

# Sirius Wealth Management Strategies, LLC

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## ADV Part 2A:

### Item 1 – Cover Page

Matt Vorst & Rich Chambers  
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January 2015

This Brochure provides information about the qualifications and business practices of Sirius Wealth Management Strategies, LLC [Sirius or SWMS]. The material included within is intended to satisfy SEC's regulations for ADV Part 2, and ADV Part 2b.

Presently, Sirius is comprised of Matt Vorst and Rich Chambers, both owners and principals of the firm. If you have any questions about the contents of this Brochure, please contact Matt Vorst at 650.276.7967.

As of January 2015, Sirius is a registered investment adviser: however, as required by FINRA and federal law, we will be applying for SEC registration. As specified by the SEC and State of California, we must state that the term "Registered Investment Adviser" and description of Sirius, or any members of our firm, does not imply any level of skill or training. 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.

You are encouraged to review this Brochure (Form ADV Part 2, and Part 2b) as well as any supplements for our firm's owners or employees, which are available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

### Item 2 – Material Changes

#### For 2015:

In January 2015, Sirius brought on another financial advisor, Rich Chambers, a Certified Financial Planner®, and Registered Life Planner®. Rich has an extensive background in planning (see Item 19: Requirements for State-Registered Advisors at the end of the ADV) and ran his own financial planning and investment advisory practice since 1999. The net effect of Rich coming to work with Sirius is the following:

- Greater assets under management, which we hope will lead to lower costs and better investment opportunities for clients
- Additional experience and wisdom regarding planning and investment strategies for clients
- More energy and focus for client needs as corporate workload get distributed
- The need to register with the SEC in a timely manner set forth by FINRA, SEC, and state guidelines

Our Brochure may be requested by contacting Matt Vorst, Principal at 650.276.7967 or email [mvorst@siriuswm.com](mailto:mvorst@siriuswm.com) with the subject: "ADV Requested". If you are an existing client, your Brochure is uploaded annually to your ShareFile.com or Box.com account under the folder: "AOD & Compliance". Please contact us for questions.

Additional information about Matt Vorst or Rich Chambers is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with Sirius who are registered, or are required to be registered, as investment adviser representatives of Sirius.

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## **Item 4 – Advisory Business**

Sirius Wealth Management Strategies, LLC (Sirius) is owned by Matt Vorst and Rich Chambers and is currently registered with the State of California. Sirius, established in 2005, is a firm dedicated to providing strategic advice to clients in the areas of financial planning and investment council. Working with leading tax planners and legal teams, we offer our clients sound financial planning and risk mitigation strategies that form the basis of a Client's investment plan. Sirius is in the business of discretionary investment advice, offering client education on proper investment strategies, defining Client risk tolerances, providing direct investment implementation tactics, and monitoring, measurement, and rebalancing of Client portfolios.

As of January 2015 Sirius Wealth Management Strategies, LLC has total assets under management of \$185 million.

## **Item 5 – Fees and Compensation**

Sirius Wealth Management Strategies, LLC (Sirius) offers the following services to Clients:

- Extensive Strategic Financial Planning
- Investment Council and Portfolio Management

Fees for Financial Planning and Investment Council/Portfolio Management are separate and distinct fees. The specific manner in which fees are charged by Sirius is established in a client's written agreement with Sirius and Client.

### Fees for Strategic Financial Planning:

For clients entering into contract for Financial Planning Services, Sirius offers extensive financial planning services. Financial planning services vary by entity, family, business, or individual circumstances, but typically include working with the following teams to affect a global, strategic plan: estate planners, legal teams, CPA's, book keepers, insurance planners, risk management teams, retirement specialists, real estate teams, etc. Contracts with SWMS do not include payment to any party other than those employed by SWMS. The fees are directly related to financial planning.

In order to implement an agreed upon plan, Client may incur additional fees and payments to sources other than Sirius (such as legal and tax planning fees). Sirius does not provide legal, tax or accounting advice.

Fees for Financial Planning are based upon the scope, intensity, duration and deliverables of the project. Comprehensive planning projects are fixed fee arrangements and typically range from five thousand to fifty thousand dollars. Unless otherwise agreed upon, and noted in the contract, fees for shorter projects (less than one quarter) are paid as follows: fifty percent upon signing the contract, and the remainder upon thirty days later. Fees for longer projects (greater than one quarter) may be broken into quarterly payments (for example, Sirius financial planning fee / n # of quarters). All Financial Planning fees with Sirius will be agreed upon in advance, in writing, located in the Financial Planning Agreement and/or the Investment Management Agreement that is/are signed by the Client and Sirius.

Fees for Investment Council and Portfolio Management:

Sirius acts as discretionary money manager allocating Client assets across different stocks, bonds, mutual funds, ETF's (exchange traded funds) and other investment vehicles in order to achieve the Client's desired diversification and risk/return profile.

Acting as discretionary manager, fees for investment council and portfolio management are as follows:

- 1% for the first two million dollars of assets under management (\$0 - \$2 million in AUM)
- 0.75% for the next three million dollars (from \$2 - \$5 million in AUM)
- 0.50% for the next five million in assets (from \$5 - \$10 million in AUM)

\*Subject to a minimum annual fee of \$15,000.

\*Assets greater than ten million will be negotiated separately.

\*Occasionally, clients can have a retainer or net worth-based fee versus an AUM fee. Usually this option is used if there Sirius is providing investment management or financial planning on assets not held long at Schwab Institutional or to avoid a conflict of interest situation.

\*Sirius may alter its minimum annual fee in its sole discretion.

Investment Council/Portfolio Management fees are payable quarterly in advance, based upon the total asset value of Client's account at the end of the preceding quarter. For new clients, fees will commence once the Investment Management Agreement has been signed, and the following quarter will be based upon the total asset value of the Client's account at the end of the preceding quarter.

Accounts may be terminated by Clients upon written notice to Sirius. Sirius may terminate a client upon 30 days written notice.

Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable. All investments, including cash and cash equivalents, will be included in the asset value of Client's account for the purpose of calculating the fee payable to Sirius for its advisory services.

Per contract agreement, Client Fees will be deducted in advance from Client's account in the amount owed to Sirius for their advisory services. All fees paid to Sirius will be reported on Client's monthly statements provided directly by Schwab Institutional, or other custodian.

When Sirius invests Client's assets in shares of mutual funds, Client will also indirectly pay advisory fees and expenses associated with the mutual fund investments. In some instances, mutual funds in which Client assets are invested may be managed by an affiliate of Schwab Institutional, but not of Sirius.

Sirius' fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus.

Such charges, fees and commissions are exclusive of, and in addition to, Sirius' fees, and Sirius will not receive any portion of these commissions, fees, and costs.

Lower fees for comparable services may be available from other sources.

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

Sirius does not charge any performance-based fees.

## **Item 7 – Types of Clients**

Sirius Wealth Management Strategies, LLC currently offers planning and portfolio management to individuals, high net worth individuals, corporations, and qualified plans.

The minimum size for a client account is \$1,500,000 in assets. Sirius may waive its minimum account size in its sole discretion.

Sirius Wealth Management Strategies, LLC reserves the right to offer advice, management, and planning to corporate pension and profit-sharing plans, Taft-Hartley plans, charitable institutions, foundations, endowments, municipalities, registered mutual funds, private investment funds, trust programs, sovereign funds, foreign funds such as UCITs and SICAVs, and other U.S. and international institutions.

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

Sirius uses multiple methods of analysis, to include, but not limited to, qualitative and quantitative methods, as well as fundamental and technical analysis, to form judgments regarding broad market trends and macro-economic conditions. We monitor other industry professionals and seek advice from professional council and known industry experts to help provide inputs into our ‘mosaic strategy’.

Believing strongly in high quality and low cost, our core holdings are primarily no-load, low cost and institutional mutual funds, complimented with exchange-traded funds (ETF’s), and occasionally individual securities. Mutual funds, and ETF’s, widely acknowledged for their broad diversification are the backbone to our planning and investment strategies.

Our firm is ‘manager-agnostic’, meaning we are indifferent to sticking with a mutual fund family, rather focusing on the merits of individual mutual fund managers, not firms. Fund managers selection is based on numerous sources: including, but not limited to, purchased research from other industry professionals, professional databases, SEC filings, and other publically available materials. In every instance, Sirius does not receive concessions or fees from any mutual fund company.

When selecting mutual funds managers, focus is given to long-term investment records, management tenure and team continuity, fees, active versus passive style, comparisons to industry peers, as well as how consistently they apply their investment philosophy to their stated intention. With all else being equal, Sirius prefers to invest in strong, solid, passive, or semi-passive indexes, but does acknowledge that there are few active managers who may consistently outperform, and for these instances Sirius may use active managers.



Sirius makes use of many asset classes in its portfolio and it is common to see domestic, international and emerging markets in both equity and fixed income. Furthermore, natural resources, commodities, real estate investment trust, depleting resources, and occasionally alternative assets may be found in client portfolios, if risk tolerance and time to use of monies permits. The firms' focus is always on the longer-term investment horizon, which means our firm is an investing firm, and we do not focus on frequent trading or speculation.

Sirius receives its clients on a 'referral only' method, preferring to "scale-small", allowing us to provide each client with unique portfolios, customized strategic solutions, and time with clients. Sirius' client objectives are:

- To make sure that the client has 'taken care of the planning basics' (to include, but not limited to, and in concert with other professionals: estate plans, proper insurance levels, long term care plans, etc.), and
- To achieve superior returns while adjusting for the client's personal definition of risk while understanding client's needs, wants, and wishes and thus selecting portfolio having proper asset allocation, diversification, risk tolerance, and risk mitigation strategies.

#### Risk of Loss:

Our investment approach constantly keeps the risk of loss in mind and clients should do the same. Investors may face the following investment risks, amongst others.

Changes in economic conditions can adversely affect investment performance. At times, economic conditions in the U. S. and elsewhere have deteriorated significantly, resulting in volatile securities markets and large investment losses.

Client accounts may not achieve their investment objectives. An investment strategy may not be successful and investors may lose some or all of their investment.

Counterparties such as brokers, dealers, custodians and administrators with which Sirius does business on behalf of clients may default on their obligations.

There are many kinds of risks that investment portfolios may be exposed to over time. We believe that by appropriate diversification, these risks may be reduced, but not eliminated altogether. Investing in securities involves the risk of loss that clients should be prepared to bear.

- Market Risk. The price of a mutual fund, security, or bond may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external

factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.

- **Inflation Risk.** When inflation is present, a dollar today will buy more than a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Currency Risk.** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Interest Rate Risk.** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Reinvestment Risk.** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return or interest rate. This primarily relates to fixed income securities.
- **Liquidity Risk.** Liquidity is the ability to readily convert an investment into cash. For example, Treasury Bills are highly liquid, while individual real estate properties are not.
- **Business Risk.** These risks are associated with a particular industry or a particular company within an industry.
- **Financial Risk.** Excessive borrowing to finance a business' operations increases the risk to profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value for an investment.

## **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation. Neither Sirius nor any member of the firm is now, or has ever been subject to criminal or civil action or administrative proceedings of any federal, state, or foreign financial regulatory authority, or the proceedings of a self-regulatory organization.

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

Registered investment advisers are required to disclose other financial industry activities and affiliations to potential and current clients. Matt Vorst, Rich Chambers, and Sirius Wealth Management Strategies, LLC representative have no information applicable to this Item.

## **Item 11 – Code of Ethics**

Sirius has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at must acknowledge the terms of the Code of Ethics annually, or as amended.

Sirius anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which Sirius has management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which Sirius its affiliates and/or clients, directly or indirectly, have a position of interest. Sirius employees and persons associated with Sirius are required to follow Sirius' Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Sirius and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for Sirius' clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Sirius will not interfere with (i) making decisions in the sole interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the sole interest of Sirius' clients. In addition, the Code requires pre-clearance of many transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an

employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between Sirius and its clients.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with Sirius' obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. Sirius will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the Order.

Sirius Wealth Management Strategies, LLC's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Matt Vorst at 650.276-7967.

It is Sirius' policy that the firm will not affect any principal or agency cross securities transactions for client accounts. Sirius will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

Sirius Wealth Management Strategies, LLC acts as a fiduciary for Clients, putting Client interests ahead of the company. We abide by a strict code of ethics that is exemplified by leading professionals in the industry. Members and candidates of the Certified Financial Planner (CFP) and Chartered Financial Analyst (CFA) designation are required to follow the code of ethics set for by their respective Institutes. Adopted from the CFA Institute, Sirius must:

- 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 and the interests of clients above their own personal interests.
- 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 ourselves and the profession.
- Promote the Integrity of, and uphold the rules governing, capital markets.
- Maintain and improve their professional competence and strive to maintain and improve the competence of other investment professionals.
- Protect and exercise diligence and care maintaining client non-public, confidential information
- Employees are prohibited from receiving any gift, gratuity, hospitality, or other offering of more than de minimis from any person or entity doing business with Sirius. The gift policy generally excludes items or events where the employee has reason to believe there is a legitimate business purpose.

## **Item 12 – Brokerage Practices**

Generally, Sirius has full discretion to determine which securities are purchased or sold for client accounts, as well as the discretion to determine the amount of a particular security that is purchased or sold for client accounts. In addition, Sirius will recommend brokers and exercise brokerage discretion for its client accounts, in accordance with the policies described below.

### The Custodians and Brokers Used

Sirius does not maintain custody of the assets that we manage; although we may be deemed by the SEC to have custody of your assets if you give us authority to withdraw our management fees from your account (see Item 15 – Custody). Clients' assets must be maintained in an account at a "qualified custodian" (as defined in Directed Brokerage, below), generally a broker-dealer or a bank. We recommend that our clients use Charles Schwab & Co., Inc. [Schwab Advisor Services], a registered broker-dealer, member SIPC, as their qualified custodian.

We are independently owned and operated and are not affiliated with Schwab. Schwab will hold a client's assets in a brokerage account and buy and sell securities when we instruct them to. While we recommend that clients use Schwab as custodian/broker, you will decide whether to do so and will open your account with Schwab by entering into an account agreement directly with them. We do not open the account for you, although we

may assist you in doing so. Even though your account is maintained at Schwab, we may use other brokers to execute trades for your account as described below (see Custody and Brokerage Costs).

#### How We Select Custodians/Brokers

We seek to use a custodian/broker who will hold clients' assets and execute transactions on terms that are, overall, 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 clients' accounts)
- breadth of available investment products (mutual funds, exchange-traded funds, stocks, bonds, etc.)
- capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, 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 investment research and tools that assist us in making investment decisions
- availability of other products and services that benefit us (see Products and Services Available to Us From Schwab, below)

#### Custody and Brokerage Costs

For our clients' accounts that Schwab maintains, Schwab generally does not charge separately for custody services but is compensated by charging commissions or transaction fees on trades that it executes or that settle into clients' Schwab accounts. Schwab's commission rates and transaction fees applicable to our client accounts are negotiated. This commitment benefits clients because the overall commission rates and transaction fees paid are lower than they would be otherwise.

In addition to commissions, Schwab charges 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 a Schwab account. These fees are in addition to the commissions or other compensation paid the executing broker-dealer. Because of this, in order to minimize trading costs, we have Schwab execute most trades for clients' accounts. We have determined that having Schwab execute most trades is consistent with our duty to seek "best execution" of clients' trades. Best execution means obtaining favorable terms for a transaction based on all relevant factors, including those listed above (see How We Select Custodians/Brokers).

#### Products and Services Available to Us from Schwab

Schwab Advisor Services™ (formerly called Schwab Institutional®) is Schwab's business unit serving independent investment advisory firms like ours. They provide us and our clients with access to its institutional brokerage services—trading, custody, reporting, and related services—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 our business. Schwab's support services generally are available on an unsolicited basis (we do not 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 assets in accounts at Schwab. What follows is a more detailed description of Schwab's support services.

#### Services That Benefit Our Clients

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.

#### Services That May Not Directly Benefit Our Clients

Schwab also makes available to us other products and services that benefit our firm but may not directly benefit our clients or their accounts. 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:

- facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- provide pricing and other market data

- provide access to client account data (such as duplicate trade confirmations and account statements)
- assist with recordkeeping, and client reporting
- facilitate payment of our management fees from our clients' accounts

#### 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
- publications and conferences on practice management and business succession
- consulting on technology, compliance, legal, and business needs
- access to employee benefits providers, human capital consultants, and insurance providers

#### 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.

#### Our Interest in Schwab's Services

The availability of these services from Schwab benefits us because we do not have to produce or purchase them. We do not have to pay for Schwab's services so long as our clients collectively keep a total of at least \$10 million of assets in accounts at Schwab. Beyond that, these services are not contingent upon us committing any specific amount of business to Schwab in trading commissions or assets in custody. Receiving these services is a potential conflict of interest. We believe, however, that our selection of Schwab as custodian and broker is appropriate for our clients. Our selection is primarily supported by the scope, quality, and price of Schwab's services (see How We Select Custodians/Brokers, above) and not Schwab's services that benefit only us. We have in excess of \$185 million in client assets under management, and we do not believe that recommending our clients to collectively maintain at least \$10 million of those assets at Schwab in order to avoid paying Schwab quarterly service fees presents a material conflict of interest.



### Brokerage for Client Referrals

Sirius does not directly or indirectly compensate any person or organization for client referrals. Client referrals are not a consideration when recommending a custodian or broker-dealer.

### Directed Brokerage

A client may direct Sirius to use a broker-dealer other than Schwab for the client's account transactions. Sirius may decline to use client directed broker, and may terminate clients with a written thirty day notice. Clients who direct brokerage to a specified broker-dealer [Directed Broker], should be aware of the following: 1) Clients are responsible for negotiating the fees with their Directed Broker. 2) Clients with their own Directed Brokerage arrangements waive Sirius' best execution responsibilities. 3) Directed Brokers may charge higher or lower transaction costs, in addition to having share prices that may differ from those charged to other Sirius clients.

In addition, if a client uses the Directed Broker as the custodian for client's account, the client must represent to Sirius that the Directed Broker is a "qualified custodian" as defined in Rule 206(4)-2 under the Advisers Act, as amended, which means that the entity serving as custodian for the client's account must be one of the following:

- Bank or savings association with FDIC insured deposits;
- Broker-dealer registered with the SEC;
- Futures commission merchant registered under CFTC rules (with respect to the client's futures transactions); or
- Foreign financial institution that segregates client assets from proprietary assets.

### Order Aggregation

When we elect to purchase or sell the same individual security on the same day for multiple clients, we aggregate those orders. Aggregated orders are executed together as a block trade. The executed shares are then allocated among the client accounts with each client receiving the average price.

## **Item 13 – Review of Accounts**

Sirius Wealth Management Strategies, LLC wishes to maintain a close-contact relationship with Clients thus all reviews will be done by Matt Vorst, Rich Chambers, or other advisor under the supervision of Sirius. Unless otherwise requested, SWMS will

strive for regular reviews with clients. Periodically, SWMS will review and Client Investment Policy Statements (IPS) and Risk Tolerances/Profiles.

#### Statements:

Client account statements are presented to Clients in two formats:

- Monthly, by their Custodian.
- Quarterly reports by Sirius (uploaded to ShareFile.com or Box. Com)

#### Reports:

Sirius offers a summary review of the client's financial picture and reviews Client's investment and retirement strategies, risk/return profiles, and progress towards those goals, making adjustments as necessary and when instructed by the client to do so.

In addition to our regular reviews, Sirius is available for consultation and review of client statements upon request, or for triggering events such as death, divorce, or emergency-related situations.

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

Sirius holds itself out to be ‘by referral only’, and thus the vast majority of new clients come from professional, client, or personal referrals. There are no economic benefits, incentives, or compensation (either implied or implicit) given to those who provide referrals.

### **Item 15 – Custody**

Under SEC regulations, Sirius is deemed to have custody of clients’ assets when clients provide authorization to deduct our advisory fees directly from an account at a broker-dealer. The broker-dealer maintains actual custody of client assets.

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client’s investment assets. These statements come in either an electronic format or written format, depending on how the client chooses to receive them. There is an economic benefit for Clients to receiving electronic statements from Schwab Institutional, as they can reduce a Client’s trading commission structure for equity trades.

Sirius urges you to carefully review Custodian statements and compare these official records to the reports that we may provide to you. Our reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

## **Item 16 – Investment Discretion**

Sirius Wealth Management Strategies, LLC usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, Sirius Wealth Management Strategies, LLC observes the investment policies, limitations and restrictions of the clients for which it advises. For registered investment companies, Sirius Wealth Management Strategies, LLC's authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

Investment guidelines and restrictions must be provided to Sirius Wealth Management Strategies, LLC in writing.

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

As of 2011, and as matter of firm policy and practice, Sirius Wealth Management Strategies, LLC does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. Sirius Wealth Management Strategies, LLC may offer advice to clients regarding the clients' voting of proxies. Prior to 2011, clients may have given Sirius Wealth Management Strategies, LLC discretion to vote; however, Sirius Wealth Management Strategies, LLC is in the process of working with clients to remove these responsibilities and must meet with clients and obtain written permission to change to abstention.

## **Item 18 – Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Sirius' financial condition. Sirius has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

## **Item 19 – Executive Officer & Management Persons Information**

### **ADV Part 2B:**

State and SEC registered investment advisers are required to provide you with information about executive officers and management persons employed by Sirius Wealth Management Strategies, LLC.

### **Item 1 – Cover Page for Matt Vorst**

**Matt Vorst, Owner and Principal**  
**Sirius Wealth Management Strategies, LLC**  
**1040 Noel Drive, STE 108**  
**Menlo Park, CA 94025**  
**650-276-7967**

Additional information about Matt Vorst is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

### **Item 2 – Educational Background & Business Experience**

#### **Matt Vorst - Born 1969**

##### Education:

- Texas A&M University, BA Psychology (1992)
- University of Notre Dame, MBA Finance (1997)
- CFP -Certified Financial Planner (2003)
- CIMA -Certified Investment Management Analyst (2004)

- CFA -Chartered Financial Analyst -Level 2 Candidate (2008)

Post MBA Work Experience:

- Intel Corporation (1997 - 2000) corporate finance and Intel Capital - corporate finance acting as right hand to Americas Sales and Marketing VP, a \$15 billion stand-alone corporation. Second assignment was with Intel Capital, Intel's corporate venture arm
- Jasmine Networks (2000 - 2001) - Co-founder of company, responsible for fund raising, business development. Reported to CEO
- Merrill Lynch Financial Advisor (2001-2005) - Advisor to high net worth individuals, business owners, and charitable organizations
- Chief Operations Officer -All Fab (2005/2006) - internationally diverse manufacturing firm catering to the high tech arena with specialties in networking rack systems and quick turn prototyping.
- Chief Operations Officer -North Vector (2007/2008) - internationally recognized explosive breaching training firm focusing on training, product development, and government contracts.

### **Item 3 – Disciplinary Information**

As registered investment advisers we are required to disclose all facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice at SWMS.

No member of our Firm is now or has ever been subject to criminal or civil actions or administrative proceedings of any federal, state or foreign financial regulatory agency or authority, or the proceedings of a self-regulatory organization.

### **Item 4 – Other Business Activities**

Matt Vorst, of SWMS, is not actively engaged in any other investment-related business or occupation.

### **Item 5 – Additional Compensation**

SWMS is the sole provider of compensation to Matt Vorst. He does not receive additional compensation or other economic benefits from any other individual or organization for providing advisory services.

### **Item 6 – Supervision**

Matt Vorst is a Principal and Owner of SWMS and as such has no direct supervisor.

## **Item 1 – Cover Page for Rich Chambers**

**Rich Chambers, Owner and Principal**  
**Sirius Wealth Management Strategies, LLC**  
**1040 Noel Drive, STE 108**  
**Menlo Park, CA 94025**  
**650-276-7967**

Additional information about Rich Chambers is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Educational Background & Business Experience**

**Owner and Principal: Richard C. Chambers, CFP®, RLP® - Born 1946**

### Educational Background:

- B.S.E.E., North Carolina State University, 1968
- M.A. Business, University of Nebraska, 1973
- CERTIFIED FINANCIAL PLANNER™ certificant, 1999
- Registered Life Planner®, 2007

### Business Experience:

- Employed in the high-technology industry since 1972; from 1984 to 1999 at 3Com Corporation, Santa Clara, CA.
- Financial Planner and Director of Information Technology at Johnson and Marotta Asset Management, Inc., Palo Alto, CA from June 1999 through March 2000.
- Technical Writer (part-time) at Telseon IP Services, Inc., Palo Alto, CA from March 2000 to March 2001.
- Founded Investor's Capital Management in 1999.
- Joined Sirius Wealth Management Strategies, LLC in January 2015.

## **Item 3 – Disciplinary Information**

As registered investment advisers we are required to disclose all facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice at SWMS.

No member of our Firm is now or has ever been subject to criminal or civil actions or administrative proceedings of any federal, state or foreign financial regulatory agency or authority, or the proceedings of a self-regulatory organization.

#### **Item 4 – Other Business Activities**

Mr. Chambers is president and primary owner of Advisor Innovation, Inc. The company creates and markets rebalancing solutions for the RIA industry. Mr. Chambers spends less than 10% of his work hours on Advisor Innovation, Inc. tasks.

Advisor Innovation, Inc.'s RebalanceMax product was created internally by Investor's Capital Management, LLC in 2001, and starting in 2008 was first sold to other RIA firms, partly in an effort to raise funds to continue product enhancements.

SWMS chooses to use Advisor Innovation, Inc.'s RebalanceMax product because of its ability to improve and customize the product to suit SWMS client portfolio needs and because it costs significantly less than comparable rebalancing software. This can be a conflict of interest since Mr. Chambers benefits from the fee paid by SWMS. However, since SWMS is owned primarily by Matt Vorst, it is not possible for Mr. Chambers to require the use of RebalanceMax by SWMS.

#### **Item 5 – Additional Compensation**

Richard Chambers does receive compensation from Advisor Innovation, Inc. He does not receive additional compensation or other economic benefits from any other individual or organization for providing advisory services.

#### **Item 6 – Supervision**

Rich Chambers is a Principal and Owner of SWMS and as such has no direct supervisor.