

## **IWP WEALTH – PRIVATE CLIENT ADVISORY**

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**This brochure provides information about the qualifications and business practices of IWP Wealth PCA LLC (“*IWP Wealth PCA*” or “*IWP Wealth – Private Client Advisory*”). If you have any questions about the contents of this brochure, please contact us at (720) 328-9701. 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 IWP Wealth PCA LLC also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Registration with the SEC does not imply a certain level of skill or training.**

## Item 2 – Material Changes

- IWP Wealth PCA LLC (“*IWP Wealth PCA*”, “*IWP Wealth – Private Client Advisory*” or the “*Firm*”) is a newly formed investment adviser, and was registered with the U.S. Securities and Exchange Commission effective July 29, 2013.

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## **Item 4 – Advisory Business**

### ***Ownership***

IWP Wealth PCA is an investment advisory and wealth management firm, and was formed in 2013 by Charles A. Willhoit, Jeff L. Andrews and John W. Simmons. The principal owner of the Firm is IWP Wealth Investors LLC, which is controlled by Mr. Willhoit.

### ***Advisory Services***

IWP Wealth PCA provides investment advisory and wealth management services. The firm's clients consist primarily of high net worth individuals, family entities, partnerships, trusts and corporations. The firm's advisory services are typically customized to the needs of clients. The client's goals and objectives are generally established through initial and as-needed discussions or consultations. The firm's advisory services are generally provided on a discretionary basis, and the firm may, in its sole discretion, permit a client to impose restrictions on investing in certain securities or types of securities. Any such restrictions are typically captured in IWP Wealth PCA's investment management agreement with the client.

IWP Wealth PCA is newly formed, and as of the date of this brochure, does not manage any assets on either a discretionary or a non-discretionary basis.

While the members of the firm may share responsibility for the overall guidance of the business and client relationship management, Jeff Andrews and John Simmons will each have distinct areas of focus. Jeff will concentrate on business development and new relationships, while John will concentrate on wealth management and investment strategy. John will also assume any responsibility related to discretion over client accounts.

## **FAMILY OFFICE AND WEALTH MANAGEMENT SERVICES**

IWP Wealth PCA provides family office and wealth management services primarily to high net worth individuals and families. The firm provides clients with a broad range of investment and cash flow management services, comprehensive estate and financial planning, and consulting services (including non-investment related matters). IWP Wealth PCA's clients typically sign Wealth Management Agreements and Investment Advisory Agreements that explain the terms and conditions of the engagement, describe the scope of the services to be provided, and the portion of the fee, if any, due from the client before commencement of the advisory relationship. It is the client's responsibility to let us know if there is a change in their financial situation or investment objectives so that we can adjust our recommendations as may be necessary.

## **INVESTMENT MANAGEMENT & FAMILY OFFICE SERVICES**

The client may engage IWP Wealth PCA to design an investment portfolio, provide ongoing corresponding investment management services, and provide family office related services such as account reporting and consolidation, document storage, bill pay, and estate and tax related coordination services. Unless the client directs otherwise, IWP Wealth PCA typically

recommends that investment management accounts be maintained at either Schwab Institutional (“Schwab”) or Fidelity Institutional (“Fidelity”), both unaffiliated service providers. IWP Wealth PCA considers factors like financial strength, reputation, execution, pricing, reporting, and retail banking services when recommending such service providers to clients. In addition to the firm’s formal Wealth Management and Investment Advisory Agreements, clients may be requested to execute separate custodial/clearing agreements with a custodian of the client’s choosing. IWP Wealth PCA’s Wealth Management and Investment Advisory Agreements and the custodial/clearing agreements may authorize the account custodian to debit the client account for the amount of the firm’s investment advisory fee and to directly remit that management fee to IWP Wealth PCA in accordance with required SEC procedures.

IWP Wealth PCA advises clients to be diversified across multiple asset classes (stocks, bonds, commodities, cash, etc.) and generally seeks to utilize a variety of securities and investment vehicles to achieve this. Examples may include exchange traded funds (ETFs), mutual funds, individual equities, options, fixed income securities, and private investments. Clients are responsible for fees such as those charged by mutual funds or trading costs charged by custodians. These fees are in addition to IWP Wealth PCA’s ongoing investment advisory fee. IWP Wealth PCA may also recommend the active, discretionary management of a portion of certain client assets by independent investment managers selected by IWP Wealth PCA. These recommendations are based on a client’s stated investment objectives. IWP Wealth PCA will typically continue to provide advisory services to the client including asset allocation, performance monitoring and continuous evaluation of whether the portfolio is consistent with the client’s investment objectives.

In addition to the client’s stated investment objectives, IWP Wealth PCA considers factors like the independent manager’s investment management style, past performance, reputation, financial strength, reporting, pricing, and research. The investment management fees charged by the independent managers, in addition to the fees (if any) charged by the custodian/broker-dealer of the client’s assets, are exclusive of, and in addition to, IWP Wealth PCA’s ongoing investment advisory fee.

IWP Wealth PCA does not receive any direct compensation in connection with any commissions charged to clients by custodians or broker/dealers and does not share investment fees with any outside manager. We seek to find the highest quality, lowest cost transaction services available for our clients. A significant factor in recommending Schwab or Fidelity as custodians is that in most cases, IWP Wealth PCA believes it is able to obtain competitive pricing for all publicly traded securities transactions. IWP Wealth PCA will provide each client with a copy of its Form ADV Part 2 written disclosure statement before or at the same time as the execution of the Wealth Management and Investment Advisory Agreements.

IWP Wealth PCA may also provide investment advice concerning investing in partnerships pertaining to limited liability companies, limited partnerships, general partnerships, real estate, hedge funds, and other types of non-publicly traded investments as well as other legitimate business investment opportunities owned by the client at the commencement of the advisory relationship or thereafter.

All individuals that give investment advice on behalf of IWP Wealth PCA must have earned a college degree and have substantive investment-related experience. In addition, all such individuals shall have attained all required investment-related licenses and/or designations.

### **Item 5 – Fees and Compensation**

IWP Wealth PCA typically negotiates a fixed quarterly fee with each client. In certain circumstances, IWP Wealth PCA may enter into fee arrangements based on a percentage of assets under management. Our fees are generally based on the amount of work we do for each client and the complexity of the particular client's financial situation. The firm typically requires an account minimum of \$2 million. The firm's standard fee schedule is as follows:

Minimum Fee: \$15,000 / Year paid in advance each calendar quarter (\$3,750 per quarter)

Maximum Fee: N/A

Additional Fees: N/A

Any advisory fees for services as well as account minimums may be waived, adjusted or otherwise subject to negotiation at the sole discretion of IWP Wealth PCA. All fees are negotiated and agreed upon in writing in advance of the work performed, and actual fees may vary from the schedule described above. IWP Wealth PCA's fees are subject to adjustment upon written notice to the client. Clients may choose to have IWP Wealth PCA bill them every month or every quarter, or they may elect to have the firm deduct the fees from one of the client's accounts at Fidelity, Schwab or another custodian/financial institution. IWP Wealth PCA sends invoices and deducts fees at the beginning of each month or quarter. If a client or IWP Wealth PCA chooses to terminate the contract before the end of a month or quarter, then any pre-paid fees will typically be rebated based on the number of days remaining in the fee period after the firm has received written notice of termination. Clients may inquire about any refundable fees by contacting IWP Wealth PCA at (720) 328-9701.

Clients will incur other types of fees or expenses in connection with our advisory services, such as brokerage commissions, custodial and wire transfer fees. In addition, all fees paid to IWP Wealth PCA for advisory services are separate and distinct from the fees and expenses that may be charged by mutual funds and alternative investments to their investors. For mutual funds and other packaged products, these fees will generally include a management fee, other fund expenses, and, in many cases, a distribution fee. For alternative investments, fees will also typically include a share of partnership profits (income and/or capital gains). If a fund also imposes sales charges or redemption fees, a client may pay an initial or deferred sales charge or a redemption fee. More information about brokerage and custodial expenses are fully disclosed by each institution that a client may choose to use.

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

Neither IWP Wealth PCA nor any of its supervised persons accepts performance-based fees. We have decided that a fixed annual fee (billed quarterly) reduces the potential for conflicts of interest, and encourage our clients to use our services and include us in all their financial discussions.

When preferred by the client, IWP Wealth PCA may enter into a fee arrangement based on a percentage of assets under management.

## **Item 7 – Types of Clients**

IWP Wealth PCA provides family office and wealth management services primarily to high net worth individuals and families.

The firm typically requires an account minimum of \$2 million, subject to negotiation or waiver as described above, and assuming that clients sign IWP Wealth PCA's Wealth Management and Investment Advisory Agreements and continue to pay their quarterly fee.

As part of providing our services to clients, we often provide advice that relates to other types of entities, including:

- Pension and profit sharing plans
- Trusts, estates, or charitable organizations
- Corporations or business entities

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

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

IWP Wealth PCA takes a holistic approach to investment advice, incorporating all of a client's assets, their current and future income, their spending and liquidity requirements, any future inheritance, risk tolerances, and investment horizon. Under normal circumstances, our investment philosophy is fundamentally risk-averse and more concerned about preserving wealth than achieving aggressive returns. We believe that liquidity and access to cash are critical. We frequently remind our clients that securities prices can be very volatile, and that they need sufficient liquidity and other assets in order to withstand any losses in their securities portfolios.

Our advice is the product of a detailed research process. The following is a description of our typical process, which we seek to employ in most circumstances. First, we analyze our clients' budgets and cash needs. Then we set up a process to maintain oversight of all of their

investments, including (but not limited to): equities, fixed income, mutual funds, hedge funds, limited partnerships, private equity, and hard assets such as real estate, wine, art, and jewelry. Based on that information, we analyze all their holdings and suggest strategies to ensure appropriate diversification, match portfolio risk levels with cash flow needs, and try to match gains with losses in order to optimize after tax returns. We then adjust investment allocations over time to meet our client's changing wants, needs and risk appetites.

We seek to reduce the performance drag from management fees, trading costs, and taxable distributions. We also trade only when necessary, and seek to realize the benefit of long-term capital gains tax treatment whenever prudent and possible. We prefer low-cost indexed mutual funds and exchange-traded funds, with actively managed funds used only when needed. We will personally tailor investments if clients have specific areas of interest – i.e. energy or environmentally friendly investing.

Our asset allocation and security selection are based on fundamental analysis of securities prices relative to company and macro-economic data. While we rely on fundamental analysis for the core of our strategy, our experience in the markets has taught us to recognize and appreciate investor psychology and other non-fundamental factors that can drive price appreciation or depreciation. We pay attention to these factors at the margin, and at times they will influence our decisions. We do not have a “standard” asset allocation recommendation, and we are not afraid to recommend that our clients go to cash if we think market conditions and individual circumstances warrant it.

IWP Wealth PCA will provide investment execution – trading stocks, bonds, mutual funds, and ETFs. We also manage concentrated investment positions and can hedge risk where appropriate while keeping a keen eye on the tax implications of our actions.

IWP Wealth PCA may also provide investment advice concerning investing in partnerships pertaining to limited liability companies, limited partnerships, general partnerships, real estate, hedge funds, and other types of non-publicly traded investments as well as other legitimate business investment opportunities owned by the client at the commencement of the advisory relationship or thereafter.

### ***Risks***

A risk in a long-term purchase strategy is that by holding the security for a longer period of time, IWP Wealth PCA may not take advantage of short-term gains that could be profitable to a client. Moreover, if the firm's predictions are incorrect, a security may decline sharply in value before the firm makes the decision to sell.

A short-term purchase strategy poses risks should the anticipated price swing not materialize; the firm is then left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss. In addition, this strategy involves more frequent trading than does a longer-term strategy, and may result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment for short-term capital gains.



All of the investments IWP Wealth PCA makes for clients involve risk of loss that clients should be prepared to bear. These risks are inherent in the investment process and should be considered before entering into an investment management agreement. There can be no assurance that any investment, investment program or portfolio will achieve its stated objectives.

### **Item 9 – Disciplinary Information**

As of the date of this Brochure, IWP Wealth PCA has no disciplinary events required to be disclosed.

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

The firm is under common control with a related investment adviser, IWP Wealth Management LLC, which provides services similar to those provided by IWP Wealth PCA to a different segment of the investor community.

Jeff Andrews and John Simmons are registered representatives of Andrews Partners, a Denver-based broker-dealer and member of FINRA/SIPC. Jeff Andrews is also the majority owner of Andrews Partners. Andrews Partners is engaged in wholesale and institutional sales of private placements, such as various types of limited partnership interests and emerging growth company securities. Andrews Partners does not engage in client-based wealth management, nor does Andrews Partners trade securities for its own account, for IWP Wealth PCA or for others. As part of its regulatory responsibilities as a broker-dealer, Andrews Partners will maintain oversight of John's and Jeff's activities to ensure that there are no conflicts of interest; although Andrews Partners is not a related person of the firm, clients of IWP Wealth PCA will be provided a disclosure form at the outset of the client relationship to ensure their understanding of Jeff's and John's status as registered representatives of Andrews Partners.

IWP Wealth PCA does not have any formal arrangements that are material to our clients or our advisory business. IWP Wealth PCA does have a few relationships that could present a conflict of interest with our clients, but we have put policies in place to address these relationships. Specifically:

1 – Charles Willhoit – Mr. Willhoit, with his family, started several oil and natural gas related companies over the last five years to capitalize on a patent that Charles' father developed to find pools of oil and natural gas. There are currently six separate companies related to this family business. Charles owns equity interests in all six oil and natural gas related businesses. Cherry Wells, RCP Energy Exploration I, II and III are limited liability companies that invest directly in working interests in oil and natural gas drilling and production. Charles does not have a controlling interest in any of these three entities.

From time to time, clients as well as outside investors may be offered the ability to invest alongside Charles under the same terms and conditions that Charles is invested. To date, the three entities have raised approximately \$11 million, of which Charles accounts for more than 5% but less than 15%. These entities pay monthly distributions from the sale of oil and natural

gas. All interested clients will be made aware of the potential conflicts of interest involved with the five entities, including Charles' participation in a company (below) that generates profits from management fees and carried interests related to these investments.

In addition to the three entities above, Charles is a 30% equity owner of Rhino Operating Company, LLC (ROC). ROC is the manager of the entities above, is responsible for fundraising, and also acts as the operating company for the actual wells that are drilled for the above entities. It generates revenue through fully disclosed fixed percentage management fees and through carried interests in oil and gas sales. All fees and carried interests are fully disclosed in the investment documents for each entity and Charles fully discloses to all clients who are interested in investing how the fees and carried interests from ROC, if successful, will benefit him. They are also aware of the impact that these fees and carried interests have on future expected returns. Charles does not have a controlling interest in ROC nor does he have any voting rights – simply an equity participation share of the company. Again, no clients have any obligation whatsoever to invest in these oil and natural gas opportunities, though several clients have chosen to invest.

Lastly, Charles owns less than 20% of VTV, LLC (VTV), a technology company that the above entities work with to identify where to drill for oil and natural gas. VTV, like ROC, is a family owned business with Charles' father owning more than 50% of the company (he developed the patent that underlies the technology used by VTV). Charles does not have a controlling position nor does he have any voting rights, simply an equity participation share of the company.

2 – From time to time, IWP Wealth PCA or its related investment adviser may set up an entity to invest for a specific purpose and offer the investment to clients, again never with any obligation to invest.

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

In accordance with Rule 204A-1 of the Advisers Act, IWP Wealth PCA has adopted a formal Code of Ethics, which seeks to establish a high standard of business conduct for all of the firm's Associated Persons (generally understood to refer to employees and their immediate family). This policy is based upon the fundamental principles of openness, integrity, honesty and trust. Our first duty is to our clients and their families. IWP Wealth PCA has also implemented an Investment Policy that covers personal securities transactions. These policies include provisions relating to the confidentiality of client information, prohibitions on insider trading, restrictions on certain gifts and business entertainment items, and personal securities trading procedures (including restrictions on certain personal trades in advance of client trades), among other things. Covered employees of IWP Wealth PCA must acknowledge receipt and acceptance of the Code of Ethics upon hire and annually thereafter. The Code of Ethics seeks to assure that the personal securities transactions, activities and interests of IWP Wealth PCA's employees will not interfere with (1) making decisions in the best interest of clients, (2) continuity of service to clients, and (3) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Clients and potential clients can request copies of both policies.

## **Item 12 – Brokerage Practices**

IWP Wealth PCA does not maintain custody of client assets that we manage or on which we advise, although we may be deemed to have custody of assets if given authority to withdraw assets from an account. Assets must be maintained in an account at a “qualified custodian,” generally a broker-dealer or bank. We typically recommend (but do not require) that our clients use Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer and member of SIPC, or Fidelity Investments as the qualified custodian.

We are not affiliated with Schwab or Fidelity. Schwab or Fidelity will hold client assets in a brokerage account and buy and sell securities when clients or we instruct them to. While we recommend to clients that they use Schwab or Fidelity as custodian/broker, clients will decide whether to do so and will open accounts with Schwab or Fidelity by entering into an account agreement directly with them. We do not open the account for clients, although we may assist in doing so. Even though client accounts are maintained at Schwab or Fidelity, we can still use other brokers to execute trades as described below.

### ***How We Select Brokers/Custodians***

We seek to use a custodian/broker who will hold client assets and execute transactions on terms that we believe are, overall, most advantageous when compared to other available providers and their services. We consider a wide range of factors, including, among others:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
- Capability to execute, clear, and settle trades (buy and sell securities for your account)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds (ETFs), etc.)
- Quality of services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices
- Reputation, financial strength, and stability
- Prior service to us and our other clients
- Availability of other products and services that benefit our clients

### ***Your Brokerage and Custody Costs***

For our clients’ accounts that Schwab or Fidelity maintain, Schwab and Fidelity generally do not charge you separately for custody services but are compensated by charging you commissions or other fees on trades that they execute or that settle into your Schwab or Fidelity account. Custodians typically provide advantageous rates for clients that have \$1 million or more in their accounts. In addition to commissions, Schwab or Fidelity charge you a flat dollar amount as a

“prime broker” or “trade away” fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Schwab or Fidelity account. We don’t trade away often, but like to reserve the ability to do so if it will benefit the client. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer. Because of this, in order to minimize your trading costs, we have Schwab or Fidelity execute most trades for your account.

### **Products and Services Available to Us From Schwab**

Schwab Advisor Services (formerly called Schwab Institutional®) is Schwab’s business serving independent investment advisory firms like us. They provide us and our clients with access to its institutional brokerage— trading, custody, reporting, and related services—many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients’ accounts, while others help us manage and grow our business. Schwab’s support services generally are available on an unsolicited basis (we don’t have to request them) and at no charge to us as long as our clients collectively maintain a total of at least \$10 million of their assets in accounts at Schwab. If our clients collectively have less than \$10 million in assets at Schwab, Schwab may charge us quarterly service fees of \$1,200.

**Services That Benefit You.** Schwab’s institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab’s services described in this paragraph generally benefit you and your account.

**Services That May Not Directly Benefit You.** Schwab also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients’ accounts. They include investment research, both Schwab’s own and that of third parties.

We may use this research to service all or a substantial number of our clients’ accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- Provide access to client account data (such as duplicate trade confirmations and account statements)
- Facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- Provide pricing and other market data
- Facilitate payment of our fees from our clients’ accounts
- Assist with back-office functions, recordkeeping, and client reporting

**Services That Generally Benefit Only Us.** Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events
- Consulting on technology, compliance, legal, and business needs

- Publications and conferences on practice management and business succession

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide us with other benefits, such as occasional business entertainment of our personnel.

### **Products and Services Available to Us From Fidelity**

IWP Wealth PCA has an arrangement with National Financial Services LLC and Fidelity Brokerage Services LLC (collectively, and together with all affiliates, "Fidelity") through which Fidelity provides IWP Wealth PCA with "institutional platform services." The institutional platform services include, among others, brokerage, custody, and other related services. Fidelity's institutional platform services that assist IWP Wealth PCA in managing and administering clients' accounts include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting. Fidelity also offers other services intended to help IWP Wealth PCA manage and further develop its advisory practice. Such services include, but are not limited to, performance reporting, financial planning, contact management systems, third party research, publications, access to educational conferences, roundtables and webinars, practice management resources, access to consultants and other third party service providers who provide a wide array of business related services and technology with whom IWP Wealth PCA may contract directly. IWP Wealth PCA is not affiliated with Fidelity.

Fidelity generally does not charge its advisor clients separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Fidelity or that settle into Fidelity accounts (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Fidelity provides access to many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges.

### **Our Interest in Schwab's and Fidelity's Services**

The availability of these services from Schwab and Fidelity benefits us because we do not have to produce or purchase them. We don't have to pay for these services so long as our clients collectively keep a total of at least \$10 million of their assets in accounts at Schwab or Fidelity. Beyond that, these services are not contingent upon us committing any specific amount of business to Schwab or Fidelity in trading commissions or assets in custody. The \$10 million minimum may give us an incentive to recommend that you maintain your account with Schwab or Fidelity, based on our interest in receiving services that benefit primarily our business rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a potential conflict of interest. We believe, however, that our selection of these custodians and brokers is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of their general services and not the

services that benefit only us. In addition, under Section 28(e) of the Securities Exchange Act of 1934, IWP Wealth PCA may consider factors other than commission rates if it determines in good faith that the amount of commission charged was reasonable in relation to the value of brokerage and/or research services provided by such broker. To mitigate and address any conflicts of interest that may arise, IWP Wealth PCA has adopted policies and procedures to evaluate, on an ongoing basis, the value of a broker's research and brokerage services and the reasonableness of any commissions charged.

**Aggregation of Account Orders**

Our firm manages each client account independently and we do not have a standard portfolio that we manage across multiple clients. We buy and sell securities for clients independently – we do not aggregate client orders. We will consider aggregation if we are able to achieve a material benefit for our clients.

### **Item 13 – Review of Accounts**

Messrs. Andrews, Simmons and/or Willhoit, along with, from time to time, other representatives of the firm, typically review all investment accounts that IWP Wealth PCA is supervising at least once every quarter. These reviews generally include an evaluation of the investment performance of account and its holdings, a review of whether the income generated by the account is sufficient to meet the client's stated needs, a consideration of the client's general tax and insurance situation, and an analysis of whether the risk exposures in the account match the risk tolerance of the client.

We regularly monitor the financial markets and general economic conditions, and a material change would likely trigger a review of all or most of our clients' investment accounts. We speak to our clients frequently and a change in their individual circumstances would also trigger a review of their accounts. We regularly remind our clients to advise us of any changes to their financial situation, risk tolerance, or investment objectives. We encourage all clients to review their investment objectives, account performance, and any financial planning issues with us at least once a year.

Clients will receive transaction confirmations and statements from their investment account custodians at least every quarter, most likely every month. In addition, all clients should have direct access to daily transaction information and account balances through their account custodian's web sites. IWP Wealth PCA clients will also receive a quarterly report from us summarizing account holdings, activity, and performance (and other information if requested by the client).

These reports are available in both electronic and printed formats. We do not usually provide a written summary of our reviews, unless specifically requested by our clients.



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

IWP Wealth PCA does not directly compensate any individuals (other than our own employees) or other firms for referring clients or potential clients to the firm. In the future, IWP Wealth PCA may choose to compensate for client referrals. If compensation is paid for referrals in the future, the firm will seek to ensure that such arrangements are in compliance with applicable law and that necessary disclosures will be made to both clients and referring parties. From time to time, one of the accountants, lawyers or other professionals who works with an existing IWP Wealth PCA client will refer another individual to our firm, but we do not compensate them for that referral. In addition, IWP Wealth PCA will occasionally refer one of our clients to an accounting or law firm that we use frequently, but we do not receive (and will not accept) any compensation from them.

#### **Item 15 – Custody**

IWP Wealth PCA may be deemed to have custody of client assets under SEC and other government regulations. Specifically, IWP Wealth PCA is deemed to have custody of a client's assets if, for example, they authorize us to instruct Schwab, Fidelity or another financial institution of their choice to deduct our advisory fees directly from their account or if they grant us authority to move their money to another person or entity's account. Schwab, Fidelity or another financial institution of our clients' choice maintains actual custody of their assets. They will receive account statements directly from Schwab, Fidelity or the other custodian at least quarterly. Reports will be sent to the email or postal mailing address provided to Schwab, Fidelity or another custodian. Clients should carefully review those statements promptly when they receive them. We also urge clients to compare the Schwab, Fidelity and other account statements to the periodic account statements/portfolio reports they will receive from the firm.

## **Item 16 – Investment Discretion**

We accept (but do not require) discretionary authority to manage securities accounts on behalf of our clients.

We require all of our clients to enter into formal Wealth Management and Investment Advisory Agreements with IWP Wealth PCA. These agreements set forth the services offered and the terms and conditions under which the firm shall manage and oversee the client's assets. The Investment Advisory Agreement specifically requires clients to choose between Non-discretionary Management and Discretionary Management. Our clients also execute a separate custodial/clearing agreement with a custodian of the client's choosing (the firm recommends either Fidelity or Charles Schwab).

These custodial/clearing agreements with Fidelity and Schwab serve as a limited power-of-attorney and provide trading authority for IWP Wealth PCA to implement transactions in the client accounts. For Non-Discretionary agreements, IWP Wealth PCA will execute trades or other transactions only with the client's prior consultation and consent. For Discretionary Agreements, IWP Wealth PCA is authorized to execute investment transactions without the client's prior consultation or consent. The client can revoke IWP Wealth PCA's authority under the custodial/clearing agreements by calling Fidelity and Schwab, who can provide detailed instructions.

Our clients are able to place certain restrictions on this discretionary authority. Typically, these restrictions are included in the agreements we enter into with our clients, or they are incorporated into the custodial/clearing agreements with Fidelity, Schwab or another custodian. For example, the firm can execute trades on margin only if a separate written margin authorization has been granted.

The firm's Wealth Management Agreement, Investment Advisory Agreement and the custodial/clearing agreement, may authorize the account custodian to debit the client account for the amount of IWP Wealth PCA's investment advisory fee and to directly remit that management fee to IWP Wealth PCA in accordance with required SEC procedures. Clients may also choose to pay us separately.

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

IWP Wealth PCA will accept responsibility for voting client securities unless the clients elect to retain such authority. These votes generally relate to the election of directors, management compensation, corporate governance, mergers, acquisitions, bankruptcies and other major corporate events. Sometimes a vote will relate to a social, political or environmental issue. If a client has a voting preference on a particular issue, we will accept written instructions (an email, fax or letter) for that issue. If a client would like to vote on all securities matters, we (or they) can instruct Schwab and/or Fidelity to direct all proxy-related communication to the client.

IWP Wealth PCA's general policy is to vote proxies consistent with the recommendation of the senior management of the issuer. However, the firm monitors the corporate actions of individual issuers and investment companies consistent with the fiduciary duty to vote proxies in the best interests of our clients. We will also take into consideration the voting policies, intentions or recommendations of large shareholders and independent proxy advisory services.

We generally do not expect there will be many conflicts of interest with regards to voting client securities. Potential examples where a conflict of interest could arise include the following:

- A vote on a proposal by a mutual fund managed by an investment company (specifically Fidelity or Schwab) where IWP Wealth PCA has a custodial relationship for client assets.
- A vote on a proposal by an individual company where a client may be a large shareholder or member of senior management.

If we determine that there is a potential conflict of interest with a specific proposal, we will raise the issue directly with the client and obtain their written consent before voting on the specific proposal. If the client has a preference, we will vote as they direct on the issue.

Clients may obtain information about how we voted their securities by calling or writing to us. Clients may also obtain a copy of our proxy voting policies and procedures upon request. IWP Wealth PCA will maintain proxy voting records as required by SEC Rule 204-2 (c)(2) under the Advisers Act. Copies of SEC Rules 206(4)-6 and 204-2(c)(2) are available on the SEC's web site, and we will provide them if requested.

### **Item 18 – Financial Information**

As of the date of this Brochure, there exist no financial conditions that we are aware of that would be reasonably likely to impair our ability to meet our contractual commitments to clients, and neither IWP Wealth PCA nor its principals have ever been the subjects of a bankruptcy petition at any time.