

**Part 2A of Form ADV: *Firm Brochure***

**Genesis Wealth Advisors, LLC., Inc.**

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This brochure provides information about the qualifications and business practices of Genesis Wealth Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at 781-344-1023 or [info@genesisadvisors.com](mailto:info@genesisadvisors.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 Genesis Wealth Advisors, LLC. also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 158388.

## **Item 2    Material Changes**

There have been no material changes in the operation and philosophy of the firm. Clients should, however, be aware of a material change in ownership resulting from the sudden passing of one of the firm's founders and its CEO, Chris Giannaros.

Current ownership of Genesis Wealth Advisors is outlined in Item 4, found on page 4.

The firm has also broadened its offering of investment management portfolios under GDPM. An updated description of GDPM and its series of portfolios can be found on page 6 of this brochure.

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## **Item 4    Advisory Business**

Genesis Wealth Advisors, LLC. Inc. is an SEC-registered investment adviser with its principal place of business located in Stoughton, MA. Genesis Wealth Advisors, LLC. began conducting business in 2011. Genesis Wealth Advisors, LLC assumed the clients and business operations of Genesis Capital Advisors, Inc., an affiliated firm. Genesis Capital Advisors, Inc. was founded in 1994 and withdrawn from SEC registration in July, 2012.

Listed below are the firm's principal shareholders (i.e., those individuals and/or entities controlling 20% or more of this company).

- Paul F Duval Jr., President, CEO and CCO
- Nicholas de Peyster, CIO and Managing Director
- Ronald C. Aines, Vice President

Genesis Wealth Advisors, Inc. has been noted as having an affiliation with another State of Massachusetts registered investment adviser, Clarent Advisors, LLC. The affiliation was due to common control of management persons. Mr. Nicholas de Peyster was the President and sole owner of Clarent Advisors, LLC. As well, Mr. de Peyster is the Chief Investment Officer for Genesis Wealth Advisors, LLC. Clients should note that as of September, 2011, Clarent Advisors, LLC transferred client accounts to Genesis Wealth Advisors, LLC and has been withdrawn from registration.

Genesis Wealth Advisors, LLC. offers the following advisory services to our clients:

### **INVESTMENT SUPERVISORY SERVICES ("ISS") INDIVIDUAL PORTFOLIO MANAGEMENT GENESIS WEALTH ADVISORY SERVICES ("GWAS")**

Our firm provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client in the context of both limited and comprehensive financial planning. This advice may also areas of corporate finance for foundations, endowments and corporations.

Financial Planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. Through the financial planning process, all questions, information and analysis are considered as they impact and are impacted by the entire financial life situation of the client.

Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal investment policy and create and manage a portfolio based on that policy. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we also review and discuss a client's prior investment history, as well as family composition and background.

We manage these advisory accounts on a discretionary basis. Account supervision is guided by the client's stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company and will generally include advice regarding the following securities: exchange-listed securities, securities traded over-the-counter, foreign issuers, warrants, corporate debt securities (other than commercial paper), commercial paper, certificates of deposit, municipal securities, variable life insurance, variable annuities, mutual fund shares, United States governmental securities, options contracts on securities, interests in partnerships investing in real estate, interests in partnerships investing in oil and gas interests, interests in partnerships investing in other sectors.

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

To ensure that our initial determination of an appropriate portfolio remains suitable and that the account continues to be managed in a manner consistent with the client's financial circumstances, we will:

1. send quarterly written reminders to each Genesis Wealth Advisors, LLC client requesting any updated information regarding changes in the client's financial situation and investment objectives;
2. at least annually, contact each participating client to determine whether there have been any changes in the client's financial situation or investment objectives, and whether the client wishes to impose investment restrictions or modify existing restrictions;
3. be reasonably available to consult with the client; and
4. maintain client suitability information in each client's file.

The fee for GWAS is separate and distinct from any fee charged for GDPM or any financial planning fees, or any fee charged by a client's unaffiliated advisor.

## **MODEL PORTFOLIO MANAGEMENT**

Our firm provides portfolio management services to clients using model asset allocation portfolios. Each model portfolio is designed to meet a particular investment goal. The various models are described in the Genesis Dynamic Portfolio Management section.

We manage these advisory accounts on a discretionary basis. Account supervision is guided by the client's stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations.

Through personal discussions with the client in which the client's goals and objectives are established, we determine if the model portfolio is suitable to the client's circumstances. Once we determine the suitability of the portfolio, the portfolio is managed based on the portfolio's goal, rather than on each client's individual needs. Clients, nevertheless, have the opportunity to place reasonable restrictions on the types of investments to be held in their account. Clients retain individual ownership of all securities.

Our investment recommendations are not limited to any specific product or service offered by

a broker-dealer or insurance company and will generally include advice regarding the following securities: exchange-listed securities, securities traded over-the-counter, foreign issuers, warrants, corporate debt securities (other than commercial paper), commercial paper, certificates of deposit, municipal securities, mutual fund shares, United States governmental securities, options contracts on securities, interests in partnerships investing in real estate.

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

To ensure that our initial determination of an appropriate portfolio remains suitable and that the account continues to be managed in a manner consistent with the client's financial circumstances, we will:

1. send quarterly written reminders to each Model Portfolio Management Services client requesting any updated information regarding changes in the client's financial situation and investment objectives;
2. at least annually, contact each participating client to determine whether there have been any changes in the client's financial situation or investment objectives, and whether the client wishes to impose investment restrictions or modify existing restrictions;
3. be reasonably available to consult with the client; and
4. maintain client suitability information in each client's file.

## **INVESTMENT SUPERVISORY SERVICES GENESIS DYNAMIC PORTFOLIO MANAGEMENT ("GDPM")**

Genesis Dynamic Portfolio Management is the term that we use to describe our entire investment management offering. GDPM is composed of several series of portfolios, each of which assumes a different approach to achieving a client's investment goals. After discussion with the client, Genesis Wealth Advisors recommends a portfolio that we believe best suits the client's objectives and investment/ risk tolerance. The management team trades primarily in global stocks, bonds, commodities and cash through the use of exchange traded funds (ETF's), active and passive mutual funds, as well as, individual securities.

***GDPM Absolute Momentum Series:*** The Absolute Momentum Series is based primarily on a variety of trend following approaches which are intended to aid the management team in identifying and favoring asset classes that are in upwards trends and avoid assets that exhibit downward trends. Due to the nature of the management approach, high levels of a trend following component may create portfolios which, at times, appear extremely unconventional and seem more aggressive in nature when compared to a traditional buy and hold approach. Clients should understand the unconventional nature and additional risks of these types of portfolios before adopting a "GDPM" series that incorporates a trend following component. Clients should understand that these types of investments are more aggressive and that performance and principal are not guaranteed and you may lose money on your investment.

***GDPM Value Momentum Series:*** The Value Momentum series combines both trend following and value oriented strategic allocation in a single portfolio. The series is available across the entire risk spectrum ranging from more aggressive to more conservative. More

aggressive portfolios will exhibit the most unconventional results when compared with traditional strategic allocation, however, even more conservative options will, at times, produce unconventional results.

**GDPM Classic Series:** The Classic Series is a traditional strategic asset allocation model that is available for a variety of investment objectives ranging from aggressive to conservative. The management team utilizes primarily index funds, low cost actively managed mutual funds, and ETF's to create strategic asset allocations across the risk spectrum. The GDPM Classic Series does not incorporate a trend following component.

**GDPM Classic II Series:** The Classic II Series is a traditional strategic asset allocation model that is available for a variety of investment objectives ranging from aggressive to conservative. The management team utilizes index funds, low cost actively managed mutual funds, and ETF's to create strategic asset allocations across the risk spectrum. Classic II incorporates a significant allocation to both alternatives and tactical investments that does not exist in the basic Classic series. The GDPM Classic II Series does not incorporate a trend following component.

Quarterly performance reports are prepared and delivered to the GWAS relationship manager or the client's primary investment advisor as appropriate. Upon request of the relationship manager or investment adviser, a member of the GDPM team will be reasonably available to consult with the client.

The fee for GDPM is separate and distinct from any fee charged for GWAS or any other financial planning fees. In order to participate in GDPM, clients must also contract for GWAS or be a contracted client of a third party investment advisor (in which clients will be charged separate and distinct fees) which has contracted Genesis Wealth Advisors to provide "portfolio management only" to their clients.

## **MANAGER OF MANAGERS PROGRAM**

Genesis Wealth Advisors, LLC. offers advisory management services to clients through our Manager of Managers Program. We provide the client with an asset allocation strategy developed through personal discussions in which the client's goals and objectives are established based on the client's particular circumstances. This asset allocation strategy is drafted into the client's Investment Policy Statement.

Genesis Wealth Advisors, LLC. performs management searches of various registered investment advisers. Based on the client's individual circumstances and needs (as exhibited in the client's Personal Investment Policy Statement) we determine which selected registered investment adviser's ("adviser" or "asset manager") portfolio management style is appropriate for that client. Factors considered in making this determination include account size, risk tolerance, the opinion of each client and the investment philosophy of the selected asset manager. Clients should refer to the asset manager's Firm Brochure or other disclosure document for a full description of the services offered. Client meetings are available on a regular basis, or as determined by the client, to review the account.

Once we identify the most appropriate asset manager(s), our firm provides the selected adviser with the client's Investment Policy Statement, who then creates and manages the

client's portfolio based on that Investment Policy Statement.

On an ongoing basis, we monitor the performance of the asset manager(s). If we determine that a particular adviser is not providing sufficient management services to the client, or is not managing the client's portfolio in a manner consistent with that client's Personal Investment Policy Statement, then we may move the client's portfolio to a different asset manager and/or program sponsor. Under this scenario, our firm retains the discretion to hire and fire the asset manager and/or move the client's portfolio to a different program.

At least annually, we meet with the client to review and update, as necessary, the client's Investment Advisory Statement. However, should there be any material change in the client's personal and/or financial situation, we should be notified immediately to determine whether any review and/or revision of the client's Advisory Statement is warranted.

### **INDIVIDUAL PORTFOLIO MANAGEMENT**

Our firm provides non-continuous asset management of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on the client's particular circumstances are established, we develop the client's personal investment policy. We create and manage a portfolio based on that policy. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we may also review and discuss a client's prior investment history, as well as family composition and background.

We manage these advisory accounts on a discretionary basis. Account supervision is guided by the client's stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Once the client's portfolio has been established, we review the portfolio quarterly, and if necessary, rebalance the portfolio on an annual basis, based on the client's individual needs.

Our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company and will generally include advice regarding the following securities: exchange-listed securities, securities traded over-the-counter, foreign issuers, warrants, corporate debt securities (other than commercial paper), commercial paper, certificates of deposit, municipal securities, variable life insurance, variable annuities, mutual fund shares, United States governmental securities, options contracts on securities, interests in partnerships investing in real estate, interests in partnerships investing in oil and gas interests.

Because some types of investments involve certain additional degrees of risk, they will only be implemented when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

### **FINANCIAL PLANNING**

We provide financial planning services. Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. Through the financial planning process, all



questions, information and analysis are considered as they impact and are impacted by the entire financial and life situation of the client. Clients purchasing this service receive a written report which provides the client with a detailed financial plan designed to assist the client achieve his or her financial goals and objectives.

In general, the financial plan can address any or all of the following areas:

- **PERSONAL:** We review family records, budgeting, personal liability, estate information and financial goals.
- **TAX & CASH FLOW:** We analyze the client's income tax and spending and planning for past, current and future years; then illustrate the impact of various investments on the client's current income tax and future tax liability.
- **INVESTMENTS:** We analyze investment alternatives and their effect on the client's portfolio.
- **INSURANCE:** We review existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home and automobile.
- **RETIREMENT:** We analyze current strategies and investment plans to help the client achieve his or her retirement goals.
- **DEATH & DISABILITY:** We review the client's cash needs at death, income needs of surviving dependents, estate planning and disability income.
- **ESTATE:** We assist the client in assessing and developing long-term strategies, including as appropriate, living trusts, wills, review estate tax, powers of attorney, asset protection plans, nursing homes, Medicaid and elder law.

We gather required information through in-depth personal interviews. Information gathered includes the client's current financial status, tax status, future goals, returns objectives and attitudes towards risk. We carefully review documents supplied by the client, including a questionnaire completed by the client, and prepare a written report. Should the client choose to implement the recommendations contained in the plan, we suggest the client work closely with his/her attorney, accountant, insurance agent, and/or stockbroker. Implementation of financial plan recommendations is entirely at the client's discretion.

We also provide general non-securities advice on topics that may include tax and budgetary planning, estate planning and business planning. exchange-listed securities, securities traded over-the-counter, foreign issuers, warrants, corporate debt securities (other than commercial paper), commercial paper, certificates of deposit, municipal securities, variable life insurance, variable annuities, mutual fund shares, United States governmental securities, options contracts on securities, interests in partnerships investing in real estate, interests in partnerships investing in oil and gas interests.

Typically the financial plan is presented to the client within six months of the contract date, provided that all information needed to prepare the financial plan has been promptly provided.

Financial Planning recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. All recommendations are of a generic nature.

## **CONSULTING SERVICES**

Clients may also receive investment advice on a more limited basis. This might include advice on only an isolated area(s) of concern such as estate planning, retirement planning, and review of a client's existing portfolio or any other specific topic. We also provide specific consultation and administrative services regarding investment and financial concerns of the client. Additionally, we provide advice on non-securities matters such as estate planning, insurance and annuities. For corporate clients and endowments, consulting may also include, cash flow budgeting and all areas of corporate financial activities.

Typically, the consulting service will be completed within 90 days of the contract date, provided that all information needed to complete the consulting engagement has been promptly provided by the client. Clients receiving this limited service may or may not receive a written report, as directed in the client's contract.

### **PENSION CONSULTING SERVICES**

Genesis Wealth Advisors, LLC (GWA) provides several pension consulting services separately or in combination. The primary clients for these services will be pension, profit sharing and 401(k) plans. Clients may choose to use any or all of these services or to engage GWA for additional consulting services not specifically listed below.

**Investment Policy Statement Preparation.** GWA will meet with the client to determine the client's investment and goals. GWA will then prepare a written investment policy statement ("IPS") stating those needs and goals and creating a policy under which these goals are to be achieved. The IPS will also list the criteria for selection of investment vehicles and the procedures and timing interval for monitoring of investment performance.

**Selection of Investment Vehicles.** GWA will review various investments, consisting of mutual funds, etf's, individual securities, and third party managers to determine which of these investments are appropriate to implement the client's IPS. The number of investments recommended will be determined by the client in conjunction with GWA and based upon the IPS.

**Monitoring of Investment Performance.** Client portfolios will be monitored on an ongoing basis based upon the procedures and timing intervals delineated in the IPS. GWA will supervise the client's portfolio and will make recommendations to the client as market factors and the client's needs dictate.

Fees for Pension Consulting Services are determined according to the Genesis Wealth Advisory Services ("GWAS") fee schedule. Depending on the complexity of the consulting services required, GWA may offer discounted GWAS fees for pension consulting. Pension consulting fees are separate and distinct from and portfolio management fee "GDPM" charged by GWA.

### **AMOUNT OF MANAGED ASSETS**

As of 12/31/2012, we were actively managing \$101,656,677 of clients' assets on a discretionary basis and \$1,042,698 on a non-discretionary basis.

We also oversee clients' assets being managed by other firms and held by custodians outside of our network as well as assets held directly by mutual funds. The bulk of these assets are participant directed/ employer sponsored retirement plans which we review as part of a comprehensive financial planning approach. We do not calculate the total value of those assets.

## **Item 5 Fees and Compensation**

### **INVESTMENT SUPERVISORY SERVICES**

#### **INDIVIDUAL PORTFOLIO MANAGEMENT FEES**

#### **MODEL PORTFOLIO MANAGEMENT FEES**

#### **PENSION CONSULTING SERVICES**

#### **GENESIS WEALTH ADVISORY SERVICES**

Our annual fees for Genesis Wealth Advisory Services are based upon a percentage of assets under management. A maximum fee of 1.50% applies, however client fees generally range from 0.70% to 1.00%.

The annualized fee for Genesis Wealth Advisory Services will be charged as a percentage of assets under management.

<b><u>Assets Under Management</u></b>	<b><u>Annual Fee</u></b>
First \$1,000,000	100 bps
Next \$3,000,000	90 bps
Next \$3,000,000	80 bps
Next \$3,000,000	75 bps
Thereafter	70 bps

A minimum of \$100,000 of assets under management is required for this service. This account size may be negotiable under certain circumstances. Genesis Wealth Advisors, LLC. may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

The fee for GWAS is separate and distinct from any fee charged for GDPM, any financial planning fees, or the fees charged by any other third party investment manager or program.

Certain foundations, endowments, and corporate accounts whose aggregate assets under management exceed \$10,000,000 may qualify for a reduced GWAS fee depending upon the level and nature of services required. In these situations the GWAS fee is quoted on a case by case basis and generally ranges from 30 bps to 50 bps.

## **INVESTMENT SUPERVISORY SERVICES GENESIS DYNAMIC PORTFOLIO MANAGEMENT ("GDPM") FEES**

Our annual fees for Genesis Dynamic Portfolio Management are based upon a percentage of assets under management. A maximum fee of .60% applies, however client fees generally range from .50% to .60%.

The annualized fee for Genesis Wealth Advisory Services will be charged as a percentage of assets under management.

<b><u>Assets Under Management</u></b>	<b><u>Annual Fee</u></b>
First \$10,000,000	60 bps
Next \$10,000,000	55 bps
Next \$10,000,000	45 bps
Thereafter	40 bps

A minimum of \$100,000 of assets under management is required for this service. This account size may be negotiable under certain circumstances. Genesis Wealth Advisors, LLC. may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

The fee for GDPM is separate and distinct from any fee charged for GWAS or any financial planning or consulting fees. In order to participate in GDPM, clients must also contract for GWAS or be a contracted client of a third party investment advisory which has contracted Genesis Wealth Advisors, LLC to provide "portfolio management only" to their clients.

## **INVESTMENT SUPERVISORY SERVICES MANAGER OF MANAGERS FEES**

Depending upon the third party asset manager selected and the trading and custodial platform utilized, fees may be assessed to client accounts by one of three different methods. The method chosen has no impact on the fee calculation.

- Contractually, we collect both the selected asset manager(s) fee and our fee, based on a percentage of the client's assets under management with that manager. Accordingly, the selected asset manager(s) fee which typically ranges from 0.50% to 0.60%, depending on the size of the account, is included in our annual management fee.
- Contractually, both our fee and the selected asset manager(s) fees are charged to the account and collected separately. Accordingly, clients will see two separate management fees charged to the account.
- Contractually, we are paid by the selected asset manager(s), based on a percentage of the client's assets under management with that manager. Accordingly, our fee, which typically ranges from 0.70% to 1.00%, depending on the size of the account, is included in the asset manager's annual management fee.

Genesis Wealth Advisors, LLC. does not control the fees or the billing arrangements of any

selected asset manager. For a complete description of the fee arrangement including billing practices, minimum account requirements and account termination provisions, clients should review the independent investment adviser's Firm Brochure or other disclosure document.

Our annual fee for the Manager of Managers Program is charged as a percentage of assets under management. A maximum fee of 1.50% applies, however client fees generally range from 0.70% to 1.00%.

<b><u>Market Value</u></b>	<b><u>Annual Fee (%)</u></b>
First \$1,000,000	100 bps
Next \$3,000,000	90 bps
Next \$2,000,000	80 bps
Next \$4,000,000	75 bps
Thereafter	70 bps

A minimum of \$250,000 of assets under management is required for this service. This account size may be negotiable under certain circumstances. Genesis Wealth Advisors, LLC. may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

Certain foundations, endowments, and corporate accounts whose aggregate assets under management exceed \$10,000,000 may qualify for a reduced Manager of Managers fee (GWA portion) depending upon the level and nature of services required. In these situations the GWA fee is quoted on a case by case basis and generally ranges from 30 bps to 50 bps.

## **PORTFOLIO MANAGEMENT SERVICES FEES**

### **MODEL PORTFOLIO MANAGEMENT FEES**

Our annual fees for Portfolio Management Services are based upon a percentage of assets under management. A maximum fee of 1.50% applies, however client fees generally range from 0.70% to 1.00%.

<b><u>Market Value</u></b>	<b><u>Annual Fee (%)</u></b>
First \$1,000,000	100 bps
Next \$3,000,000	90 bps
Next \$2,000,000	80 bps
Next \$4,000,000	75 bps
Thereafter	70 bps

A minimum of \$100,000 of assets under management is required for this service. This account size may be negotiable under certain circumstances. Genesis Wealth Advisors, LLC. may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

## **FINANCIAL PLANNING AND CONSULTING FEES**

Genesis Wealth Advisors, LLC's Financial Planning fees and Consulting fees will be

determined based on the nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a contract with any client.

Our Financial Planning and Consulting fees are calculated and charged on an hourly basis, ranging from \$200 to \$400 per hour. Although the length of time it will take to provide a Financial Plan will depend on each client's personal situation, we will provide an estimate for the total hours at the start of the advisory relationship.

Our Financial Planning fees are calculated and charged on a fixed fee basis, typically ranging from \$500 to \$5,000, depending on the specific arrangement reached with the client.

We generally request a 50% retainer upon completion of our initial fact-finding session with the client for Financial Planning clients and a 50% retainer for all consulting clients, prior to the project's commencement; however, advance payment will never exceed \$1200 for work that will not be completed within six months. The balance is due upon completion of the plan and will be based upon actual hours accrued, minus the retainer payment.

***Financial Planning Fee Offset:*** Genesis Wealth Advisors, LLC. reserves the discretion to reduce or waive the hourly fee and/or the minimum fixed fee if a financial planning client chooses to engage us for our Portfolio Management Services.

## GENERAL INFORMATION

***Limited Negotiability of Advisory Fees:*** Although Genesis Wealth Advisors, LLC has established the aforementioned fee schedule(s), we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs will be considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee schedule will be identified in the contract between the adviser and each client.

We may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee. Discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm.

***Termination of the Advisory Relationship:*** A client agreement may be canceled at any time, by either party, for any reason upon receipt of written notice. As disclosed above, certain fees are paid in advance of services provided. Upon termination of any account, any prepaid, unearned fees will be promptly refunded. In calculating a client's reimbursement of fees, we will pro rate the reimbursement according to the number of days remaining in the billing period. ***In order to receive a refund of unearned fees, clients must notify us, in writing, of their intent to terminate the advisory relationship.***

***Mutual Fund Fees:*** All fees paid to Genesis Wealth Advisors, LLC. for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETF's to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without our services. In

that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

**Wrap Fee Programs and Separately Managed Account Fees:** Clients participating in separately managed account programs may be charged various program fees in addition to the advisory fee charged by our firm. Such fees may include the investment advisory fees of the independent advisers, which may be charged as part of a wrap fee arrangement. In a wrap fee arrangement, clients pay a single fee for advisory, brokerage and custodial services. Client's portfolio transactions may be executed without commission charge in a wrap fee arrangement. In evaluating such an arrangement, the client should also consider that, depending upon the level of the wrap fee charged by the broker-dealer, the amount of portfolio activity in the client's account, and other factors, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately. We will review with clients any separate program fees that may be charged to clients.

**Additional Fees and Expenses:** In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

**Grandfathering of Minimum Account Requirements:** Pre-existing advisory clients are subject to Genesis Wealth Advisors, LLC's minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, our firm's minimum account requirements will differ among clients.

**ERISA Accounts:** Genesis Wealth Advisors, LLC. is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"). As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, Genesis Wealth Advisors, LLC. may only charge fees for investment advice about products for which our firm and/or our related persons do not receive any commissions or 12b-1 fees, or conversely, investment advice about products for which our firm and/or our related persons receive commissions or 12b-1 fees, however, only when such fees are used to offset Genesis Wealth Advisors, LLC's advisory fees.

**Advisory Fees in General:** Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

**Limited Prepayment of Fees:** Under no circumstances do we require or solicit payment of fees in excess of \$1200 more than six months in advance of services rendered.

**Method of Calculating Fees:** Fees are charged quarterly in advance based upon the quarter ending portfolio valuation time s a pro-rata share of the annual advisory fee Based upon the number of days in the calendar quarter divided by the number of days in the calendar year. Unless alternate arrangements are made, fees are automatically deducted from client's accounts.

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

Genesis Wealth Advisors, LLC. does not charge performance-based fees.

## Item 7 Types of Clients

Genesis Wealth Advisors, LLC. provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Corporations and other business entities
- Pension and profit sharing plans (other than plan participants)
- Charitable organizations

As previously disclosed in Item 5, our firm has established certain initial minimum account requirements, based on the nature of the service(s) being provided. For a more detailed understanding of those requirements, please review the disclosures provided in each applicable service.

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

### METHODS OF ANALYSIS

We may use the following methods of analysis in formulating our investment advice and/or managing client assets. All methods are not necessarily utilized in every situation.

**Quantitative Analysis.** We use mathematical models in an attempt to obtain more accurate measurements of a company's quantifiable data, such as the value of a share price or earnings per share, and predict changes to that data. A risk in using quantitative analysis is that the models used may be based on assumptions that prove to be incorrect.

**Qualitative Analysis.** We subjectively evaluate non-quantifiable factors such as quality of management, labor relations, and strength of research and development factors not readily subject to measurement, and predict changes to share price based on that data. A risk in using qualitative analysis is that our subjective judgment may prove incorrect.

**Asset Allocation.** Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to the client's investment goals and risk tolerance. A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

**Mutual Fund and/or ETF Analysis.** We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in the client's



portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

**Third-Party Money Manager Analysis.** We examine the experience, expertise, investment philosophies, and past performance of independent third-party investment managers in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We monitor the manager's underlying holdings, strategies, concentrations and leverage as part of our overall periodic risk assessment. Additionally, as part of our due-diligence process, we survey the manager's compliance and business enterprise risks.

A risk of investing with a third-party manager who has been successful in the past is that he/she may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a third-party manager's portfolio, there is also a risk that a manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the manager's daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

**Trend Analysis.** Or "momentum strategies" Assume that the prevailing trend in a market will continue. Implementing a momentum strategy, Genesis Wealth Advisors, LLC. may consider the past returns of a security either individually or in relation to other securities. A risk of momentum based strategies is that they involve buying securities that have performed well and avoiding those that have done poorly. Genesis Wealth Advisors, LLC. may buy or sell near a market top, just before a decline. In addition, momentum strategies may require more frequent trading during certain market conditions. Frequent trading creates costs that reduce the value of a client's portfolio.

**Risks for all forms of analysis.** Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

## **INVESTMENT STRATEGIES**

We use the following strategy(ies) in managing client accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

**Long-term purchases.** We purchase securities with the idea of holding them in the client's account for a year or longer. Typically we employ this strategy when:

- we believe the securities to be currently undervalued, and/or
- we want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantages of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

**Short-term purchases.** When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

**Trading.** We purchase securities with the idea of selling them very quickly (typically within 30 days or less). We do this in an attempt to take advantage of our predictions of brief price swings.

**Short sales.** We borrow shares of a stock for your portfolio from someone who owns the stock on a promise to replace the shares on a future date at a certain price. Those borrowed shares are then sold. On the agreed-upon future date, we buy the same stock and return the shares to the original owner. We engage in short selling based on our determination that the stock will go down in price after we have borrowed the shares. If we are correct and the stock price has gone down since the shares were purchased from the original owner, the client account realizes the profit.

**Margin transactions.** We will purchase stocks for your portfolio with money borrowed from your brokerage account. This allows you to purchase more stock than you would be able to with your available cash, and allows us to purchase stock without selling other holdings.

**Option writing.** We may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset.

The two types of options are calls and puts:

- A call gives us the right to buy an asset at a certain price within a specific period of time. We will buy a call if we have determined that the stock will increase substantially before the option expires.
- A put gives us the holder the right to sell an asset at a certain price within a specific period of time. We will buy a put if we have determined that the price of the stock will fall before the option expires.

We will use options to speculate on the possibility of a sharp price swing. We will also use options to "hedge" a purchase of the underlying security; in other words, we will use an option purchase to limit the potential upside and downside of a security we have purchased for your portfolio.

We use "covered calls", in which we sell an option on security you own. In this strategy, you receive a fee for making the option available, and the person purchasing the option has the right to buy the security from you at an agreed-upon price.

We use a "spreading strategy", in which we purchase two or more option contracts (for example, a call option that you buy and a call option that you sell) for the same underlying security. This effectively puts you on both sides of the market, but with the ability to vary price, time and other factors.

A risk of covered calls is that the option buyer does not have to exercise the option, so that if we want to sell the stock prior to the end of the option agreement, we have to buy the option back from the option buyer, for a possible loss.

A risk of spreading strategies is that the ability to fully profit from a price swing is limited.

**Risk of Loss.** Securities investments are not guaranteed and you may lose money on your investments. We ask that you work with us to help us understand your tolerance for risk.

## **Item 9 Disciplinary Information**

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Our firm and our management personnel have no reportable disciplinary events to disclose.

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

Some management personnel and advisory representatives of Genesis Wealth Advisors, LLC. are separately licensed as registered representatives of Clary Investment and Insurance Planning Corporation an unaffiliated, FINRA member broker-dealer. These individuals, in their separate capacity, can effect securities transactions for which they will receive separate, yet customary compensation.

Some management personnel and advisory representatives of Genesis Wealth Advisors, LLC. are also separately licensed through GCA Insurance Agency as insurance representatives. These individuals, in their separate capacity, can effect insurance transactions for which they will receive separate, yet customary compensation.

Paul Duval and Ronald Aines are also principals of GCA Insurance Agency which is licensed in the Commonwealth of Massachusetts and other states as required.

While Genesis Wealth Advisors, LLC. and these individuals endeavor at all times to put the interest of the clients first as part of our fiduciary duty, clients should be aware that the receipt of additional compensation itself creates a conflict of interest, and may affect the judgment of these individuals when making recommendations.

As required, any affiliated investment advisers are specifically disclosed in Section 7.A. on Schedule D of Form ADV, Part 1. (Part 1 of our Form ADV can be accessed by following the directions provided on the Cover Page of this Firm Brochure.)

Where appropriate, Genesis Wealth Advisors, LLC. and our employees may recommend the various investment and investment-related services of the Related Companies to our advisory clients. The Related Companies and their employees may also recommend the advisory services of our firm to their clients. The services provided by the Related Companies are separate and distinct from our advisory services, and are provided for separate and additional

compensation. There may also be arrangements between Genesis Wealth Advisors, LLC. and these Related Companies where Genesis Wealth Advisors, LLC. and/or the Related Companies and their employees receive payment in exchange for client referrals. No Genesis Wealth Advisors, LLC. client is obligated to use the services of any of the Related Companies.

In addition, the management persons and other employees of Genesis Wealth Advisors, LLC. are: (1) management persons and registered representatives of a FINRA member broker-dealer (Clary Insurance and Investment Planning); and, (2) management persons and insurance agents of a licensed insurance agency (GCA Insurance Agency, Inc.) These individuals may also be insurance agents for one or more insurance companies. In their **separate** capacities as registered representatives and/or insurance agents, these individuals are able to effect securities transactions and/or purchase insurance and insurance-related investment products for Genesis Wealth Advisors, LLC's advisory clients, for which these individuals will receive **separate** and additional compensation. In their **separate** capacities as registered representatives of Clary Insurance and Investment Planning, these individuals may receive commissions, incentives and 12b1 fees through the broker/dealer. More information regarding these fees can be found on each individual's Brochure Supplement. Clients, however, are not under any obligation to engage these individuals when considering the purchase/sale of securities or insurance.

***Clients should be aware that accounts managed by Genesis Wealth Advisors, LLC through GWAS and GDPM are managed on a fee basis only. Neither Genesis Wealth Advisors, LLC nor its representatives earns any commission with respect to transactions in these accounts.***

Arthur DeBenedictis, CPA is an investment advisory representative of Genesis Wealth Advisors, LLC. Mr. DeBenedictis typically recommends Genesis Capital Advisors or Genesis Wealth Advisors, LLC. to accounting clients in need of advisory services. Conversely, Genesis Wealth Advisors, LLC. typically recommends Mr. DeBenedictis to advisory clients in need of accounting services. Accounting services provided by Mr. DeBenedictis are separate and distinct from our advisory services, and are provided for separate and typical compensation. There are no referral fee arrangements between our firms for these recommendations. No Genesis Wealth Advisors, LLC. or Genesis Capital Advisor client is obligated to use Mr. DeBenedictis for any accounting services and conversely, no accounting client is obligated to use the advisory services provided by us. Mr. DeBenedictis' accounting services do not include the authority to sign checks or otherwise disburse funds on any of our advisory client's behalf.

This individual will spend the majority of his time on his accounting practice.

Management personnel of our firm, in their individual capacities, are agents for various insurance companies. As such, these individuals are able to receive separate, yet customary commission compensation resulting from implementing product transactions on behalf of advisory clients. Clients, however, are not under any obligation to engage these individuals when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client.

Clients should be aware that the receipt of additional compensation by Genesis Wealth Advisors, LLC. and its management persons or employees creates a conflict of interest that may impair the objectivity of our firm and these individuals when making advisory

recommendations. Genesis Wealth Advisors, LLC. endeavors at all times to put the interest of its clients first as part of our fiduciary duty as a registered investment adviser; we take the following steps to address this conflict:

- we disclose to clients the existence of all material conflicts of interest, including the potential for our firm and our employees to earn compensation from advisory clients in addition to our firm's advisory fees.
- we disclose to clients that they are not obligated to purchase recommended investment products from our employees or affiliated companies;
- we collect, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;
- our firm's management conducts regular reviews of each client account to verify that all recommendations made to a client are suitable to the client's needs and circumstances;
- we require that our employees seek prior approval of any outside employment activity so that we may ensure that any conflicts of interests in such activities are properly addressed;
- we periodically monitor these outside employment activities to verify that any conflicts of interest continue to be properly addressed by our firm; and
- we educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

As previously disclosed, we recommend the services of various registered investment advisers to its clients. In exchange for this recommendation, we receive a referral fee from the selected investment adviser. The fee received by us is typically a percentage of the fee charged by that investment adviser to the referred client. The portion of the advisory fee paid to us does not increase the total advisory fee paid to the selected investment adviser by the client. We do not charge the client any fees for these referrals. We will only recommend advisers that pay us a referral fee.

We are aware of the special considerations required under Rule 206(4)-3 of the Investment Advisers Act of 1940. As such, all appropriate disclosure shall be made and all applicable Federal and State laws will be observed.

Clients should be aware that the receipt of additional compensation by Genesis Wealth Advisors, LLC. and its management persons or employees creates a conflict of interest that may impair the objectivity of our firm and these individuals when making advisory recommendations. Genesis Wealth Advisors, LLC. endeavors at all times to put the interest of its clients first as part of our fiduciary duty as a registered investment adviser; we take the following steps to address this conflict:

- we disclose to clients the existence of all material conflicts of interest, including the potential for us or our employees to earn compensation from the referral of clients to other registered investment advisers;

- we disclose to the client in a separate disclosure document the compensation we receive in exchange for the client's referral to the selected investment adviser;
- we conduct initial and periodic due diligence on the selected investment advisers to establish that the advisers are suitable to recommend to our clients; and
- we educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

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

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

Genesis Wealth Advisors, LLC. and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.

Genesis Wealth Advisors, LLC.' Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to [info@genesisadvisors.com](mailto:info@genesisadvisors.com), or by calling us at 781-344-1023.

Genesis Wealth Advisors, LLC. and individuals associated with our firm are prohibited from engaging in principal transactions.

Genesis Wealth Advisors, LLC. and individuals associated with our firm are prohibited from engaging in agency cross transactions.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any

related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts.

As disclosed in the preceding section of this Brochure (Item 10), related persons of our firm are separately registered as securities representatives of a broker-dealer, and/or licensed as an insurance agent/broker of various insurance companies. Please refer to Item 10 for a detailed explanation of these relationships and important conflict of interest disclosures.

## **Item 12 Brokerage Practices**

For discretionary clients, Genesis Wealth Advisors, LLC. requires these clients to provide us with written authority to determine the broker dealer to use and the commission costs that will be charged to these clients for these transactions.

Genesis Wealth Advisors, LLC. will block trades where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts, so long as transaction costs are shared equally and on a pro-rated basis between all accounts included in any such block.

Block trading may allow us to execute equity trades in a timelier, more equitable manner, at an average share price. Genesis Wealth Advisors, LLC. will typically aggregate trades among clients whose accounts can be traded at a given broker, and generally will rotate or vary the order of brokers through which it places trades for clients on any particular day. Genesis Wealth Advisors, LLC's block trading policy and procedures are as follows:

- 1) Transactions for any client account may not be aggregated for execution if the practice is prohibited by or inconsistent with the client's advisory agreement with Genesis Wealth Advisors, LLC, or our firm's order allocation policy.
- 2) The trading desk in concert with the portfolio manager must determine that the purchase or sale of the particular security involved is appropriate for the client and consistent with the client's investment objectives and with any investment guidelines or restrictions applicable to the client's account.
- 3) The portfolio manager must reasonably believe that the order aggregation will benefit, and will enable Genesis Wealth Advisors, LLC. to seek best execution for each client participating in the aggregated order. This requires a good faith judgment at the time the order is placed for the execution. It does not mean that the determination made in advance of the transaction must always prove to have been correct in the light of a "20-20 hindsight" perspective. Best execution includes the duty to seek the best quality of execution, as well as the best net price.
- 4) Prior to entry of an aggregated order, a written order ticket must be completed which identifies each client account participating in the order and the proposed allocation of the order, upon completion, to those clients.

- 5) If the order cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated pro rata among the participating client accounts in accordance with the initial order ticket or other written statement of allocation. However, adjustments to this pro rata allocation may be made to participating client accounts in accordance with the initial order ticket or other written statement of allocation. Furthermore, adjustments to this pro rata allocation may be made to avoid having odd amounts of shares held in any client account, or to avoid excessive ticket charges in smaller accounts.
- 6) Generally, each client that participates in the aggregated order must do so at the average price for all separate transactions made to fill the order, and must share in the commissions on a pro rata basis in proportion to the client's participation. Under the client's agreement with the custodian/broker, transaction costs may be based on the number of shares traded for each client.
- 7) If the order will be allocated in a manner other than that stated in the initial statement of allocation, a written explanation of the change must be provided to and approved by the Chief Compliance Officer no later than the morning following the execution of the aggregate trade.
- 8) Genesis Wealth Advisors, LLC.' client account records separately reflect, for each account in which the aggregated transaction occurred, the securities which are held by, and bought and sold for, that account.
- 9) Funds and securities for aggregated orders are clearly identified on Genesis Wealth Advisors, LLC.' records and to the broker-dealers or other intermediaries handling the transactions, by the appropriate account numbers for each participating client.
- 10) No client or account will be favored over another.

Genesis Wealth Advisors, LLC. has an arrangement with National Financial Services LLC, and Fidelity Brokerage Services LLC (together with all affiliates, "Fidelity") through which Fidelity provides our firm with their "platform" services. The platform services include, among others, brokerage, custodial, administrative support, record keeping and related services that are intended to support intermediaries like Genesis Wealth Advisors, LLC. in conducting business and in serving the best interests of our clients but that may also benefit us.

Fidelity charges brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Fidelity enables Genesis Wealth Advisors, LLC. to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. Fidelity's commission rates are generally considered discounted from customary retail commission rates. However, the commissions and transaction fees charged by Fidelity may be higher or lower than those charged by other custodians and broker-dealers. As part of the arrangement, Fidelity also makes available to our firm, at no additional charge to us, certain research and brokerage services, including research services obtained by Fidelity directly from independent research companies, as selected by Genesis Wealth Advisors, LLC. (within specified parameters). These research and brokerage services presently include services



such as, a dedicated trading platform, portfolio management and accounting services, and research and opinion from Fidelity's portfolio management teams, and are used by our firm to manage accounts for which we have investment discretion.

From time to time, Genesis Wealth Advisors, LLC. may also receive additional services which may include discounted services from third party vendors. Without this arrangement, we might be compelled to purchase the same or similar services at our own, or higher, expense.

As a result of receiving such services for no additional cost, we may have an incentive to continue to use or expand the use of Fidelity's services. We examined this potential conflict of interest when we chose to enter into the relationship with Fidelity and have determined that the relationship is in the best interests of Genesis Wealth Advisors, LLC's clients and satisfies our client obligations, including our duty to seek best execution. A client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where we determine in good faith that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, while Genesis Wealth Advisors, LLC. will seek competitive rates, to the benefit of all clients, we may not necessarily obtain the lowest possible commission rates for specific client account transactions. Although the investment research products and services that may be obtained by us will generally be used to service all of our clients, a brokerage commission paid by a specific client may be used to pay for research that is not used in managing that specific client's account. Genesis Wealth Advisors, LLC. and Fidelity are not affiliated.

## **Item 13    Review of Accounts**

### **INVESTMENT SUPERVISORY SERVICES**

### **INDIVIDUAL PORTFOLIO MANAGEMENT**

### **MODEL PORTFOLIO MANAGEMENT**

### **PORTFOLIO MANAGEMENT**

*REVIEWS:* While the underlying securities within Individual Portfolio Management Services accounts are continually monitored, these accounts are reviewed at least quarterly. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

These accounts are reviewed by:

Nicholas de Peyster, CIO, Managing Director and  
Paul Duval, CEO and CCO

*REPORTS:* In addition to the monthly statements and confirmations of transactions that clients receive from their broker-dealer, we provide quarterly reports summarizing account performance, balances and holdings.

## **GENESIS WEALTH ADVISORY SERVICES (“GWAS”)**

*REVIEWS:* While the underlying securities within Individual Portfolio Management Services accounts are continually monitored, these accounts are reviewed at least quarterly. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

These accounts are reviewed by:

Nicholas de Peyster, CIO, Managing Director and  
Paul Duval, CEO and CCO

*REPORTS:* In addition to the monthly statements and confirmations of transactions that clients receive from their broker-dealer, we provide quarterly reports summarizing account performance, balances and holdings.

## **INVESTMENT SUPERVISORY SERVICES**

### **GENESIS DYNAMIC PORTFOLIO MANAGEMENT (“GDPM”)**

*REVIEWS:* While the underlying securities within Individual Portfolio Management Services accounts are continually monitored, these accounts are reviewed at least quarterly. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

These accounts are reviewed by:

Nicholas de Peyster, CIO, Managing Director and  
Paul Duval, CEO and CCO

*REPORTS:* In addition to the monthly statements and confirmations of transactions that clients receive from their broker-dealer, we provide quarterly reports summarizing account performance, balances and holdings.

## **MANAGER OF MANAGERS PROGRAM**

*REVIEWS:* The performance of the registered investment adviser(s) selected to manage client portfolios within our Manager of Managers Program is continually monitored by Genesis Wealth Advisors, LLC. Furthermore, accounts within this program are formally reviewed at least quarterly. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment. These accounts are reviewed by:

Nicholas de Peyster, CIO, Managing Director and  
Paul Duval, CEO and CCO

*REPORTS:* In addition to the monthly statements and confirmations of transactions that these

clients receive from their respective broker-dealer, the asset manager(s) selected by Genesis Wealth Advisors, LLC. to manage the client's portfolio(s) within our Manager of Managers Program provides the client with written quarterly performance reports. Unless otherwise contracted for, we do not typically provide additional reports.

## **SELECTION and MONITORING of THIRD-PARTY MONEY MANAGERS**

**REVIEWS:** These client accounts should refer to the independent registered investment adviser's Firm Brochure (or other disclosure document used in lieu of the brochure) for information regarding the nature and frequency of reviews provided by that independent registered investment adviser.

Genesis Wealth Advisors, LLC. will provide reviews on a quarterly basis

These accounts are reviewed by:

Nicholas de Peyster, CIO, Managing Director and  
Paul Duval, CEO and CCO

**REPORTS:** These clients should refer to the independent registered investment adviser's Firm Brochure (or other disclosure document used in lieu of the brochure) for information regarding the nature and frequency of reports provided by that independent registered investment adviser.

Genesis Wealth Advisors, LLC. does not typically provide reports in addition to those provided by the independent registered investment adviser selected to manage the client's assets unless specifically contracted for at the inception of the advisory relationship.

## **FINANCIAL PLANNING SERVICES**

**REVIEWS:** While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Financial Planning clients unless otherwise contracted for.

**REPORTS:** Financial Planning clients will receive a completed financial plan. Additional reports will not typically be provided unless otherwise contracted for.

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

### **CLIENT REFERRALS**

Our firm may pay referral fees to independent persons or firms ("Solicitors") for introducing clients to us. Whenever we pay a referral fee, we require the Solicitor to provide the prospective client with a copy of this document (our *Firm Brochure*) and a separate disclosure statement that includes the following information:

- the Solicitor's name and relationship with our firm;
- the fact that the Solicitor is being paid a referral fee;

- the amount of the fee; and
- whether the fee paid to us by the client will be increased above our normal fees in order to compensate the Solicitor.

As a matter of firm practice, the advisory fees paid to us by clients referred by solicitors are not increased as a result of any referral.

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

The Paladin Registry ([www.paladinregistry.com](http://www.paladinregistry.com)) has profiled Nick de Peyster. Investors use the Registry's online services to learn about financial advisors, to learn how to avoid bad financial advice, to learn how to select quality advisors, to search for financial advisors, and to view advisor documentation. Paladin matches financial professionals to investors who use the Registry's Self and Custom Search services and its documentation for their credentials, ethics, business practices, and financial services. GWA pays fixed monthly dues to be profiled in the Registry and to receive referrals. Paladin uses the dues to provide free information and search services to investors.

## **Item 15 Custody**

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

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

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

Our firm does not have actual or constructive custody of client accounts.

## **Item 16 Investment Discretion**

Clients may hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

Our discretionary authority includes the ability to do the following without contacting the client:

- Determine the security to buy or sell; and/or
- Determine the amount of the security to buy or sell

Clients give us discretionary authority when they sign a discretionary agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

### **MANAGER OF MANAGERS PROGRAM**

As previously disclosed in Item 4 of this brochure, we do not "manage" client portfolios in the traditional sense of the definition, rather Genesis Wealth Advisors, LLC. manages the managers of client portfolios within this program. Accordingly, clients participating in this program grant us authority to hire and fire the selected asset manager(s) managing client accounts.

Clients give us this authority when they sign a discretionary agreement with our firm, and may limit this authority by giving us written instructions. Clients may change/amend these limitations by once again providing us with written instructions.

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

As a matter of firm policy, we do not vote proxies on behalf of clients. Therefore, although our firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing each custodian of the assets, to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets.

We do not offer any consulting assistance regarding proxy issues to clients.

### **Item 18 Financial Information**

Genesis Wealth Advisors, LLC. has no additional no financial circumstances to report.

Under no circumstances do we require or solicit payment of fees in excess of \$1200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

Genesis Wealth Advisors, LLC. has not been the subject of a bankruptcy petition at any time during the past ten years.