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**Informational Brochure  
(Part 2A, Form ADV)**

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**This brochure provides information about the qualifications and business practices of NestEgg Wealth. If you have any questions about the contents of this brochure, please contact us at *info@nesteggwealth.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 NestEgg Wealth also is available on the SEC's website at *www.adviserinfo.sec.gov*.**

## SUMMARY OF MATERIAL CHANGES

This brochure is an amended version of NestEgg's original brochure of July 14, 2011. For future filings this section of the brochure may address only those material changes that have occurred since our last annual update. We may at any time update this brochure and either send a copy of the updated brochure or provide a summary of material changes to the brochure and an offer to send an electronic or hard copy form of the updated brochure. Clients are also able to download this brochure from the Securities and Exchange Commission's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) or may contact us at (212) 810-7952 or [info@nesteggwealth.com](mailto:info@nesteggwealth.com) to request a copy.

The following are the material changes from the original brochure:

### **Advisory Business**

We have modified our suite of tools and products and will not provide a Financial Planner and Investment Information Aggregator until a future date. Our Asset Allocation Engine and NestEgg Online Magazine will continue to be available through our website at [nesteggwealth.com](http://nesteggwealth.com).

### **Fees and Compensation**

We have reduced our management fee such that the first \$250,000 under management will be subject to a 0.45% annual fee; the next \$750,000 in excess of \$250,000 will be subject to a 0.35% annual fee; and any assets in excess of \$1,000,000 will be subject to a 0.25% annual fee. In addition, we have modified our fee structure such that we will generally not charge clients transaction fees or execution charges in addition to our management fee. We may pass through such transaction fees and execution charges in the event and to the extent that our financial partners impose such fees and charges.

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## **ADVISORY BUSINESS**

NestEgg Wealth, Inc. (“NestEgg”, “we”, “us” or “our”) is a web-based investment advisory service company. Our website –*nesteggwealth.com* – provides tools and services to enable investors to diversify intelligently, protect their portfolios and plan their financial future. Our Asset Allocation Engine utilizes computerized algorithms based on Modern Portfolio Theory and Behavioral Finance to create a unique and personalized, mathematically optimized portfolio. These tools are supplemented by our commentary platform – the NestEgg Online Magazine – which provides articles and other media on related topics.

NestEgg was founded in May 2010 and is a privately held company whose principal owners are Alexey Sokolin and Timothy Paige.

### **Advisory Services**

#### *General*

NestEgg’s advisory services are provided through its website – *nesteggwealth.com*. Users navigating to the website can review general descriptions of the company and the capabilities of its tools and services – namely, the Asset Allocation Engine and NestEgg Online Magazine. They may explore the Magazine and try demonstrative versions of the tools and products – which are provided only as general and impersonalized investment information – before registering and creating a member profile. Members are then provided access to additional capabilities of the tools and products as they can input information on current assets and financial holdings and generate a mathematically optimized portfolio with the Asset Allocation Engine. A member can then open an account with NestEgg and become a client. Clients are provided the full capabilities of the tools, products and services and can authorize NestEgg to execute any transactions necessary to effect all or a part of the recommended portfolio or financial plan. Members and clients will be prompted to enter into an Advisory Agreement with NestEgg. Clients will be charged fees for services as described below.

#### *Asset Allocation Engine*

The Asset Allocation Engine enables users to diversify their investment portfolio and reallocate and protect their assets from excess risk through the application of computerized algorithms based on Modern Portfolio Theory and Behavioral Finance. A basic premise of Modern Portfolio Theory is that markets are semi-efficient and diversification – holding multiple asset classes that are inversely correlated – eliminates the idiosyncratic risk that inheres in active stock selection. The Asset Allocation Engine allows clients and members to create a holistic, customized mathematically optimized portfolio taking into account their investment goals and behaviors, liquidity requirements, risk tolerance, time horizon, existing portfolio and other relevant information provided through the question interface. Asset Allocation Engine does not generally rely on pre-existing model portfolios (e.g., conservative / moderate / aggressive), but rather generates a unique and fully customized portfolio recommendation.

The portfolio recommended by the Asset Allocation Engine becomes fine-tuned interactively as clients and members answer detailed behavioral questions through our proprietary question interface and input their existing assets and investments, resulting in a unique and customized portfolio recommendation. The client or member can manually enter financial and investment information regarding current portfolio and finances into the Asset Allocation Engine. Taking into account the foregoing financial information and the information of the client or member as provided through the question interface, a tailored and customized portfolio recommendation with a mathematically optimal allocation for that client or member is generated using a web-based engine that computes a set of constraints, customization rules and target rates of return. This allocation accounts for the existing portfolio of the client or member and the costs associated with implementing the recommended portfolio. Additionally, the market projections and preferences of the client or member can be accounted for in the portfolio recommendation. Clients and members can also require that certain assets be maintained within the portfolio and/or limit or restrict certain assets from being included in the portfolio (e.g., non-environmentally friendly sectors). The Asset Allocation Engine also enables clients and members to modify their information and answers, reallocate their holdings and view resulting effects on their overall risk, return potential, and outcomes in simulated real market scenarios based on historical events.

The proprietary algorithm driving the Asset Allocation Engine utilizes a number of financial instruments identified by NestEgg and representing a broad range of asset classes (including, but not limited to publicly-traded equity and debt securities, exchange traded funds and notes (“ETFs” and “ETNs,” respectively), and open and closed-end mutual funds) which are eligible to be included into a recommended asset allocation. In all cases, eligible financial instruments are highly liquid, reliable, trustworthy and associated with a highly reputable asset manager. The eligible financial instruments are selected based upon industry-standard asset classes, market liquidity, availability of reliable historical data, and associated transaction costs, fees and expenses. Generally, the financial instruments will be ETFs as they are no (or low) cost and satisfy the criteria described above; however, as described below in “Fees and Compensation,” the investment account size and amount of investable assets may affect the set of eligible financial instruments for the applicable portfolio in order to minimize the associated costs, fees and expenses, including transaction fees and execution charges of the applicable broker-dealer, custodian and/or money manager (each, a “financial partner”) to effect the transactions to construct the recommended portfolio and maintain the account. For example, a specific ETF or mutual fund may be chosen over similar instruments because the transaction fees and execution charges associated with the transactions for the applicable portfolio may be less than that of similar financial instruments. Relevant information about each instrument is imported from market data providers and the system calculates relevant statistics, including, without limitation, standard deviation, alpha and beta coefficients, and price correlations. The calculations are based on current market and historical data. We may re-evaluate the financial instruments and indices, in accordance with our standards for inclusion in the algorithms, and may add additional financial instruments and indices when we believe appropriate. One should not expect each and every index or asset class to be included in our algorithm and the universe of financial instruments included in the recommended portfolio will be limited to those that meet the eligibility criteria and the financial holdings of the client or member, as applicable.

Once an illustrative portfolio is generated, members are given clear action steps to effect the recommended allocation and protect their portfolio, which they can implement by becoming a client and establishing an investment account.. In such event, NestEgg will require that the client open an account with a suitable financial partner – a broker-dealer, custodian and/or money manager. The financial partner will custody the client’s assets and execute the transactions necessary to implement the recommended NestEgg asset allocation at the client’s direction. The client may opt for a discretionary or nondiscretionary account. In a discretionary account, the Advisory Agreement authorizes NestEgg with limited discretionary authority to initiate investment activities on behalf of the client. The Advisory Agreement between NestEgg and a client will continue in effect until terminated by either party pursuant to the terms of the Advisory Agreement. Copies of the NestEgg Advisory Agreement are available upon request, and will be available on our website at *nesteggwealth.com*.

While a generated mathematically optimized portfolio will take into account certain tax considerations (for example, state of residence, retirement and other similar accounts and the frequency of recommended rebalancing transactions), not all possible tax implications and consequences may be accounted for in the process. The client or member is responsible for any tax liabilities resulting from the recommended portfolio and transactions (including, without limitation, any arising from the addition of assets to or withdrawal of assets from the client’s account, rebalancings and other actions which are or cause taxable events). Clients and members are urged to seek the advice of qualified tax professionals and to use all available resources to educate themselves about investing in general, as well as the portfolio composition recommended by the Asset Allocation Engine.

Subject to customary security settlement procedures, a client may withdraw all or part of the assets in an account or terminate an account, or modify the investment goals, liquidity requirements, risk tolerance, time horizon, existing portfolio or other relevant information provided, at any time. Such changes are likely to result in a rebalancing of the mathematically optimized asset allocation and may incur execution charges; however, all or a portion of those charges (based upon the value of the assets in the account, the number of rebalancings effected during the previous twelve months, and the management fees charged during such period) may be credited against monthly management fees charged in subsequent months so long as the client has not exceeded the applicable number of annual rebalancings. As customized portfolios are designed to be long-term investments, asset withdrawals may impair the achievement of a client's optimized portfolio and/or investment goals. NestEgg retains the right to terminate any account at any time and transfer assets back to the client as per instructions.

### *NestEgg Online Magazine*

NestEgg Online Magazine is a generalized commentary platform for investment, financial and related information. The Magazine is a collection of articles, commentary and other media written and/or compiled by NestEgg staff and contributors on a diverse array of topics, including, but not limited to, Risk & Allocation, the Wealth Management Industry, Financial Planning, and Markets & the Economy. Users may engage with the content and other NestEgg users by posting comments in response to content generated by NestEgg staff, sharing content on social networks, and engaging with each other through community building tools, such as forums, question and answer websites, and user-generated wikis.

The demonstrative versions of the investment tools and services and the informational content of our website, including commentary on asset allocation, portfolio optimization, risk/return maximization, performance analysis, wealth management and financial planning, is provided as general and impersonalized investment information and commentary and does not constitute a specific recommendation or solicitation that anyone should purchase or sell any particular security or investment advisory service. Such content is available to visitors, members and clients.

The use of our website, including the services, tools and products, is subject to the acceptance of its Terms and Conditions of use, which is available at <http://www.nesteggwealth.com/legal/terms/>. NestEgg also recognizes that protecting the privacy and security of the personal information we obtain about our clients, members and visitors is an important responsibility. Our Privacy Policy is available at <http://www.nesteggwealth.com/legal/privacy-policy/>.

## **FEES AND COMPENSATION**

### **Fee Structure**

NestEgg does not charge visitors or members a fee to use the website and generate an illustrative asset allocation through the Asset Allocation Engine or access other information and content, including the Online Magazine. In the event a member decides to become a client, NestEgg will recommend that the client open an account with a suitable financial partner – a broker-dealer, custodian and/or money manager that has established a partner relationship to provide execution, custody and other investment services on behalf of NestEgg’s clients. The financial partner will custody the client’s assets and execute the transactions necessary to implement the recommended NestEgg asset allocation at the client’s direction. NestEgg charges the client management fees at annual rates between 0.25% and 0.45% of the net market value of the assets in the client’s account. We do not charge our clients any transaction fees, but may pass through transaction fees and execution charges from a financial partners, as described below. A portion of the management fee may be paid to the financial partner by NestEgg for services provided.

### **Management Fee**

NestEgg charges clients an annual management fee, which is prorated and charged monthly, in arrears, based on the net market value of a client’s account (including cash balances during the previous month. The management fee for a given month is (x) the Annual Fee Percentage divided by 12 (y) multiplied by the average daily balance of the account during that month. NestEgg will automatically deduct the management fee for a given month from the client’s account on or about the tenth business day of the succeeding month. Annual management fees will be assessed to the client based on marginal assets in accordance with the following schedule:

<b>Assets</b>	<b>Annual Fee</b>
\$0 – \$249,999	0.45%
\$250,000 – \$999,999	0.35%
\$1,000,000+	0.25%

The first \$250,000 under management will be subject to a 0.45% annual fee; the next \$750,000 in excess of \$250,000 will be subject to a 0.35% annual fee; and any assets in excess of \$1,000,000 will be subject to a 0.25% annual fee. A change in the Annual Management Fee Percentage will become effective only after 30 days' notice to the client.

### **Other Fees and Expenses**

As noted above, NestEgg generally does not charge clients transaction fees or execution charges. We may pass through associated transaction fees and execution charges when a client establishes an account with NestEgg and uses a financial partner to execute the necessary transactions to construct an optimized portfolio; however, those execution charges are credited *pro rata* against monthly management fees until the value of the credited monthly management fees equals the value of the execution charges accrued by that account. In addition, we may pass through associated transaction fees and execution charges for an account rebalancing (described below in "Review of Accounts"), withdrawal or termination; however, all or a portion of those charges (based upon the value of the assets in the account, the number of rebalancings effected during the previous twelve months, and the management fees charged during such period) may be credited *pro rata* against monthly management fees charged in subsequent months so long as the client has not exceeded the applicable number of annual rebalancings. Such charges will be deducted from the client's account at the time that such charges are incurred.

In order to provide the Asset Allocation service to investment portfolios of all sizes without requiring that clients incur associated transaction fees and execution charges in addition to the NestEgg management fee, the applicable pool of eligible financial instruments for a portfolio may be limited to certain ETFs, mutual funds and/or similar financial instruments to minimize the associated costs, fees and expenses charged by the applicable financial partners to effect the transactions to construct the recommended portfolio and maintain the account. Furthermore, the set of available choices of broker-dealers or other financial partners available to clients may be affected by the associated transaction fees and execution charges of such broker-dealers or other financial partners. Where the size of a client's account and amount of investable assets make it generally uneconomical to fully diversify the portfolio given the associated costs, fees and expenses, NestEgg will adjust the set of eligible financial instruments available to construct a recommended portfolio rather than pass through such associated costs, fees and expenses to our clients. For example, the adjusted set of instruments may be issued by the financial partner acting as broker-dealer and/or custodian for the applicable account and thus there may be lower or no associated transaction fees and execution charges. These limitations are necessary to practically offer holistic wealth management services and mathematically optimized portfolios for investment accounts where the associated costs, fees and expenses account for a significant percentage of assets under management. The recommended set of financial partners and eligible instruments for an asset allocation recommendation may increase along with account sizes as such accounts are able to economically bear the additional costs, fees and expenses, including transaction fees and execution charges of the applicable financial partners to effect the transactions to construct the recommended portfolio and maintain the account. By adjusting the set of financial partners and eligible instruments available at different account sizes, NestEgg can provide its Asset Allocation service to clients with various account sizes and amounts of investable assets.



NestEgg may receive fees, commissions and other compensation from broker-dealers and other third parties for mutual funds and/or other securities and instruments that are recommended to be purchased for a client's portfolio. To the extent any such fees, commissions and other compensation are received, NestEgg will refund the amount to the applicable client's account no later than the next rebalancing of such account.

For any withdrawal, modification or termination of an account, the client's assets in question will be valued as of the most recent close of markets at the time the request is made, minus the applicable management fees, if any. Any charges associated with any such termination, modification or withdrawal will be deducted from the client's account at the time that such charges are incurred.

In the event that assets are deposited into or withdrawn from an account after the start of a month, the fee payable with respect to such assets will not be adjusted or prorated based on the number of days remaining in the month. In addition, NestEgg has the right to liquidate assets to provide for sufficient cash in the account to pay for the monthly management fee.

## **TYPES OF CLIENTS**

NestEgg's provides investment advice to individuals, trusts, estates, or charitable organizations, corporations and other legal entities. The minimum account size is based upon the account requirements of NestEgg's financial partners and is currently \$5,000 of assets under management. NestEgg has the discretion to waive the account minimum.

## **METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

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

NestEgg provides users with the tools to intelligently diversify and protect their portfolios from excess risk. Utilizing tenets of Modern Portfolio Theory, which focuses on eliminating idiosyncratic risk associated with active stock selection through asset allocation and diversification, and behaviorally-focused risk assessment, which determines important factors such as clients' aversion to financial losses, willingness to accept larger risks for a certain portion of the portfolio, belief in portfolio manager skill and personal preferences regarding instruments, customized investment portfolios are constructed for individual clients. We believe that markets are semi-efficient and that diversification (holding multiple asset classes with low internal correlation) eliminates idiosyncratic risk that inheres in active stock selection. The NestEgg engine relies on the foregoing principles to create an optimized portfolio for each client.

NestEgg performs analysis using proprietary web-based dynamic software. NestEgg identifies a number of financial instruments (including, but not limited to publicly-traded equity and debt securities, ETFs, ETNs and open and closed-end mutual funds) which are eligible to be included into a recommended asset allocation for our members and clients. We import external data from market data providers, and our system calculates relevant statistics for each instrument, including standard deviation, alpha and beta coefficients, and price correlations.

Taking into account the foregoing financial information and client or member's investment goals, liquidity requirements, risk tolerance, time horizon, existing portfolio and other relevant information, a tailored and appropriate portfolio recommendation with an optimal allocation for that client or member is generated using a web-based engine that computes a set of constraints, customization rules and target rates of return. This allocation accounts for the client or member's existing portfolio and the costs associated with implementing the recommended portfolio. Additionally, a client's own market projections and preferences can be accounted for in the custom, mathematically optimized portfolio. We generally do not rely on a pre-existing model portfolio (e.g., conservative / moderate / aggressive), instead generating a unique and fully customized recommendation for each client.

As described above in "Fees and Compensation," in order to provide the Asset Allocation service to investment portfolios of all sizes without requiring that clients incur associated transaction fees and execution charges in addition to the NestEgg management fee, the applicable pool of eligible financial instruments for a portfolio may be limited to certain ETFs, mutual funds and/or similar financial instruments to minimize the associated costs, fees and expenses charged by the applicable financial partners to effect the transactions to create the recommended portfolio and maintain the account.

While a generated mathematically optimized portfolio will take into account certain tax considerations (for example, state of residence, retirement and other similar accounts and the frequency of recommended rebalancing transactions), not all possible tax implications and consequences can be accounted for in the process. The client is responsible for any tax liabilities resulting from the recommended portfolio and transactions (including, without limitation, any arising from the addition of assets to or withdrawal of assets from the client's account, rebalancings and other actions which are or cause taxable events). Clients are urged to seek the advice of qualified tax professionals and to use all available resources to educate themselves about investing in general, as well as the portfolio composition recommended by the Asset Allocation Engine.

### **Risk of Loss**

The asset allocation advice is dependent on the accuracy of the information provided by each client with respect to his or her investment goals, risk tolerance and financial circumstances. The recommendations provided may be significantly affected by even small changes in these data points upon which assumptions are made about a client's individual circumstances.

All investment activities include the risk of loss in addition to the opportunity for gains. These investment risks fall in to several categories:

- **Business Risk:** Business risks concern particular industries or particular companies within those industries.
- **Currency Risk:** Investments not denominated in U.S. Dollars are subject to fluctuations in the value of the dollar against the currency of the investment's originating country.

- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability because the company must meet the terms of its obligations in good times and bad. A business' inability to meet loan obligations may reduce an investor's ability to recover his or her investment.
- **Inflation Risk:** Inflation reduces the future purchasing power of the underlying currency, which erodes the value of the investment.
- **Interest-Rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Illiquid investments reduce the ability of an investor to recover his investment on short notice.
- **Management and Tracking Error Risk:** Financial instruments that are meant to track underlying assets/indices may not produce the desired results due to a portfolio manager's investment decisions or that the portfolio in the financial instrument may not correlate to the underlying assets/indices.
- **Market Risk:** The price of an investment may drop in reaction to events and conditions. This type of risk is caused by external factors independent of an instrument's particular underlying circumstances, such as political, economic or social conditions.
- **Reinvestment Risk:** Reinvestment risk concerns the risk that future proceeds from investments may have to be reinvested at a lower rate of return.

In addition, our website's graphical interface offers a number of different tools to allow clients and members to examine the risk associated with their customized portfolios. For example, certain features allow clients and members to stress-test their portfolios against historical periods of harsh economic conditions and run simulated projections of returns. We provide relevant key metrics focusing on the down-side case, including the Sharpe ratio, a mathematical estimate of the probability that a particular investment will suffer a 20% loss in value, and the historical correlation between a specific investment and other assets in the portfolio.

Such simulations, while helpful to users, are projections hypothesizing future market conditions and do not guarantee actual returns. NestEgg makes no representation regarding the likelihood that a particular mathematically optimized portfolio will achieve an investment goal. Past performance does not guarantee future results; any portfolio may lose some or all of its value.

## DISCIPLINARY INFORMATION

As of the date of this brochure, NestEgg has not been subject to any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business.

## **OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

NestEgg and its management personnel have no affiliations and do not receive any compensation or referral fees from broker-dealers, investment companies, banks, accounting firms, insurance-related businesses, or real estate brokers or dealers as part of our advisory business.

## **CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

NestEgg and persons associated with NestEgg are permitted to buy or sell securities that are recommended to NestEgg's clients or securities in which its clients are invested. In addition, such associated persons may also become clients of NestEgg and, as such, any NestEgg initiated trades for those associated persons will be executed alongside those of all other clients in the event such trades are scheduled to occur at the same time.

NestEgg has adopted a Code of Ethics that sets forth the standards of conduct expected of our associated persons and requires compliance with applicable securities laws. In accordance with Section 204A of the Investment Advisers Act of 1940, as amended, the Code of Ethics contains written policies reasonably designed to prevent the unlawful use of material, non-public information by NestEgg or any of its associated persons.

The Code of Ethics also requires that certain access persons of NestEgg report their personal securities holdings and transactions and obtain pre-approval of certain investments. NestEgg monitors the personal securities transactions of these access persons and such persons must avoid activities, interests and relationships that might interfere with making decisions in the best interests of clients.

NestEgg will provide a copy of the Code of Ethics to any member or client upon request.

## **BROKERAGE PRACTICES**

NestEgg may establish relationships with selected broker-dealers and other financial partners to provide brokerage services to clients. Factors which NestEgg considers in its selection of broker-dealers and other financial partners and will consider in recommending any other broker-dealer include the broker's ability to provide professional services, financial strength, reputation, execution, pricing, research, and other services. As described above in "Fees and Compensation," NestEgg generally does not charge clients transaction fees or execution charges, but does impose associated transaction fees and execution charges when a client establishes an account with NestEgg and uses a financial partner to execute the necessary transactions to construct an optimized portfolio or for an account rebalancing, withdrawal or termination. Those execution charges are credited *pro rata* against monthly management fees until the value of the credited monthly management fees equals the value of the execution charges accrued by that account. The transaction fees and execution charges are based on applicable fees and charges of broker-dealers and other financial partners of NestEgg. Such fees and charges may be higher or lower than those charged by other broker-dealers. Moreover, as described above in "Fees and Compensation," in order to provide the Asset Allocation service to investment portfolios of all sizes, the set of available choices of broker-dealers or other financial partners available to clients

may be affected by the associated transaction costs and execution charges of such broker-dealers or other financial partners. Any transaction fees and execution charges paid by clients shall comply with the duty to obtain “best execution.” In seeking best execution, NestEgg may not only consider 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.

Therefore, while NestEgg will seek competitive rates, it may not necessarily obtain the lowest possible commission rates, transaction fees and execution charges for client transactions. NestEgg will periodically and systematically review its policies and procedures regarding recommending broker-dealers to its clients in light of its duty to obtain best execution. Consistent with obtaining best execution, brokerage transactions may be directed to certain broker-dealers or other financial partners in return for investment research products and/or services which assist NestEgg in its investment decision making process. Such research generally will be used to service all clients though transaction costs and execution charges initially paid by a particular client may be used to pay for research that is not used in managing that client's portfolio. The receipt of investment research products and/or services as well as the allocation of the benefit of such investment research products and/or services poses a conflict of interest. Moreover, transactions involving ETFs of a specific broker-dealer or other financial partner may result in lower or no associated transaction costs or execution charges by that broker-dealer or other financial partner and may reduce the total associated transaction costs or execution charges of a recommended portfolio.

NestEgg may also receive computer software and related systems support from its broker-dealers and other financial partners, which allow NestEgg to better monitor client accounts maintained at these selected broker-dealers and other financial partners. NestEgg may receive the software and related support without cost because NestEgg renders investment management services to clients who maintain assets at these selected brokers. The software and related systems support may benefit NestEgg, but not its clients directly. In fulfilling its duties to its clients, NestEgg endeavors at all times to put the interests of its clients first. Clients should be aware, however, that NestEgg’s receipt of economic benefits from a broker-dealer or other financial partner creates a conflict of interest since these benefits may influence NestEgg’s choice of broker-dealer or other financial partner over another broker-dealer or other financial partners that does not furnish similar software, systems support, or services. Additionally, NestEgg may receive the following benefits from its selected broker-dealers or other financial partners : receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk that exclusively services registered investment adviser participants; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and access to an electronic communication network for client order entry and account information.

## **REVIEW OF ACCOUNTS**

Client accounts are periodically reviewed through automated risk management algorithms and by members of the investment team monitoring the accounts. Triggering factors may include changes in economic or market conditions or to a client’s investment objectives, financial circumstances, life circumstances, portfolio performance, risk tolerance, investment

concentrations, investment guidelines and other guidelines and restrictions specified by the client. Clients are contacted periodically to review and update the foregoing information and their financial information and are asked to confirm the same information at least annually.

In addition, due to evolving market conditions and fluctuations in markets, asset values, and accounts, portfolios should be periodically rebalanced to realize the full benefits of a diversified asset allocation. Similarly, transactions and actions initiated by the client may in turn necessitate a rebalancing to maintain an optimized allocation. The frequency of rebalancings of a particular account will depend on the size and specific allocation of the account, the magnitude of the resultant benefits of the rebalancing and the associated transaction costs and potential tax liability of the rebalancing. Except as outlined above, NestEgg generally does not charge transaction fees or execution charges to clients. Discretionary account holders may opt for automated periodic rebalancing.

NestEgg will periodically notify clients via electronic communication of their account statuses, in accordance with each client's preference governing the frequency of notifications. Such preferences may include, but are not limited to, periodic reporting (e.g., weekly, monthly, quarterly), event-driven reporting (e.g., total market value of the account falling below a threshold level), written confirmations of portfolio trades or when a periodic rebalancing of the assets should be considered. NestEgg also provides information and reports to its clients through its website at *nesteggwealth.com*. Clients have direct access to their secure, private account detail pages, where they can revise their investment objectives, view their account holdings, account activity and performance, and access their portfolio reports detailing performance and risk exposure.

## **CLIENT REFERRALS AND OTHER COMPENSATION**

If a client is introduced to NestEgg by either an unaffiliated or an affiliated solicitor, NestEgg may pay that solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, as amended, and any corresponding state securities law requirements. NestEgg may also pay pre-determined fees to third-parties for driving new users to NestEgg, which may be in the form of CPM, CPC or CPA arrangements (respectively, impressions, clicks or actions through other websites). Any such referral or similar fee will be paid solely from NestEgg's management fee, and will not result in any additional charge to the client. If the client is introduced to NestEgg by an unaffiliated solicitor, the solicitor shall provide the client with a copy of NestEgg's written disclosure statement which meets the requirements of Rule 204-3 of the Advisers Act and a copy of the solicitor's disclosure statement containing the terms and conditions of the solicitation arrangement including compensation. Any affiliated solicitor of NestEgg shall disclose the nature of the relationship to prospective clients at the time of the solicitation and will provide all prospective clients with a copy of NestEgg's written disclosure statement at the time of the solicitation.

## **CUSTODY**

NestEgg will generally recommend that clients utilize the brokerage and clearing services of selected financial partners. NestEgg may only implement its investment management services after the member has arranged for and furnished NestEgg with all information and authorization

to establish accounts with these financial partners, including, but not limited to, broker-dealers, custodians, trust companies, banks and other appropriate institutions, as applicable.

Clients are also advised that the Advisory Agreement and/or agreements with a financial partner may authorize NestEgg through the financial partner to liquidate assets, if necessary, and debit the client's account for the amount of NestEgg's management fees and transaction costs and execution charges (if applicable as described in "Fees and Compensation") and to directly remit those fees to NestEgg and/or the applicable financial partners in accordance with applicable custody rules. Financial partners recommended by NestEgg will have agreed to send a statement to the client indicating all amounts disbursed from the account including the amount of management fees paid directly to NestEgg and transaction costs and execution charges (if applicable as described in "Fees and Compensation") paid to applicable financial partners.

## **INVESTMENT DISCRETION**

NestEgg maintains discretionary and nondiscretionary accounts for its clients. NestEgg does not have discretionary authority over assets placed in nondiscretionary accounts with NestEgg for management. NestEgg will assume discretionary authority over the assets placed in discretionary accounts with NestEgg for management through a limited power of attorney granting NestEgg the ability to initiate transactions and trades (including, at the client's option, periodic rebalancings) on behalf of its clients.

## **VOTING CLIENT SECURITIES**

NestEgg does not have or exercise voting authority with respect to securities owned by its clients.

## **FINANCIAL INFORMATION**

NestEgg is not required to provide its most recent fiscal year financial statements as it does not require prepayment of its management fees.

NestEgg has been funded by its founders and plans to initially rely upon funding from a small number of investors.

## **REQUIREMENTS FOR STATE-REGISTERED ADVISERS**

NestEgg is not required to register with individual states as it qualifies to register directly with the Securities and Exchange Commission.

## **APPENDIX 1 – WRAP FEE PROGRAM BROCHURE**

NestEgg does not charge transactions fees or execution charges in addition to management fees for its advisory services. As described above in this ADV Part 2, NestEgg may pass through associated transaction fees and execution charges when a client establishes an account with NestEgg and uses a financial partner to execute the necessary transactions to construct an optimized portfolio and for an account rebalancing, withdrawal or termination; however, all or a portion of those charges may be credited *pro rata* against monthly management fees. This type of fee schedule may be considered an all-inclusive wrap fee. As a result, NestEgg is including this appendix in its ADV Part 2.

### **Services, Fees and Compensation**

All Services, Fees and Compensation remain the same as described above in this ADV Part 2.

### **Account Requirements and Types of Clients**

All account requirements and client types remain the same as described above in this ADV Part 2.

### **Portfolio Manager Selection and Evaluation**

All client accounts are managed under the direction of NestEgg's investment team and there are no other portfolio managers for client accounts.

### **Client Information provided to Portfolio Managers**

Client information and discretionary control over client assets has been authorized for NestEgg's management and staff through the Advisory Agreement.

### **Client Contact with Portfolio Managers**

NestEgg's investment team maintains direct contact with all clients, along with the client services staff.

### **Additional Information**

All sections of the ADV Part 2 remain applicable to clients.