



3333 Premier Drive, Suite 800  
Plano, TX 75023  
972.543.4800 | [www.insightwp.com](http://www.insightwp.com)  
Firm Contact: Wayne Smith, III, CCO

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

### **February 2018**

This brochure provides information about the qualifications and business practices of Insight Wealth Partners, LLC. If you have any questions about the contents of this brochure, please contact by telephone at 972.543.4800 or email at [info@insightwp.com](mailto:info@insightwp.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 Insight Wealth Partners, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching CRD # 153635.

Please note that the use of the term "registered investment adviser" and description of Insight Wealth Partners, LLC and/or our associates as "registered" does not imply a certain level of skill or training. You are encouraged to review this Brochure and Brochure Supplements for our firm's associates who advise you for more information on the qualifications of our firm and its employees.

Dear Valued Client:

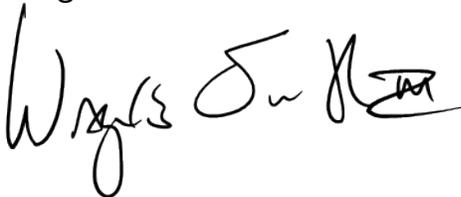
Thank you for choosing Insight Wealth Partners, LLC to serve you in your financial planning needs. Our mission is to help you determine and implement a personal wealth strategy that allows you to focus on leading a purposeful, fulfilling life. We appreciate the opportunity to work together with you in achieving your goals.

At IWP, we know that every client is unique and requires a customized approach to financial planning. We also understand that all areas of a client's financial life are highly integrated. That's why we use a thorough and disciplined approach, first to fully understand your goals and what really matters to you, and then to ensure that all areas of your financial life are aligned to realize those goals. As an independent, fee-only investment advisory firm, we only work for you and have no hidden agendas. Our only goal is to help you achieve yours.

As an SEC - Registered Investment Adviser firm, we file a complete disclosure of our advisory business with the SEC on Form ADV. The following disclosure Brochure is Part 2A of this Form ADV. The Brochure provides important information on the services that we offer as well as how we receive compensation for our services. It also gives important details on many other aspects of our advisory business.

If you have any questions regarding the information in this Brochure, please talk to your advisor or contact me directly at 972.543.4800 between 8:30 a.m. and 5:00 p.m. Central time. Again, thank you for allowing us to partner with you in achieving your dreams.

Best Regards,



**Wayne Smith, III, CFP®**  
CERTIFIED FINANCIAL PLANNER™ Practitioner  
Managing Partner | Chief Compliance Officer

## 2. Material Changes

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**Insight Wealth Partners, LLC** is required to advise you of any material changes to our Firm Brochure (“Brochure”) from our last annual update, identify those changes on the cover page of our Brochure or on the page immediately following the cover page, or in a separate communication accompanying our Brochure. We must state clearly that we are discussing only material changes since the last annual update of our Brochure, and we must provide the date of the last annual update of our Brochure.

Since our last annual amendment filing on 03/08/2017, we have the following material changes to report:

- Upon the expected implementation of the Department of Labor’s Fiduciary Rule, the “Compliance with the DOL Fiduciary Rule” section of our Code of Ethics disclosed herein will be effective. This addition includes, among other things, important procedures defining Insight Wealth Partners, LLC as a level-fee fiduciary and our compliance with the Impartial Conduct Standard.
- Our firm no longer votes proxies on behalf of clients. Refer to item 17 for more information.



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## 4. Advisory Business

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We specialize in the following types of services: Asset management, financial planning and consultations, referrals to third party money managers, and pension consulting. Our assets under management are \$436,800,000 as of 01/18/2018. We manage \$342,600,000 on a discretionary basis and \$94,200,000 on a non-discretionary.

We are dedicated to providing individuals and other types of clients with a wide array of investment advisory services. Our firm is a limited liability company formed in the State of Texas. Our firm has been in business as an investment adviser since 2010 and is owned as follows:

Owner	Ownership Percentage
David Dryden	20%
Travis Carter	20%
Wayne Smith III	20%
M. Chad Lowe	20%
Ryan Ferguson	20%

### Advisory Services - Financial Advice

#### Comprehensive Personal Financial Planning

We provide a variety of financial planning and consultation services to individuals, families and other clients regarding the management of their financial resources based upon an analysis of the client's current situation, goals, and objectives. Generally, such financial planning services will involve preparing a financial plan or rendering a financial consultation for clients based on the client's financial goals and objectives. This planning or consulting may encompass one or more of the following areas: Investment Planning, Retirement Planning, Estate Planning, Employer Benefits Analysis, Employer Stock Option Planning, Charitable Planning, Education Planning, Corporate and Personal Tax Planning, Cost Segregation Study, Corporate Structure, Real Estate Analysis, Mortgage/Debt Analysis, Insurance Analysis, Lines of Credit Evaluation, Business and Personal Financial Planning.

Our financial planning or financial consultations rendered to clients usually include general recommendations for a course of activity or specific actions to be taken by the clients. For example, recommendations may be made that the clients begin or revise investment programs, create or revise wills or trusts, obtain or revise insurance coverage, commence or alter retirement savings, or establish education or charitable giving programs. It should also be noted that we refer clients to an accountant, attorney or other specialist, as necessary for non-advisory related services. For financial planning engagements, we may provide our clients with a written summary of their financial situation, observations, and recommendations. For financial consulting engagements, we usually do not

provide our clients with a written summary of our observations and recommendations, as the process is less formal than our planning service. Implementation of the recommendations will be at the discretion of the client.

We charge on an hourly or flat fee basis for financial planning and consultation services. The total estimated fee, as well as the ultimate fee that we charge you, is based on the scope and complexity of our engagement with you. Our hourly fees are \$350 for financial advisors, \$150 per hour for para-planners and \$75 for administrative time.

We generally charge a minimum first-year financial planning or consultation services fee of \$2,500. Annual or ongoing financial planning fees are generally flat fees and typically range from \$1,000 to \$15,000 per year depending upon time and complexity. The client on an annual basis can choose to renew their financial planning and consultation services. Annual financial planning and consultation services fees can be paid in advance by direct billing or billed on a quarterly basis and deducted from their managed account.

We generally require the first year financial planning or consultation services fee in advance. In all cases, we will not require a retainer exceeding \$1,200 when services cannot be rendered within 6 (six) months of the engagement.

#### **401(k), 403(b) and 457 Plan Review**

For certain clients we may offer a review of your 401(k), 403(b) or 457 plans. This would include our assessment and a written review. Implementation of the recommendations would be up to the client and no updates to the review would be provided without a separate service agreement. Our fee for this review is \$500.

#### **Referrals to Third Party Money Managers**

We provide clients with a list of investment advisory services of third party professional portfolio management firms for the individual management of client accounts. As part of this process, we assist clients in identifying an appropriate third party money manager. We provide initial due diligence on third party money managers and ongoing reviews of their management of your account.

In order to assist clients in the selection of a third party money manager, we typically gather information from the client about their financial situation, investment objectives, and reasonable restrictions they can impose on the management of the account, which are often very limited. It is important to note that we do not offer advice on any specific securities or other investments in connection with this service. Investment advice and trading of securities is only offered by or through the third party money managers to clients.

We periodically review third party money managers' reports provided to the client, but no less often than on an annual basis. Our associates contact the clients from time to time, as agreed to with the

client, to review their financial situation and objectives; communicate information to third party money managers as warranted; and, assist the client in understanding and evaluating the services provided by the third party money manager. The client will be expected to notify us of any changes in his/her financial situation, investment objectives, or account restrictions that could affect their account. The client may also directly contact the third party money manager managing the account or sponsoring the program.

We are paid by third party money managers when we refer you to them and you decide to open a managed account. Third party money managers pay us a portion of the investment advisory fee that they charge you for managing your account. Fees paid to us by third party money manager are generally ongoing. All fees we receive from third party money managers and the written separate disclosures made to you regarding these fees comply with Rule 206(4)-3 of the Investment Advisers Act of 1940. The separate written disclosures you need to be provided with include a copy of the third party money manager's Form ADV Part 2, all relevant Brochures, a Solicitation Disclosure Statement detailing the exact fees we are paid and a copy of the third party money manager's privacy policy. The third party money managers we recommend will not directly charge you a higher fee than they would have charged without us introducing you to them.

Third party money managers establish and maintain their own separate billing processes which we have no control over. In general, they will directly bill you and describe how this works in their separate written disclosure documents.

## **Advisory Services - Professional Asset Management**

### **Traditional Portfolio Management**

We provide individualized investment advice and emphasize continuous and regular account supervision. As part of our asset management service, we generally create a portfolio, consisting of individual stocks or bonds, exchange traded funds ("ETFs"), options, mutual funds, annuities, 401(k), 403(b), 457 and other public and private securities, investments and/or accounts. Traditional Portfolio Management is our investment strategy based upon Modern Portfolio Theory that comprises both strategic and tactical asset allocation as a core strategy with satellite opportunities using sector rotation or momentum based modeling. The client's individual investment strategy is tailored to their specific needs and may include some or all the previously mentioned securities. Each portfolio will be initially designed to meet a particular investment goal, which we determine to be suitable to the client's circumstances. Once the appropriate portfolio has been determined, we review the portfolio regularly and, if necessary, rebalance the portfolio based upon the client's individual needs, stated goals and objectives. Each client can place reasonable restrictions on the types of investments to be held in the portfolio.



<b>Traditional Portfolio Assets Under Management</b>	<b>Annual Percentage of Assets Charge</b>
\$0 - \$250,000	1.50%
\$250,001 - \$750,000	1.25%
\$750,001 - \$1,500,000	1.00%
\$1,500,001 - \$3,000,000	0.85%
\$3,000,001 - \$6,000,000	0.65%
Over \$6,000,000	0.50%

Insurance and/or annuity products may be recommended to certain clients if suitable for the client's particular facts and circumstances. An advisor, in their individual capacity as a licensed insurance agent, may receive a commission for the sale of these products. To the extent that an advisor receives a commission for the sale of an insurance or annuity product, no advisory fees will be charged on the related assets even though they may be a part of the overall investment strategy. In addition, to the extent assets within insurance or annuity products are incorporated into the overall asset management strategy, they will be considered as assets under management which may allow a client to qualify for lower advisory fee rates on all remaining assets under management as outlined in the table above. Please see Item 10 of this Brochure for more information about our firm's licensed representatives and fees generated using insurance products.

### **Synthetic Equity Portfolio Management**

We emphasize continuous and regular account supervision for our Synthetic Equity Strategy Portfolio. As part of our asset management service, we generally create a portfolio, consisting of individual stocks or bonds, exchange traded funds ("ETFs"), options, mutual funds, annuities, 401(k), 403(b), 457 and other public and private securities, investments, and/or accounts. Synthetic Equity Strategy attempts to mirror the upside momentum of the major market indices while preserving the downside risk exposure by using a heavily weighted fixed-income portfolio combined with advanced options strategies such as puts, calls, and leaps. Each portfolio will be tailored to meet your particular investment goal while utilizing the strategy we've developed. Our strategy is aimed at replicating the upward momentum of the broad equity market while maintaining a higher level of principal stability (relative to traditional equity investments) during periods of decline. Once the appropriate portfolio has been determined, we review the portfolio regularly, and if necessary, rebalance the portfolio based upon the client's individual needs, stated goals and objectives. Each client can place reasonable restrictions on the types of investments to be held in the portfolio.



Synthetic Equity Portfolio Assets Under Management	Annual Percentage of Assets Charge
\$0 - \$300,000	1.95%
\$300,001 - \$1,000,000	1.75%
\$1,000,001 - \$2,000,000	1.50%
\$2,000,001 - \$3,000,000	1.25%
\$3,000,001 - \$5,000,000	1.00%
\$5,000,001 - \$10,000,000	0.75%
Over \$10,000,000	0.50%

Insurance and/or annuity products may be recommended to certain clients if suitable for the client's particular facts and circumstances. An advisor, in their individual capacity as a licensed insurance agent, may receive a commission for the sale of these products. To the extent that an advisor receives a commission for the sale of an insurance or annuity product, no advisory fees will be charged on the related assets even though they may be a part of the overall investment strategy. In addition, to the extent assets within insurance or annuity products are incorporated into the overall asset management strategy, they will be considered as assets under management which may allow a client to qualify for lower advisory fee rates on all remaining assets under management as outlined in the table above. Please see Item 10 of this Brochure for more information about our firm's licensed representatives and fees generated using insurance products.

### Pension Consulting

We provide pension consulting services to employer plan sponsors. Generally, such pension consulting services consist of assisting employer plan sponsors in establishing, monitoring and reviewing their company's participant-directed retirement plan. As the needs of the plan sponsor dictate, areas of advising could include: investment options, plan structure and participant education.

All pension consulting services shall follow the applicable State law(s) regulating the services provided by this Agreement. This section applies to an Account that is a pension or other employee benefit plan (a "Plan") governed by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). If the client accounts are part of a Plan, and we accept appointments to provide our services to such accounts, we acknowledge that we are a fiduciary within the meaning of Section 3(21) of ERISA (but only with respect to the provision of services described in section 1 of the Pension Consulting Agreement).

Client represents that (i) Adviser's appointment and services are consistent with the Plan documents, (ii) Client has furnished Adviser true and complete copies of all documents establishing and governing the Plan and evidencing your authority to retain Adviser. Client further represents that he/she/it will promptly furnish Adviser with any amendments to the Plan, and Client agrees that, if any amendment



affects our rights or obligations, such amendment will be binding on Adviser only with our prior written consent. If the Account contains only a part of the assets of the Plan, Client understands that Adviser will have no responsibilities for the diversification of all the Plan's investments, and Adviser will have no duty, responsibility or liability for the assets that are not in the account. If ERISA or other applicable law requires bonding with respect to the assets in the account, Client will obtain and maintain at his/her/its expense bonding that satisfies this requirement and covers Adviser and any of our affiliates

<b>Pension Assets Monitored</b>	<b>Annual Percentage of Assets Charge</b>
\$0 - \$1,000,000	1.000%
\$1,000,001 - \$5,000,000	0.750%
\$5,000,001 - \$20,000,000	0.750% - 0.500%
\$20,000,001 - \$100,000,000	0.500% - 0.250%
Over \$100,000,000	0.200%

Our firm's fees are billed on a pro-rata annualized basis quarterly in advance based on the value of your account on the last day of the previous quarter. Fees will be adjusted for deposits and withdrawals made during the quarter and will be deducted from your managed account. We do not offer direct billing as an option to our asset management clients. As part of this process, you understand and acknowledge the following:

- Your independent custodian sends statements at least quarterly to you showing the market values for each security included in the Assets and all disbursements in your account including the amount of the advisory fees paid to us;
- You provide authorization permitting us to be directly paid by these terms. We send our invoice directly to the custodian; and
- If we send a copy of our invoice to you, it will include a legend urging you to compare information provided in our statement with those from the qualified custodian.

## 5. Fees and Compensation

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Please refer to section 4 of this Brochure for a description of our brokerage, custody, fees and fund expenses so you will know how much you are charged and by whom for our advisory services provided to you. Our fees are negotiable in certain circumstances.

Clients will incur transaction charges for trades executed in their accounts. These transaction fees are separate from our fees and will be disclosed by the firm that the trades are executed through. In



addition, clients will pay the following separately incurred expenses, which we do not receive any part of: charges imposed directly by a mutual fund, index fund, or exchange traded fund, which shall be disclosed in the fund's prospectus (i.e., fund management fees and other fund expenses).

Please see Item 10 of this Brochure for more information about fees generated using insurance and annuity products.

We charge our advisory fees quarterly in advance. If you wish to terminate our services, we will refund the unearned portion of our advisory fee to you. You need to contact us in writing and state that you wish to terminate our services. Upon receipt of your letter of termination, we will proceed to close out your account and process a pro-rata refund of unearned advisory fees.

We do not sell securities for a commission. To sell securities for a commission, we would need to have our associated persons registered with a broker-dealer. We have chosen not to do so.

## 6. Performance-Based Fees & Side-By-Side Management

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We do not charge performance fees to our clients.

## 7. Types of Clients and Account Requirements

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We have the following types of clients:

- Individuals;
- Trusts, Estates or Charitable Organizations;
- Pension and Profit Sharing Plans;
- Corporations, limited liability companies and/or other business types.

Our requirements for opening and maintaining accounts or otherwise engaging us:

- We do not require a minimum account balance for asset management services, but we require a minimum annual advisory fee of \$1,000 for accounts under management. Generally, this minimum advisory fee requirement is negotiable.
- We generally charge a minimum first-year fee of \$2,500 for financial planning services.



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

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### *Methods of Analysis*

- **Charting:** In this type of technical analysis, we review charts of market and security activity to identify when the market is moving up or down and to predict when how long the trend may last and when that trend might reverse.
- **Cyclical Analysis:** In this type of technical analysis, we measure the movements of a particular stock against the overall market in an attempt to predict the price movement of the security.
- **Fundamental Analysis:** We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell). Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.
- **Technical Analysis:** We analyze past market movements and apply that analysis to the present to recognize recurring patterns of investor behavior and potentially predict future price movement. Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

### *Investment Strategies we use*

We use 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:** When utilizing this strategy, we may purchase securities with the idea of holding them for a relatively long time (typically held for at least a year). A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take

advantages of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell. Typically, we employ this sub-strategy when we believe the securities to be undervalued; and/or we want exposure to an asset class over time, regardless of the current projection for this class. The potential risks associated with this investment strategy involve a lower than expected return, for many years in a row. Lower-than-expected returns that last for a long time and/or that are severe in nature would have the impact of dramatically lowering the ending value of your portfolio, and thus could significantly threaten your ability to meet financial goals.

- **Short-Term Purchases:** When utilizing this strategy, we may also purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase. The potential risk associated with this investment strategy is associated with the currency or exchange rate. Currency or exchange rate risk is a form of risk that arises from the change in price of one currency against another. The constant fluctuations in the foreign currency in which an investment is denominated vis-à-vis one's home currency may add risk to the value of a security. Currency risk is greater for shorter term investments, which do not have time to level off like longer term foreign investments.
- **Trading:** We purchase securities with the idea of selling them very quickly (typically within 30 days or less). We do this to take advantage of our predictions of brief price swings. Trading involves risk that may not be suitable for every investor, and may involve a high volume of trading activity. Each trade generates a commission and the total daily commission on such a high volume of trading can be considerable. Active trading accounts should be considered speculative in nature with the objective being to generate short-term profits. This activity may result in the loss of more than 100% of an investment.
- **Short Sales:** We borrow shares of a stock for your portfolio from someone who owns the stock on a promise to replace the shares on a future date at a certain price. Those borrowed shares are then sold. On the agreed-upon future date, we buy the same stock and return the shares to the original owner. We engage in short selling based on our determination that the stock will go down in price after we have borrowed the shares. If we are correct and the stock price has gone down since the shares were purchased from the original owner, the client account realizes the profit. The two primary perceived risks of short selling are that in the long term, markets trend upward and short selling can expose investors to potentially unlimited risk. Due



to the “upside gap”, sellers risk not being able to react until after a significant loss has already been incurred.

- **Margin Transactions:** We will purchase stocks for your portfolio with money borrowed from your brokerage account. This allows 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. Margin accounts and transactions are risky and not necessarily for every client. The potential risks associated with these transactions are (1) You can lose more funds than are deposited into the margin account; (2) the force sale of securities or other assets in your account; (3) the sale of securities or other assets without contacting you; and (4) you may not be entitled to choose which securities or other assets in your account(s) are liquidated or sold to meet a margin call.
- **Option Writing:** We may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset. The two types of options are calls and puts. A call gives us the right to buy an asset at a certain price within a specific period of time. We will buy a call if we have determined that the stock will increase substantially before the option expires. A put gives us the holder the right to sell an asset at a certain price within a specific period of time. We will buy a put if we have determined that the price of the stock will fall before the option expires. We will use options to "hedge" a purchase of the underlying security; in other words, we will use an option purchase to limit the potential upside and downside of a security we have purchased for your portfolio. We use "covered calls", in which we sell an option on security you own. In this strategy, you receive a fee for making the option available, and the person purchasing the option has the right to buy the security from you at an agreed-upon price. We use a "spreading strategy", in which we purchase two or more option contracts (for example, a call option that you buy and a call option that you sell) for the same underlying security. This effectively puts you on both sides of the market, but with the ability to vary price, time and other factors. The potential risks associated with these transactions are that (1) all options expire. The closer the option gets to expiration, the quicker the premium in the option deteriorates; and (2) Prices can move very quickly. Depending on factors such as time until expiration and the relationship of the stock price to the option's strike price, small movements in a stock can translate into big movements in the underlying options.



## *Risk of Loss*

Investing in securities involves risk of loss that clients should be prepared to bear. While the stock market may increase and your account(s) could enjoy a gain, it is also possible that the stock market may decrease and your account(s) could suffer a loss. It is important that you understand the risks associated with investing in the stock market, are appropriately diversified in your investments, and ask us any questions you may have.

We generally invest client's cash balances in money market funds, FDIC Insured Certificates of Deposit, high-grade commercial paper and/or government backed debt instruments. Ultimately, we try to achieve the highest return on our client's cash balances through relatively low-risk conservative investments. In most cases, at least a partial cash balance will be maintained in a money market account so that our firm may debit advisory fees for our services related to comprehensive portfolio management, asset management service and portfolio monitoring, as applicable.

## 9. Disciplinary Information

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We do not have legal or disciplinary events material to client's or prospective client's evaluation of our advisory business or the integrity of our management.

## 10. Other Financial Industry Activities and Affiliations

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Representatives of our firm are licensed insurance agents. Insurance and/or annuity products may be recommended to clients with specific client circumstances. Because of these transactions, our representatives receive normal and customary commissions. In addition to the generated commissions, some insurance carriers or brokers may also pay for travel to conferences, reimburse expenses associated with the sale of insurance products and/or compensate our representatives in addition to generated commissions for meeting certain production goals. As such, a conflict of interest exists as these commissionable sales and additional compensation create an incentive to recommend products based on the compensation earned and the individual's production quota. The recommendation of these insurance or annuity products will only be made if suitable for the client. Clients are under no obligation to purchase any of these products and are free to seek out similar products sold by other carriers.

Insurance and/or annuity fees may be higher or lower than what the client currently pays as part of our Traditional Portfolio Management or Synthetic Equity Portfolio Management service. To the extent that an advisor receives a commission for the sale of an insurance or annuity product, no advisory fees will be charged on the related assets even though they may be a part of an overall investment strategy. In addition, to the extent assets within insurance or annuity products are



incorporated into the overall asset management strategy, they will be considered as assets under management which may allow a client to qualify for lower advisory fee rates on all remaining assets under management.

Since we may recommend or select other third party investment advisers for our clients and receive compensation directly or indirectly from those advisers, or have other business relationships with those advisers, please refer to Item 4 of this Brochure for a description of these practices, a discussion of the conflicts of interest these practices create, and how we address them.

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

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In accordance with and pursuant to SEC rule 204A-1, we recognize that the personal investment transactions of members and employees of our firm demand the application of a high Code of Ethics and require that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, we believe that if investment goals are similar for clients and for members and employees of our firm, it is logical and even desirable that there be common ownership of some securities.

Therefore, to prevent conflicts of interest, we have in place a set of procedures (including a pre-clearing procedure) with respect to transactions effected by our members, officers and employees for their personal accounts<sup>1</sup>. To monitor compliance with our personal trading policy, we have a quarterly securities transaction reporting system for all our associates.

Furthermore, our firm has established a Code of Ethics which applies to all our associated persons. An investment adviser is considered a fiduciary. As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients always. We have a fiduciary duty to all clients. Our fiduciary duty is considered the core underlying principle for our Code of Ethics which also includes Insider Trading and Personal Securities Transactions Policies and Procedures. We require all our supervised persons to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws always. Upon employment or affiliation and at least annually thereafter, all supervised persons will sign an acknowledgement that they have read, understand, and agree to comply with our Code of Ethics. Our firm and supervised persons must conduct business in an honest, ethical, and fair manner and avoid

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<sup>1</sup> For purposes of the policy, our associate's personal account generally includes any account (a) in the name of our associate, his/her spouse, his/her minor children or other dependents residing in the same household, (b) for which our associate is a trustee or executor, or (c) which our associate controls, including our client accounts which our associate controls and/or a member of his/her household has a direct or indirect beneficial interest in.



all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics. If a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.

Since our firm or a related person may invest in the same securities (or related securities, e.g., warrants, options or futures) that our firm or a related person recommends to clients, please refer to disclosure early in this item for details regarding how we address the conflicts that arise in connection with personal trading.

Likewise, since our firm or a related person may recommend securities to clients, or buys or sells of securities for client accounts, at or about the same time that you or a related person buys or sells the same securities for our firm's (or the related person's own) account, please refer to disclosure early in this item for disclosure regarding how we address conflicts that arise.

### *Risk Compliance with Department of Labor Fiduciary Rule*

Our firm provides investment advice to assets affected by the Department of Labor ("DOL") Fiduciary Rule for a level fee. As such, we abide by the Impartial Conduct Standards as defined by the DOL. To comply with these standards, our firm and our advisors give advice that is in our clients' best interest, charge no more than reasonable compensation (within the meaning of ERISA Section 408(b)(2) and Internal Revenue Code Section 4975(d)(2), and make no misleading statements about investment transactions, compensation, conflicts of interest, and any other matters related to investment decisions.

As a level-fee fiduciary, we maintain a non-variable compensation structure that is provided based on a fixed percentage of the value of assets or a set fee that does not vary with the particular investment recommended, as opposed to a commission or other transaction based fee.

## 12. Brokerage Practices

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We participate in the TD Ameritrade Institutional program as well as Fidelity Institutional Wealth Services ("FIWS") through Fidelity Brokerage Services LLC, registered broker-dealers with FINRA/SIPC. TD Ameritrade Institutional is a division of TD Ameritrade, Inc. ("TD Ameritrade") member FINRA/SIPC/NFA. Both TD Ameritrade and FIWS are independent [and unaffiliated] SEC-registered broker-dealers. TD Ameritrade and FIWS offer services to us which include custody of securities, trade execution, clearance and settlement of transactions. We also receive some benefits from TD Ameritrade and FIWS through our participation in their programs. (Please see the disclosure under section 14 of this Brochure.)



As part of the arrangement described above, TD Ameritrade and/or FIWS also makes certain research and brokerage services available at no additional cost to our firm. These services include certain research and brokerage services, including research services obtained by TD Ameritrade and/or FIWS directly from independent research companies, as selected by our firm (within specific parameters). Research products and services provided by TD Ameritrade and/or FIWS to our firm may include research reports on recommendations or other information about, particular companies or industries; economic surveys, data and analyses; financial publications; portfolio evaluation services; financial database software and services; computerized news and pricing services; quotation equipment for use in running software used in investment decision-making; and other products or services that provide lawful and appropriate assistance by TD Ameritrade and/or FIWS to our firm in the performance of our investment decision-making responsibilities. The research and brokerage services are used by our firm to manage accounts for which we have investment discretion. Without this arrangement, our firm might be compelled to purchase the same or similar services at our own expense.

Because of receiving the services discussed above of this Firm Brochure for no additional cost, we may have an incentive to continue to use or expand the use of TD Ameritrade's and/or FIWS' services. Our firm examined this potential conflict of interest when we chose to enter the relationship with TD Ameritrade and/or FIWS and we have determined that the relationship is in the best interest of our firm's clients and satisfies our client obligations, including our duty to seek best execution.

TD Ameritrade and/or FIWS charges brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). TD Ameritrade and/or FIWS enable us to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. TD Ameritrade's and/or FIWS's commission rates are generally discounted from customary retail commission rates. The commission and transaction fees charged by TD Ameritrade and/or FIWS's may be higher or lower than those charged by other custodians and broker-dealers.

Clients may pay a commission to TD Ameritrade and/or FIWS that is higher than another qualified broker dealer might charge to execute the same transaction where we determine in good faith that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although we will seek competitive rates, to the benefit of all clients, we may not necessarily obtain the lowest possible commission rates for specific client account transactions.



In certain circumstances, our firm may utilize the brokerage services provided by Northern Capital Securities Corporation (“Northern Capital”), member FINRA/SIPC, and RBC Correspondent Services, a division of RBC Capital Markets, LLC (“RBC”), member NYSE/FINRA/SIPC. Neither Northern Capital nor RBC are affiliated with our firm or its representatives. As the introducing broker, Northern Capital shall transmit fixed income orders to RBC for the execution of trades. Northern Capital will clear these transactions in an RBC broker-dealer account established in the name of our firm and designated for our client accounts established at TD Ameritrade and/or FIWS.

Our firm will transmit all of the details for each transaction to Northern Capital to be executed through RBC, including, but not limited to, the client account name and number, contract amount, the security involved, the number of shares or units, and whether the transaction was a long or short sale or a purchase. Factors considered in using Northern Capital to effect trades in client accounts include potentially better trade price execution, research and trade recommendations, individual holdings monitoring and alerts, economic and sector updates, etc. Our firm does not receive compensation from Northern Capital or RBC, nor are we under any obligation to use their services. TD Ameritrade and/or FIWS may charge “trade away” fees to the client for allowing a third party to effect trades in the account, which may potentially result in a higher cost of the transaction for the client. We will only use a third party if we determine in good faith that the additional “trade away” fees are reasonable in relation to the value obtained by placing the trade through the third party broker.

Although the investment research products and services that may be obtained by our firm will generally be used to service all our clients, a brokerage commission paid by a specific client may be used to pay for research that is not used in managing that specific client’s account.

All soft dollar arrangements must be approved in writing by our Chief Compliance Officer. A brief description of the purpose of the soft dollar arrangement outlining the benefits received by our firm and clients along with any noted concerns about increased costs to our clients and how such concerns were alleviated will be maintained on file. Our Chief Compliance Officer undertakes a review of parties which propose to pay our firm in soft dollars and analyzes many criteria. When deciding whether to approve or disapprove of a soft dollar relationship, the following criteria is reviewed: the broker-dealer's business reputation and financial position and our ability to consistently execute orders professionally and on a cost effective basis, provide prompt and accurate execution reports, prepare timely and accurate confirms, deliver securities or cash proceeds promptly and provide meaningful research services that are useful to us in investment decision-making or other desired and appropriate services. Our Chief Compliance Officer also annually reviews all our soft dollar relationships for appropriateness, benefits to our clients, etc.

At times, a product or service we would like to purchase with soft dollars may have a "mixed use", meaning that a portion of the product is used to provide bona fide research as part of the investment decision-making process and part of it may be used for a non-research purpose. In these situations,



our Chief Compliance Officer will make a pro-rata allocation of the cost of such service based on our evaluation of the research and non-research uses of the product. The cost of the product must be paid using both hard and soft dollars, the hard dollars being paid by our firm for the non-research portion and soft dollars for the research portion. For services that have a "mixed use", our Chief Compliance Officer will make a fair and reasonable determination as to how much of the cost may be paid with soft dollars. The basis for such determination shall be documented and will include an explanation as to how the computation of such percentage was reached. Our Chief Compliance Officer's computation shall be retained in our firm's files along with any records used to determine the "mixed use" percentages. Whenever there is a substantial change in the use of "mixed use" services, our Chief Compliance Officer will reevaluate such services. Providers of services that have a "mixed use" will be directed to either bill the paying broker for such service and the broker will be directed to bill us for the non-research portion, or to send separate bills to us and the paying broker for the appropriate amounts.

As a fiduciary, we have an obligation to obtain "best execution" of clients' transactions under the circumstances of the particular transaction. Consequently, notwithstanding the safe harbor provided under Section 28(e), no allocation for soft dollar payments shall be made unless best execution of the transaction is reasonably expected to be obtained.

Our firm does not receive brokerage commissions or fees for client referrals. Neither we nor any of our firm's related persons have discretionary authority in making the determination of the brokers with whom orders for the purchase or sale of securities are placed for execution, and the commission rates at which such securities transactions are executed.

### *Special Considerations for ERISA Clients*

A retirement or ERISA plan client may direct all or part of portfolio transactions for its account through a specific broker or dealer to obtain goods or services on behalf of the plan. Such direction is permitted provided that the goods and services provided are reasonable expenses of the plan incurred in the ordinary course of its business for which it otherwise would be obligated and empowered to pay. ERISA prohibits directed brokerage arrangements when the goods or services purchased are not for the exclusive benefit of the plan. Consequently, we will request that plan sponsors who direct plan brokerage provide us with a letter documenting that this arrangement will be for the exclusive benefit of the plan.

### *Special Considerations for Sub-Advisory Management Clients*

- a. We select brokers and dealers for any purchase or sale of assets of Client Accounts and are responsible for obtaining best execution for transactions. Consistent with this idea, we may, in



the allocation of portfolio brokerage business and the payment of brokerage commissions, consider the brokerage and research services furnished to the Sub-Adviser by brokers and dealers, in accordance with the provisions of Section 28(e) of the Securities Exchange Act of 1934, as amended. Such research generally will be used to service all our clients, but brokerage commissions paid by the Client Accounts may be used to pay for research that is not used in managing the Client Accounts.

- b. Should a Client direct in writing that the Adviser or our firm use a specific broker or dealer, then such Client will negotiate terms and arrangements for their Account with that broker or dealer and we will not seek better execution services or prices from other broker-dealers. As a result, such Client Account may pay higher commissions or greater spreads, or receive less favorable net prices, on transactions for the Client Account than would otherwise be the case.
- c. Adviser and our firm are not responsible or liable for the acts or omissions of any broker-dealer.

We perform investment management services for various clients. There are occasions on which portfolio transactions may be executed as part of concurrent authorizations to purchase or sell the same security for numerous accounts served by our firm, which involve accounts with similar investment objectives. Although such concurrent authorizations potentially could be either advantageous or disadvantageous to any one or more particular accounts, they are affected only when we believe that to do so will be in the best interest of the effected accounts. When such concurrent authorizations occur, the objective is to allocate the executions in a manner which is deemed equitable to the accounts involved. In any given situation, we attempt to allocate trade executions in the most equitable manner possible, taking into consideration client objectives, current asset allocation and availability of funds using price averaging, proration and consistently non-arbitrary methods of allocation.

## 13. Review of Accounts or Financial Plans

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We review client portfolios regularly for our clients subscribing to the following services: Asset Management, Synthetic Equity, and Pension Consulting. Third Party Money Management clients also receive regular reviews. The nature of these reviews is to learn whether clients' accounts are in line with their investment objectives, appropriately positioned based on market conditions, and investment policies, if applicable. Only our Financial Advisors or Portfolio Managers will conduct reviews. Clients will have daily access to account summaries and performance reports online.

Financial planning clients will not receive reviews of their plans unless they opt for our annual financial planning service. We would contact the client to discuss updates to their plans, changes in their circumstances, etc. and provide an updated plan on an annual basis.



We may set up an account with eMoney Advisor online which offers clients increased visibility of their accounts and overall financial situation. Clients will be able to view their aggregate account data, have secure document storage, and view presentations to provide analyses of their investments and financial planning services. Basic account access is available to all active advisory clients. Clients who have also engaged in our annual financial planning services will receive integrated financial planning and overall wealth management advice and service in addition to basic account access.

## 14. Client Referrals and Other Compensation

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As disclosed under section 12 of this Brochure, we participate in TD Ameritrade's institutional customer program and we may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between our firm's participation in the program and the investment advice we give to our Clients, although we receive economic benefits through our 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 our firm's 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 advisory 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 us by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by our firm's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit our firm but may not benefit our Client accounts. These products or services may assist us in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help us manage and further develop our business enterprise. The benefits received by our firm or our personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of our fiduciary duties to our clients, we endeavor always to put the interests of our clients first. Clients should be aware, however, that the receipt of economic benefits by our firm or our related persons in and of itself creates a potential conflict of interest and may indirectly influence our firm's choice of TD Ameritrade for custody and brokerage services. TD Ameritrade may charge an annual fee to custody non-standard assets such as private investments and non-publicly traded real estate investment trusts.



We may also execute or recommend that clients execute their securities transactions through Fidelity Institutional Wealth Services (“FIWS”) through Fidelity Brokerage Services LLC, registered broker-dealers with FINRA/SIPC.

FIWS may charge commissions (ticket charges) for executing our transactions. We do not receive any part of these separate charges, which are assessed directly to you. FIWS does not have a role with respect to our investment advisory accounts; however, they may serve as the broker-dealer in cases where clients wish to execute recommendations as part of the implementation of a financial plan. It is important to note that FIWS does not maintain supervisory relationships with respect to us or our representatives nor are they in any way affiliated with it. We are independently owned and operated.

We may recommend/require that clients establish accounts with FIWS to maintain custody of clients’ assets and to effect trades for their accounts. FIWS may provide us with access to their institutional trading and custody services, which are typically not available to FIWS retail investors. FIWS ’s services include brokerage custody, research 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 our firm’s Clients’ accounts maintained in their custody, FIWS does not charge separately for custody but are compensated by account holders through commissions or other transaction-related fees or securities trades that are executed through FIWS or that settle into FIWS. FIWS may charge an annual fee to custody non-standard assets such as private investments and non-publicly traded real estate investment trusts.

FIWS also makes available to us other products and services that may benefit us but which may not benefit our clients. These types of services will help us in managing and administering client accounts. These include software and other technology that provide access to client account data (i.e. trade confirmations and account statements); facilitate trade executions; provide research, pricing information, and other market data; facilitate in the payment of our fees from our clients’ accounts; and assist with back-office functions, record-keeping, and client reporting. Many of these services may be used to service all or a substantial number of our accounts.

We may also execute or recommend/require that clients execute their securities transactions through Northern Capital or RBC.

Northern Capital or RBC does not have a role with respect to our investment advisory accounts; however, they may serve as the broker-dealer in cases where clients wish to execute recommendations as part of the implementation of a financial plan. It is important to note that Northern Capital does not maintain supervisory relationships with respect to us or our representatives nor are they in any way affiliated with it. We are independently owned and operated.



We place trades for our Clients' accounts subject to our duty to seek best execution and other fiduciary duties. We may use broker-dealers other than FIWS to execute trades for client accounts maintained at FIWS, but this practice may result in additional costs to clients so that we are more likely to place trades through FIWS rather than other broker-dealers. FIWS's execution quality may be different from other broker-dealers.

### *Additional Compensation/Services*

You should further be aware that we may receive research and execution related services from the parties mentioned above to assist us in managing accounts. These services and products would include financial publications, pricing information and other products or services. Such research and execution related services are offered to all investment advisors who utilize these firms. The commissions charged by these parties may be higher than those charged by a broker who does not provide the research and execution related services.

Because receiving such services for no additional cost, we may have an incentive to continue to use or expand the use of TD Ameritrade, FIWS, Northern Capital, or RBC's services. We examined this potential conflict of interest when we chose to enter the relationship with TD Ameritrade, FIWS, Northern Capital, and RBC and have determined that the relationships are in the best interests of our clients and satisfies our client obligations, including our duty to seek best execution. A client may pay a commission that is higher than another qualified broker-dealer might charge to execute the same transaction where we determine in good faith that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although we will seek competitive rates, to the benefit of all clients, it may not necessarily obtain the lowest possible commission rates for specific client account transactions. Although the investment research products and services that may be obtained by us will generally be used to service all our clients, a brokerage commission paid by a specific client may be used to pay for research that is not used in managing that specific client's account. Neither are we, TD Ameritrade, FIWS, Northern Capital, nor RBC affiliates. No broker-dealer affiliated with us is involved in the relationship between us and TD Ameritrade, FIWS, Northern Capital, or RBC.

Finally, one or more Investment Advisor Representatives may receive asset allocation advice, from time to time, from one of several product sponsors. This advice can create a conflict of interest by influencing the representative to use the investment products from that fund sponsor. If the fund sponsors investment products are used, this conflict of interest will be managed by conducting due diligence on the investments used to ensure that they meet the investment needs of the



client. Relative fund performance and principles guiding investment decisions will be among the factors used to evaluate the appropriateness of the funds.

### *Referral Fees*

Our firm does not pay referral fees (non-commission based) to independent solicitors (non-registered representatives) for the referral of their clients to our firm in accordance with Rule 206 (4)-3 of the Investment Advisers Act of 1940.

## 15. Custody

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We do not have custody of client funds or securities. All our clients receive at least quarterly account statements directly from their custodians. Upon opening an account with a qualified custodian on a client's behalf, we promptly notify the client in writing of the qualified custodian's contact information. If we decide to also send account statements to clients, such notice and account statements include a legend that recommends that the client compare the account statements received from the qualified custodian with those received from our firm.

We encourage our clients to raise any questions with us about the custody, safety or security of their assets. The custodians we do business with will send you independent account statements listing your account balance(s), transaction history and any fee debits or other fees taken out of your account.

## 16. Investment Discretion

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We maintain discretion over our clients' accounts. To give us discretionary authority our clients must sign a discretionary investment advisory agreement. This type of agreement only applies to our Comprehensive Portfolio and Asset Management clients. We do not take or exercise discretion with respect to our other clients.

## 17. Voting Client Securities

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Our firm does not accept the proxy authority to vote client securities. Clients will receive proxies or other solicitations directly from their custodian or a transfer agent. If proxies are sent to our firm, our firm will forward them to the appropriate client and ask the party who sent them to mail them directly to the client in the future. Clients may call, write or email us to discuss questions they may have about proxy votes or other solicitations.



## 18. Financial Information

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We do not require nor do we solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. Therefore, we have not included a balance sheet for our most recent fiscal year. We have never been the subject of a bankruptcy petition.

