable on the first day of each calendar quarter based on the asset value of the Account as of the last business day of the prior quarter. Asset value of the Private Funds are updated per the reporting schedule of the underlying investments which can be delayed up to 120 days.

All clients will receive brokerage statements from the custodian no less frequently than quarterly. The custodian statement will show the deduction of the advisory fee for those clients who authorize the advisory fees to be withdrawn directly from their custodian account. Clients should be aware of their responsibility to verify the accuracy of the fee calculation we submit to the custodian, as the custodian will not determine whether the fee has been properly calculated.

The client may terminate the Advisory Agreement (the “Agreement”) within five business days of the date of acceptance without penalty to the client. After the five-day period, either party may terminate the Agreement by providing written notice to the other party. Upon termination of the Agreement, the Firm will prorate its fees to the termination’s effective date and, if applicable, will promptly refund to the client (or the client’s account) any unearned portion of its fees. The prorated fees will be equal to the amount of work performed at the time of termination and the unearned portion of the fees will be based on the
number of days remaining in the billing period. Termination of the Agreement will not affect (i) the validity of any action previously taken by AWM under the Agreement; (ii) liabilities or obligations of the parties from transactions initiated before termination of the Agreement; or (iii) the client’s obligation to pay AWM fees that have already been earned under the Agreement. Upon the termination of the Agreement, AWM will not have any continuing obligation to take any action.

C. Private Fund Fees

Management Fees
AWM may charge advisory fees to a Private Fund for our investment advisory services. Fees may be charged as a flat fee or an annual fee based on the percentage of fund assets under advisement, ranging up to 2.5% annually of the committed capital. The compensation method is explained and agreed upon with the clients in advance of services being provided. Fees may be negotiated on a case-by-case basis and are determined based on several factors include the scope of work being provided, the assets under advisement, and the attention required to manage the account. Alternatively, we may consider a fixed fee in lieu of an asset-based management fee. Asset management fees charged by underlying funds within the portfolio are not included in AWM’s advisory fee.

Fees are generally deducted directly from the Private Fund under the terms of the Private Fund’s Operating Agreement.

For some Private Funds managed by AWM, there are no management fees paid by the private funds. For advisory fee billing purposes, AWM will treat each Fund as an investment recommendation to the client, and as such the value of the AWM client’s investment in the fund at each quarter end will be included in the clients’ assets under advisement calculation for billing purposes as described in Item 5.B above. Asset value of the Private Funds are updated per the reporting schedule of the underlying investments which can be delayed up to 120 days. No additional advisory fees will be charged to client who participate in the funds. AWM will not have or earn any Carried Interest in the Fund.

Fund Operating Expenses
The funds (investors in the Funds) will bear and pay all expenses and costs related to the operation of their investment vehicle, including, without limitation: (i) legal and accounting (ii) brokerage commissions, custodial expenses and other investment costs, fees and expenses actually incurred in connection with making, holding or disposing of investments; (iii) fees, costs and expenses of tax advisors, legal counsel, accountants, auditors, consultants and other advisors and professionals and all ordinary out-of-pocket administrative expenses related to the operation, administration, cancellation or liquidation of the fund; (iv) any costs, fees and expenses related to performing audit or accounting services for the fund; (v) the costs, fees and expenses of any litigation, including the amount of any judgments or settlements paid in connection with the fund, directors and officers liability or other insurance and any indemnification or extraordinary expense or liability relating to the affairs of the fund; (vi) expenses of canceling and liquidating the fund; (vii) any taxes, fees or other governmental charges levied against the fund and all expenses incurred in connection with any tax or regulatory audit, investigation, settlement, inquiry or review of the fund; (viii) any expense related to investing in marketable direct obligations issued or unconditionally guaranteed by the United State government maturing within 180 days or interest bearing deposits in United States banks; (“Operating Expenses”).

Organizational Expenses
The fund (investors in the Funds) will bear and pay all costs and expenses incurred in connection with the organization of its investment vehicle and other related entities and their general partners including legal,
accounting, filing, printing, and postage (“Organizational Expenses”), provided that such amount shall not exceed any limit set forth in the fund’s governing documents.

Individual fund management fees are fully disclosed and included within each Fund’s operating documents.

D. Other Fees

AWM fees are for advisory services only and do not include other costs that the client may incur, including transaction fees, commissions, margin charges or other management fees charged by non-affiliated third parties, including SAMs. Similarly, products we may recommend may also charge transactional fees, such as 12b-1 fees, surrender or similar transfer fees, and other fees.

Advice offered by AWM may involve investment in mutual funds and/or ETFs. Clients are advised that all fees paid to AWM for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or ETFs (described in each fund’s prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. This represents an additional layer of fees that impacts the investment returns. Further, there may be transaction charges involved with purchasing or selling of securities. AWM does not share in any portion of the brokerage fees/transaction charges imposed by the custodian holding the client funds or securities. The client should review all fees charged by mutual funds, ETFs, AWM, and others to fully understand the total amount of fees to be paid by the client.

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

AWM does not charge any performance-based fees.

Item 7 - Types of Clients

AWM offers investment advisory services primarily to high net worth and ultra-high net worth individuals and families including, but not limited to, professional athletes, founders, doctors, business owners, and key employees.

AWM’s private funds are available to accredited investors and qualified purchasers. Please refer to the private fund operating documents for Fund details.

The account minimum for separately managed accounts is $3,000,000. However, AWM retains the discretion to waive the account minimum, especially upon analysis of the client’s future potential. Additional details regarding the minimum investment requirements for the private funds is provided the respective Fund’s operating documents.

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

A. Methods of Analysis

AWM uses the following methods of analysis in formulating our investment advice and/or managing client assets:

Source of Returns Analysis - Investment returns may be considered as being driven by enterprise risk,
structure and/or the competitive advantage of a given manager. As a result, much of our analysis focuses on understanding the underlying risks of the various assets in which we are investing. While the full set of risks associated with an investment are too numerous to catalogue, they may be represented by equity characteristics such as companies’ relative size, price and profitability. Other fixed-income characteristics may include term, credit, liquidity, the real rate and whether the investment is real or nominal. We also consider whether various structural approaches may be able to produce additional forms of return due to variables such as leverage, illiquidity and others. Lastly, we consider if opportunities exist to enhance the return of a given investment by seeking access to managers with competitive advantage and/or demonstrated and reproducible skill. Risk, structure and competitive advantage all contribute to the potential return of a given investment. Our analysis seeks to identify compensated forms of risk and weight strategies in those forms in which we have the highest degree of confidence.

**Asset Allocation** - Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to the client’s investment goals and risk tolerance. A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client’s goals.

**Mutual Fund and/or ETF Analysis** - We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in the client’s portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client’s portfolio.

**Third-Party Money Manager Analysis** - We examine the experience, expertise, investment philosophies, and past performance of independent third-party investment managers in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We monitor the manager’s underlying holdings, strategies, concentrations and leverage as part of our overall periodic risk assessment. Additionally, as part of our due-diligence process, we survey the manager’s compliance and business enterprise risks.

A risk of investing with a third-party manager who has been successful in the past is that he/she may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a third-party manager’s portfolio, there is also a risk that a manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the manager’s daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

**Risks for all forms of analysis** - Our analysis methods rely on the assumption that the investments we
purchase and sell, the rating and research agencies that review these investments, and other publicly-
available sources of information about these investments, are providing accurate and unbiased data. While
we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

**Private Fund** – When considering prospective investments, we perform a due diligence process to evaluate factors such as, but not limited to, a manager’s investment strategy, investment process, team, alignment of interests, market environment, fund terms, capital governance, fund risk, fund compliance, track record, valuation policies, legal, and administration policies.

**B. Investment Strategies**

AWM uses the following strategies in managing client accounts, provided that such strategies are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

**Long-term purchases** - We purchase securities with the idea of holding them in the client's account for a year or longer. Typically, we employ this strategy when we want exposure to a particular asset class over time, regardless of the current projection for this asset class.

A risk in a long-term purchase strategy is that by holding the investment for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our expectations are incorrect, an investment may decline sharply in value before we make the decision to sell.

**Fund selection & portability** - Many of the investments that we select for clients are mutual funds. We utilize some mutual funds that may not be portable to all third-party custodians or brokerage firms. If you choose to terminate us and wish to transfer mutual funds that are not available at the replacement custodian/brokerage firm, you will need to divest and may be subject to capital gain taxes. Alternatively, AWM is available to help you identify a custodian that will enable you to continue to hold the mutual funds in a retail account.

**Margin transactions** - We may purchase investments for your portfolio with money borrowed from your brokerage account. This is generally done in an effort to create a financing resource for non-investment related needs. In unusual cases, it may also allow you to purchase more stock than you would be able to with your available cash and allows us to purchase stock without selling other holdings.

**Private Fund** – the strategies of the private funds include private equity, venture capital, and real estate markets. Allocations to a private fund are made on an individual client basis. On a quarterly basis, the performance of each fund will be reported based on the valuation policies of the managers or for individual investments based on our internal valuation policies and procedures.

**C. Investment Risk**

AWM does not represent, warrant or imply that the services or methods of analysis employed by us can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. The following risks should be taken into consideration before opening an account with us.

**Risk of Loss** - Investing entails risk of loss which the investor must be willing to bear. The investment options used to include, but not limited to, mutual fund shares, exchange traded funds, stocks and bonds are not
deposits or obligations of, or guaranteed or endorsed by, any bank, and are not insured by the Federal Deposit Insurance Corporation, the Federal Reserve Board, or any other agency of the U.S. government. In the case of the Private Fund, risk of loss could be complete loss and the investor must be willing to bear this risk.

**Market Risk:** Stocks may decline significantly in price over short or extended periods of time. Price changes may occur in the market as a whole, or they may occur in only a particular country, company, industry, or sector of the market. Individual companies may report poor results or be negatively affected by industry, economic, and geopolitical trends and developments. The prices of securities issued by such companies may decline in response. In addition, the types of stocks in which a particular account invests, such as deep-value stocks, relative-value stocks, large-capitalization stocks, and small-capitalization stocks may underperform the market as a whole. Value stocks can continue to be undervalued by the market for long periods of time. Dividends on common stocks are not fixed, but are declared at the discretion of an issuer’s board of directors. There is no guarantee that the issuers of common stocks in which an account invests will declare dividends in the future or that if declared they will remain at current levels or increase over time. Market value does not always reflect the intrinsic value of a company.

**Asset Allocation** - AWM’s ability to achieve its investment goal depends greatly upon the asset allocation mix and selecting investments. There is the possibility that AWM’s evaluations and assumptions regarding asset classes and underlying investments will not successfully achieve high long-term total return in view of actual market trends. The core principle of asset allocation is diversification. AWM relies heavily upon diversification to minimize investment risk but investment risk cannot be eliminated, and despite our best efforts, is oftentimes challenging to manage within a target range.

**Investing in Underlying Funds** – Some of AWM’s investments are in the underlying mutual funds and ETFs, therefore the portfolio’s performance is directly correlated to the performance of the underlying funds. In the case of the Private Fund, investments may be in underlying venture capital, private equity, real estate funds or direct investments, therefore the portfolio’s performance is directly correlated to the performance of the underlying funds or the direct investment.

The ability of the portfolios to achieve their investment goals are directly related to the ability of the underlying funds to meet their investment goals. In addition, investors will indirectly bear the fees and expenses of the underlying funds.

**Mutual Funds (Open-end Investment Company)** - The benefits of investing through mutual funds include diversification, affordability, and liquidity. Mutual funds also have features that some investors might view as disadvantages:

*Costs Despite Negative Returns*
Investors must pay sales charges, annual fees, and other expenses regardless of how the fund performs. Depending on the timing of their investment, investors may also have to pay taxes on any capital gains distribution they receive. This includes instances where the fund went on to perform poorly after purchasing shares.

*Lack of Control*
Investors typically cannot ascertain the exact make-up of a fund’s portfolio at any given time, nor can they directly influence which securities the fund manager buys and sells or the timing of those trades.

*Price Uncertainty*
With an individual stock, investors can obtain real-time (or close to real-time) pricing information with relative ease by checking financial websites or by calling a broker or your investment adviser. Investors can also monitor how a stock’s price changes from hour to hour—or even second to second. By contrast, with a mutual fund, the price at which an investor purchases or redeems shares will typically depend on the fund’s NAV, which the fund might not calculate until many hours after the investor placed the order. In general, mutual funds must calculate their NAV at least once every business day, typically after the major U.S. exchanges close.

**Exchange Traded Funds** - Investing in an exchange traded fund (“ETF”) often involves the same risks as Mutual Funds (described above) as well as investing in the underlying securities the ETF is tracking. ETF prices may vary significantly from the Net Asset Value due to market conditions.

**Private Fund** - Private fund investing has an element of risk in that private fund investments are not as transparent compared to a separately managed account. Investors do not generally see daily activity and therefore are not as current on the fund’s performance or profitability.

Prospective investors in a private fund are provided with the fund’s Offering Documents. This Form ADV Part 2A Brochure is not an offer to sell, or a solicitation of an offer to purchase, membership interests in any private fund. Such an offer can only occur when the prospective investor receives the offering documents.

Investors in the funds should refer to the Offering Documents for disclosure on the investment strategy and the risks of investing in the funds.

**Management** - The portfolios are subject to management risk because they require ongoing management. AWM will apply investment techniques and risk analyses in making investment decisions for the portfolios, but there can be no assurances that these decisions will produce the desired results.

**Item 9 - Disciplinary Information**

Registered Investment Advisors are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of AWM or the integrity of AWM’s management. In August 2013, Erik Averill was denied registration in the State of Florida for failure to complete the registration process or withdraw the application. This was a clerical error by the Chief Compliance Officer of Erik’s previous employer. In 2018, Erik Averill applied for and was approved for registration in the State of Florida.

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

**Accountant or Accounting Firm Affiliate**
AWM Capital Tax, LLC provides business management, tax planning and preparation services. Many of AWM Capital Tax clients are also clients of AWM Capital, LLC. AWM Capital Tax, LLC is a wholly owned entity of AWM Capital, LLC and receives profits or losses. The conflict of interest arises from receiving additional compensation from some clients, as there could be a preference for accounts which generate additional compensation. There is no obligation or requirement that clients of either entity use the services of the other. All AWM advisers who also provide tax preparation and bill pay services for AWM Capital Tax, LLC are bound by our firm’s code of ethics, further discussed in Item 11 below, to act in our clients’ best interest. The activities of all AWM representatives are supervised, to safeguard against breaches of this duty.

**Insurance Affiliate**
Erik Averill is an independent licensed insurance agent and may receive commissions from the recommendation of insurance products. These products include disability insurance products. There is a conflict of interest inherent in Mr. Averill offering insurance products for commission outside of his services as an AWM representative, as there could be a preference for accounts which generate additional commissions. There is no obligation on clients to implement insurance recommendations provided by Erik Averill. Mr. Averill is bound by our firm’s code of ethics, further discussed in Item 11 below, to act in our clients’ best interest. Mr. Averill’s activities are supervised, to safeguard against breaches of this duty.

Marketing Affiliate
Athlete CEO Consulting, LLC is a marketing company that is equally owned by Brandon Averill, Erik Averill and Robert McConchie. This entity provides marketing services to AWM Capital, LLC and other businesses and individuals.

Private Fund Affiliates
AWM Ventures LLC (“AWM Ventures”), is owned equally by Brandon Averill, Erik Averill, Robert McConchie and Justin Dyer.

AWM Ventures is the General Partner to AWM Venture Fund I, LLC which was established to invest in private equity and venture capital.

AWM Ventures is the General Partner to AWM Venture Opportunity Fund I LLC which was established to invest in private equity and venture capital.

AWM Ventures is the General Partner to AWM Venture Fund II, LLC which was established to invest in private equity and venture capital.

AWM Ventures is the General Partner to AWM Venture SPV III, LLC which was established to invest in private equity and venture capital.

AWM Ventures is the General Partner to AWM Venture Fund III, LLC which was established to invest in private equity and venture capital.

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

AWM or individuals associated with the firm may buy or sell for their personal account(s) investment products, at or about the same time, these same investment products are recommended to clients. In addition, a related person may have a position in a certain security or securities which may also be recommended to the clients.

To avoid any potential conflicts of interest involving personal trades, AWM have adopted a Code of Ethics (“Code”), which includes a formal personal securities transaction and insider trading policies and procedures. The Code requires, among other things, that our employees:

- Act with integrity and in an ethical manner with the public, clients and prospective clients;
- Place the interests of clients above one’s own personal interests;
- Attempt to avoid actual or potential conflict of interest;
- Conduct all personal securities transactions in a manner consistent with this policy;
- Use reasonable care and exercise independent professional judgment when conducting investment
analysis, making investment recommendations, taking investment actions, and engaging in other professional activities; and

• Comply with applicable provisions of the federal securities laws.

The Code also requires our employees to pre-clear certain personal securities transactions, report personal securities transactions on at least a quarterly basis, and provide us with a detailed summary of certain holdings (both upon commencement of employment and annually thereafter) over which such employees have a direct or indirect beneficial interest.

A copy of the Code will be provided to any client or prospective client upon request.

AWM also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by the firm or any person associated with AWM.

Privacy Policies - The firm views protecting its customer’s private information as a top priority and, pursuant to the requirements of the federal Gramm Leach Bliley Act, the firm has instituted policies and procedures to ensure that customer information is kept private and secure.

The firm does not disclose any non-public information about its customers or former customers to any nonaffiliated third parties, except as permitted by law. In the course of servicing a client’s account, the firm may share some information with its service providers, such as transfer agents, custodians, broker-dealers, accountants, and lawyers. The firm may also share client information where the client is receiving services from entities with which AWM has a referral relationship (see Item 14).

The firm restricts internal access to nonpublic personal information about the client to those associated persons of the firm who need access to that information to provide services to the client. It is the firm's policy to never sell information about current or former customers or their accounts to anyone. It is also the firm’s policy not to share information unless required to process a transaction, at the request of the customer or as required by law.

AWM’s Privacy Policies are available upon request.

Item 12 - Brokerage Practices

While providing services, AWM (and the SAMs AWM may select to manage a portion of the clients’ assets) will execute trades for our clients (directly or through the funds) through broker-dealers. When a client has given us broker discretion, there is no restriction on the brokers AWM may select to execute client transactions. Our general guiding principle is to trade through broker-dealers who offer the best overall execution under the particular circumstances. With respect to execution, AWM consider several factors, including the actual handling of the order, the ability of the broker-dealer to settle the trade promptly and accurately, the financial standing of the broker-dealer, the ability of the broker-dealer to position stock to facilitate execution, our past experience with similar trades, and other factors which may be unique to a particular order. Based on these judgmental factors, AWM may trade through broker-dealers that charge fees that are higher than the lowest available fees.

In addition, broker-dealer fees may vary and be greater than those typical for similar investments if AWM determine that the research, execution and other services rendered by a particular broker merit greater than typical fees.
AWM may aggregate multiple clients’ purchases or sales as a single transaction. Transactions are usually aggregated to seek a lower commission, lower costs, or a more advantageous net price. The benefits, if any, obtained as a result of such aggregation, are generally allocated pro-rata among the client accounts which participated in the aggregated transaction.

SAMs may have different principles or policies with respect to execution of trades and selection of brokers. A SAM’s policies and procedures in this area are among the factors that AWM will consider in choosing a manager.

Clients that restrict us to using a particular broker/dealer (or direct us to use a particular broker/dealer) for executing their transactions generally will be unable to participate in aggregated orders and will be precluded from receiving the benefits of trade aggregation, if any. In addition, those clients that direct transactions to a particular broker/dealer may be disadvantaged because they may not obtain allocations of new issues of securities purchased by us through other brokers/dealers. AWM will generally execute aggregated orders for non-directed clients before AWM executes orders for clients that direct brokerage. AWM may also execute trades for non-directed clients through the same broker/dealer to which other clients’ direct brokerage.

There may be conflicts of interest over time devoted to managing any one account and the allocation of investment opportunities among all accounts managed by us. AWM attempts to resolve all such conflicts in a manner that is generally fair to all of our clients.

Absent an existing brokerage relationship, AWM will assist the client with developing a relationship with TD Ameritrade Institutional (“TDA”) or Schwab Brokerage Services, LLC (“Schwab”). AWM has negotiated rates with TDA and Schwab on behalf of clients and currently believe the commission rates and services charged are competitive and in-line with discount brokerage services offered by large and reputable discount brokers.

As part of the institutional programs offered by TDA and Schwab, AWM receives benefits that it would not receive if our clients did not engage those firms as their brokers / custodians. While there is no direct affiliation or fee sharing arrangement between TDA or Schwab and AWM, AWM receives economic benefits which would not be received if our clients did not utilize TDA or Schwab. Although it may be perceived as a conflict of interest, these benefits do not depend on the amount of transactions directed by AWM to TDA or Schwab. Benefits we receive from TDA or Schwab may include: access to research and financial analytics, access to analyst reports, a dedicated trading desk that services our clients, a dedicated service group and an account services manager dedicated to the our accounts, access to a real time order matching system, the ability to aggregate client trades, electronic download of trades, portfolio management software, access to an electronic interface, duplicate and batched client statements, confirmations and year-end summaries, the ability to have advisory fees directly debited from client accounts, a quarterly newsletter, access to mutual funds, ability to have loads waived for our clients who invest in certain loaded funds when certain conditions are met and maintained, and the ability to have custody fees waived.

On occasion, TDA or Schwab may invite our employees to attend certain industry functions, research related events or other peer group events. TDA or Schwab may pay for travel, lodging or other similar expenses. Employees are required to seek the authorization of our Chief Compliance Officer prior to attendance.

AWM seeks to ensure that our client’s accounts receive the best overall execution for securities transactions from Schwab and TDA by continuing to monitor and review the best execution capability of each custodian. When assessing the best execution capability, AWM will consider the following factors: quality of overall execution services provided by the broker-dealer; Promptness of execution; Provide dedicated telephone
lines; Creditworthiness and business reputation of the broker-dealer; Research (if any) provided by the broker-dealer; and overall execution quality among other factors. To the extent that Schwab or TDA’s best execution capability does not appear to meet the quality of best execution on a consistent basis, AWM would look to remove and replace such custodian. With respect to best execution and mutual funds with multiple share classes, AWM will review a client’s unique circumstances to make sure the share class selected is in the client’s best interest and the total cost to the client is the lowest possible given the unique circumstances of the client.

Item 13 - Review of Accounts

Financial Planning

Account Reviews – Reviews may occur at different stages depending on the nature and terms of the client engagement. These reviews are designed to monitor and analyze the client’s current financial position, priorities and desired outcomes. This review determines whether or not specific actions must be taken. Significant changes to a client’s life or financial situation may create the need for additional meetings or analysis.

Account Reports – Financial planning clients will receive a report of their current financial overview and abstract at the conclusion of each review meeting.

Asset Management

Account Reviews – While the underlying securities within a client’s accounts are continually monitored, these accounts are reviewed at least quarterly. Accounts are reviewed in the context of each client’s stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client’s individual circumstances, or the market, political or economic environment. Clients are encouraged to notify the Firm and its advisory representatives of any changes in his/her personal financial situation that might affect his/her investment needs, objectives, or time horizon.

These accounts are reviewed by the firm’s portfolio management and client service teams.

Account Reporting - All clients receive statements from their custodians on either a monthly or quarterly basis. These reports will show the current market values and transactions during the past month or quarter as well as interest, dividends and capital gains for the reporting period.

Private Fund Management

Account Reviews – Reviews of client allocations to private funds on an annual basis. These reviews are designed to monitor and analyze whether allocation is appropriate for the client. Appropriateness will primarily be based upon the size of the Private Fund allocation relative to the client’s overall investable assets.

Account Reports – For any private fund allocation that is overseen by AWM, it will include the allocation within in a quarterly report.
Item 14 - Client Referrals and Other Compensation

**Dimensional Fund Advisors ("DFA")** - We receive analytical portfolio allocation software from DFA. We utilize this software to conduct regression and efficient frontier analysis, establish portfolio diversification parameters and analyze optimal portfolio construction. We utilize the software to create holdings and performance reports or marketing presentations provided to existing or prospective clients. In addition, DFA provides access to their professional staff to assist in creating or running reports. The receipt of DFA’s software and access to other such resources may cause a conflict of interest and give AWM an incentive to recommend DFA Funds over other investment options.

**Compensation for Client Referrals** – AWM does not pay compensation for referrals. However, AWM may refer clients to affiliated and unaffiliated professionals for a variety of services, and in turn, these professionals may compensate or refer clients to AWM. This presents a conflict, in that AWM has an incentive to recommend services of firms who refer clients to or compensates AWM for referrals. AWM only refers clients to professionals it believes are competent and qualified in their field; however, it is ultimately the client’s responsibility to evaluate the provider. Clients are under no obligation to purchase any products or services through these professionals, and AWM has no control over the services provided by another firm. Clients who chose to engage these professionals will sign a separate agreement with the other firm. Fees charged by the other firm are separate from and in addition to fees charged by AWM. AWM does not share information with an unaffiliated provider unless first authorized by the client.

As mentioned above, AWM will refer clients to affiliates and act as a solicitor under SEC Rule 206(4)-3 in this capacity. The affiliate will share with AWM a portion, up to 50%, of the fees collected. The payment does not affect the fees charged by the affiliate or AWM.

Item 15 - Custody

AWM is deemed to have custody under SEC Custody Rule due to AWM having the authority to pay certain client’s bills such as tax payments. AWM has put controls in place to protect client assets from fraud or misappropriation. All client assets are held by a qualified custodian (Schwab, TDA or a bank). Additionally, Client hereby directs the Custodian to send AWM and Client a custodial account statement at least quarterly identifying, among other things, the Client’s holdings, all transactions that occurred during the quarter in the Client’s Account, any expenses (including the Management Fee to AWM) incurred during the preceding calendar quarter, and the value of the Account as of the last business day of the preceding calendar quarter. AWM does not act as the custodian for any client assets.

AWM is subject to annual surprise custody audits by an independent accounting firm in compliance with the SEC Custody Rule. The accountant will examine accounts and assets for which AWM has custody and file a certificate with regulators promptly following each audit.

AWM also deemed to have custody of client’s funds because clients provide written authorization to deduct advisory fees directly from client accounts. AWM will observe the following safeguards:

- AWM has custody of the funds and securities solely because of its authority to make withdrawals from client accounts to pay its advisory fee.
- AWM has written authorization from the client to deduct advisory fees from the account held with the qualified custodian.
- Each time a fee is directly deducted from a client account, AWM concurrently:
Sends the qualified custodian an invoice or statement of the amount of the fee to be deducted from the client’s account.

- Annually, AWM sends the client an invoice or statement itemizing the fee. Itemization includes the formula used to calculate the fee, the value of the assets under management on which the fee is based, and the time period covered by the fee.

Clients should review these statements carefully and compare them with statements generated and provided by AWM.

AWM is deemed to have custody because of its affiliation with the General Partner of the following private funds:

- AWM Venture Fund I, LLC (“Fund”)
- AWM Venture Opportunity Fund I, LLC (“Fund”)
- AWM Venture Fund II, LLC (“Fund”)
- AWM Venture SPV III, LLC (“Fund”)
- AWM Venture Fund III, LLC (“Fund”)

AWM does not take physical possession or hold Fund assets. With the exception of certain assets, which are defined as “privately offered securities” per the SEC Custody Rule, all Fund assets are held in custody by unaffiliated qualified custodians and subject to an annual surprise custody audit by a Certified Public Accountant in compliance with the SEC Custody Rule.

AWM Ventures LLC has developed procedures that ensure the safeguarding and protection of the Fund’s assets. Such procedures include among other things, the separation of functions and dual signatory approvals for the distribution of Fund capital.

**Item 16 - Investment Discretion**

For discretionary accounts, AWM receives discretionary authority from the client at the outset of an advisory relationship to select which securities and the amount to be bought or sold and/or selecting SAMs. Clients grant AWM discretionary authority in the contracts they sign. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, AWM observes the investment policies, limitations and restrictions of the clients for which it advises. Investment guidelines and restrictions must be provided to AWM in writing. If AWM retains SAMs for a client, AWM typically reserves discretion to terminate any SAM on our client’s behalf. Clients should review the SAMs’ disclosure documents for more information on their policy with regard to investment or brokerage discretion.

For non-discretionary accounts AWM will obtain client authorization prior to implementing any recommendations.

AWM maintains the authority to manage private funds on a discretionary basis, subject to the authority and control of the General Partner, in accordance with the investment guidelines, limitations, other provisions and terms set forth in the funds’ Operating Agreement.
Item 17 - Voting Client Securities

Without exception, AWM does not vote proxies on behalf of clients. Clients will receive proxy material directly from the custodian holding the client’s account. AWM personnel may answer client questions regarding proxy-voting matters in an effort to assist the client in determining how to vote the proxy. However, the final decision of how to vote the proxy rests with the client. All proxy materials received inadvertently by AWM on behalf of a client account are to be sent directly to our client or a designated representative of the client, who is responsible for voting the proxy. The proxy materials will be sent via Certified Mail, return receipt requested.

Item 18 - Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about AWM’s financial condition. AWM has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding. AWM does not require the prepayment of more than $1,200 in fees per client, six months or more in advance.