

Disclosure Brochure

June 11, 2012

Imperium Wealth Management, LLC

a Registered Investment Adviser

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This brochure provides information about the qualifications and business practices of Imperium Wealth Management, LLC (hereinafter "IWM"). If you have any questions about the contents of this brochure, please contact Christopher Holden at (210) 998-5765. 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 Imperium Wealth Management, LLC is available on the SEC's website at www.adviserinfo.sec.gov.

Imperium Wealth Management, LLC is a state registered investment adviser. Registration does not imply any level of skill or training.

Item 2. Material Changes

This Item discusses only the material changes that have occurred since IWM's last annual update. IWM has no material changes to report.

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Firm Disclosure Brochure

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Supervised Person Brochure Supplement

Item 4. Advisory Business

IWM is an investment advisory firm dedicated to serving the financial needs of individuals, corporate and business entities, trusts and estates and pension and profit sharing plans. The firm provides investment management as well as financial planning services and works with clients to develop a plan that is customized to their individual goals and investment objectives. Prior to engaging the firm to provide any of the foregoing investment advisory services, the client is required to enter into one or more written agreements with IWM setting forth the terms and conditions under which IWM renders its services (collectively the "*Agreement*").

Owned wholly by Christopher Holden, IWM has been conducting business since December 2011. As of March 12, 2012, the firm had \$46,279,729 of assets under management, all of which were managed on a discretionary basis.

This Disclosure Brochure describes the business of IWM. Certain sections will also describe the activities of *Supervised Persons*. *Supervised Persons* are any of IWM's officers, partners, directors (or other persons occupying a similar status or performing similar functions), or employees, or any other person who provides investment advice on IWM's behalf and is subject to its supervision or control.

Financial Planning Services

The firm may provide its clients with a broad range of comprehensive financial planning services, which may include tax preparation and related tax consulting services. In addition, the firm's financial planning services include cash flow analysis, review of employee benefits and insurance as well as estate, retirement and education planning. These services are generally included as part of the firm's investment management services (described below) for clients in the firm's wrap program.

In performing its services, the firm is not required to verify any information received from the client or from the client's other professionals (e.g., attorney, accountant, etc.) and is expressly authorized to rely on such information. IWM may recommend the services of itself and/or other professionals to implement its recommendations. Clients are advised that a conflict of interest exists if IWM recommends its own services. The client is under no obligation to act upon any of the recommendations made by IWM under a financial planning or consulting engagement or to engage the services of any such recommended professional, including IWM itself. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any of IWM's recommendations. Clients are advised that it remains their responsibility to promptly notify the firm if there is ever any change in their financial situation or investment objectives for the purpose of reviewing, evaluating, or revising IWM's previous recommendations and/or services.

Investment Management Services

Clients can engage IWM to manage all or a portion of their assets on a discretionary basis. The firm primarily allocates clients' investment management assets among mutual funds, exchange-traded funds ("ETFs"), individual debt and equity securities and/or options as well as real estate investment trusts ("REITs") in accordance with the investment objectives of the client. In addition, IWM may recommend that clients who are "accredited investors" as defined under Rule 501 of the Securities Act of 1933, as amended, invest in private placement securities, which may include debt, equity, and/or pooled investment vehicles when consistent with the clients' investment objectives. IWM also provides advice about any type of investment held in clients' portfolios.

The firm also may render non-discretionary investment management services to clients relative to variable life/annuity products that they may own, their individual employer-sponsored retirement plans, and/or 529 plans or other products that may not be held by the client's primary custodian. In so doing, IWM either directs or recommends the allocation of client assets among the various investment options that are available with the product. Client assets are maintained at the specific insurance company or custodian designated by the product.

IWM tailors its advisory services to the individual needs of clients, consulting initially with clients and on an ongoing basis to determine risk tolerance, time horizon and other factors that may impact their investment needs. IWM ensures that clients' investments are suitable for their investment needs, goals, objectives and risk tolerance.

Clients are advised to promptly notify IWM if there are changes in their financial situation or investment objectives or if they wish to impose any reasonable restrictions upon IWM's management services. Clients may impose reasonable restrictions or mandates on the management of their account (e.g., require that a portion of their assets be invested in socially responsible funds) if, in IWM's sole discretion, the conditions will not materially impact the performance of a portfolio strategy or prove overly burdensome to its management efforts.

Sponsor and Manager of Wrap Program

IWM is the sponsor and manager of the IWM Wrap Program (the "*Program*"), a wrap fee program. In the event the client participates in the *Program*, IWM provides its wealth management services (investment management, financial planning and tax preparation) and arranges for brokerage transactions under a single annualized fee. Participants in the *Program* may pay a higher aggregate fee than if investment management and brokerage services are purchased separately. A complete description of the *Program's* terms and conditions (including fees) are contained in the *Program's* wrap fee brochure.

Item 5. Fees and Compensation

Investment Management Fee

The firm provides investment management services for an annual fee based upon a percentage of the market value of the assets being managed. The annual fee is exclusive of, and in addition to brokerage commissions, transaction fees, and other related costs and expenses which are incurred by the client. IWM does not, however, receive any portion of these commissions, fees, and costs. The firm's annual fee is prorated and charged quarterly, in advance based upon the market value of the assets being managed on the last day of the previous quarter. The annual fee is based on the market value of the assets under management, as follows:

<u>PORTFOLIO VALUE</u>	<u>BASE FEE</u>
up to \$750,000	1.15%
Next \$750,000	0.95%
Next \$1,000,000	0.75%
Next \$2,500,000	0.65%
above \$5,000,000	0.45%

The firm, in its sole discretion, may negotiate to charge a lesser management fee based upon certain criteria (e.g., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention, *pro bono* activities, etc.).

Fees Charged by Financial Institutions

As further discussed in response to Item 12 (below), IWM generally recommends that clients utilize the brokerage and clearing services of certain custodian broker-dealers ("*Financial Institutions*") for investment management accounts. These *Financial Institutions* offer to independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions. IWM may receive some benefits from *Financial Institutions* through its participation in their respective programs.

IWM may only implement its investment management recommendations after the client has arranged for and furnished IWM with all information and authorization regarding accounts with appropriate financial institutions. *Financial institutions* include any broker-dealer recommended by IWM, broker-dealer directed by the client, trust companies, banks etc. (collectively referred to herein as the "*Financial Institutions*").

Clients may incur certain charges imposed by the *Financial Institutions* and other third parties such as custodial fees, charges imposed directly by a mutual fund or ETF in the account, which are disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), 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. Additionally, for assets outside of the *Program*, clients may incur brokerage commissions and transaction fees. Such charges, fees and commissions are exclusive of and in addition to IWM's fee.

The firm's *Agreement* and the separate agreement with any *Financial Institutions* may authorize IWM to debit the client's account for the amount of IWM's fee and to directly remit that management fee. The *Financial Institutions* recommended by IWM have agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to IWM. Alternatively, clients may elect to have IWM send an invoice for payment.

Fees for Management During Partial Quarters of Service

For the initial period of investment management services, the fees are calculated on a *pro rata* basis.

The *Agreement* between IWM and the client will continue in effect until terminated by either party pursuant to the terms of the *Agreement*. IWM's fees are prorated through the date of termination and any remaining balance is charged or refunded to the client, as appropriate.

Clients may make additions to and withdrawals from their account at any time, subject to IWM's right to terminate an account. Additions may be in cash or securities provided that IWM reserves the right to liquidate any transferred securities or decline to accept particular securities into a client's account. Clients may withdraw account assets on notice to IWM, subject to the usual and customary securities settlement procedures. However, IWM designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. IWM may consult with its clients about the options and ramifications of transferring securities. However, clients are advised that when transferred securities are liquidated, they are subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications.

If assets are deposited into or withdrawn from an account after the inception of a quarter the fee payable with respect to such assets will not be adjusted or prorated.

Item 6. Performance-Based Fees and Side-by-Side Management

The firm does not provide any services for performance-based compensation. Performance-based fees are those based on a share of capital gains or capital appreciation.

Item 7. Types of Clients

IWM provides its services to individuals, pension and profit sharing plans, trusts, estates, corporations and business entities.

Minimum Fee

The firm does not require either a minimum fee or account balance except for clients in the Program who are subject to a minimum annual fee of \$9,000.

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

IWM consults with clients initially and on an ongoing basis to develop an investment plan that is customized to each client's goals and objectives. The firm employs fundamental, technical and cyclical methods of investment analysis.

Methods of Analysis

Fundamental analysis involves the fundamental financial condition and competitive position of a company. IWM will analyze the financial condition, capabilities of management, earnings, new products and services, as well as the company's markets and position amongst its competitors in order to determine the recommendations made to clients. The primary risk in using fundamental analysis is that while the overall health and position of a company may be good, market conditions may negatively impact the security.

Technical analysis involves the analysis of past market data rather than specific company data in determining the recommendations made to clients. Technical analysis may involve the use of charts to identify market patterns and trends which may be based on investor sentiment rather than the fundamentals of the company. The primary risk in using technical analysis is that spotting historical trends may not help to predict such trends in the future. Even if the trend will eventually reoccur, there is no guarantee that IWM will be able to accurately predict such a reoccurrence.

Cyclical analysis is similar to technical analysis in that it involves the analysis of market conditions at a macro (entire market/economy) or micro (company specific) level, rather than the overall fundamental analysis of the health of the particular company that IWM is recommending. The risks with cyclical analysis are similar to those of technical analysis.

Investment Strategies

The firm's investment strategy is to build a diversified portfolio in light of a client's investment time horizon. An example of this includes investing long term dollars in long term assets such as unhedged stocks. IWM primarily allocates clients' investment management assets among mutual funds, ETFs,

individual debt and equity securities and/or options as well as REITs in accordance with the investment objectives of the client.

Risks of Loss

Mutual Funds and Exchange Traded Funds (ETFs)

An investment in a mutual fund or ETF involves risk, including the loss of principal. Mutual fund and ETF shareholders are necessarily subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as mutual funds and ETFs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss.

Shares of mutual funds are generally distributed and redeemed on an ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund's stated daily per share net asset value ("NAV"), plus any shareholders fees (e.g., sales loads, purchase fees, redemption fees). The per share NAV of a mutual fund is calculated at the end of each business day, although the actual NAV fluctuates with intraday changes to the market value of the fund's holdings. The trading prices of a mutual fund's shares may differ significantly from the NAV during periods of market volatility, which may, among other factors, lead to the mutual fund's shares trading at a premium or discount to NAV.

Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least once daily for indexed-based ETFs and more frequently for actively managed ETFs. However, certain inefficiencies may cause the shares to trade at a premium or discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 50,000 shares or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares.

Options

Options allow investors to buy or sell a security at a contracted "strike" price (not necessarily the current market price) at or within a specific period of time. Clients may pay or collect a premium for buying or selling an option. Investors transact in options to either hedge (limit) losses in an attempt to reduce risk or to speculate on the performance of the underlying securities. Options transactions contain a number of inherent risks, including the partial or total loss of principal in the event that the value of the underlying security or index does not increase/decrease to the level of the respective strike price. Holders of options contracts are also subject to default by the option writer which may be unwilling or unable to perform its contractual obligations.

Market Risks

The profitability of a significant portion of IWM's recommendations may depend to a great extent upon correctly assessing the future course of price movements of stocks and bonds. There can be no assurance that IWM will be able to predict those price movements accurately.

Agency Cross Transactions

In very limited circumstances, IWM may engage in agency cross transactions pursuant to which IWM may affect transactions between a client's account and the accounts of other individuals and/or entities which may include clients of IWM (i.e. arranging for the client's securities trades by "crossing" these trades with securities transactions of other advisory and non-advisory clients). IWM will only engage in agency cross transactions when it believes that such transactions are beneficial to the client. IWM will provide written confirmation to the client of each agency cross transaction, as well as an annual summary of all such transactions. The client may revoke IWM's agency cross transaction authority at any time upon written notice to IWM.

General Risk of Loss

Investing in securities involves the risk of loss. Clients should be prepared to bear such loss.

Item 9. Disciplinary Information

IWM is required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of management. IWM does not have any required disclosures to this Item.

Item 10. Other Financial Industry Activities and Affiliations

IWM is required to disclose any relationship or arrangement that is material to its advisory business or to its clients with certain related persons. IWM does not have any disclosures to this Item.

Item 11. Code of Ethics

The firm and persons associated with IWM ("Associated Persons") are permitted to buy or sell securities that it also recommends to clients consistent with IWM's policies and procedures.

IWM has adopted a code of ethics that sets forth the standards of conduct expected of its associated persons and requires compliance with applicable securities laws ("*Code of Ethics*"). In accordance with Section 204A of the Investment Advisers Act of 1940 (the "Advisers Act"), its *Code of Ethics* contains written policies reasonably designed to prevent the unlawful use of material non-public information by IWM or any of its associated persons. The *Code of Ethics* also requires that certain of IWM's personnel (called "*Access Persons*") report their personal securities holdings and transactions and obtain pre-approval of certain investments such as initial public offerings and limited offerings.

Unless specifically permitted in IWM's *Code of Ethics*, none of IWM's *Access Persons* may effect for themselves or for their immediate family (i.e., spouse, minor children, and adults living in the same household as the *Access Person*) 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 IWM's clients.

When IWM is purchasing or considering for purchase any security on behalf of a client, no *Access Person* may effect a transaction in that security prior to the completion of the purchase or until a decision has been made not to purchase such security. Similarly, when IWM is selling or considering the sale of any security on behalf of a client, no *Access Person* may effect a transaction in that security prior to the completion of the sale or until a decision has been made not to sell such security. These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

Clients and prospective clients may contact IWM to request a copy of its *Code of Ethics*.

Item 12. Brokerage Practices

IWM participates in the TD Ameritrade Institutional program. TD Ameritrade Institutional is a division of TD Ameritrade, Inc. ("TD Ameritrade") member FINRA/SIPC/NFA. TD Ameritrade is an independent [and unaffiliated] SEC-registered broker-dealer. TD Ameritrade offers to independent investment Advisors services which include custody of securities, trade execution, clearance and settlement of transactions. Advisor receives some benefits from TD Ameritrade through its participation in the program. (Please see the disclosure under Item 14 below.)

Factors which IWM considers in recommending any custodian broker-dealer to clients include their respective financial strength, reputation, execution, pricing, research and service. The commissions paid by IWM's clients comply with IWM's duty to obtain "best execution." Clients may pay commissions that are higher than another qualified *Financial Institution* might charge to effect the same transaction where IWM determines that the commissions are 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 *Financial Institution's* services, including among others, the value of research provided, execution capability, commission rates, and responsiveness. IWM seeks competitive rates but may not necessarily obtain the lowest possible commission rates for client transactions.

The firm periodically and systematically reviews its policies and procedures regarding its recommendation of *Financial Institutions* in light of its duty to obtain best execution.

Imperium Wealth Management, LLC Disclosure Brochure

The client may direct IWM in writing to use a particular *Financial Institution* to execute some or all transactions for the client. In that case, the client will negotiate terms and arrangements for the account with that *Financial Institution*, and IWM will not seek better execution services or prices from other *Financial Institutions* or be able to “batch” client transactions for execution through other *Financial Institutions* with orders for other accounts managed by IWM (as described below). As a result, the 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. Subject to its duty of best execution, IWM may decline a client’s request to direct brokerage if, in IWM’s sole discretion, such directed brokerage arrangements would result in additional operational difficulties.

Transactions for each client generally will be effected independently, unless IWM decides to purchase or sell the same securities for several clients at approximately the same time. IWM 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 IWM’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 generally be averaged as to price and allocated among IWM’s clients pro rata to the purchase and sale orders placed for each client on any given day. To the extent that IWM determines to aggregate client orders for the purchase or sale of securities, including securities in which IWM’s *Supervised Persons* may invest, IWM generally does so in accordance with applicable rules promulgated under the Advisers Act and no-action guidance provided by the staff of the U.S. Securities and Exchange Commission. IWM does not receive any additional compensation or remuneration as a result of the aggregation. In the event that IWM determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which may include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account’s assets after an order is placed); (iv) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a *de minimis* allocation in one or more accounts, IWM may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.

Consistent with obtaining best execution, brokerage transactions may be directed to certain broker-dealers in return for investment research products and/or services which assist IWM in its investment decision-making process. Such research generally will be used to service all of IWM’s clients, but

brokerage commissions paid by one 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 because IWM does not have to produce or pay for the products or services.

Software and Support Provided by Financial Institutions

IWM may receive from the *Financial Institutions*, without cost to the firm, computer software and related systems support, which allow the firm to better monitor client accounts maintained at *TD Ameritrade*. The firm may receive the software and related support without cost because it renders investment management services to clients that maintain assets at the particular *Financial Institutions*. The software and related systems support may benefit IWM, but not its clients directly. In fulfilling its duties to its clients, the firm endeavors at all times to put its clients' interests first. Clients should be aware; however, that IWM's receipt of economic benefits from a broker-dealer creates a conflict of interest since these benefits may influence the firm's choice of broker-dealer over another broker-dealer that does not furnish similar software, systems support, or services.

There is no direct link between IWM's recommendation of any *Financial Institution* and the investment advice it gives to clients, although the firm receives economic benefits that are typically not available to retail investors. Additionally, IWM may receive the following benefits from a *Financial Institution* through its registered investment adviser division: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk that exclusively services its 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.

These products or services may assist IWM in managing and administering client accounts, including accounts not maintained at the particular *Financial Institution*. Other services made available by various *Financial Institutions* are intended to help IWM manage and further develop its business enterprise. The benefits received by IWM's participation in the program do not depend on the amount of brokerage transactions directed to any particular *Financial Institution*. Clients should be aware, however, that the receipt of economic benefits by IWM or its related persons in and of itself creates a potential conflict of interest and may indirectly influence its recommendation of the *Financial Institution* for custody and brokerage services.

Item 13. Review of Accounts

For those clients to whom the firm provides investment management services, it monitors those portfolios as part of an ongoing process while regular account reviews are conducted on at least a quarterly basis. For those clients to whom IWM provides financial planning services, reviews are conducted on an "as needed" basis. Such reviews are conducted by one of the firm's investment adviser representatives. All

investment advisory clients are encouraged to discuss their needs, goals, and objectives with IWM and to keep IWM informed of any changes thereto. IWM contacts ongoing investment advisory clients at least annually to review its previous services and/or recommendations and to discuss the impact resulting from any changes in the client's financial situation and/or investment objectives.

Unless otherwise agreed upon, clients are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer or custodian for the client accounts. Those clients to whom IWM provides investment advisory services will also receive a report from IWM that may include such relevant account and/or market-related information such as an inventory of account holdings and account performance from time to time. Clients should compare the account statements they receive from their custodian with those they receive from IWM.

Financial planning clients will receive reports summarizing the firm's analysis and conclusions as requested by the client or otherwise agreed to in writing.

Item 14. Client Referrals and Other Compensation

As disclosed under Item 12. above, Advisor participates in TD Ameritrade's institutional customer program and Advisor may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between Advisor's participation in the program and the investment advice it gives to its Clients, although Advisor receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving Advisor participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Advisor by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by Advisor's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit Advisor but may not benefit its Client accounts. These products or services may assist Advisor in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Advisor manage and further develop its business enterprise. The benefits received by Advisor or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, Advisor endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Advisor or its

related persons in and of itself creates a potential conflict of interest and may indirectly influence the Advisor's choice of TD Ameritrade for custody and brokerage services.

Item 15. Custody

The firm's *Agreement* and/or the separate agreement with any *Financial Institution* may authorize IWM through such *Financial Institution* to debit the client's account for the amount of IWM's fee and to directly remit that management fee to IWM in accordance with applicable custody rules.

The *Financial Institutions* recommended by IWM have agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to IWM. In addition, as discussed in Item 13, IWM also sends periodic supplemental reports to clients. Clients should carefully review the statements sent directly by the *Financial Institutions* and compare them to those received from IWM.

Item 16. Investment Discretion

The firm is generally given the authority to exercise investment discretion on behalf of clients. Investment discretion over a client's account occurs where an adviser is legally authorized to effect transactions for the client without first having to seek the client's consent. This authority is conferred through a power-of-attorney included in the agreement between IWM and the client. Clients may request a limitation on this authority (such as certain securities not to be bought or sold). The firm exercises discretion over the following activities:

- The securities to be purchased or sold;
- The amount of securities to be purchased or sold; and
- When transactions are made.

Item 17. Voting Client Securities

The firm is required to disclose if it accepts authority to vote client securities. The firm does not vote client securities on behalf of its clients. Clients receive proxies directly from the *Financial Institutions*.

Item 18. Financial Information

The firm is required to disclose whether it requires the prepayment of fees exceeding \$500 six months or more in advance of providing advisory services. In addition, the firm is required to disclose any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients. The firm has no disclosures to report pursuant to this Item.

Item 19. Requirements for State Registered Investment Advisors

Principal Executive Officers and Management Persons

Below is the formal education and business background of each of IWM's principal executive officers and management persons:

CHRISTOPHER HOLDEN

Born 1979

Post-Secondary Education

The University of Texas at Austin | Business Administration, Finance | 2004

Recent Business Background

Imperium Wealth Management, LLC | Principal | December 2011 – Present

Summit Wealth Management | Chief Investment Officer | January 2005 – December 2011

None of the *Supervised Persons* of IWM are compensated for advisory services with performance-based fees. In addition, neither IWM nor its management persons have been the subject of the type of disciplinary event in the instructions to Item 19. Neither IWM nor any of its *Supervised Persons* have a relationship or arrangement with any issuers of securities not disclosed in response to Item 10 (above).

Imperium Wealth Management, LLC

a Registered Investment Adviser

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Prepared by:



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