

# Zuma Wealth LLC

## Firm Brochure - Form ADV Part 2A

*This brochure provides information about the qualifications and business practices of Zuma Wealth LLC. If you have any questions about the contents of this brochure, please contact us at (310) 456-1302 or by email at: [Compliance@ZumaWealth.com](mailto:Compliance@ZumaWealth.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 Zuma Wealth LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Zuma Wealth LLC's CRD number is: 311488.*



P.O. Box 594  
Malibu CA 90265  
(310) 456-1302  
[Compliance@ZumaWealth.com](mailto:Compliance@ZumaWealth.com)  
<https://ZumaWealth.com>

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

Version Date: 4/02/2024

## Item 2: Material Changes

The last annual update of this Brochure was filed on 03/31/2023. Since then, the following changes have been made:

- Item 12 & Item 14: The Advisor has updated the custodian name from TD Ameritrade to Charles Schwab due to a merger. Please see Item 12 & Item 14 for additional information.

From time to time, we may amend this Brochure to reflect changes in our business practices, changes in regulations, and routine annual updates as required by securities regulators. Either this complete 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 Zuma Wealth LLC.

## Item 3: Table of Contents

Item 1: Cover Page	
Item 2: Material Changes.....	ii
Item 3: Table of Contents.....	iii
Item 4: Advisory Business.....	2
Item 5: Fees and Compensation.....	5
Item 6: Performance-Based Fees and Side-By-Side Management .....	6
Item 7: Types of Clients .....	6
Item 8: Methods of Analysis, Investment Strategies, & Risk of Loss .....	6
Item 9: Disciplinary Information.....	11
Item 10: Other Financial Industry Activities and Affiliations.....	11
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	12
Item 12: Brokerage Practices .....	13
Item 13: Review of Accounts.....	14
Item 14: Client Referrals and Other Compensation.....	15
Item 15: Custody.....	16
Item 16: Investment Discretion.....	16
Item 17: Voting Client Securities (Proxy Voting).....	17
Item 18: Financial Information.....	17
Item 19: Requirements For State Registered Advisers .....	18

## Item 4: Advisory Business

### A. Description of the Advisory Firm

Zuma Wealth LLC (hereinafter "Zuma Wealth LLC" or "the Firm") is a Limited Liability Company organized in the State of California. The firm was formed in October 2020, and the principal owner is Theresa Frances Spath.

### B. Types of Advisory Services

Zuma Wealth LLC primarily provides two types of advisory services: Investment Management Services and Financial Planning Services. The combination of these services is called Wealth Management Services. Each of these services is described more fully below.

#### *Investment Management Services*

Zuma Wealth LLC's Investment Management Services typically begin through the gathering of information vis-à-vis a new Investment Policy Statement, or other similar documentation process. Based upon this information, the Firm creates the appropriate allocation for the client's assets. Zuma Wealth LLC employs a defined process for each step in the investment management cycle including goal setting and risk/return profiling, asset allocation modeling, stress testing, investment selection and implementation, and ongoing monitoring and reporting. This approach helps to provide a robust process to provide long-term investment solutions for clients.

Zuma Wealth LLC's Investment Management Services are based on a personalized understanding of each client's independent investment objectives. Depending upon the goals identified by the client and the Firm, Zuma Wealth LLC may invest client assets in various sectors and securities, including but not limited to: stocks, bonds (including Treasury inflation protect/inflation linked bonds), ETFs, mutual funds, options, and/or real estate investment trusts ("REITs"), commodities and alternative investments.

Zuma Wealth LLC generally manages a client's investment portfolio on a discretionary basis, and typically assists the client in the establishment of the necessary custodial account(s). When exercising its discretionary authority, Zuma Wealth LLC will make appropriate "buy, sell, hold" decisions as it believes are needed for security selection and asset allocation methodology.

Please refer to Item 8 below for more information on Zuma Wealth LLC's investment strategies, methods of analysis and their associated risks of loss. As noted above, Zuma Wealth LLC generally manages client assets on a fully discretionary basis. In exercising full discretionary authority, Zuma Wealth LLC selects, without first obtaining client's permission, (1) the securities to be bought and sold; and (2) the amounts of securities to be transacted and whether it will be individually or block traded.

Zuma Wealth LLC seeks to provide that investment decisions are made in accordance with the fiduciary duties owed to its accounts and without consideration of Zuma Wealth LLC's economic, investment or other financial interests. To meet its fiduciary obligations, Zuma Wealth LLC attempts to avoid, among other things, investment or trading practices that systematically advantage or disadvantage certain client portfolios, and accordingly, Zuma Wealth LLC's policy is to seek fair and equitable allocation of investment opportunities/transactions among its clients to avoid favoring one client over another over time. It is Zuma Wealth LLC's policy to allocate investment opportunities and transactions it identifies as being appropriate and prudent, including initial public offerings ("IPOs") and other investment opportunities that might have a limited supply, among its clients on a fair and equitable basis over time.

### *Financial Planning Services*

Financial Planning Services include the initial writing and formulation of a personal financial plan, with recommendations and supporting written work as necessary, and may include the ongoing tracking of the client's progress in achieving the personal financial goals targeted in the plan. The Financial Planning Services process typically begins with the collection, organization, and assessment of relevant client data, including information concerning the client's lifestyle, risk tolerance, assets, and cash flow, as well as identification of the client's financial concerns, goals, and objectives. The primary objective of this process is to allow Zuma Wealth LLC to assist the client in developing a strategy for the successful management of income, assets, and liabilities in order to help meet the client's individual financial objectives.

### *Wealth Management Services*

Wealth Management Services refers to the combination of Financial Planning Services and Investment Management Services, as each is described above. Fees for Wealth Management Services are defined below under Item 5: Fees and Compensation. Any implementation of the recommendations made by Zuma Wealth LLC during the course of rendering its Wealth Management Services is entirely at the client's discretion.

### *Educational Seminars*

From time to time, Zuma Wealth LLC offers educational workshops to clients, prospective clients and guests.

### C. Client Tailored Services and Client Imposed Restrictions

Wealth management is tailored to individual needs using the full breadth of expertise that Zuma Wealth LLC holds including fundamental analysis, economic analysis, technical analysis, asset allocation modeling, portfolio management, stress testing, behavioral psychology, study of academic research, modern portfolio theory understanding, as examples. The CIO holds far-reaching academic credentials and real-world investment experience spanning over more than 25 years and brings that perspective to the client service experience.

Zuma Wealth LLC will tailor a program for each individual client. This will include an Initial Introductory Session to get to know the client's specific needs and requirements as well as a plan that will be executed by Zuma Wealth LLC on behalf of the client. Zuma Wealth LLC may begin with model strategy allocations together with a specific set of recommendations for each client based on their personal goals, needs, and targets. Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent Zuma Wealth LLC from properly servicing the client account, Zuma Wealth LLC reserves the right to end the relationship.

### D. Wrap Fee Programs

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and other administrative fees. Zuma Wealth LLC does not participate in any wrap fee programs.

### E. Assets Under Management

Zuma Wealth LLC has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$32,736,912	\$0	December 31, 2023

## Item 5: Fees and Compensation

### A. Fee Schedule

The advisory fee is calculated monthly in arrears, by assessing the annual percentage rates, based on the table below, (dividing by 12) using the value of the assets in the client's account on the last business day of the prior billing period as reported by the custodian dividend by 12 and charged monthly. A minimum fee of \$500/month applies.

Assets Under Management	Advisory Fee (% of AUM)
under \$1,000,000	1.25%
\$1,000,001 to \$5,000,000	1.00%
\$5,000,001 to \$7,000,000	0.90%
over \$7,000,001	negotiable

These fees are generally negotiable and the final fee schedule will be memorialized in the client's advisory agreement. Investment management services and Financial Planning Services are included in the fee. Clients may terminate the agreement without penalty for a full refund of Zuma Wealth LLC's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract generally with 30 days' written notice.

### B. Payment of Fees

#### *Payment of Portfolio Management Fees*

Asset-based portfolio management fees are withdrawn directly from the client's accounts with client's written authorization on a monthly basis. Fees are paid in arrears.

### C. Client Responsibility For Third Party Fees

Clients are responsible for the payment of all third party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by Zuma Wealth LLC. Please see Item 12 of this brochure regarding broker-dealer/custodian.

### D. Termination of Services

Zuma Wealth LLC collects fees in arrears. Wealth management fees accrued but not yet paid will be charged on a prorated basis. The fee will be equal to 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 monthly asset-based fee by 30).

## **E. Outside Compensation For the Sale of Securities to Clients**

Neither Zuma Wealth LLC 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**

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

## **Item 7: Types of Clients**

Zuma Wealth LLC generally provides advisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Nonprofit institutions

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

### **A. Methods of Analysis and Investment Strategies**

#### *Methods of Analysis*

Zuma Wealth LLC's methods of analysis including Fundamental Analysis, Economic and Cyclical Analysis, Behavioral Psychology, Technical Analysis, Modern Portfolio Theory application.

**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.

**Economic analysis** uses academically tested theories to study relationships between different variables..

**Cyclical analysis** assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance.

**Behavioral psychology** is the study of repetitive and predictable human decision biases.

**Technical analysis** involves the analysis of past market data; primarily price and volume.

**Modern portfolio theory** is a theory of investment 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, each by carefully choosing the proportions of various asset.

### *Investment Strategies*

Zuma Wealth LLC uses long term trading, short term trading and options trading (including covered options, uncovered options, or spreading strategies).

## **B. 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.

**Economic analysis** uses academically tested theories to study relationships between different variables. The risk involved in using this method is that there are many relationships and variables that cannot be isolated or controlled and probability of conclusion can change.

**Cyclical analysis** assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy are two-fold: 1) the markets do not always repeat cyclical patterns; and 2) if too many investors begin to implement this strategy, then it changes the very cycles these investors are trying to exploit.

**Technical analysis** attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not take into account new patterns that emerge over time.

**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 trading risks listed above. Frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

**Options transactions** involve a contract to purchase a security at a given price, not necessarily at market value, depending on the market. This strategy includes the risk that an option may expire out of the money resulting in minimal or no value, as well as the possibility of leveraged loss of trading capital due to the leveraged nature of stock options.

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

## C. Risks of Specific Securities Utilized

The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) are not guaranteed or insured by the FDIC or any other government agency.

**Mutual Funds:** Investing in mutual funds carries the risk of capital loss and thus may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond, stock, real estate, commodities, currencies or any other nature of asset class.

**Equity** investment generally refers to buying shares of stocks 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.

**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.

**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. Precious Metal ETFs (e.g., Gold, Silver, or Palladium Bullion backed “electronic shares” not physical metal) specifically may be negatively impacted by several unique factors, among them (1) large sales by the official sector which own a significant portion of aggregate world holdings in gold and other precious metals, (2) a significant increase in hedging activities by producers of gold or other precious metals, (3) a significant change in the attitude of speculators and investors. The return of an index ETF is usually different from that of the index it tracks because of fees, expenses, and tracking error. An ETF may trade at a premium or discount to its net asset value (NAV) (or indicative value in the case of exchange-traded notes). The degree of liquidity can vary significantly from one ETF to another and losses may be magnified if no liquid market exists for the ETF’s shares when attempting to sell them. Each ETF has a unique risk profile, detailed in its prospectus, offering circular, or similar material, which should be considered carefully when making investment decisions.

**Real estate funds** (including REITs) face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.

**Commodities** are tangible assets used to manufacture and produce goods or services. Commodity prices are affected by different risk factors, such as disease, storage capacity, supply, demand, delivery constraints and weather. Because of those risk factors, even a well-diversified investment in commodities can be uncertain.

**Options** are contracts to purchase a security at a given price, risking that an option may expire out of the money resulting in minimal or no value. An uncovered option is a type of options contract that is not backed by an offsetting position that would help mitigate risk. The risk for a “naked” or uncovered put is not unlimited, whereas the potential loss for an uncovered call option is limitless. Spread option positions entail buying and selling multiple options on the same underlying security, but with different strike prices or expiration dates, which helps limit the risk of other option trading strategies. Option transactions also involve risks including but not limited to economic risk, market risk, sector risk, idiosyncratic risk, political/regulatory risk, inflation (purchasing power) risk and interest rate 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**

### **A. Criminal or Civil Actions**

There are no criminal or civil actions to report.

### **B. Administrative Proceedings**

There are no administrative proceedings to report.

### **C. Self-regulatory Organization (SRO) Proceedings**

There are no self-regulatory organization proceedings to report.

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

### **A. Registration as a Broker/Dealer or Broker/Dealer Representative**

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

### **B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor**

Neither Zuma Wealth LLC 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.

### **C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

Neither Zuma Wealth LLC nor its representatives are investment advisors or applying to be investment advisors with any other investment advisory firm. Zuma Wealth LLC and its representatives always acts in the best interest of its clients.

#### **D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections**

Zuma Wealth LLC does not utilize nor select third-party investment advisers.

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

#### **A. Code of Ethics**

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

#### **B. Recommendations Involving Material Financial Interests**

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

#### **C. Investing Personal Money in the Same Securities as Clients**

From time to time, representatives of Zuma Wealth LLC may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of Zuma Wealth LLC 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. Zuma Wealth LLC 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.

#### **D. Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, representatives of Zuma Wealth LLC may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of Zuma Wealth LLC 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, Zuma Wealth LLC will never engage in trading that operates to the client's disadvantage if representatives of Zuma Wealth LLC buy or sell securities at or around the same time as clients.

## **Item 12: Brokerage Practices**

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

Custodians/broker-dealers will be recommended based on Zuma Wealth LLC'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 Zuma Wealth LLC 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 Zuma Wealth LLC's research efforts. Zuma Wealth LLC will never charge a premium or commission on transactions, beyond the actual cost imposed by the broker-dealer/custodian.

Zuma Wealth LLC will require clients to use Schwab Institutional.

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

Zuma Wealth LLC has no formal soft dollars program in which soft dollars are used to pay for third party services.

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

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

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

Zuma Wealth LLC will require clients to use a specific broker-dealer to execute transactions. Not all advisers require clients to use a particular broker-dealer.

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

If Zuma Wealth LLC buys or sells the same securities on behalf of more than one client, then it may (but would be under no obligation to) aggregate or bunch such securities in a single transaction for multiple clients in order to seek more favorable prices, lower brokerage commissions, or more efficient execution. In such case, Zuma Wealth LLC would place an aggregate order with the broker on behalf of all such clients in order to ensure fairness for all clients; provided, however, that trades would be reviewed periodically to ensure that accounts are not systematically disadvantaged by this policy. Zuma Wealth LLC would determine the appropriate number of shares and select the appropriate brokers consistent with its duty to seek best execution, except for those accounts with specific brokerage direction (if any).

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

#### **A. Frequency and Nature of Investment Reviews and Who Makes Those Reviews**

All client investment accounts for Zuma Wealth LLC's Investment Management Services are reviewed on an ongoing basis by Theresa F Spath, Chief Investment Officer with regard to clients' respective investment policies and risk tolerance levels. All accounts at Zuma Wealth LLC are assigned to this reviewer.

#### **B. Factors That Will Trigger Additional Client Meetings**

Client meetings and reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance) and are available on an ongoing basis.

#### **C. Content and Frequency of Regular Reports Provided to Clients**

Each client of Zuma Wealth LLC's advisory services provided on an ongoing basis will receive a monthly report detailing the client's account, including assets held, asset value, and calculation of fees. This written report will come from the custodian. Zuma Wealth LLC will also provide a separate written statement to the client on a monthly basis.

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

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

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

With respect to Schwab, Zuma Wealth LLC receives access to Schwab's institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts at Schwab Advisor Services. Schwab's services include brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. For Zuma Wealth LLC client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Schwab also makes available to Zuma Wealth LLC other products and services that benefit Zuma Wealth LLC but may not benefit its clients' accounts. These benefits may include national, regional or Zuma Wealth LLC specific educational events organized and/or sponsored by Schwab Advisor Services. Other potential benefits may include occasional business entertainment of personnel of Zuma Wealth LLC by Schwab Advisor Services personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist Zuma Wealth LLC in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts, if applicable), provide research, pricing information and other market data, facilitate payment of Zuma Wealth LLC's fees from its clients' accounts (if applicable), and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of Zuma Wealth LLC's accounts. Schwab Advisor Services also makes available to Zuma Wealth LLC other services intended to help Zuma Wealth LLC manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance and marketing. In addition, Schwab may make available, arrange and/or pay

vendors for these types of services rendered to Zuma Wealth LLC by independent third parties. Schwab Advisor Services may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to Zuma Wealth LLC. Zuma Wealth LLC is independently owned and operated and not affiliated with Schwab.

### **B. Compensation to Non - Advisory Personnel for Client Referrals**

Zuma Wealth LLC 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, Zuma Wealth LLC will be deemed to have limited custody of client's assets. Because client fees will be withdrawn directly from client accounts, in states that require it, Zuma Wealth LLC will:

- (A) Possess written authorization from the client to deduct advisory fees from an account held by a qualified custodian.
- (B) Send the qualified custodian written notice of the amount of the fee to be deducted from the client's account and verify that the qualified custodian sends invoices to the client.
- (C) Send the client a written invoice itemizing the fee upon or prior to fee deduction, including the formula used to calculate the fee, the time period covered by the fee and the amount of assets under management on which the fee was based.

Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy. Clients are urged to compare the account statements they received from custodian with those they received from Zuma Wealth LLC.

## **Item 16: Investment Discretion**

Zuma Wealth LLC provides discretionary and non-discretionary investment advisory services to clients. The advisory contract established with each client sets forth the discretionary authority for trading. Where investment discretion has been granted, Zuma Wealth LLC generally manages the client's account and makes investment decisions without consultation with the client as to when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, what securities to buy or sell, or the price per share. In some instances, Zuma Wealth LLC's discretionary authority in making these determinations may be limited by

conditions imposed by a client (in investment guidelines or objectives, or client instructions otherwise provided to Zuma Wealth LLC.

## **Item 17: Voting Client Securities (Proxy Voting)**

Zuma Wealth LLC acknowledges its fiduciary obligation to vote proxies on behalf of those clients that have delegated to it, or for which it is deemed to have, proxy voting authority. Zuma Wealth LLC will vote proxies on behalf of a client solely in the best interest of the relevant client. Zuma Wealth LLC may also abstain from voting based on its discretion. Further, because proxy proposals and individual company facts and circumstances may vary, Zuma Wealth LLC may vote in a manner that is contrary to the general guidelines if it believes that doing so would be in a client's best interest to do so. If a proxy proposal presents a conflict of interest between Zuma Wealth LLC and a client, then Zuma Wealth LLC will disclose the conflict of interest to the client prior to the proxy vote and, if participating in the vote, will vote in accordance with the client's wishes.

Clients may obtain a complete copy of the proxy voting policies and procedures by contacting Zuma Wealth LLC in writing and requesting such information. Each client may also request, by contacting Zuma Wealth LLC in writing, information concerning the manner in which proxy votes have been cast with respect to portfolio securities held by the relevant client during the prior annual period.

## **Item 18: Financial Information**

### **A. Balance Sheet**

Zuma Wealth LLC 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.

### **B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients**

Neither Zuma Wealth LLC nor its management has any financial condition that is likely to reasonably impair Zuma Wealth LLC's ability to meet contractual commitments to clients.

### **C. Bankruptcy Petitions in Previous Ten Years**

Zuma Wealth LLC has not been the subject of a bankruptcy petition in the last ten years.

## **Item 19: Requirements For State Registered Advisers**

### **A. Principal Executive Officers and Management Persons; Their Formal Education and Business Background**

Zuma Wealth LLC currently has only one management person: Theresa Frances Spath. Education and business background can be found on the individual's Form ADV Part 2B brochure supplement.

### **B. 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.

### **C. Calculation of Performance-Based Fees and Degree of Risk to Clients**

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

### **D. Material Disciplinary Disclosures for Management Persons of this Firm**

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

### **E. Material Relationships That Management Persons Have With Issuers of Securities (If Any)**

Neither Zuma Wealth LLC, nor its management persons, has any relationship or arrangement with issuers of securities. See Item 10.C and 11.B. Any material conflicts of interest have been disclosed.