



Item 1 Cover Page

Arcadia Wealth Management, Inc.
Form ADV Part 2A
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This brochure provides information about the qualifications and business practices of Arcadia Wealth Management, Inc. If you have any questions about the contents of this brochure, please contact us at (631) 549-5400. 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 Arcadia Wealth Management, Inc. is also available on the SEC's website at www.advisorinfo.sec.gov.

Arcadia Wealth Management, Inc. is a registered investment adviser; registration does not imply a certain level of skill or training.

Updated: January 2013

Item 2 Material Changes

This is Arcadia Wealth Management's initial submission of Form ADV Part 2. In the future, this Item will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes. We will also reference the date of our last annual update of our brochure.

The firm encourages each of its current and prospective clients to review the new brochure in its entirety, and to discuss any questions with one of the firm's advisors.

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Item 4 Advisory Business

The Corporation, Arcadia Wealth Management, Inc., ("Arcadia") is an investment adviser registered with the Securities and Exchange Commission pursuant to the Investment Advisers Act of 1940. Arcadia provides services in two broad categories: financial planning services and investment management/advisory services. Walter F. Wisniewski, Jr., CFP™ is the founder, CEO, sole principal owner and President of Arcadia Wealth Management since inception in 2012.

Arcadia provides specialized investment management services, investing the assets of the client's investment portfolio by selecting mutual funds and individual securities. A client's investment portfolio is constructed from the client's goals, objectives and risk tolerance. Arcadia provides investment consultation services; investment selection and monitoring of mutual fund portfolios, and assists the client in implementing a strategy for the clients' overall investment objectives. From time to time, Arcadia may make changes in the selection or allocation of investment alternatives. This may be done on a discretionary or non-discretionary basis depending on the agreement with the client. The investments selected by Arcadia predominately include Dimensional Fund Advisors ("DFA") and Schwab One-Source mutual funds, and Arcadia implements a long-term investment strategy which has been designed to result in low investment turnover.

Arcadia offers financial and retirement planning to its clients. Financial planning addresses the following areas: retirement, college education, and other goal funding; income tax planning; life, disability, long-term care, homeowners and automobile insurance; and estate planning.

Clients of Arcadia can also receive investment advice on a more limited basis. This may include advice on certain areas of interest or need such as estate planning, retirement, 401(k) or 403(b) investment allocations or any other specific topic.

Client assets are managed on both a discretionary and non-discretionary basis. At the inception of each client relationship or upon request, Arcadia will document any client requested restrictions to be applied to the management of their account.

Assets under management as of December 31, 2012 (rounded to the nearest \$1,000):

Total Managed: \$31,727,000
Non-Discretionary: \$0
Discretionary: \$31,727,000

Item 5 Fees and Compensation

Arcadia is a fee-only adviser. In other words, Arcadia receives compensation exclusively from its clients, and does not receive commissions or referral fees from any product or service providers.

For discretionary and non-discretionary investment management services, Arcadia's fees are based on a percentage of assets under management. Fees for Investment Management Services are negotiable and currently range from 0.50% to 2.00% percent per year based on assets under management and the complexity and needs of the account.

For certain clients, Arcadia charges the advisory fee on the market value of some unmanaged securities as well as the value of some non-securities that are custodied in client accounts.

Fees are calculated in advance for the majority of Arcadia's client accounts based on the market value of the managed assets on the last day of each client billing quarter. The first quarterly fee will be the end of the third month after investment advisory or financial planning services are provided to the client.

Clients generally authorize the custodian to debit the advisory fee from the account and pay it to Arcadia. Occasionally, Arcadia will ask a client to pay the fee directly. Arcadia will send the client an invoice showing the amount of the fee, the value of the client's assets on which the invoice was based, and the specific manner in which the advisory fee was calculated. Arcadia sends this invoice to the client at the same time as it sends the custodian instructions to debit the client's account. The custodian sends a statement to the client, at least quarterly, indicating any amounts disbursed from the account, including the amount of any advisory fee paid to Arcadia.

Arcadia's fees exclude brokerage commissions and custodial fees. In addition, all fees paid to Arcadia for investment advisory services are separate from the fees and expenses charged to shareholders by a mutual fund company. A complete explanation of the expenses charged by the mutual fund is contained in each fund's prospectus. Further information addressing Arcadia's brokerage practices is disclosed in Item 12 of this brochure.

Investment management services may be terminated upon 30 days written notice by either the client or Arcadia. Upon notice provided to Arcadia, unearned fees paid in advance to Arcadia will be ratably refunded. Clients may terminate the Advisory relationship during the first 5 days at no cost to the client.

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

Arcadia does not charge any performance-based fees, that is, fees based on a share of capital gains on or capital appreciation of clients' assets.

Arcadia does not do any Side-by-Side management. Side-by-Side Management refers to managing some accounts that are charged a performance-based fee, and others that are charged an asset-based fee.

Item 7 Types of Clients

Arcadia offers investment advisory services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, and corporations.

Arcadia's ideal clients are individuals and families with investment assets between \$1 million to \$10 million.

Arcadia generally requires a minimum account size of \$500,000 in assets under management. While Arcadia's minimum account size are typically not negotiable, under varying circumstances one or both may be negotiated.

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

Arcadia uses globally diversified and balanced portfolios. Arcadia's basic philosophy is that the markets are efficient, and that it is not possible to outperform the market by making forecasts. Therefore, Arcadia does not choose individual securities that will outperform the market, nor does Arcadia forecast when the markets are going to go up or down, or which asset classes are likely to outperform other asset classes. Arcadia believes this approach typically leads to a tax-efficient, low-turnover portfolio.

Equity mutual funds are selected in the following asset classes: US Stocks, International Stocks, Emerging Markets Stocks, and Real Estate Stocks. Generally, the equity portion of the portfolio is small company-tilted and value-tilted, as based on the academic research of Eugene Fama, Kenneth French and others.

Fixed income securities and fixed income mutual funds are selected in the following asset classes: Short-Term Bonds, Intermediate-Term Bonds. Bonds should have high quality (rated BBB or above). Foreign bond mutual funds typically have the currency hedged to the US dollar.

Where possible, Arcadia uses the mutual funds of Dimensional Fund Advisors ("DFA"), a firm with a similar investment philosophy. The purchase and sale of each DFA mutual fund incurs a Charles Schwab transaction fee, thus using a low-turnover strategy also provides low fees for the client.

However, smaller accounts (generally under \$70,000) are too small to diversify in all of the asset classes using the transaction fee funds in a cost-effective manner. Therefore, Arcadia chooses Schwab One Source funds that have no transaction fees in the above asset classes. These funds are selected using the following criteria: passive (index) funds if possible, a history of no style drift, low expense ratio, low turnover, low (\$1) minimum purchase, and historic returns similar to the index return.

Arcadia believes that portfolios must be monitored regularly, and rebalanced when allocations have changed enough to significantly affect the targeted risk exposure of that portfolio.

While Arcadia employs all of these investment methodologies in an attempt to optimize the risk-adjusted returns of client portfolios, risk can never be eliminated. Investing in securities, including mutual funds, always involves risk of loss which clients should expect to bear. Specifically, client portfolios are exposed to the following primary risks.

- Market Risk – Economic, political, and issuer-specific events may cause the value of securities to rise or fall.

- **Small Company Risk** – Securities of small companies are often less liquid than those of large companies. As a result, small company stocks may fluctuate relatively more in price.
- **Foreign Securities and Currencies Risk** – Foreign securities prices may decline or fluctuate because of economic or political actions of foreign governments, and/or because of less regulated or less liquid securities markets. Investors holding these securities are also exposed to foreign currency risk (the possibility that foreign currency may fluctuate in value against the U.S. dollar).
- **Emerging Markets Risk** – Numerous emerging market countries have experienced serious economic and political problems. Stock markets in many emerging market countries are relatively small, expensive to trade and risky. Foreigners are sometimes limited in their ability to invest in, and withdraw assets from these markets.
- **Credit Risk** – Credit risk is the risk that the issuer of a security may be unable to make interest payments and/or repay principal when due. A downgrade to an issuer's credit rating or a perceived change in an issuer's financial strength may affect a security's value.
- **Interest Rate Risk** – Fixed income securities are subject to interest rate risk because the prices of fixed income securities tend to move in the opposite direction of interest rates. In general, fixed income securities with longer maturities are more sensitive to these price changes.
- **Income Risk** – Income risk is the potential for a decline in the fund's income due to falling interest rates.
- **Inflation Risk** – Inflation risk, also called purchasing power risk, is the chance that the cash flow from an investment won't be worth as much in the future because of changes in purchasing power due to inflation.

Item 9 Disciplinary Information

There have been no criminal or civil investment-related actions against Arcadia or any of its principals or employees, nor has it or any of its principals or employees been the subject of any violation of an investment-related statute or regulation. There also have been no administrative proceedings before the SEC or any other federal, state, or foreign regulatory authority causing Arcadia or any of its principals or employees to be denied authorization to act in any investment-related business or activity.

Item 10 Other Financial Industry Activities and Affiliations

Arcadia is an independent investment advisory firm.

Arcadia is under common control with its affiliated SEC registered investment adviser, Paragon Capital Management, Corp. ("PCM") (CRD No. 107486). Certain principals and Supervised Persons of Arcadia also serve in the same or similar capacity for PCM. Arcadia's principal place of business is the same as that of PCM. Arcadia may refer current or prospective clients to PCM for investment management services.

Arcadia is not a broker-dealer, futures commission merchant, commodity pool operator, or commodity trading adviser and there are no principals or employees who are registered representatives of any of these types of firms. Arcadia does not have any relationships or arrangements that could create a material conflict of interest for clients with any of the following: broker-dealer, municipal securities dealer, government securities dealer or broker, investment company or other pooled investment vehicle, other investment advisor or financial planner, futures commission merchant, commodity pool operator, or other commodity trading adviser, banking or thrift institution, accountant or accounting firm, lawyer or law firm, insurance company or agency, pension consultant, real estate broker or dealer, sponsor or syndicator of limited partnerships.

Walter F. Wisniewski, Jr. is also an independent life and health insurance agent licensed in New York State. If a client purchases fixed annuities, insurance policies, long-term care or disability insurance through him, the normal commissions associated with that product are paid to Paragon Agency, a separate Limited Liability Company. Susan M. Wisniewski is a property and casualty insurance agent licensed in New York State. If a client purchases homeowners, renters, automobile, boat, or umbrella liability insurance through her, the normal commissions associated with that product are paid to Paragon Agency, a separate Limited Liability Company. Walter and Susan receive compensation from Paragon Agency. Thus a conflict exists between Walter and Susan's interests and those of Arcadia's

Advisory clients. The client is under no obligation to engage any person associated with Arcadia when deciding to implement any advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client.

Mr. Lee Slater, who currently serves as employee of Arcadia also serves in the role of tax preparer with Popular Tax. Mr. Slater spends approximately 95% of his time fulfilling his duties with Popular Tax. Neither Arcadia nor its employee's receive compensation of any kind for potential referrals to Popular Tax and the services provided by Popular Tax are separate and distinct from the advisory services provided by Arcadia.

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

To avoid any potential conflicts of interest involving personal trades, Arcadia has adopted a Code of Ethics (the "Code"), which includes a formal code of ethics and insider trading policies and procedures. Arcadia's Code requires, among other things, that Employees:

- Act with integrity, competence, diligence, respect, and in an ethical manner with the public, clients, prospective clients, employers, employees, colleagues in the investment profession, and other participants in the global capital markets;
- Place the integrity of the investment profession, the interests of clients, and the interests of Arcadia above one's own personal interests;
- Adhere to the fundamental standard that you should not take inappropriate advantage of your position;
- Avoid any actual or potential conflict of interest;
- Conduct all personal securities transactions in a manner consistent with this policy;
- Use reasonable care and exercise independent professional judgment when conducting investment analysis, making investment recommendations, taking investment actions, and engaging in other professional activities;
- Practice and encourage others to practice in a professional and ethical manner that will reflect credit on yourself and the profession;
- Promote the integrity of, and uphold the rules governing, capital markets;
- Maintain and improve your professional competence and strive to maintain and improve the competence of other investment professionals.
- Comply with applicable provisions of the federal securities laws.

Arcadia's Code also requires Employees to report personal securities transactions on at least a quarterly basis, and provide Arcadia with a detailed summary of certain holdings (at the start of employment and annually thereafter) over which such Employees have a direct or indirect beneficial interest.

If Arcadia ever recommends a security in which it, or its principals, or employees buy and/or sell for themselves, Arcadia will ensure that the price paid or received by its advisory clients for any investment shall not be affected by a buying or selling interest on the part of Arcadia or its principals or employees, or otherwise result in an inappropriate advantage to Arcadia or its principals or employees.

A copy of Arcadia's Code shall be provided to any client or prospective client upon request.

Item 12 Brokerage Practices

Arcadia uses Charles Schwab & Co. ("Schwab") for substantially all of its client's brokerage transactions. In addition to brokerage services, Schwab provides Arcadia's clients with valuable custodial, recordkeeping and research services. Arcadia, on a periodic and systematic basis, reviews its brokerage relationship with its broker-dealers to ensure that it is fulfilling its fiduciary duty to seek best execution on client transactions.

Research provided by Schwab may include furnishing advice, either directly or through publications or writings, as to the value of securities, the advisability of purchasing or selling specific securities and the availability of purchasers or sellers of securities; furnishing seminars, information, analyses and reports concerning issuers, industries, securities, trading markets and methods, legislative developments, changes in accounting practices, economic factors and trends and portfolio strategy; access to research analysts, corporate management personnel, industry experts, economists and government officials; comparative performance evaluation and technical measurement services and quotation services; and products and other services (such as third party publications, reports and analyses, and computer and electronic access, equipment, software, information and accessories that deliver, process or otherwise use information, including the research described above) that assist the registrant in carrying out its responsibilities. Research received from brokers or dealers is supplemental to Arcadia's own research efforts.

Arcadia does not enter into agreements with brokers regarding specific amounts of brokerage as a result of the research provided. However, the commission rates generally paid by Arcadia's discretionary clients sufficiently allow executing brokers to provide Arcadia with fairly full array of normal research services. This may include information and products regarding the receipt of duplicate trade confirmations and account statements, trading desk access, the ability to aggregate clients' securities transactions, the ability to directly debit advisory fees from clients' accounts, receipt of compliance publications, access to mutual funds which generally require significantly higher minimum initial investments or are generally available only to institutional investors, access to research analysts and attendance at research seminars

Arcadia believes that it would obtain the research and other products and services provided by Schwab regardless of the amount of commissions it generates throughout the year.

Item 13 Review of Accounts

Arcadia reviews all client accounts at a minimum of once per year and generally more often. The President or Senior Financial planner conducts each portfolio review. Arcadia also reviews an account whenever there is a contribution or a withdrawal, and whenever Arcadia's computerized monitoring system indicates that the total value of a client's stock market investments has moved away by more than a pre-determined amount from its targeted percentage of the portfolio.

Arcadia provides a written asset and allocation report to clients. These reports are given at periodic in-person review meetings, mailed or emailed before periodic phone reviews, or mailed to the client without a review. The frequency of the reviews varies based on an agreement with the client and in coordination with varying service levels based on the amount of investment assets, advisory fees, and complexity of planning.

Charles Schwab and/or other custodians also send the clients a confirmation of transactions, and a monthly or quarterly summary report of all transactions, holdings, contributions and withdrawals.

Item 14 Client Referrals and Other Compensation

In certain circumstances, Arcadia will compensate professionals (attorneys, accountants, insurance agents, etc.) for client referrals. The client will be charged an amount that is in the range of charges by Arcadia for similar investment advisory services. All clients acquired by solicitors will be given full, written disclosure describing the terms and fee arrangements between Advisor and solicitor. All solicitor agreements are in compliance with Rule 206 (4)-3 of the Investment Advisors Act of 1940. In addition, all Federal and State laws will be observed. Solicitors may also be paid an ongoing portion of the investment management fee charged to the client. All solicitors provide a copy of Arcadia's Form ADV Part 2 to any potential prospect.

Item 15 Custody

Arcadia does not have physical custody of client funds or securities. Currently, the only custodians used for clients' accounts are Charles Schwab and those being used by clients' employers as part of employer-sponsored plans, such as 401(k) and 403(b) accounts. When a client wants Arcadia to manage an employer-sponsored plan, he or she gives Arcadia a limited power of attorney to make transactions on his or her behalf in those accounts.

Walter F Wisniewski, Jr. acts as a trustee on some clients' irrevocable life insurance trusts. As trustee, Walter has limited custody of bank checking accounts owned by the life insurance trusts only to pay insurance premiums. The banks send a statement to the client, at least quarterly, indicating any amounts disbursed from the account.

Item 16 Investment Discretion

Arcadia provided investment advisory services on a discretionary basis and a non-discretionary basis.

For discretionary clients, the clients give Arcadia the authority to determine, without specific consent, the securities to be bought or sold, the amounts and timing of those transactions, and the broker-dealers or mutual fund custodians used to execute those trades. Clients may place restrictions on the types of investments in which Arcadia invests for their accounts.

The non-discretionary clients are typically 401(k) plans and their participants. Some 401(k) plans include “model portfolios” which determine which mutual funds should be used in which proportions.

Item 17 Voting Client Securities

Although Arcadia may have discretionary authority to make investment decisions on behalf of the client, Arcadia will not exercise proxy or class action voting authority over the client securities. The obligation to vote the client proxies and class actions will always remain with the client. The client shall in no way be prohibited from contacting Arcadia for advice or information about a particular proxy or class action vote. However, Arcadia shall not be deemed to have proxy or class action voting authority solely as a result of providing such advice to the client.

Item 18 Financial Information

Arcadia does not have any financial condition that is reasonable likely to impair its ability to meet contractual commitments to clients.