



1930 Palomar Point Way
Suite 104
Carlsbad, CA 92008
(760) 444-6300

Wealth Management Solutions

Disclosure Brochure

(In lieu of Form ADV Part II and Schedule F)

This brochure provides clients with information about Financial Advisers of America, LLC and its investment advisory services that should be considered before becoming a client of the Program. This information has not been approved or verified by any regulatory authority.

Item 1

Advisory Services and Fees

Financial Advisers of America, LLC (“Adviser”), is an SEC registered investment adviser that provides investment advisory services to individuals, pension and profit sharing plans, trusts, estates, or charitable organizations, and/or small businesses (“Client” or “Clients”).

Wealth Management Solutions

The Adviser offers Clients a variety of investment advisory services (“Wealth Management Solutions”) that include:

- **Investment Management**
Services of its WMA, MAS and Third Party Manager Investment Programs.
- **Investment Consulting**
Services of its Fee-Based Consulting Program.

Common to all services in its Wealth Management Solutions Programs, the Adviser and its Investment Adviser Representatives (“IARs”) may assist the Client in determining, among other things, investment objectives, risk tolerance, investment time horizon, and holding limits. The services available under each program may, depending upon the individual Client needs and circumstances, be offered according

to different formats and levels of complexity. Additional terms and information about each program are contained herein and in the Investment Management Agreement (“the Agreement”) with the Client.

Wealth Management Account (“WMA”) Program

Minimum Account Size: Generally, the minimum account size for opening a WMA account is an initial value of \$25,000. Adviser may, however, waive this requirement depending on the circumstances of the Client.

Advisory Services: In the WMA Program, Adviser, through its IARs gathers information from the Client to determine the investment objectives, risk tolerance, investment time horizon, and holding limits. Once determined, Adviser will provide Client with investment advice which may include asset allocation advice designed to identify one or more optimal account allocations or portfolios and/or assist in selecting appropriate investments within those portfolios.

In the case of discretionary services, Adviser will determine the mix of assets for the Clients WMA portfolio. In the case of non-discretionary services, Adviser will first obtain approval from the Client before executing the mix of assets for the WMA portfolio.

FAA IARs may utilize asset allocation software provided by unaffiliated parties in the development of an asset allocation recommendation. Asset allocation is designed for WMA portfolio diversification with a goal of reducing risk of loss due to variation of investment returns of any particular asset class. WMA portfolios may include a range of assets including, but not limited to; common and preferred stocks, bonds, municipal securities, government securities, unit investment trusts, exchange traded funds, mutual funds, and variable annuities. Clearing custodial services are provided by the custodian and clearing firm ("the Clearing Custodian") that is chosen at the Adviser's discretion.

Subject to the specific services contracted, Clients are provided with a periodic custodial report provided by the Clearing Custodian and a quarterly performance report provided by the Adviser will be made available upon request. The custodial report provides a detail of the transactions and other activity during the period, and a listing of the securities positions and their end-of-period fair market values. The quarterly performance report provides a detailed analysis of the account asset allocation, transactions and other activity during the period, securities positions and their end-of-period fair market values, investment performance for the period, and a fee billing notice.

Fees and Charges: Adviser generally charges a management fee based on a percentage of the value of the assets under management based on the schedule detailed below. The fees are negotiable on an individual basis at the IARs discretion provided they do not exceed the stated parameters.

Fees are payable quarterly, either in advance or in arrears, depending on the specific circumstances of each Client.

For advance billing Clients, two fees are assessed at the end of the quarter when the account is initially funded. A pro-rata fee will be assessed for the initial funding period, in arrears, based on the average daily valuation of the period ending with the calendar quarter. An advance fee will also be assessed based on the ending quarterly value, and representing the next quarter in advance. Subsequent to the initial funding period advance billing clients will only be assessed the advance fee based on the ending quarterly value.

For arrears billing Clients, a single fee is assessed at the end of the quarter when the account is initially funded. The fee is calculated on a pro-rated basis on the average daily balance over the initial funding quarterly period. Subsequent to the initial funding quarterly period, the fee is assessed for the entire quarterly period based on the ending quarterly value.

Clients who wish to terminate their account must notify Adviser verbally within five (5) business days of its execution with written notice to follow within the next twenty-four (24) hours. If services are terminated within (5) business days of executing the client agreement, services will be terminated without penalty. After the initial (5) business days, the client may be responsible for payment of fees for the number of days services are provided by Adviser prior to receipt of the notice of termination.

Additionally, Adviser may receive concessions and/or 12b-1 fees from certain mutual funds, variable annuities and/or other types of investment vehicles paying such servicing fees where such fees are applicable.

WMA fees based on assets under management are as follows:

<u>Portfolio Value</u>	<u>Max Annual Fee</u>
\$25,000 to \$125,000	2.65%
\$125,001 to \$250,000	2.55%
\$250,001 to \$500,000	2.45%
\$500,001 to \$750,000	2.00%
\$750,001 to \$1,000,000	1.75%
\$1,000,001 to \$2,000,000	1.50%
Above \$2,000,001	1.00%

Fee schedules negotiated with the client may not exceed the maximum rate at the respective account size level, and may be no less than .50% at any level.

If the Client terminates the Agreement within the first twelve months, an early termination charge of \$100 is assessed. The opening fee is designed to help offset the administrative costs associated with establishing the WMA account. The termination charge helps compensate Adviser for the administrative costs associated with terminating the Client's WMA account and processing the Client's assets and instructions. Upon termination of the Agreement, any prepaid fees will be refunded to the Client on a pro-rata basis.

When Adviser effects securities transactions for the Client's WMA account, Adviser passes on the securities clearance and execution fees charged by its Clearing Custodian, with an added charge to compensate Adviser for the cost of its resources utilized in processing the transactions. In addition, there may be other fees and charges imposed by the Clearing Custodian or product sponsor related to opening, maintaining, or terminating a Client's account.

Each Client will receive a billing statement showing the amount of the management fee charged for the period, the value of the WMA account assets on which the management fee was based, and the manner in which the management fees were calculated.

Managed Account Solutions (“MAS”) Program

Minimum Account Size: The minimum account size for opening a MAS account is an initial value of \$250,000.

Advisory Services: The Adviser has entered into a tri-party agreement with Envestnet Asset Management, Inc. (“Envestnet”) and National Financial Services, LLC (“NFS”) to offer, among other programs, the MAS Separate Accounts Program (“MAS”). MAS allows the Adviser, through its IARs, access to Separate Account Managers (“SAMs”) who manage individual securities in order to facilitate diversification within a single Client portfolio. Envestnet and Adviser are considered co-advisors of MAS, with Envestnet acting as the principal sponsor, and further disclosure of MAS is provided by Envestnet.

Envestnet has established relationships with various SAMs and may establish relationships with new SAMs from time to time to make the services of such SAMs available to the Adviser and its’ Clients. Envestnet will provide the Adviser and its’ Clients access to the private money management services of one or more SAMs using a separately managed account for each SAM.

Responsibility for research, evaluation, and selection of SAMs rests solely on the Adviser. The Adviser is also responsible for determining that it has sufficient information about a SAM to select such SAM to provide services to its’ Clients.

The Adviser, through its IAR’s, gathers information from the Client to determine the investment objectives, risk tolerance, investment time horizon, and holding limits. Once determined, Adviser will provide the Client with investment advice which may include asset allocation designed to identify one or more optimal account allocations or portfolios. Using its discretion, Adviser will determine the mix of assets and SAMs for the Client’s MAS portfolio. Adviser also has the discretion to replace SAMs when it deems such change is necessary; to rebalance the Client’s portfolio as needed to align with the Client’s stated investment objectives; and to liquidate sufficient assets to pay the Management Fee when necessary and advisable. However, there may be situations in which Envestnet will fully utilize its grant of discretion, such as to liquidate a position.

For each SAM selected, the SAM is also provided with discretion to determine the mix of assets for the Client’s MAS portfolio.

Fees and Charges: Adviser generally charges a Management Fee that is comprised of two components; a Program Fee, and an Advisory Fee. The Program Fee is the portion from which Envestnet pays the SAMs and any third-party service provider. The Program Fee also includes investment management services comprised of account rebalancing and other operational and administrative services. In addition, there are certain fees charged by NFS to cover clearance, execution and custody. A summary of those fees and all Program Fees are disclosed separately by Envestnet.

The Advisory Fee is the portion from which the Adviser provides the services of client profiling, strategic asset allocation, style allocation, research and evaluation of asset managers, account performance reporting, ongoing monitoring of manager and account performance, asset manager hiring and termination.

Management Fees charged are calculated as an annual percentage of assets based on the market value of the account at the end of the calendar quarter. The level of the Management Fee is negotiable between the IAR and the Client, and will vary with the amount of assets under management and the particular investment styles, investment options, and SAMs chosen.

Third Party Manager Investment Programs

SEI Investments Management Corporation

FAA may determine that it is suitable for certain clients to utilize SEI Investments Management Corp (“SIMC”). SIMC serves as the sub-investment adviser to a number of portfolios within the SEI family of mutual funds, each an SEC-registered investment company, (the “SEI Funds”). SIMC also serves as investment adviser for several non-U.S. registered offshore mutual funds that are sold to non-U.S. persons. With respect to those SEI Funds for which SIMC serves as investment adviser, SIMC has retained one or more sub-advisers to provide day-to-day securities selection. SIMC provides overall daily investment management and is generally responsible for reviewing, coordinating, and administering the investment program of each such portfolio

Managed Accounts and Integrated Managed Accounts

SIMC sponsors the Managed Accounts Program (the “Program”). To participate in the Program, financial intermediaries, which includes registered investment advisers, financial planning firms, broker/dealers, and bank trust departments (jointly “Advisers”), SIMC and the individual Clients execute a tri-party agreement (“Managed Account Agreement”)

providing for the management of certain Client assets in accordance Agreement, the Client appoints the Adviser as its investment adviser to assist the Client in selecting an asset allocation strategy, which would include the percentage of investor assets allocated to designated portfolios of separate securities (each, a "Managed Account Portfolio") and may include the percentage of assets allocated to a portfolio of mutual funds advised by SIMC or an affiliate of SIMC. The Client appoints SIMC to manage the assets in each Managed Account Portfolio in accordance with a strategy selected by the Client together with the Adviser. SIMC may delegate its responsibility for selecting particular securities to one or more portfolio managers.

SIMC's fee schedule for the Program is as follows:

Large Cap/Transition Portfolio:

0.85% for the first \$1 million
0.80% for the next \$2 million
0.75% for the next \$2 million
Negotiable for above \$5 million

Large Cap Portfolio:

0.90% for the first \$1 million
0.90% for the next \$2 million
0.85% for the next \$2 million
Negotiable for above \$5 million

Small Cap Portfolio:

1.20% for the first \$1 million
1.10% for the next \$2 million
1.00% for the next \$2 million
Negotiable for above \$5 million

International Equity Portfolio:

1.20% for the first \$1 million
1.10% for the next \$2 million

with the terms thereof. Pursuant to a Managed Accounts

1.00% for the next \$2 million
Negotiable for above \$5 million

Municipal and Core Fixed Income Portfolio:

0.70% for the first \$1 million
0.65% for the next \$2 million
0.60% for the next \$2 million
Negotiable for above \$5 million

Laddered Municipal Bond Portfolio:

0.30% for the first \$5 million
Negotiable for above \$5 million

Additionally, the Program offers a feature called Integrated Managed Accounts ("IMAP"), which is an enhancement to the standard Program. In IMAP, SIMC selects one sub-adviser to serve as a tax manager for the entire Managed Account Portfolio. Other sub-advisers recommend securities using buy/sell lists for their specific asset class to which the Client has selected. An integrated fee will be charged to the Client's account when the Client selects the IMAP feature. The fee will cover the integration of the equity managers, which helps result in increased coordination across the equity account, increased tax efficiency and additional features such as wash sale prevention. These additional fees only apply to the equity portion of a Client's account that is allocated to the integrated equities portfolio; the fees do not apply to the fixed income or funds portion of the Client's account (if applicable). A selection of Clients may receive a fee discount.

The fees payable to SIMC for the IMAP feature are up to 0.15% for the first \$500,000 and 0.05% for amounts in excess of \$500,000 in assets under management.

SIMC may impose minimum account balances ranging from \$50,000 to \$1,000,000 depending upon the Managed Account Portfolio chosen and whether the Client selects the IMAP feature.

SIMC's fees shall be a percentage of the market value of the Client's Managed Account Portfolio assets. SIMC's fee shall be calculated and payable quarterly in arrears and net of any income, withholding or other taxes.

The aforementioned fees may be subject to a discount. SIMC may add an additional 0.15% solicitation fee to certain accounts, which are referred to SIMC by certain third parties. This fee, and the nature thereof, is disclosed to all investors prior to acceptance of any account for which it is charged.

Other Third Party Investment Management Programs

Adviser also assists Clients in selecting unaffiliated Third Party Manager ("TPM") Investment Programs. In these situations, Adviser or its IARs act as "Solicitors" for the TPM. After analyzing the Client's financial circumstances, investment objectives, risk tolerance, and investment time horizons, the IAR seeks to refer the Client to a TPM whose investment philosophy and style match the needs of the

Client. In these situations, Adviser or its IAR, as applicable, are compensated for the referral by the TPM. This compensation generally takes the form of the TPM sharing with Adviser or the IAR a portion of the advisory fee charged to the Client. Adviser and its IARs will conduct all solicitation activities in compliance with the requirements of applicable state regulations and Rule 206(4)-3 of the Investment Advisers Act of 1940.

Investment Consulting Services

For Clients seeking financial advice involving analysis of a particular investment or financial situation, Adviser provides consultation services designed to meet the Client's specific financial objectives and needs. The consulting services generally take the form of a financial plan. In addition to general financial planning, consulting services may include, but are not necessarily limited to; retirement planning, estate planning, college planning, cash flow analysis, or any other financial analysis related to the investment of lump sum distributions from employer pension and profit sharing plans.

In preparing a financial plan for a Client, the IAR gathers information deemed relevant to the particular service through personal interviews and through documents and/or other information supplied by the Client. Each service includes an analysis of the Client's information which may, but is not necessarily required, to include such things as their current

assets and investments, liabilities, short and long-term capital and liquidity needs, risk tolerance, and short and long-term financial goals and objectives.

Should a Client choose to implement the recommendations contained in the financial plan, Adviser suggests that the Client work closely with his or her attorney, accountant, insurance agent and/or securities broker. IARs generally make recommendations with respect to products or services offered by Adviser and its affiliates. The decision to implement any such decision, however, rests exclusively with the Client, and the Client has no obligation to implement any such recommendation through Adviser and its affiliates.

The fees for consulting services are negotiated between the IAR and the Client. Fees may be assessed on an hourly basis or a flat fee basis for the consulting project that may be either a set dollar amount or a percentage of the fair market value of assets that are subject to the Agreement.