Sherwood Financial Management
Firm Brochure - Form ADV Part 2A

This brochure provides information about the qualifications and business practices of Sherwood Financial Management. If you have any questions about the contents of this brochure, please contact us at (716) 302-4265 or by email at: tracy@sherwoodfinancialmanagement.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Sherwood Financial Management is also available on the SEC's website at www.adviserinfo.sec.gov. Sherwood Financial Management's CRD number is: 305997.

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Registration as an investment adviser does not imply a certain level of skill or training.

Version Date: 3/30/2023

Item 2: Material Changes

Below are our Material Changes since our last annual filing on March 14, 2022:

- There has been an update to the firm's financial planning services and fees charged. Please see Item 5: Fees and Compensation.

Future Changes:

From time to time, we may amend this Disclosure Brochure to reflect changes in our business practices, changes in regulations and routine annual updates as required by the securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to each Client annually and if a material change occurs in the business practices of Sherwood Financial Management.

At any time, you may view the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at http://www.adviserinfo.sec.gov by searching for our firm name or by our CRD number 305997. You may also request a copy of this Disclosure Brochure at any time, by contacting us at (716) 302-4265.

Item 3: Table of Contents

Item 4: Advisory Business

Description of the Advisory Firm

Sherwood Financial Management ("SFM" or the "Advisor") is a financial planning and investment management firm wholly owned by Tracy L. Sherwood.

The Advisor serves as a fiduciary to Clients, as defined under applicable laws and regulations. As a fiduciary, the Advisor upholds a duty of loyalty, fairness and good faith towards each Client and seeks to mitigate potential conflicts of interest.

Types of Advisory Services

Financial Planning

SFM offers financial planning services and helps clients with cash flow planning, debt management, income tax strategies, college planning, retirement planning, estate planning, insurance analysis, charitable giving, and oversight of investment strategies. SFM offers advice on life, disability, and long-term care insurance. SFM counsels clients on skilled nursing care alternatives including long term care insurance, or transitioning to continuing care retirement communities (CCRC's). Upon client approval, SFM may consult with client's legal and tax advisers to formulate strategies. If the client is referred to an outside expert, SFM does not receive any compensation or consideration for the referral.

In general, the financial plan will address any or all the areas of concern noted above. The Client and Advisor will work together to select specific areas to cover.

Please Note: SFM does not serve as an attorney, accountant or insurance agent, and no portion of our services should be construed as legal, accounting or insurance services. SFM does not prepare estate planning documents or tax returns, nor does it sell insurance products. To the extent requested by a client, we may recommend the services of other professionals for certain non-investment implementation purposes. The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from the Registrant and/or its representatives. Please Note: If the client engages any recommended unaffiliated professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional.

Investment Management Services

SFM offers investment advisory services including assessment of your risk tolerance, review of portfolio strategies, advisor may assist in executing trades to implement those strategies and supervises the management of those strategies. SFM will supervise investments to determine whether they are aligned with a client's asset allocation, risk tolerance, time horizon and values.

Retirement Plan Rollovers - A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted, (ii) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account ("IRA"), or (iv) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). If SFM recommends that a client roll over their retirement plan assets into an account to be managed by SFM, such a recommendation creates a conflict of interest if SFM will earn an advisory fee on the rolled over assets. As such, any investment recommendation that SFM makes is based on SFM's belief that the recommendation is in the Client's best interest.

Selection of Other Advisers

SFM may direct clients to third-party investment advisers. SFM will verify that all recommended advisers are properly licensed, notice filed, or exempt in the states where SFM is recommending the adviser to clients.

Client Obligations
In performing its services, SFM shall not be required to verify any information received from the Client or from the Client's other professionals; and is expressly authorized to rely thereon. Moreover, each Client is advised that it remains the Client's responsibility to promptly notify SFM if there is ever any change in the Client's financial situation or investment objectives for the purpose of reviewing/evaluating/revising SFM's previous recommendations and/or services.

Client Tailored Services and Client Imposed Restrictions

SFM offers the same suite of services to all of our clients. SFM will focus on client's specific needs and may tailor financial planning services and use model allocations together with a specific set of recommendations for each client based on their personal restrictions, needs, and targets. The Client may, at any time, impose reasonable restrictions, in writing, on SFM's services.

Assets Under Management

SFM has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
$0	$ 9,501,520	December 31, 2022

Wrap Fee Programs

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, and certain other administrative fees. SFM does not participate in wrap fee programs.

Item 5: Fees and Compensation

Fee Schedule

Please note, unless a client has received this brochure at least 48 hours prior to signing an Advisory Contract, the Advisory Contract may be terminated by the Client within five (5) business days of signing the Advisory Contract without penalty.

How we are paid depends on the type of advisory services we perform. Below is a brief description of our fees, however, you should review your executed Advisory Contract for more detailed information regarding the exact fees you will be paying.

Financial Planning Fees

Project-Based Financial Planning

SFM charges either a fixed or hourly fee for Project-Based Financial Planning. Fixed fee rates range between $3,000 to $10,000. Our hourly rate is $300.

The fee range is dependent upon variables including the specific needs of the Client, complexity, estimated time, research, and resources required to provide services to you, among other factors we deem relevant. Fees are negotiable and the final agreed upon fee will be outlined in your Advisory Contract.

The fee for development of a comprehensive financial plan will range from $3000 to $6000, negotiable, depending on complexity of the Client's financial situation. This plan work of onboarding, data gathering will commence immediately after ½ fee is paid, and time it takes to complete the plan will depend on several factors including client's needs, their ability to provide necessary information and documentation as well as complexity of their financial situation, typically no later than 6-8 weeks from time of commencement. At no point, the upfront portion of the fee will not be paid more than 3 months in advance. In the event of early termination any prepaid but unearned fees will be refunded to the Client and any completed deliverables of the project will be provided to the Client and no further fees will be charged Fees for this service may be paid by electronic funds transfer.

SFM requires up to half of Project-Based fees to be collected in advance with the remainder due upon delivery of the project. SFM will not bill an amount above $500 more than 6 months or more in advance of rendering the services.

Ongoing Financial Planning

SFM charges a recurring fixed fee for Ongoing Financial Planning. Fees are paid quarterly in arrears, ranging from $750 to $2,500 per quarter. The fee range is dependent upon variables including the specific needs of the Client, complexity, estimated time, research, and resources required to provide services to you, among other factors we deem relevant. Fees are negotiable and the final agreed upon fee will be outlined in your Advisory Contract. Fees may be negotiable at the Advisor's discretion. Client is subject to an initial fee which is the fee for the construction of a comprehensive financial plan as highlighted above.

Investment Management Fees

Total Assets Under Management	Annual Fees
$0 - $500,000	1.00%
$500,001 - $1,000,000	0.75%
$1,000,001 - and up	0.60%

The advisory fee is calculated using the value of the assets in the Account on the last business day of the prior billing period.

SFM generally requires a minimum relationship size of $250,000. The Advisor, in their sole discretion, may choose to waive the minimum. Clients who may not meet the investment minimum may engage SFM for financial planning services under a separate agreement.

SFM's annual investment advisory fee shall include investment advisory services, and, to those who avail themselves, financial planning and consulting services. There is no additional charge for these services.

Investment Management Fees are negotiable at the adviser's discretion. The final fee schedule will be memorialized in the client's advisory agreement. Clients may terminate the agreement without penalty for a full refund of SFM's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract immediately upon written notice. Refunds are made by check and mailed to clients.

Selection of Other Advisers Fees

SFM may direct clients to third-party investment advisers. SFM will not be compensated for directing clients to utilize a third-party investment adviser. Client will be provided with the third-party asset manager's ADV Disclosure Brochure, and Client should carefully review for important details about the manager including their fee and services. The notice of termination requirement and payment of fees for third-party investment advisers will depend on the specific third-party adviser selected.

Third-party asset manager fees are currently fixed, paid quarterly in advance and absorbed in the quarterly fees charged by SFM. The client would be notified prior to any future changes in this arrangement.

Other Types of Fees and Expenses

Our fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which may be incurred by the Client. Clients may incur certain charges imposed by custodians, brokers, and other third parties such as custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer, and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual fund and exchange-traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees, and commissions are exclusive of and in addition to our fee, and we shall not receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that we consider in selecting or recommending broker-dealers for Client’s transactions and determining the reasonableness of their compensation (e.g., commissions).

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

Prepayment of Fees

SFM collects fees in advance. Refunds for fees paid in advance but not yet earned will be refunded on a prorated basis and returned within fourteen days to the client via check or return deposit back into the client’s account.

For investment management fees, fees are paid quarterly in advance. Clients may terminate the investment management immediately upon written notice. The fee refunded will be equal to the balance of the fees collected in advance minus the daily rate* times the number of days elapsed in the billing period up to and including the day of termination. (*The daily rate is calculated by dividing the annual asset-based fee rate by 365.)

For hourly fees that are collected in advance, the fee refunded will be the balance of the fees collected in advance minus the hourly rate times the number of hours of work that has been completed up to and including the day of termination.

For fixed fees for ongoing financial planning, fees are paid quarterly in advance. SFM requests a 30-day written notice to terminate the ongoing financial planning relationship. If the service is terminated mid quarter, SFM will refund any unearned pre-paid fees.

Outside Compensation for the Sale of Securities to Clients

Neither SFM nor its supervised persons accept any compensation for the sale of investment products, including asset-based sales charges or service fees from the sale of mutual funds.

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

SFM does not accept performance-based fees or other fees based on a share of capital gains or on capital appreciation of the assets of a client.

Item 7: Types of Clients

SFM generally provides advisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals

There is an account minimum of $250,000, which may be waived by SFM in its discretion.

Item 8: Methods of Analysis, Investment Strategies, & Risk of Loss

Methods of Analysis and Investment Strategies

Methods of Analysis

SFM's methods of investment analysis include fundamental, cyclical, passive investing and applies to the underlying principles of modern portfolio theory.

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

Passive Investment Management We primarily practice passive investment management. Passive investing involves building portfolios that are comprised of various distinct asset classes. The asset classes are weighted in a manner to achieve the desired relationship between correlation, risk, and return. Funds that passively capture the returns of the desired asset classes are placed in the portfolio. The funds that are used to build passive portfolios are typically index mutual funds or exchange-traded funds, subject to low portfolio expenses (i.e. the funds inside the portfolio have low internal costs), minimal trading costs (due to infrequent trading activity), and are relatively tax efficient (because the funds inside the portfolio are tax efficient and turnover inside the portfolio is minimal). In contrast, active management involves a single manager or managers who employ some method, strategy or technique to construct a portfolio that is intended to generate returns that are greater than the broader market or a designated benchmark.

Modern portfolio theory is an investment approach that attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, by carefully choosing the proportions of various assets.

The underlying principles of MPT are:
- Investors are risk averse. The only acceptable risk is that which is adequately compensated by an expected return. Risk and investment return are related and an increase in risk requires an increased expected return.
- Markets are efficient. The same market information is available to all investors at the same time. The market prices every security fairly based upon this equal availability of information.
- The design of the portfolio as a whole is more important than the selection of any particular security. The appropriate allocation of capital among asset classes will have far more influence on long-term portfolio performance than the selection of individual securities.
- Investing for the long-term (preferably longer than ten years) becomes critical to investment success because it allows the long-term characteristics of the asset classes to surface.
- Increasing diversification of the portfolio with lower correlated asset class positions can decrease portfolio risk. Correlation is the statistical term for the extent to which two asset classes move in tandem or opposition to one another.

Investment Strategies

SFM uses long-term trading and short-term trading.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

Material Risks Involved

Methods of Analysis

Fundamental analysis concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

Modern Portfolio Theory assumes that investors are risk averse, meaning that given two portfolios that offer the same expected return, investors will prefer the less risky one. Thus, an investor will take on increased risk only if compensated by higher expected returns. Conversely, an investor who wants higher expected returns must accept more risk. The exact trade-off will be the same for all investors, but different investors will evaluate the trade-off differently based on individual risk aversion characteristics. The implication is that a rational investor will not invest in a portfolio if a second portfolio exists with a more favorable risk-expected return profile – i.e., if for that level of risk an alternative portfolio exists which has better expected returns.

Investment Strategies

Long-term trading is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

Short-term trading risks include liquidity, economic stability, and inflation, in addition to the long-term trading risks listed above. Frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

Risks of Specific Securities Utilized

Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below are not guaranteed or insured by the FDIC or any other government agency.

Exchange Traded Funds (ETFs): An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Prices may vary significantly from the Net Asset Value due to market conditions. Certain Exchange Traded Funds may not track underlying benchmarks as expected.

Mutual Funds: Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond "fixed income" nature (lower risk) or stock "equity" nature.

Equity: Generally, refers to buying shares of common stock in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments. Common stock may go up and down in price quite dramatically, and in the event of an issuer's bankruptcy or restructuring could lose all value. A slower-growth or recessionary economic environment could have an adverse effect on the price of all stocks.

Fixed income: Investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best known type of fixed income security. In general, the fixed income market is volatile and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.

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

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

Past performance is not indicative of future results. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

Item 9: Disciplinary Information

Criminal or Civil Actions

There are no criminal or civil actions to report.

Administrative Proceedings

There are no administrative proceedings to report.

Self-regulatory Organization (SRO) Proceedings

There are no self-regulatory organization proceedings to report.

Item 10: Other Financial Industry Activities and Affiliations

Registration as a Broker/Dealer or Broker/Dealer Representative

Neither SFM nor its representatives are registered as, or have pending applications to become, a broker/dealer or a representative of a broker/dealer.

Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

Neither SFM nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests

Neither SFM nor its representatives have any material relationship to this advisory business that would present a possible conflict of interest.

Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections

SFM may direct clients to third-party investment advisers. SFM will not be compensated for clients that utilize a third-party investment adviser. The fees will not exceed any limit imposed by any regulatory agency. SFM will always act in the best interests of the client, including when determining which third-party investment adviser to recommend to clients. SFM will verify that all recommended advisers are properly licensed, notice filed, or exempt in the states where SFM is recommending the adviser to clients.

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

Code of Ethics

SFM has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions.

The firm also adheres to the Code of Ethics and Professional Responsibility adopted by the CFP® Board of Standards Inc. and accepts the obligation not only to comply with the mandates and requirements of all applicable laws and regulations but also to take responsibility to act in an ethical and professionally responsible manner in all professional services and activities.

A summary of the Code of Ethics' Principles is outlined below.

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

SFM's Code of Ethics is available free upon request to any client or prospective client.

Recommendations Involving Material Financial Interests

SFM does not recommend that clients buy or sell any security in which a related person to SFM or SFM has a material financial interest.

Investing Personal Money in the Same Securities as Clients

From time to time, representatives of SFM may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of SFM to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. SFM will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

Trading Securities At/Around the Same Time as Clients' Securities

From time to time, representatives of SFM may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of SFM to buy or sell securities before or after recommending securities to clients, resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, SFM will never engage in trading that operates to the client's disadvantage if representatives of SFM buy or sell securities at or around the same time as clients.

Item 12: Brokerage Practices

Factors Used to Select Custodians and/or Broker/Dealers

SFM does not have discretionary authority to select the broker-dealer/custodian for custody and execution services. Custodians/broker-dealers will be recommended based on SFM's duty to seek "best execution," which is the obligation to seek execution of securities transactions for a client on the most favorable terms for the client under the circumstances. Clients will not necessarily pay the lowest commission or commission equivalent, and SFM may also consider the market expertise and research access provided by the broker-dealer/custodian, including but not limited to access to written research, oral communication with analysts, admittance to research conferences and other resources provided by the brokers that may aid in SFM's research efforts. SFM will never charge a premium or commission on transactions, beyond the actual cost imposed by the broker-dealer/custodian.

SFM generally recommends that investment management accounts be maintained at TD Ameritrade.

Research and Other Soft-Dollar Benefits

SFM receives no soft-dollar benefits from a broker-dealer or third party in exchange for using that broker-dealer or third party.

Brokerage for Client Referrals

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

Clients Directing Which Broker/Dealer/Custodian to Use

SFM does not have discretionary authority to select the broker-dealer/custodian for custody and execution services. The Client will engage the broker-dealer/custodian (herein the "Custodian") to safeguard Client assets and authorize SFM or third-party manager to direct trades to the Custodian as agreed in Agreement. SFM generally recommends that investment management accounts be maintained at TD Ameritrade. Prior to engaging SFM to provide investment management services, the Client will be required to enter into a formal Agreement with SFM setting forth the terms and conditions under which SFM shall manage the Client's assets, and a separate agreement with third-party asset manager, as well as custody/clearing agreement with each designated broker-dealer/custodian.

Aggregating (Block) Trading for Multiple Client Accounts

Generally, we do not combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as "block trading").

Client may engage services of third-party asset manager under a separate agreement. Third party investment advisor firm may engage in block trading. Their practices can be reviewed in their Form ADV Part 2 filing in item 12B.

Item 13: Review of Accounts

Frequency and Nature of Periodic Reviews and Who Makes Those Reviews

All client accounts for SFM's advisory services provided on an ongoing basis are reviewed at least quarterly by Tracy L Sherwood, Principal, with regard to clients' respective investment policies and risk tolerance levels. All accounts at SFM are assigned to this reviewer.

All financial planning accounts are reviewed upon financial plan creation and plan delivery by Tracy L Sherwood, Principal. Financial planning clients are provided a one-time financial plan concerning their financial situation. After the presentation of the plan, there are no further reports. Clients may request additional plans or reports for a fee.

Factors That Will Trigger a Non-Periodic Review of Client Accounts

SFM may conduct account reviews on another-than-periodic basis upon the occurrence of a triggering event, such as a change in Client investment objectives and/or financial situation, material market events, and Client request.

With respect to financial plans, SFM's services will generally conclude upon delivery of the financial plan.

Content and Frequency of Regular Reports Provided to Clients

Each client of SFM's investment advisory services on an ongoing basis will receive a monthly report detailing the client's account, including assets held, asset value, and debited fees (when applicable). This written report will come from the custodian and not by SFM.

Item 14: Client Referrals and Other Compensation

Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)

SFM does not receive any economic benefit, directly or indirectly from any third party for advice rendered to SFM's clients.

SFM participates in the institutional advisor program (the "Program") offered by TD Ameritrade. TD Ameritrade offers to independent investment advisor services which include custody of securities, trade execution, clearance and settlement of transactions. SFM receives some benefits from TD Ameritrade through its participation in the Program.
As part of the Program, SFM may recommend TD Ameritrade to clients for custody and brokerage services. There is no direct link between SFM's participation in the Program and the investment advice it gives to its clients, although SFM receives economic benefits through its participation in the Program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a

discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving SFM participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have SFM's fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to SFM by third party vendors. TD Ameritrade may also pay for business consulting and professional services received by SFM's related persons. Some of the products and services made available by TD Ameritrade through the Program may benefit SFM but may not benefit its client accounts. These products or services may assist SFM in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help SFM manage and further develop its business enterprise. The benefits received by SFM or its personnel through participation in the Program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, SFM endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by SFM or its related persons in and of itself creates a conflict of interest and may indirectly influence the SFM's choice of TD Ameritrade for custody and brokerage services.

Compensation to Non – Advisory Personnel for Client Referrals

SFM does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

Item 15: Custody

When advisory fees are deducted directly from client accounts at client's custodian, SFM will be deemed to have limited custody of client's assets and must have written authorization from the client to do so. Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy.

Item 16: Investment Discretion

For those client accounts where we provide investment management services, we do not maintain discretion over client accounts with respect to securities to be bought and sold and the amount of securities to be bought and sold. Third Party Asset Managers used for investment management may exercise discretion.

Item 17: Voting Client Securities (Proxy Voting)

SFM will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of security.

Item 18: Financial Information

Balance Sheet

SFM neither requires nor solicits prepayment of more than $500 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet with this brochure.

Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients

SFM has no financial condition that impairs its ability to meet contractual commitments to clients.

Bankruptcy Petitions in Previous Ten Years

SFM has not been the subject of bankruptcy proceedings.

Item 19: Requirements For State Registered Advisers

Principal Executive Officers and Management Persons; Their Formal Education and Business Background

SFM currently has only one management person: Tracy L. Sherwood. Education and business background can be found on the individual's Form ADV Part 2B brochure supplement.

Other Businesses in Which This Advisory Firm or its Personnel are Engaged and Time Spent on Those (If Any)

Other business activities for each relevant individual can be found on the Form ADV Part 2B brochure supplement for each such individual.

Calculation of Performance-Based Fees and Degree of Risk to Clients

SFM does not accept performance-based fees or other fees based on a share of capital gains or capital appreciation of the assets of a client.

Material Disciplinary Disclosures for Management Persons of this Firm

There are no civil, self-regulatory organizations, or arbitration proceedings to report under this section.

Material Relationships That Management Persons Have with Issuers of Securities (If Any)

Sherwood Financial Management, nor Tracy L. Sherwood have any relationship or arrangement with issuers of securities.

Sherwood Financial Management

Form ADV Part 2B

Firm Supplemental Brochure

for

Tracy Lynn Sherwood

Personal CRD Number: 7187659

Investment Adviser Representative

Sherwood Financial Management
8463 Sheridan Drive
Williamsville, NY 14221
(716) 320-4265
tracy@sherwoodfinancialmanagement.com

UPDATED: 03/27/2020

Item 2: Educational Background and Business Experience

Name: Tracy Lynn Sherwood **Born:** 1971

Educational Background and Professional Designations:

Education:

CFP designation CFP Professional Education Program, College for Financial Planning – 1997

B.S., Business Administration Business/Finance, State University of New York College at Brockport – 1993

Associate's Degree Business, Niagara County Community College - 1991

Designations:

CFP® - Certified Financial Planner

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

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

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

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board's studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor's Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board's financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination – Pass the comprehensive CFP® Certification Examination. The examination includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board's *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

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

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

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

Business Background:

11/2019 - Present	President & Chief Compliance Officer Sherwood Financial Management
08/1994 - 05/2019	Senior Financial Advisor Ogorek Wealth Management LLC

Item 3: Disciplinary Information

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of this advisory business.

Item 4: Other Business Activities

Tracy Lynn Sherwood is not engaged in any investment-related business or occupation (other than this advisory firm).

Item 5: Additional Compensation

Tracy Lynn Sherwood does not receive any economic benefit from any person, company, or organization, other than Sherwood Financial Management in exchange for providing clients advisory services through Sherwood Financial Management.

Item 6: Supervision

As the Chief Compliance Officer of Sherwood Financial Management, Tracy Lynn Sherwood supervises all activities of the firm. Tracy Lynn Sherwood's contact information is on the cover page of this disclosure document. Tracy Lynn Sherwood adheres to applicable regulatory requirements, together with all policies and procedures outlined in the firm’s code of ethics and compliance manual.

Item 7: Requirements For State Registered Advisers

This disclosure is required by state securities authorities and is provided for your use in evaluating this investment advisor representative’s suitability.

A. Tracy Lynn Sherwood has NOT been involved in any of the events listed below.

   1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of $2,500, involving any of the following:
      a) an investment or an investment-related business or activity;
      b) fraud, false statement(s), or omissions;
      c) theft, embezzlement, or other wrongful taking of property;
      d) bribery, forgery, counterfeiting, or extortion; or
      e) dishonest, unfair, or unethical practices.

   2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
      a) an investment or an investment-related business or activity;
      b) fraud, false statement(s), or omissions;
      c) theft, embezzlement, or other wrongful taking of property;
      d) bribery, forgery, counterfeiting, or extortion; or
      e) dishonest, unfair, or unethical practices.

B. Tracy Lynn Sherwood has NOT been the subject of a bankruptcy.