

**Item 1 – Cover Page**

**Pacifica Wealth Advisors, Inc.**

**26041 Acero, Suite 500**

**Mission Viejo, CA 92691**

**949-305-0500**

**[www.pacificawealth.com](http://www.pacificawealth.com)**

**August 21, 2012**

This Brochure provides information about the qualifications and business practices of PACIFICA WEALTH ADVISORS, INC. [“ADVISER”]. If you have any questions about the contents of this Brochure, please contact us at 949-305-0500 and/or [robert@pacificawealth.com](mailto:robert@pacificawealth.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.

PACIFICA WEALTH ADVISORS, INC. is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about PACIFICA WEALTH ADVISORS, INC. also is available on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Material Changes**

The SEC adopted new rules and rule amendments under the Investment Advisers Act of 1940 to implement provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act. As a result, we are required to register with the California Department of Corporations and withdraw our SEC registration. Once the transition to state registration is complete, our investment advisory business will be regulated by the California Department of Corporations.

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#### **Item 4 – Advisory Business**

PACIFICA WEALTH ADVISORS, INC. has been in business since May of 2006. The firm's owner and president is Robert Pagliarini. PACIFICA WEALTH ADVISORS, INC. performs a number of services for its clients including financial planning and investment management. For some clients, but not all, PACIFICA WEALTH ADVISORS, INC. will create a written financial plan that may include cash flow management, a net worth report, tax projections, analysis of current investments as well as recommendations, insurance review, and analyzing how different scenarios will affect the client's finances (e.g., how does paying for a child's private school tuition affect the parent's ability to retire?). For most of PACIFICA WEALTH ADVISORS, INC.'s clients, we manage their investment assets through a custodian such as Charles Schwab or NFS/Fidelity. PACIFICA WEALTH ADVISORS, INC. works with clients from diverse backgrounds, but generally speaking, our focus is working with sudden money recipients—those clients who come into a large sum of money quickly (e.g., inheritance, lawsuit judgment, lottery proceeds, divorce)—as well as affluent individuals and families. Information regarding our agreements, types of services offered, and other information is detailed below.

When creating an investment allocation for a client, PACIFICA WEALTH ADVISORS, INC. may tailor its advice based on the client's risk tolerance, cash flow requirements, net worth, age, investment objectives, as well as other factors. Clients may impose restrictions on the types of investments we recommend and purchase on their behalf.

As of July 17, 2012, PACIFICA WEALTH ADVISORS, INC. manages \$61,275,380 of assets, of which, \$39,423,461 is managed on a discretionary basis and \$21,851,919 is managed on a non-discretionary basis.

Unless the client directs otherwise, PACIFICA WEALTH ADVISORS, INC. shall generally recommend that investment management accounts be maintained at Schwab Institutional ("Schwab"), an unaffiliated service provider, or FMN Capital Corp ("FMNCC"), accounts are carried by National Financial Services, LLC a Fidelity Company. Factors which PACIFICA WEALTH ADVISORS, INC. considers in recommending Schwab and/or FMNCC (or any other broker-dealer/custodian) to clients include their respective financial strength, reputation, execution, pricing, reporting, research, and service. Prior to PACIFICA WEALTH ADVISORS, INC. providing investment management services, the client will be required to enter into a formal Wealth Management and Financial Planning Agreement or Investment Management Agreement with PACIFICA WEALTH ADVISORS, INC. setting forth the terms and conditions under which PACIFICA WEALTH ADVISORS, INC. shall manage the client's assets, and a separate custodial/clearing agreement with Schwab and or FMNCC. Both PACIFICA WEALTH ADVISORS, INC.'s Wealth Management and Financial Planning Agreement, or Investment Management Agreement and the custodial/clearing agreement, may authorize the account custodian to debit the client account for the amount of PACIFICA WEALTH ADVISORS, INC.'s investment advisory fee and to

directly remit that management fee to PACIFICA WEALTH ADVISORS, INC. in accordance with required SEC procedures. In addition to PACIFICA WEALTH ADVISORS, INC.'s investment advisory fee, the client shall also incur, relative to mutual fund purchases, charges imposed directly at the mutual fund level (i.e. fund advisory fees and expenses). The Wealth Management and Financial Planning Agreement and Investment Management Agreement between PACIFICA WEALTH ADVISORS, INC. and the client will continue in effect unless terminated by either party by written notice in accordance with the terms and conditions of the applicable agreement. PACIFICA WEALTH ADVISORS, INC.'s investment advisory fee shall be prorated through the date of termination, and any remaining balance shall be refunded to the client.

Currently, PACIFICA WEALTH ADVISORS, INC. primarily allocates investment assets among various mutual funds and/or exchange traded funds and/or investment programs offered by and/or obtained through Schwab and/or FMNCC. Schwab and FMNCC provide each client with reporting services, including monthly statements and year-end tax reports. Schwab enables PACIFICA WEALTH ADVISORS, INC. to obtain many no-load mutual funds without transaction charges and other no-load and load waived funds at nominal transaction charges, and also provides access to investment programs. The commission and/or transaction fees charged by Schwab and/or FMNCC may be higher or lower than those charged by other broker-dealers. Currently, the vast majority of PACIFICA WEALTH ADVISORS, INC.'s client accounts are maintained at Schwab.

In return for effecting securities transactions through a designated broker-dealer/custodian, PACIFICA WEALTH ADVISORS, INC. may receive certain investment research products and/or services which assist PACIFICA WEALTH ADVISORS, INC. in its investment decision-making process for the client. Although the commissions and/or transaction fees paid by PACIFICA WEALTH ADVISORS, INC.'s clients shall comply with PACIFICA WEALTH ADVISORS, INC.'s duty to obtain best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where PACIFICA WEALTH ADVISORS, INC. determines, 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 financial strength, reputation, value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although PACIFICA WEALTH ADVISORS, INC. will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. Although the investment research products and/or services that may be obtained by PACIFICA WEALTH ADVISORS, INC. will generally be used to service all of PACIFICA WEALTH ADVISORS, INC.'s 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. The brokerage commissions and/or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, PACIFICA WEALTH ADVISORS, INC.'s investment advisory fee.

In performing its services, PACIFICA WEALTH ADVISORS, INC. shall not be required to verify any information received from the client or from the client's other professionals, and is expressly authorized to rely thereon. The client is free to accept or reject any recommendation made by PACIFICA WEALTH ADVISORS, INC.. Moreover, each client is advised that it remains his/her/its responsibility to promptly notify PACIFICA WEALTH ADVISORS, INC. if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising PACIFICA WEALTH ADVISORS, INC.'s previous recommendations and/or services.

PACIFICA WEALTH ADVISORS, INC.'s clients are advised to promptly notify PACIFICA WEALTH ADVISORS, INC. if there are ever any changes in their financial situation or investment objectives, or if they wish to impose any reasonable restrictions upon PACIFICA WEALTH ADVISORS, INC.'s management services.

A copy of the written disclosure statement for PACIFICA WEALTH ADVISORS, INC., as set forth on Part 2 of Form ADV, shall be provided to each client prior to, or contemporaneously with, the execution of the Financial Planning Agreement, Wealth Management and Financial Planning Agreement, and/or Investment Management Agreement. Any client who has not received a copy of PACIFICA WEALTH ADVISORS, INC.'s written disclosure statement at least forty-eight (48) hours prior to executing the initial applicable agreement shall have five (5) business days subsequent to executing the agreement to terminate PACIFICA WEALTH ADVISORS, INC.'s services without penalty.

Neither PACIFICA WEALTH ADVISORS, INC. nor the client may assign the Financial Planning Agreement, Wealth Management and Financial Plan Agreement, Investment Management Agreement or Wealth Management Agreement without the prior written consent of the other party. Transactions that do not result in a change of actual control or management of PACIFICA WEALTH ADVISORS, INC. shall not be considered an assignment.

PACIFICA WEALTH ADVISORS, INC. may provide its clients with a broad range of institutional consulting services; including but not limited to providing investment policy development, manager searches, manager monitoring, asset allocation, provider searches, fiduciary consulting, and other institutional consulting services to pension plans, endowments, 401(k)s, and other institutional plans. PACIFICA WEALTH ADVISORS, INC. will charge a flat fee or percentage of assets consulted upon for these services. PACIFICA WEALTH ADVISORS, INC.'s fees are negotiable and are paid in advance, however, in the event the client terminates PACIFICA WEALTH ADVISORS, INC.'s services, the balance of PACIFICA WEALTH ADVISORS, INC.'s fee, if any, shall be refunded to the client.

PACIFICA WEALTH ADVISORS, INC. does not provide portfolio management services to any wrap fee programs.

All material conflicts of interest under CCR Section 260.238(k) are disclosed regarding our firm, our representatives and any employees, which could be reasonably expected to impair the rendering of unbiased and objective advice.

## **Item 5 – Fees and Compensation**

PACIFICA WEALTH ADVISORS, INC.'s annual investment advisory fee shall be pro-rated and paid quarterly, in advance. The percentage (%) portion of the fee shall be based upon the market value of the assets on the last day of the previous quarter. The typical percentage fee is 1% of the assets under management and a typical financial plan fee is \$5,000. Financial planning fees are charged on either a fixed fee basis ranging from \$1,000-\$5,000 or hourly basis ranging from \$100/hour - \$500/hour. The Financial Planning fee is determined based on the nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a contract with any client.

PACIFICA WEALTH ADVISORS, INC. generally requires that each client maintain a minimum of \$2,000,000 of assets under management. PACIFICA WEALTH ADVISORS, INC., in its sole discretion, may charge a lesser management fee and/or reduce or waive the aforementioned minimum based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, type of services required, account composition, negotiations with client, etc). The fixed fee and/or percentage (%) fee components of PACIFICA WEALTH ADVISORS, INC.'s annual fee are subject to annual adjustment upon written notice to the client.

As indicated in the Wealth Management Agreement, PACIFICA WEALTH ADVISORS, INC. generally performs a substantial and disproportionate amount of account services during the first quarter of the engagement. As a result, the Wealth Management Agreement shall contain an acknowledgement by the client that if the Wealth Management Agreement is terminated by the client subsequent to the first ten (10) days of the engagement, PACIFICA WEALTH ADVISORS, INC. shall maintain the entire advanced fee billed for that quarter.

PACIFICA WEALTH ADVISORS, INC. may also provide business consulting services on either a fixed or hourly fee basis. With respect to its business consulting services, PACIFICA WEALTH ADVISORS, INC. does not, nor do its Principals or Associated Persons, participate in any such business in an officer, director, or employee capacity.

All fees are subject to negotiation.

The specific manner in which fees are charged by PACIFICA WEALTH ADVISORS, INC. is established in a client's written agreement with PACIFICA WEALTH ADVISORS, INC.. PACIFICA WEALTH ADVISORS, INC. will generally bill its fees on a quarterly basis. Clients will be billed in advance each calendar quarter. Clients may also elect to be billed directly for fees or to

authorize PACIFICA WEALTH ADVISORS, INC. to directly debit fees from client accounts. Management fees shall be prorated for each capital contribution and withdrawal made during the applicable calendar quarter (with the exception of de minimis contributions and withdrawals). Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable. Clients may terminate their agreement with PACIFICA WEALTH ADVISORS, INC. by sending a signed letter terminating their agreement to PACIFICA WEALTH ADVISORS, INC.

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

Item 12 further describes the factors that PACIFICA WEALTH ADVISORS, INC. considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).

Subsection (j) of Rule 260.238, California Code of Regulations requires that all investment advisers disclose to their advisory clients that lower fees for comparable services may be available from other sources.

Pursuant to §260.235.2 CCR, a conflict exists between the interests of the investment adviser or associated persons and the interest of the client; the client is under no obligation to act upon the investment adviser's or associated person's recommendation; if the client elects to act on any of the recommendations, the client is under no obligation to effect the transaction through the investment adviser, the associated person when the person is an agent with a licensed broker-dealer or through any associate or affiliate of such person.

#### **Item 6 – Performance-Based Fees and Side-By-Side Management**

PACIFICA WEALTH ADVISORS, INC. does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).



## **Item 7 – Types of Clients**

PACIFICA WEALTH ADVISORS, INC. provides investment advisory services to high net worth individuals and corporations or other business entities.

PACIFICA WEALTH ADVISORS, INC. generally requires that each client maintain a minimum of \$2,000,000 of assets under management. PACIFICA WEALTH ADVISORS, INC., in its sole discretion, may charge a lesser management fee and/or reduce or waive the aforementioned minimum based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, type of services required, account composition, negotiations with client, etc).

## **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss**

Investing in securities involves risk of loss that clients should be prepared to bear.

PACIFICA WEALTH ADVISORS, INC. may recommend several types of investments to clients including mutual funds, exchange traded funds, individual stocks and bonds, limited partnerships and others. Typically, PACIFICA WEALTH ADVISORS, INC. will recommend open-end, no-load, mutual funds to clients. Occasionally, PACIFICA WEALTH ADVISORS, INC. may also recommend exchange traded funds for part or all of a portfolio.

PACIFICA WEALTH ADVISORS, INC. may perform fundamental analysis and technical analysis before purchasing an investment. PACIFICA WEALTH ADVISORS, INC. uses research reports, conference calls, websites, Charles Schwab reports, and other third-party research reports on the economy, asset classes, and investments when making an investment or allocation decision.

### **Primary Risks of Investing in Mutual Funds**

As with any investment, you could lose all or part of your investment in mutual funds, and mutual funds' performance could trail that of other investments. Mutual funds are subject to the principal risks noted below, any of which may adversely affect net asset value ("NAV"), trading price, yield, total return and ability to meet its investment objective.

**General Risks.** All investments are subject to inherent risks, and investments in mutual funds are no exception. Accordingly, you may lose money by investing in mutual funds. When you sell your mutual fund shares, they may be worth less than what you paid for them because the value of mutual fund investments will fluctuate reflecting day-to-day changes in market conditions, interest rates and numerous other factors.

**Market Risk.** Markets can trade in random or cyclical price patterns, and prices can fall over sustained periods of time. The value of mutual fund investments will fluctuate as markets fluctuate and could decline over short- or long-term periods.

Focused Portfolio and Non-Diversification Risks. Some mutual funds attempt to invest in a limited number of securities. Accordingly, those mutual funds may have more volatility and are considered to have more risk than a fund that invests in a greater number of securities because changes in the value of a single security may have a more significant effect, either negative or positive, on the fund's NAV. To the extent that a mutual fund invests its assets in fewer securities, that fund is subject to greater risk of loss if any of those securities become permanently impaired.

### **Primary Risks of Investing in Exchange Traded Funds**

As with any investment, you could lose all or part of your investment in exchange traded funds, and exchange traded funds' performance could trail that of other investments. Exchange traded funds are subject to the principal risks noted below, any of which may adversely affect net asset value ("NAV"), trading price, yield, total return and ability to meet its investment objective.

Asset Class Risk. Securities in the Underlying Index or in the exchange traded funds portfolio may underperform in comparison to the general securities markets or other asset classes.

Equity Securities Risk. Equity securities are subject to changes in value and their values may be more volatile than other asset classes.

Issuer Risk. Fund performance depends on the performance of individual securities in which the exchange traded fund invests. Changes to the financial condition or credit rating of an issuer of those securities may cause the value of the securities to decline.

Market Risk. Exchange traded funds can lose money over short periods due to short-term market movements and over longer periods during market downturns.

Market Trading Risks. Exchange traded funds face numerous market trading risks, including the potential lack of an active market for fund shares, losses from trading in secondary markets, and disruption in the creation/redemption process of the fund.

### **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of PACIFICA WEALTH ADVISORS, INC. or the integrity of PACIFICA WEALTH ADVISORS, INC.'s management. PACIFICA WEALTH ADVISORS, INC. has no information applicable to this Item.

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

PACIFICA WEALTH ADVISORS, INC. has entered into an agreement with FMN Capital Corporation, a broker-dealer, to provide back-office support to PACIFICA WEALTH ADVISORS, INC.. Additionally, PACIFICA WEALTH ADVISORS, INC.'s President is registered with Financial Management Network, Inc., an RIA and financial planning firm.

Schwab and/or FMNCC may make available to PACIFICA WEALTH ADVISORS, INC. other products and services that benefit PACIFICA WEALTH ADVISORS, INC. but may not benefit its clients' accounts. Some of these other products and services assist PACIFICA WEALTH ADVISORS, INC. in managing and administering clients' accounts. These include software and other technology 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); provide research, pricing information and other market data; facilitate payment of PACIFICA WEALTH ADVISORS, INC.'s fees from its clients' accounts; and assist with back-office functions, record keeping and client reporting. Many of these services generally may be used to service all or a substantial number of PACIFICA WEALTH ADVISORS, INC.'s accounts, including accounts not maintained at Schwab and/or FMNCC.

Schwab and/or FMNCC may also make available to PACIFICA WEALTH ADVISORS, INC. other services intended to help PACIFICA WEALTH ADVISORS, INC. manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing. In addition, Schwab and/or FMNCC may make available, arrange and/or pay for these types of services rendered to PACIFICA WEALTH ADVISORS, INC. by independent third parties. Schwab and/or FMNCC 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 PACIFICA WEALTH ADVISORS, INC.. PACIFICA WEALTH ADVISORS, INC. endeavors to act in its clients' best interests. PACIFICA WEALTH ADVISORS, INC.'s recommendation that clients maintain their assets in accounts at Schwab and/or FMNCC may be based in part on the benefit to PACIFICA WEALTH ADVISORS, INC. of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab and/or FMNCC, which may create a potential conflict of interest.

Generally speaking, all of PACIFICA WEALTH ADVISORS, INC.'s clients benefit from research services which may be provided to PACIFICA WEALTH ADVISORS, INC. by the brokers and dealers who effect transactions for PACIFICA WEALTH ADVISORS, INC.'s client accounts. Not all such research services, however, may be used by PACIFICA WEALTH ADVISORS, INC. in connection with the client accounts that paid commissions to the brokers or dealers providing such research services.

In addition, instances may arise where (a) research services obtained in connection with

transactions affected for a particular client's account benefit other clients of PACIFICA WEALTH ADVISORS, INC., or (b) not all research services may be used by PACIFICA WEALTH ADVISORS, INC. after payment of commissions by clients. PACIFICA WEALTH ADVISORS, INC.'s receipt of research services from brokers and dealers who effect transactions for PACIFICA WEALTH ADVISORS, INC.'s client accounts does not reduce PACIFICA WEALTH ADVISORS, INC.'s customary research activities.

Pursuant to Rule 206(4)-3 of The Investment Advisor Act of 1940, PACIFICA WEALTH ADVISORS, INC. has a Solicitor's Agreement with one or more individuals/firms.

Neither PACIFICA WEALTH ADVISORS, INC. nor any of our management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

Neither PACIFICA WEALTH ADVISORS, INC. nor any of our management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities.

#### **Item 11 – Code of Ethics**

As discussed below, PACIFICA WEALTH ADVISORS, INC. has implemented an investment policy relative to personal securities transactions. This investment policy is part of PACIFICA WEALTH ADVISORS, INC.'s overall Code of Ethics which serves to establish a standard of business conduct for all of PACIFICA WEALTH ADVISORS, INC.'s Associated Persons that is based upon fundamental principles of openness, integrity, honesty and trust, a copy of which is available upon request by contacting Robert Pagliarini at [robert@pacificawealth.com](mailto:robert@pacificawealth.com).

Pacifica Wealth Advisors, Inc.'s employees and persons associated with Pacifica Wealth Advisors, Inc. are required to follow Pacifica Wealth Advisors, Inc.'s Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Pacifica Wealth Advisors, Inc. and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for Pacifica Wealth Advisors, Inc.'s clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Pacifica Wealth Advisors, Inc. will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of Pacifica Wealth Advisors, Inc.'s clients. In addition, the Code requires pre-clearance of many transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a

possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between Pacifica Wealth Advisors, Inc. and its clients.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with Pacifica Wealth Advisors, Inc.'s obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. Pacifica Wealth Advisors, Inc. will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the Order.

It is PACIFICA WEALTH ADVISORS, INC.'s policy that the firm will not affect any principal or agency cross securities transactions for client accounts. PACIFICA WEALTH ADVISORS, INC. will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

### **Investment Policy**

None of PACIFICA WEALTH ADVISORS, INC.'s advisory representatives may effect for himself or herself or for his or her immediate family (i.e. spouse, minor children) (collectively "Covered Persons") any transactions in a security which is being actively purchased or sold, or is being considered for purchase or sale, on behalf of any of PACIFICA WEALTH ADVISORS, INC.'s clients, unless in accordance with the following Firm Procedures.

### **Firm Procedures**

In order to implement PACIFICA WEALTH ADVISORS, INC.'s Investment Policy, the following procedures have been put into place with respect to PACIFICA WEALTH ADVISORS, INC. and its Covered Persons:

(1) If PACIFICA WEALTH ADVISORS, INC. is purchasing or considering for purchase any security on behalf of PACIFICA WEALTH ADVISORS, INC.'s client, no Covered Persons may transact in that security prior to the client purchase having been completed by PACIFICA WEALTH ADVISORS, INC., or until a decision has been made not to purchase the security on behalf of the client; and

(2) If PACIFICA WEALTH ADVISORS, INC. is selling or considering the sale of any security on behalf of PACIFICA WEALTH ADVISORS, INC.'s client, no Covered Persons may transact in that security prior to the sale on behalf of the client having been completed by PACIFICA WEALTH ADVISORS, INC., or until a decision has been made not to sell the security on behalf of the client.

### **Exceptions**

(1) This investment policy has been established recognizing that some securities being considered for purchase and sale on behalf of PACIFICA WEALTH ADVISORS, INC.'s client's trade in sufficiently broad markets to permit transactions to be completed without any appreciable impact on the markets of the securities. Under certain circumstances exceptions may be made to the policies stated above. Complete amended pages in full, circle amended items and file with execution page (page 1). Records of these trades, including the reasons for the exceptions, will be maintained with PACIFICA WEALTH ADVISORS, INC.'s records.

(2) Open-end mutual funds and/or the investment subdivisions, which may comprise a variable insurance product, are purchased or redeemed at a fixed net asset value price per share specific to the date of purchase or redemption. As such, transactions in mutual funds and/or variable insurance products by Covered Persons are not likely to have an impact on the prices of the fund shares in which clients invest, and are therefore not prohibited by PACIFICA WEALTH ADVISORS, INC.'s Investment Policy and Procedures.

In accordance with Section 204A of the Investment Advisers Act of 1940, PACIFICA WEALTH ADVISORS, INC. also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by PACIFICA WEALTH ADVISORS, INC. or any person associated with PACIFICA WEALTH ADVISORS, INC..

PACIFICA WEALTH ADVISORS, INC. has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at PACIFICA WEALTH ADVISORS, INC. must acknowledge the terms of the Code of Ethics annually, or as amended.

### **Item 12 – Brokerage Practices**

We do not have any soft-dollar arrangements and do not receive any soft-dollar benefits.

PACIFICA WEALTH ADVISORS, INC. general policies relative to the execution of client securities brokerage transactions are as follows:

Execution of Brokerage Transactions (when applicable). As our firm does not have the discretionary authority to determine the broker-dealer to be used or the commission rates to be paid, clients must direct PACIFICA WEALTH ADVISORS, INC. as to the broker-dealer to be used. If requested, PACIFICA WEALTH ADVISORS, INC. will arrange for the execution of securities brokerage transactions for the account through broker-dealers that PACIFICA WEALTH ADVISORS, INC. reasonably believes will provide “best execution”. In seeking best execution, the determinative factor is not the lowest possible commission 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 PACIFICA WEALTH ADVISORS, INC. will seek competitive commission rates, it may not necessarily obtain the lowest possible commission rates for account transactions.

Transactions for each client account generally will be effected independently, unless PACIFICA WEALTH ADVISORS, INC. decides to purchase or sell the same securities for several clients at approximately the same time. PACIFICA WEALTH ADVISORS, INC. may (but is not obligated to) combine or “batch” such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among PACIFICA WEALTH ADVISORS, INC.’s clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among PACIFICA WEALTH ADVISORS, INC.’s clients in proportion to the purchase and sale orders placed for each client account on any given day. To the extent that PACIFICA WEALTH ADVISORS, INC. determines to aggregate client orders for the purchase or sale of securities, including securities in which PACIFICA WEALTH ADVISORS, INC.’s principal(s) and/or associated person(s) may invest, PACIFICA WEALTH ADVISORS, INC. shall generally do so in accordance with the parameters set forth in SEC No-Action Letter, SMC Capital, Inc. PACIFICA WEALTH ADVISORS, INC. shall not receive any additional compensation or remuneration as a result of the aggregation.

The client may direct PACIFICA WEALTH ADVISORS, INC. to use a particular broker-dealer (subject to PACIFICA WEALTH ADVISORS, INC.’s right to decline and/or terminate the engagement) to execute some or all transactions for the client’s account. In such event, the client will negotiate terms and arrangements for the account with that broker-dealer, and PACIFICA WEALTH ADVISORS, INC. will not seek better execution services or prices from other broker-dealers or be able to “batch” the client’s transactions for execution through other broker-dealers with orders for other accounts managed by PACIFICA WEALTH ADVISORS, INC.. As a result, client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the

case. In the event that transactions for client accounts are effected through a broker-dealer that refers investment management clients to PACIFICA WEALTH ADVISORS, INC., the potential for conflict of interest may arise.

PACIFICA WEALTH ADVISORS, INC. does not render advice to or take any actions on behalf of clients with respect to any legal proceedings, including bankruptcies and shareholder litigation.

PACIFICA WEALTH ADVISORS, INC. does not maintain custody of your assets that we manage, although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account (see *Item 15 – Custody*, below). Your assets must be maintained in an account at a “qualified custodian,” generally a broker dealer or bank. Unless the client directs otherwise, PACIFICA WEALTH ADVISORS, INC. shall generally recommend that investment management accounts be maintained at Schwab Institutional (“Schwab”), an unaffiliated service provider, or FMN Capital Corp (“FMNCC”), accounts are carried by National Financial Services, LLC a Fidelity Company.

### **How We Select Brokers/Custodians**

We seek to recommend a custodian/broker who will hold your assets and execute transactions on terms that are, overall, most advantageous when compared to other available providers and their services. We consider a wide range of factors, including, among others:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
- Capability to execute, clear, and settle trades (buy and sell securities for your account)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds [ETFs], etc.)
- Availability of investment research and tools that assist us in making investment decisions
- Quality of services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices
- Reputation, financial strength, and stability
- Prior service to us and our other clients
- Availability of other products and services that benefit us, as discussed below (see “*Products and Services Available to Us From Schwab and/or FMNCC*”)

Prior to PACIFICA WEALTH ADVISORS, INC. providing investment management services, the client will be required to enter into a formal Wealth Management and Financial Planning Agreement or Investment Management Agreement with PACIFICA WEALTH ADVISORS, INC. setting forth the terms and conditions under which PACIFICA WEALTH ADVISORS, INC. shall manage the client's assets, and a separate custodial/clearing agreement with Schwab and or FMNCC. Both PACIFICA WEALTH ADVISORS, INC.'s Wealth Management and Financial Planning Agreement, or Investment Management Agreement and the custodial/clearing agreement, may



authorize the account custodian to debit the client account for the amount of PACIFICA WEALTH ADVISORS, INC.'s investment advisory fee and to directly remit that management fee to PACIFICA WEALTH ADVISORS, INC. in accordance with required SEC procedures. In addition to PACIFICA WEALTH ADVISORS, INC.'s investment advisory fee, the client shall also incur, relative to mutual fund purchases, charges imposed directly at the mutual fund level (i.e. fund advisory fees and expenses). The Wealth Management and Financial Planning Agreement and Investment Management Agreement between PACIFICA WEALTH ADVISORS, INC. and the client will continue in effect unless terminated by either party by written notice in accordance with the terms and conditions of the applicable agreement. PACIFICA WEALTH ADVISORS, INC.'s investment advisory fee shall be prorated through the date of termination, and any remaining balance shall be refunded to the client.

### **Your Brokerage and Custody Costs**

For our clients' accounts that Schwab and/or FMNCC maintains, Schwab and/or FMNCC generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab and/or FMNCC account. In addition to commissions and asset-based fees, Schwab and/or FMNCC charges you a flat dollar amount as a "prime broker" or "trade away" fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Schwab and/or FMNCC account. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer. Because of this, in order to minimize your trading costs, we have Schwab and/or FMNCC execute most trades for your account. We have determined that having Schwab and/or FMNCC execute most trades is consistent with our duty to seek "best execution" of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see *"How We Select Brokers/Custodians"*).

### **Products and Services Available to Us From Schwab and/or FMNCC**

The custodians we recommend provide us and our clients with access to its institutional brokerage—trading, custody, reporting, and related services—many of which are not typically available to retail customers. Schwab and/or FMNCC also makes available various support services. Some of those services help us manage or administer our clients' accounts, while others help us manage and grow our business. Schwab's and/or FMNCC's support services generally are available on an unsolicited basis (we don't have to request them) and at no charge to us as long as our clients collectively maintain a total of at least \$10 million of their assets in accounts at Schwab. If our clients collectively have less than \$10 million in assets at Schwab, Schwab may charge us quarterly service fees of \$1,200. Currently, there are no minimums for FMNCC.

In evaluating whether to recommend that clients custody their assets at Schwab and/or FMNCC, we may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors we consider and not solely

on the nature, cost or quality of custody and brokerage services provided by Schwab and/or FMNCC, which may create a potential conflict of interest since as a result of receiving such services for no additional cost, we may have an incentive to continue to use or expand the use of Schwab's and/or FMNCC's services. We examined this potential conflict of interest when we chose to enter into the relationship with Schwab and/or FMNCC and have determined that the relationship is in the best interests of our clients. *The availability to PACIFICA WEALTH ADVISORS, INC. of the foregoing products and services is not contingent upon our firm committing to Schwab and/or FMNCC any specific amount of business (assets in custody or trading).*

Following is a more detailed description of Schwab's and/or FMNCC's support services:

**Services That Benefit You.**

Schwab's and/or FMNCC's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab and/or FMNCC include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's and/or FMNCC's services described in this paragraph generally benefit you and your account.

**Services That May Not Directly Benefit You.**

Schwab and/or FMNCC also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's and/or FMNCC's own and that of third parties. We may use this research to service all or a substantial number of our clients' accounts, including accounts not maintained at Schwab and/or FMNCC. In addition to investment research, Schwab and/or FMNCC also makes available software and other technology that:

- Provide access to client account data (such as duplicate trade confirmations and account statements)
- Facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- Provide pricing and other market data
- Facilitate payment of our fees from our clients' accounts
- Assist with back-office functions, recordkeeping, and client reporting

**Services That Generally Benefit Only Us.**

Schwab and/or FMNCC also offers other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events
- Consulting on technology, compliance, legal, and business needs
- Publications and conferences on practice management and business succession
- Access to employee benefits providers, human capital consultants, and insurance providers

Schwab and/or FMNCC may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab and/or FMNCC may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab and/or FMNCC may also provide us with other benefits, such as occasional business entertainment of our personnel.

### **Our Interest in Schwab's and/or FMNCC's Services**

The availability of these services from Schwab and/or FMNCC benefits us because we do not have to produce or purchase them. We don't have to pay for Schwab's services so long as our clients collectively keep a total of at least \$10 million of their assets in accounts at Schwab. The \$10 million minimum may give us an incentive to recommend that you maintain your account with Schwab, based on our interest in receiving Schwab's services that benefit our business rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a potential conflict of interest. We believe, however, that our selection of Schwab as custodian and broker is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of Schwab's services (see *"How We Select Brokers/Custodians"*) and not Schwab's services that benefit only us. We have over \$50,000,000 in client assets under management, and we do not believe that recommending our clients to collectively maintain at least \$10 million of those assets at Schwab in order to avoid paying Schwab quarterly service fees presents a material conflict of interest.

### **Item 13 – Review of Accounts**

PACIFICA WEALTH ADVISORS, INC. prepares a written investment summary quarterly for each client for which it manages their investments. These written reports include the client's account value, any gain or loss, a list of current holdings, and a pie chart showing the allocation of the account. Robert Pagliarini, President, reviews each client's investment allocation and investments at least quarterly. Robert Pagliarini, President, may review a client's financial plan and/or investment allocation and investments more frequently if necessary (e.g., client retires, significant change in client's work or financial situation, client is contemplating a large purchase, etc.).

Clients also receive, at least monthly, a written statement from the custodian where they custody their assets.

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

Pursuant to Rule 206(4)-3 of The Investment Advisor Act of 1940, PACIFICA WEALTH ADVISORS, INC. has a Solicitor's Agreement with one or more individuals/firms. This means PACIFICA

WEALTH ADVISORS, INC. pays unaffiliated entities a percentage of the revenue PACIFICA WEALTH ADVISORS, INC. receives from the clients they refer. The percentage compensation PACIFICA WEALTH ADVISORS, INC. pays is negotiated and based on many criteria, but typically ranges from 5% to 25% of the gross revenue PACIFICA WEALTH ADVISORS, INC. earns from each referred client. The compensated individual(s) are properly registered as solicitor(s) and follow CCR 260.236(c)(2) requirements.

It is our policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

### **Item 15 – Custody**

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts. Pursuant to government regulations, we adhere to the following safeguarding procedures regarding directly debiting advisory fees from client accounts:

1. We send a copy of the invoice to the custodian or trustee at the same time we send a copy to the client;
2. The custodian sends quarterly statements to clients showing all disbursements for the custodian account, including the amount of the advisory fee;
3. Clients provide us with written authorization permitting Pacifica Wealth Advisors, Inc. to be paid directly for their accounts held by the custodian or trustee;
4. We send a statement to the client showing the amount of the fee, the value of the client's assets upon which the fee was based, and the specific manner in which the fee is calculated;
5. We disclose to clients that it is their responsibility to verify the accuracy of the fee calculation and that the custodian will not determine whether the fee is properly calculated; and,
6. We send a bill to the custodian indicating only the amount of the fee to be paid by the custodian.

Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

In addition to the periodic statements that clients receive directly from their custodians, we also send account statements directly to our clients representative on a quarterly basis and as requested. We urge clients to carefully compare the information provided on these statements to ensure that all account transactions, holdings and values are correct and current.

## **Item 16 – Investment Discretion**

Pacifica Wealth Advisors, Inc. usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. A client must sign a discretionary authority client agreement before PACIFICA WEALTH ADVISORS, INC. will accept this authority. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, Pacifica Wealth Advisors, Inc. observes the investment policies, limitations and restrictions of the clients for which it advises. For registered investment companies, Pacifica Wealth Advisors, Inc.'s authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

Investment guidelines and restrictions must be provided to Pacifica Wealth Advisors, Inc. in writing.

## **Item 17 – Voting Client Securities**

As a matter of firm policy and practice, Pacifica Wealth Advisors, Inc. does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. Pacifica Wealth Advisors, Inc. may provide advice to clients regarding the clients' voting of proxies. Clients may contact Robert Pagliarini, President, at [robert@pacificawealth.com](mailto:robert@pacificawealth.com) to receive a copy of Pacifica Wealth Advisors, Inc.'s Proxy Voting Policy.

## **Item 18 – Financial Information**

As an advisory firm that maintains discretionary authority for client accounts, we are required in this Item to provide you with certain financial information or disclosures about Pacifica Wealth Advisors, Inc.'s financial condition. Pacifica Wealth Advisors, Inc. has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

Under no circumstances do we require or solicit payment of fees in excess of \$500 per client more than six months in advance of services rendered. Therefore, we are not required to

include a financial statement.

**Item 19 – Requirements for State-Registered Advisers**

A. The following individuals are the principal executive officers and management persons of Pacifica Wealth Advisors, Inc.:

- Robert Pagliarini, President and Chief Compliance Officer

Information regarding the formal education and business background for Mr. Pagliarini is provided in his respective Brochure Supplement (Part 2B of Form ADV).

B. Pacifica Wealth Advisors, Inc. is not engaged in any business activity other than giving investment advice.

C. Neither Pacifica Wealth Advisors, Inc. nor our supervised persons are compensated for advisory services with performance-based fees.

D. We are required to disclose all material facts regarding certain legal or disciplinary events pertaining to arbitration awards or other civil, regulatory or administrative proceedings in which our firm or management personnel were found liable or against whom an award was granted. Our firm and our management personnel have no reportable disciplinary events to disclose.

E. Neither Pacifica Wealth Advisors, Inc. nor our management personnel have a relationship or arrangement with any issuer of securities.

Robert Pagliarini  
Pacifica Wealth Advisors, Inc.

26041 Acero, Suite 500

Mission Viejo, CA 92691

949-305-0500

August 21, 2012

**This Brochure Supplement provides information about Robert Pagliarini that supplements the Pacifica Wealth Advisors, Inc. Brochure. You should have received a copy of that Brochure. Please contact Robert Pagliarini, President, at [robert@pacificawealth.com](mailto:robert@pacificawealth.com) or 949-305-0500 if you did not receive Pacifica Wealth Advisors, Inc.'s Brochure or if you have any questions about the contents of this supplement.**

**Additional information about Robert Pagliarini is available on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number for Robert Pagliarini is 2818701.**

## Item 2- Educational Background and Business Experience

Robert Pagliarini, MSFS, CFP® (“Robert”, “Mr. Pagliarini”) was born on September 28, 1972. Robert graduated from Washington State University, Vancouver Washington with his Bachelor’s of Science Degree in Psychology and his Master’s degree in Financial Services from the American College, Bryn Mawr, Pennsylvania.

ROBERT PAGLIARINI, MSFS, CFP(r)

Born: 1972

Educational Background:

Brandman University – 2010-Present (Masters in Psychology)

American College – 2002-2004 (Masters in Financial Services)

University of California, Los Angeles – 1999-2001 (Financial Planner Designation)

Washington State University – 1993-1995 (Bachelor’s Degree)

Clark College, 1991-1993

Business Background:

Pacifica Wealth Advisors, Inc. – 1/06 to Present (President)

Financial Management Network, Inc. – 08/09 to Present (RIA Rep)

Allied Consulting Group (SCS Resources, Inc.) – 4/02 – 5/06 (RIA Rep)

### CFP - Certified Financial Planner

Issued by: [Certified Financial Planner Board of Standards, Inc.](#)

Mr. Pagliarini holds the CFP® designation. The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 62,000 individuals have obtained CFP® certification in the United States.

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

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board’s financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and



client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;

- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board's *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

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

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

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

### **Item 3- Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

### **Item 4- Other Business Activities**

Robert Pagliarini, President, is not actively engaged in any other investment-related business or occupation. Robert Pagliarini, President, is not actively engaged in any other business or occupation for compensation that provides a substantial source of his income or involves a substantial amount of his time.

### **Item 5- Additional Compensation**

Robert Pagliarini has entered into an agreement with FMN Capital Corporation, a broker-dealer, to provide back-office support to PACIFICA WEALTH ADVISORS, INC.. Additionally, Robert Pagliarini is registered with Financial Management Network, Inc., an RIA and financial planning firm. Robert Pagliarini may receive compensation from Financial Management Network if Robert Pagliarini refers a client to Financial Management Network and the client purchases

insurance through Financial Management Network. The compensation paid to Robert Pagliarini is a percentage of the compensation Financial Management Network receives as a commission from the sale of the insurance.

#### **Item 6 - Supervision**

Robert Pagliarini, President, actively monitors the advice of the supervised person listed above.

#### **Item 7 – Requirements for State-Registered Advisers**

Robert Pagliarini has never been the subject of a bankruptcy petition.

Robert Pagliarini has never been involved in any of the additional disciplinary events reportable under this Item.