

## **Firm Brochure**

(Part 2A of Form ADV)



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This brochure provides information about the qualifications and business practices of Keystone Wealth Advisors, Inc. Being registered as a registered investment adviser does not imply a certain level of skill or training. If you have any questions about the contents of this brochure, please contact us at: 612-465-8118, or by email at: [scarlson@keystonewa.com](mailto:scarlson@keystonewa.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 Keystone Wealth Advisors, Inc. (IARD#153418) is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

**July 31, 2013**

## **Item 2: Material Changes**

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### **Annual Update**

The Material Changes section of this brochure will be updated annually or when material changes occur since the previous release of the Firm Brochure.

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### **Material Changes since the Last Update**

This filing is in accordance with the annual filing requirements for registered investment advisors. Since the last filing of this brochure on June 26, 2013, the firm has added ERISA 3(21) to their investment advisory services. In addition, the language regarding solicitors has been removed from Item 4 and Item 5 and Item 10 has been updated to better disclose the recommendation of other investment advisors. In addition, the amount for assets under management has been updated and the web address has been added to the cover page.

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### **Full Brochure Available**

This Firm Brochure being delivered is the complete brochure for the Firm.

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## Item 4: Advisory Business

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### **Firm Description**

Keystone Wealth Advisors, Inc. ("KWA") was founded in 2010. The owners of KWA are Steven Douglas Carlson and Berthel Andrew Olsen.

KWA provides personalized confidential financial planning and investment management to individuals, pension and profit sharing plans, trusts, estates, charitable organizations and small businesses. Advice is provided through consultation with the client and may include: determination of financial objectives, identification of financial problems, cash flow management, tax planning, insurance review, investment management, education funding, retirement planning, and estate planning.

KWA is a fee based financial planning and investment management firm. KWA does not sell annuities, insurance, stocks, bonds, mutual funds, limited partnerships, or other products for commissions.

KWA does not act as a custodian of client assets. The client always maintains asset control.

An of each client's initial situation is provided to the client, often in the form of an Investment Policy Statement. Periodic reviews are also communicated to provide reminders of the specific courses of action that need to be taken. More frequent reviews occur but are not necessarily communicated to the client unless immediate changes are recommended.

Other professionals (e.g., lawyers, accountants, insurance agents, etc.) are engaged directly by the client on an as-needed basis. Conflicts of interest will be disclosed to the client in the unlikely event they should occur.

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### **Types of Advisory Services**

KWA provides investment supervisory services, also known as asset management services and furnishes investment advice through consultations.

#### **ASSET MANAGEMENT**

KWA offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. KWA creates an Investment Policy Statement for each client. KWA creates an Investment Policy Statement for each client, which outlines the client's current situation (income, tax levels, and risk tolerance levels) and then constructs a general plan (the Investment Policy Statement) to aid in the selection of a portfolio that matches each client's specific situation. Investment Supervisory Services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk Tolerance
- Personal investment policy
- Asset selection
- Regular portfolio monitoring

KWA evaluates the current investment of each client with respect to their risk tolerance levels and time horizon. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

#### ERISA PLAN SERVICES

KWA offers the following services to the Plan and the Plan participants:

1. Fiduciary Services are:

- a. Provide non-discretionary investment advice to the Client about asset classes and investment alternatives available for the Plan in accordance with the Plan's investment policies and objectives. Client will make the final decision regarding the initial selection, retention, removal and addition of investment options.
- b. Assist the Client with the selection of a broad range of investment options consistent with ERISA Section 404(c) and the regulations thereunder.
- c. Assist the Client in the development of an investment policy statement ("IPS"). The IPS establishes the investment policies and objectives for the Plan. Client shall have the ultimate responsibility and authority to establish such policies and objectives and to adopt and amend the IPS.
- d. Assist in monitoring investment options by preparing periodic investment reports that document investment performance, consistency of fund management and conformance to the guidelines set forth in the IPS and make recommendations to maintain, remove or replace investment options.
- e. Meet with Client on a periodic basis to discuss the reports and the investment recommendations.
- f. Provide non-discretionary investment advice to the Plan Sponsor with respect to the selection of a qualified default investment alternative for participants who are automatically enrolled in the Plan or who have otherwise failed to make investment elections. The Client retains the sole responsibility to provide all notices to the Plan participants required under ERISA Section 404(c)(5).

2. Non-fiduciary Services are:

- a. Assist in the education of Plan participants about general investment information and the investment alternatives available to them under the Plan. Client understands KWA's assistance in education of the Plan participants shall be consistent with and within the scope of the Department of Labor's definition of investment education (Department of Labor Interpretive Bulletin 96-1). As such, KWA is not providing fiduciary advice as defined by ERISA to the Plan participants. KWA will not provide investment advice concerning the prudence of any investment option or combination of investment options for a particular participant or beneficiary under the Plan.
- b. Assist in the group enrollment meetings designed to increase retirement plan participation among the employees and investment and financial understanding by the employees.

KWA may provide these services or, alternatively, may arrange for the Plan's other providers to offer these services, as agreed upon between KWA and Client.

3. KWA has no responsibility to provide services related to the following types of assets ("Excluded Assets"):
- a. Employer securities;
  - b. Real estate (except for real estate funds or publicly traded REITs);
  - c. Stock brokerage accounts or mutual fund windows;
  - d. Participant loans;
  - e. Non-publicly traded partnership interests;
  - f. Other non-publicly traded securities or property (other than collective trusts and similar vehicles); or
  - g. Other hard-to-value or illiquid securities or property.

Excluded Assets will not be included in calculation of Fees paid to KWA under this Agreement.

KWA will not have discretion or custody, at any time, of client funds and/or securities.

#### FINANCIAL PLANNING AND CONSULTING

If financial planning services are applicable, the client may compensate KWA on a negotiable hourly fee basis described in detail under "Fees and Compensation" section of this brochure. Financial plans and financial planning may include, but are not limited to: investment planning, life insurance; tax concerns; retirement planning; college planning; and debt/credit planning. These services will be based on hourly fees and the final fee structure will be documented in Exhibit II of the Financial Planning Agreement. If a conflict of interest exists between the interests of the investment advisor and the interests of the client, the client is under no obligation to act upon the investment advisor's recommendation. If the client elects to act on any of the recommendations, the client is under no obligation to effect the transaction through KWA. Financial plans will be completed and delivered inside of 6 months. Clients may terminate advisory services with 30 days written notice.

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#### **Client Tailored Services and Client Imposed Restrictions**

The goals and objectives for each client are documented in our client files. Investment strategies are created that reflect the stated goals and objective. Clients may impose restrictions on investing in certain securities or types of securities.

Agreements may not be assigned without written client consent.

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#### **Wrap Fee Programs**

KWA does not participate in wrap fee programs.

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#### **Client Assets under Management**

As of July 25, 2013, KWA manages approximately \$120,460,150 assets under management on a non-discretionary basis.



## Item 5: Fees and Compensation

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### Method of Compensation and Fee Schedule

KWA bases its fees on a percentage of assets under management for asset management and hourly rates for financial planning and consulting.

#### ASSET MANAGEMENT

KWA offers non-discretionary direct asset management services to advisory clients. KWA will offer clients ongoing portfolio management services through determining individual investment goals, time horizons, objectives, and risk tolerance. Investment strategies, investment selection, assets allocation, portfolio monitoring and the overall investment program will be based on the above factors.

Fees for these services will be based on a percentage of Assets Under Management as follows:

<b>Total Assets Under Management</b>	<b>Annual Fee</b>	<b>Quarterly Fee</b>
Under \$750,000	1.25%	.3125%
\$750,001 - \$3,000,000	1.00%	.25%
\$3,000,001 - \$6,000,000	.75%	.1875%
Over \$6,000,000	.50%	.125%

These fees are negotiable, and the final fee schedule is attached as Exhibit II of the Investment Advisory Contract. Fees are paid quarterly in advance, and clients may terminate their contracts with thirty days' written notice. Refunds are given on a prorated basis, based on the number of days remaining in a quarter at the point of termination. Clients may terminate their contracts without penalty, for full refund, within 5 business days of signing the advisory contract. Advisory fees are withdrawn directly from the client's accounts with written authorization.

#### ERISA PLAN SERVICES

The annual fees are based on the market value of the Included Assets and will range from .15% to .80% of the plan assets. The initial fee will be based on the market value of the Plan assets as calculated by the custodian or record keeper of the Included Assets on the first business day of the initial fee period and will be due on the first business day of the fee period. If the services to be provided start any time other than the first day of a month, the fee will be prorated based on the number of days remaining in the initial fee period. Thereafter, the fee will be based on the market value of the Plan assets on the last business day of the previous fee period (without adjustments for anticipated withdrawals by Plan participants or other anticipated or scheduled transfers or distribution of assets) and will be due the following business day. If this Agreement is terminated prior to the end of the fee period, KWA shall be entitled to a prorated fee based on the number of days during the fee period services were provided. Any unearned fees shall be refunded to the Plan or Plan Sponsor.

The compensation of KWA for the services is described in detail in Schedule A of the ERISA Plan Agreement. The Plan is obligated to pay the fees, however the Plan Sponsor may elect to pay the fees. KWA does not reasonably expect to receive any

additional compensation, directly or indirectly, for its services under this Agreement. If additional compensation is received, KWA will disclose this compensation, the services rendered, and the payer of compensation. KWA will offset the compensation against the fees agreed upon under this Agreement.

#### FINANCIAL PLANNING and CONSULTING

##### HOURLY FEES

Depending upon the complexity of the situation and the needs of the client, the hourly fee for these services is between \$150 and \$300. The fees are negotiable and the final fee schedule will be attached as Exhibit II of the Financial Planning Agreement. Fees are paid in arrears upon completion. Clients may terminate their contracts without penalty within five business days of signing the advisory contract. KWA reserves the right at its full discretion to waive any or all of financial planning fees.

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#### **Client Payment of Fees**

Investment management fees are billed quarterly, in advance, meaning that we invoice you before the three-month billing period has ended. Payment in full is expected upon invoice presentation. Fees are usually deducted from a designated client account to facilitate billing. The client must consent in advance to direct debiting of their investment account.

Fees for financial plans are due upon delivery of the financial plan.

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#### **Additional Client Fees Charged**

Custodians may charge transaction fees on purchases or sales of certain mutual funds, equities and exchange-traded funds. These charges may include mutual fund transactions fees, postage and handling and miscellaneous fees (fee levied to recover costs associated with fees assessed by self-regulatory organizations). These transaction charges are usually small and incidental to the purchase or sale of a security. The selection of the security is more important than the nominal fee that the custodian charges to buy or sell the security.

KWA, in its sole discretion, may waive its minimum fee and/or charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with clients, etc.).

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#### **Prepayment of Client Fees**

Investment management fees are billed in advance.

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#### **External Compensation for the Sale of Securities to Clients**

KWA does not receive any external compensation for the sale of securities to clients, nor do any of the investment advisor representatives of KWA.

## Item 6: Performance-Based Fees

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### Sharing of Capital Gains

Fees are not based on a share of the capital gains or capital appreciation of managed securities.

KWA does not use a performance-based fee structure because of the conflict of interest. Performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the client.

## Item 7: Types of Clients

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### Description

KWA generally provides investment advice to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and business entities.

Client relationships vary in scope and length of service.

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### Account Minimums

There is an account minimum, \$1,000,000, which may be waived by the investment advisor, based on the needs of the client and the complexity of the situation.

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

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### Methods of Analysis and Investment Strategies

Nearly all clients' investments will be in "Mutual Funds" or "Separately Managed Accounts" (SMA's). Investing in securities involves risk of loss that clients should be prepared to bear.

Fundamental analysis may involve interest rate risk, market risk, business risk, and financial risk. Risks involved in technical analysis are inflation risk, reinvestment risk, and market risk. Cyclical analysis involves inflation risk, market risk, and currency risk.

The main sources of information include research materials prepared by others and filings with the Securities and Exchange Commission.

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### Investment Strategy and Method of Analysis Material Risks

The investment strategy for a specific client is based upon the objectives stated by the client during consultations. The client may change these objectives at any time. Each client executes an Investment Policy Statement or Risk Tolerance that documents their objectives and their desired investment strategy.

Other strategies may include long-term purchases, short-term purchases, short sales, margin transactions, and option writing (including covered options, uncovered options or spreading strategies).

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### **Security Specific Material Risks**

All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

- *Interest-rate Risk:* Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- *Market Risk:* The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- *Inflation Risk:* When any type of inflation is present, a dollar today will buy more than a dollar next year, because purchasing power is eroding at the rate of inflation.
- *Currency Risk:* Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- *Reinvestment Risk:* This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- *Business Risk:* These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- *Liquidity Risk:* Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- *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. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

### **Item 9: Disciplinary Information**

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#### **Criminal or Civil Actions**

The firm and its management have not been involved in any criminal or civil action.

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**Administrative Enforcement Proceedings**

The firm and its management have not been involved in administrative enforcement proceedings.

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**Self Regulatory Organization Enforcement Proceedings**

The firm and its management have not been involved in legal or disciplinary events related to past or present investment clients.

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**Item 10: Other Financial Industry Activities and Affiliations**

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**Broker-Dealer or Representative Registration**

Neither KWA nor any of its employees are registered representatives of a broker-dealer.

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**Futures or Commodity Registration**

Neither KWA nor its employees are registered or has an application pending to register as a futures commission merchant, commodity pool operator, or a commodity trading advisor.

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**Material Relationships Maintained by this Advisory Business and Conflicts of Interest**

Steven D. Carlson is a licensed CPA in the state of Minnesota. From time to time, he will offer clients advice or products from those activities. Clients should be aware that these services pay a fee and involve conflicts of interest as additional compensation can conflict with the fiduciary duties of a registered investment adviser. KWA will always act in the best interest of the client; including the sale of commissionable products to advisory clients.

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**Recommendations or Selections of Other Investment Advisors and Conflicts of Interest**

KWA may at times use the services of outside specialty asset managers called SMA (Separate Managed Accounts). These are often institutional asset managers, who specialize in particular investment strategies. SMA's may be hired on a single or dual contract basis. Single contract SMAs are available directly through the our qualified custodian relationship.

In other instances, our client can gain access to the services with the outside money manager directly through the SMA. Via an accommodation of our client's qualified custodian, the outside money manager can maintain their own qualified custodian relationship of their choice and our client's custodian can settle trades on a DVP basis with our clients custodial account. At other times the SMA may choose to establish a new custody arrangement with our client's custodian.

When we use SMAs to enhance our clients' portfolios, KWA advisory fees are exclusive of and in addition to any SMA investment management fees, custody or other fees that arise as the result of employing the services of the outside investment advisor. There is no financial incentive for KWA to direct business to these SMA

(specialty outside money managers) other than to enhance potentially the performance of our client's portfolio. Our referral of our client is strictly as a fiduciary with the belief that the services of these specialty managers would be in the best interest of our client.

This situation does not create a conflict of interest because KWA charges the same fees for clients utilizing the SMA program and those who do not. KWA receives no compensation from the SMA. SMA fees for their portfolio management services will be based on a percentage of assets under management, not to exceed any limit imposed by any regulatory agency. The SMA's fee schedule will be attached to the SMA Agreement.

## **Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

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### **Code of Ethics Description**

The employees of KWA have committed to a Code of Ethics. The purpose of our Code of Ethics is to ensure that when employees buy or sell securities for their personal account, they do not create actual or potential conflict with our clients. We do not allow any employees to use non-public material information for their personal profit or to use internal research for their personal benefit in conflict with the benefit to our clients.

KWA's policy prohibits any person from acting upon or otherwise misusing non-public or inside information. No advisory representative or other employee, officer or director of KWA may recommend any transaction in a security or its derivative to advisory clients or engage in personal securities transactions for a security or its derivatives if the advisory representative possesses material, non-public information regarding the security.

KWA's Code of Ethics is based on the guiding principle that the interests of the client are our top priority. KWA's officers, directors, advisors, and other employees have a fiduciary duty to our clients and must diligently perform that duty to maintain the complete trust and confidence of our clients. When the potential for conflict arises, it is our obligation to put the client's interests over the interests of either employees or the company.

The Code of Ethics applies to "access" persons. "Access" persons are employees who have access to non-public information regarding any clients' purchase or sale of securities, or non-public information regarding the portfolio holdings of any reportable fund, who are involved in making securities recommendations to clients, or who have access to such recommendations that are non-public.

The firm will provide a copy of the Code of Ethics to any client or prospective client upon request.

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**Investment Recommendations Involving a Material Financial Interest and Conflict of Interest**

KWA and its employees do not recommend to clients securities in which we have a material financial interest.

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**Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest**

KWA and its employees may buy or sell securities that are also held by clients. In order to avoid conflicts of interest such as front running, employees are required to disclose all reportable securities transactions as well as provide KWA with copies of their brokerage statements.

The Chief Compliance Officer of KWA is Steve Carlson. He reviews all employee trades each quarter. The personal trading reviews ensure that the personal trading of employees does not affect the markets and that clients of the firm receive preferential treatment. Since most employee trades are in products such as mutual funds, government securities, bonds or are small in size, they do not impact the securities markets.

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**Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest**

KWA does not maintain a firm proprietary trading account and does not have a material financial interest in any securities being recommended and therefore no conflicts of interest exist.

## **Item 12: Brokerage Practices**

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**Factors Used to Select Broker-Dealers for Client Transactions**

KWA may recommend the use of a particular broker-dealer or may utilize a broker-dealer of the client's choosing. KWA will select appropriate brokers based on a number of factors including but not limited to their relatively low transaction fees and reporting ability. KWA relies on its broker to provide its execution services at the best prices available. Lower fees for comparable services may be available from other sources. Clients pay for any and all custodial fees in addition to the advisory fee charged by KWA.

- *Directed Brokerage*

In circumstances where a client directs KWA to use a certain broker-dealer, KWA still has a fiduciary duty to its clients. The following may apply with Directed Brokerage: KWA's inability to negotiate commissions, to obtain volume discounts, there may be a disparity in commission charges among clients, and conflicts of interests arising from brokerage firm referrals.

- *Best Execution*

Investment advisors who manage or supervise client portfolios on a discretionary basis have a fiduciary obligation of best execution. The determination of what may constitute best execution and price in the execution of a securities transaction by a broker involves a number of considerations and is subjective.

Factors affecting brokerage selection include the overall direct net economic result to the portfolios, the efficiency with which the transaction is effected, the ability to effect the transaction where a large block is involved, the operational facilities of the broker-dealer, the value of an ongoing relationship with such broker and the financial strength and stability of the broker. The firm does not receive any portion of the trading fees.

- *Soft Dollar Arrangements*  
KWA utilizes the services of custodial broker dealers. Economic benefits are received by KWA which would not be received if KWA did not give investment advice to clients. These benefits include: A dedicated trading desk, a dedicated service group and an account services manager dedicated to KWA's accounts, , electronic download of trades, balances and positions, duplicate and batched client statements, and the ability to have advisory fees directly deducted from client accounts.

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**Aggregating Securities Transactions for Client Accounts**

KWA is authorized in its discretion to aggregate purchases and sales and other transactions made for the account with purchases and sales and transactions in the same securities for other Clients of KWA. All clients participating in the aggregated order shall receive an average share price with all other transaction costs shared on a pro-rated basis.

## **Item 13: Review of Accounts**

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**Schedule for Periodic Review of Client Accounts or Financial Plans and Advisory Persons Involved**

Account reviews are performed quarterly by IAR's of KWA. Account reviews are performed more frequently when market conditions dictate. Financial Plans are considered complete when recommendations are delivered to the client. A review is done only upon request of client.

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**Review of Client Accounts on Non-Periodic Basis**

Other conditions that may trigger a review of clients accounts are changes in the tax laws, new investment information, and changes in a client's own situation.

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**Content of Client Provided Reports and Frequency**

Clients receive account statements no less than quarterly for managed accounts. Account reports are issued by the Advisor's custodian. Client receives confirmations of each transaction in account from Custodian and an additional statement during any month in which a transaction occurs.

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

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**Economic benefits Provided to the Advisory Firm from External Sources and Conflicts of Interest**

KWA does not receive any economic benefits from external sources.



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**Advisory Firm Payments for Client Referrals**

KWA may enter into solicitor relationships with individuals ("Solicitors") who in turn offer our services to members of the public. Through these arrangements, we pay a cash referral fee to the Solicitor. The referral fee is paid pursuant to a written agreement and this information is disclosed to Clients prior to or at the time of entering into an investment advisory agreement.

**Item 15: Custody**

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**Account Statements**

All assets are held at qualified custodians, which means the custodians provide account statements directly to clients at their address of record at least quarterly. Clients are urged to compare the account statements received directly from their custodians to the performance report statements prepared by KWA.

**Item 16: Investment Discretion**

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**Discretionary Authority for Trading**

KWA accepts non-discretionary authority to manage securities accounts on behalf of clients. For non-discretionary accounts KWA consults with the client prior to each trade.

The client approves the custodian to be used and the commission rates paid to the custodian. KWA does not receive any portion of the transaction fees or commissions paid by the client to the custodian on certain trades.

**Item 17: Voting Client Securities**

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**Proxy Votes**

KWA does not vote proxies on securities. Clients are expected to vote their own proxies. The client will receive their proxies directly from the custodian of their account or from a transfer agent.

When assistance on voting proxies is requested, KWA will provide recommendations to the client. If a conflict of interest exists, it will be disclosed to the client.

**Item 18: Financial Information**

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**Balance Sheet**

A balance sheet is not required to be provided because KWA does not serve as a custodian for client funds or securities and KWA does not require prepayment of fees of more than \$1200 per client and six months or more in advance.

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**Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients**

KWA has no condition that is reasonably likely to impair our ability to meet contractual commitments to our clients.

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**Bankruptcy Petitions during the Past Ten Years**

Neither KWA nor its management has had any bankruptcy petitions in the last ten years.

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## Supervised Person Brochure

Part 2B of Form ADV

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**Steven D. Carlson**



KEYSTONE  
WEALTH ADVISORS, INC.

33 South Sixth Street, Suite 4100

Minneapolis, MN 55402

PHONE: 612-465-8118

EMAIL: [scarlson@keystonewa.com](mailto:scarlson@keystonewa.com)

WEBSITE: [www.keystonewa.com](http://www.keystonewa.com)

This brochure supplement provides information about Steven D. Carlson and supplements Keystone Wealth Advisors, Inc.'s brochure. You should have received a copy of that brochure. Please contact Steven D. Carlson if you did not receive Keystone Wealth Advisors, Inc.'s brochure or if you have any questions about the contents of this supplement.

Additional information about Steven D. Carlson (CRD#2816493) is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

July 31, 2013

## Brochure Supplement (Part 2B of Form ADV) Supervised Person Brochure

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### Principal Executive Officers and Management Persons

#### Steven D. Carlson

##### Educational Background:

- Date of birth: 10/12/1950
- University of Minnesota; BS, Accounting; 1972
- University of Minnesota; Masters of Business, Taxation; 1985

##### Business Experience:

- Keystone Wealth Advisors, Inc; CEO/Investment Advisor Representative; 2010-Present
- Capital Management Associates; Registered Representative/Investment Advisor Representative; 2004-2010

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### Disciplinary Information

None to report

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### Other Business Activities

Steven D. Carlson has a financial industry affiliated business as a CPA. From time to time, he offers clients advice or products from those activities.

These practices represent conflicts of interest because it gives him an incentive to recommend products based on the commission and/or fee amount received. This conflict is mitigated by the fact that Mr. Carlson has a fiduciary responsibility to place the best interest of the client first and the clients are not required to purchase any products or services. Clients have the option to purchase these products and services through another insurance agent of their choosing.

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### Performance Based Fee Description

Mr. Carlson receives additional compensation in his capacity as a CPA, but he does not receive any performance based fees.

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### Supervision

Mr. Carlson is part owner of Keystone Wealth Advisors, Inc.; therefore he is solely responsible for all supervision and formulation and monitoring of investment advice offered to clients. He will adhere to the policies and procedures as described in the firm's Compliance Manual.

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### Requirements for State-Registered Advisors

Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceeding: None

Bankruptcy Petition: None

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## Supervised Person Brochure

Part 2B of Form ADV

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**Berthel Andrew Olsen III**



KEYSTONE  
WEALTH ADVISORS, INC.

33 South Sixth Street, Suite 4100

Minneapolis, MN 55402

PHONE: 612-465-8118

EMAIL: [scarlson@keystonewa.com](mailto:scarlson@keystonewa.com)

WEBSITE: [www.keystonewa.com](http://www.keystonewa.com)

This brochure supplement provides information about Berthel Andrew Olsen III and supplements Keystone Wealth Advisors, Inc.'s brochure. You should have received a copy of that brochure. Please contact Berthel Andrew Olsen III if you did not receive Keystone Wealth Advisors, Inc.'s brochure or if you have any questions about the contents of this supplement.

Additional information about Berthel Andrew Olsen III (CRD#2954239) is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

July 31, 2013

## **Brochure Supplement (Part 2B of Form ADV)**

### **Supervised Person Brochure**

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#### **Principal Executive Officers and Management Persons**

##### **Berthel Andrew Olsen III**

###### **Educational Background:**

- Date of birth: 07/21/1956
- Middle Tennessee State University; BBA, Accounting; 1978

###### **Business Experience:**

- Keystone Wealth Advisors, Inc; President/Investment Advisor Representative; 2010-Present
- Capital Management Associates; Registered Representative/Investment Advisor Representative; 2004-2010

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#### **Disciplinary Information**

None to report

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#### **Other Business Activities**

Berthel Andrew Olsen III has no outside business to disclose.

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#### **Performance Based Fee Description**

Mr. Olsen does not receive any performance based fees.

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#### **Supervision**

Mr. Olsen is part owner of Keystone Wealth Advisors, Inc.; therefore he is solely responsible for all supervision and formulation and monitoring of investment advice offered to clients. He will adhere to the policies and procedures as described in the firm's Compliance Manual.

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#### **Requirements for State-Registered Advisors**

Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceeding: None

Bankruptcy Petition: None