

**Item 1: Cover Page**  
**Part 2A Appendix 1 of Form ADV: Wrap Fee Program Brochure**  
**February 2015**

**Concentus Wealth Wrap Program**

**Sponsored By:**



**1000 Continental Drive, Suite 560**

**King of Prussia, PA 19406**

**[www.ConcentusWealth.com](http://www.ConcentusWealth.com)**

**Firm Contact:**

**Paul Strid**

**Chief Compliance Officer**

**This brochure provides information about the qualifications and business practices of Concentus Wealth Advisors. If you have any questions about the contents of this brochure, please contact us by telephone at (610) 994-9190 or toll free (855) 568-1500. 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 Concentus Wealth Advisors also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**Please note that the use of the term "registered investment adviser" and description of Concentus Wealth Advisors and/or our associates as "registered" does not imply a certain level of skill or training. You are encouraged to review this Brochure and Brochure Supplements for our firm's associates who advise you for more information on the qualifications of our firm and our employees.**

## **Item 2: Material Changes to Part 2A Appendix 1 (Wrap Fee Program Brochure) of Our Form ADV:**

Concentus Wealth Advisors (“CWA”) is required to advise you of any material changes to the Wrap Brochure (“Brochure”) from our last annual update. This is our first annual updating amendment and we have no material changes to report at this time.

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## Item 4: Services, Fees & Compensation

We offer wrap fee programs as described in this Wrap Fee Program Brochure. Our wrap fee accounts are managed on an individualized basis according to the client's investment objectives, financial goals, risk tolerance, etc.

A wrap fee program allows our clients to pay a specified fee for investment advisory services and the execution of transactions. The advisory services may include portfolio management and the fee is not based directly upon transactions in your account. Your fee is bundled with our costs for executing transactions in your account(s). This results in a higher advisory fee to you. We do not charge our clients higher advisory fees based on their trading activity, but you should be aware that we may have an incentive to limit our trading activities in your account(s) because we are charged for executed trades. By participating in a wrap fee program, you may end up paying more or less than you would through a non-wrap fee program where a lower advisory fee is charged, but trade execution costs are passed directly through to you by the executing broker.

### **Our Wrap Advisory Services**

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#### **Wrap Asset Management:**

We emphasize continuous and regular account supervision. As part of our asset management service, we generally create a portfolio, consisting of individual stocks or bonds, exchange traded funds ("ETFs"), options, mutual funds and other public and private securities or investments. The client's individual investment strategy is tailored to their specific needs and may include some or all of the previously mentioned securities. Each portfolio will be initially designed to meet a particular investment goal, which we determine to be suitable to the client's circumstances. Once the appropriate portfolio has been determined, we review the portfolio at least quarterly and if necessary, rebalance the portfolio based upon the client's individual needs, stated goals, and objectives. Each client has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio.

#### **Fee Schedule:**

<b>Assets Under Management</b>	<b>Annual Percentage of Assets Charge</b>
First \$5 Million	0.50%
Above \$5 Million	0.40%
Above \$10 Million	Negotiable

Investment management fees are billed on a pro-rata annualized basis monthly in arrears calculated using Average Daily Balance. Fees will be deducted from your managed accounts.

Investment management fees are billed on a pro-rata annualized basis quarterly in advance. As part of this process, you understand and acknowledge the following:

- a) Your independent custodian sends statements at least quarterly to you showing the market values for each security included in the Assets and all disbursements in your account including the amount of the advisory fees paid;
- b) We utilize third party service providers to calculate the advisory fees for all fee schedules and deduct them from your account;

- c) You provide authorization permitting CWM, Independent Managers and CWM's third party service providers to be paid by these terms;
- d) If we send a copy of our invoice to you, we send a copy of our invoice to the independent custodian at the same time we send the invoice to you; and
- e) If we send a copy of our invoice to you, our invoice includes a legend as required by paragraph (a)(2) of Rule 206(4)-2 under the Investment Advisers Act of 1940.

### **Wrap Comprehensive Portfolio Management:**

Our comprehensive portfolio management service encompasses asset management as well as providing financial planning/financial consulting to clients. It is designed to assist clients in meeting their financial goals through the use of financial investments. We conduct at least one, but sometimes more than one meeting (in person if possible, otherwise via telephone conference) with clients in order to understand their current financial situation, existing resources, financial goals, and tolerance for risk. Based on what we learn, we propose an investment approach to the client. We may propose an investment portfolio, consisting of exchange traded funds, mutual funds, individual stocks or bonds, or other securities. Upon the client's agreement to the proposed investment plan, we work with the client to establish or transfer investment accounts so that we can manage the client's portfolio. Once the relevant accounts are under our management, we review such accounts on a regular basis and at least quarterly. We may periodically rebalance or adjust client accounts under our management. If the client experiences any significant changes to his/her financial or personal circumstances, the client must notify us so that we can consider such information in managing the client's investments.

### **Fee Schedule:**

<b>Assets Under Management</b>	<b>Annual Percentage of Assets Charge</b>
Any Assets	Up to 3.00%

These fees may be comprised of a percentage of assets under management in addition to a flat fee for financial planning and consulting based on the complexity and scope of the project. The ultimate fee breakdown will be detailed in the signed Wrap Comprehensive Portfolio Management Agreement. Our firm's fees are billed on a pro-rata annualized basis quarterly in advance based on the value of your account on the last day of the previous quarter. Fees are negotiable. Fees will be deducted from your managed account. As part of this process, you understand and acknowledge the following:

- a) Your independent custodian sends statements at least quarterly to you showing the market values for each security included in the Assets and all disbursements in your account including the amount of the advisory fees paid;
- b) We utilize third party service providers to calculate the advisory fees for all fee schedules and deduct them from your account;
- c) You provide authorization permitting CWM, Independent Managers and CWM's third party service providers to be paid by these terms;
- d) If we send a copy of our invoice to you, we send a copy of our invoice to the independent custodian at the same time we send the invoice to you; and
- e) If we send a copy of our invoice to you, our invoice includes a legend as required by paragraph (a)(2) of Rule 206(4)-2 under the Investment Advisers Act of 1940.

## **Separately Managed Account Services:**

We offer access to an actively managed investment portfolio of independent investment managers and/or investment programs (collectively “Independent Managers”), through our agreement with Dynasty Capital Management, Inc, a financial services firm. For all Programs, Client and CWA compile pertinent financial and demographic information to develop an investment program that will meet the Client’s goals and objectives. Utilizing the platform tools, Client assets will be allocated among the different options in the Program and determine the suitability of the asset allocation and investment options for each Client, based on the Client’s needs and objectives, investment time horizon, risk tolerance and any other pertinent factors. Unlike a mutual fund, where the funds are commingled, a separately managed account is a portfolio of individually owned securities that can be tailored to fit the Client’s investing preferences.

For Clients selecting Independent Managers, Client authorizes us to hire and delegate the active discretionary management of all or part of the Assets to one or more Independent Managers based upon your stated investment objectives without prior consultation with you and without your prior consent. The Independent Managers will have limited power-of-attorney and trading authority over those Assets we direct to them for management. They will be authorized to buy, sell and trade in accordance with your investment needs and to give instructions, related to their authority, to the broker-dealer and the custodian of your Assets. Such Independent Managers shall have authority to further delegate such discretionary investment authority to additional Investment Managers on terms and conditions deemed appropriate.

### **Fee Schedule**

Clients in the Programs pay a program fee (each, a “Program Fee”) ranging up to 3.00%. The level of the Program Fee will vary with the amount of assets under management and the particular investment styles and investment options chosen or recommended. Program Fees are calculated as an annual percentage of the assets under management based on the market value of the account at the end of each quarter. Unless otherwise agreed to by the Client, Program Fees are charged on a calendar quarter basis in advance and prorated to the end of the quarter upon inception of the account.

You may pay custodial fees, charges imposed directly by a mutual fund, index fund, or exchange traded fund which shall be disclosed in the fund’s prospectus (i.e., fund management fees and other fund expenses), mark-ups and mark-downs, spreads paid to market makers, wire transfer fees and other fees and taxes on brokerage accounts and securities transactions. These fees are not included within the wrap-fee you are charged by our firm.

We do not recommend or offer the wrap program services of other providers. Our investment advisory representatives receive a portion of the advisory fee that you pay us, either directly as a percentage of your overall fee or as their salary from our firm.

In cases where our investment advisory representatives are paid a percentage of your overall advisory fee, this may create an incentive to recommend that you participate in a wrap fee program rather than a non-wrap fee program (where you would pay for trade execution costs) or brokerage account where commissions are charged. This is because, in some cases, we may stand to earn more compensation from advisory fees paid to us through a wrap fee program arrangement if your account is not actively traded.

## Item 5: Account Requirements & Types of Clients

We impose the following requirement(s) to open or maintain an account:

- Minimum total account size of \$1,000,000. The minimum total account size may be negotiated under certain circumstances.

Types of clients we typically manage wrap fee accounts on behalf of, include:

- Individuals and High Net-Worth Individuals;
- Trusts, Estates or Charitable Organizations;
- Pension and Profit Sharing Plans; and
- Corporations, Limited Liability Companies and/or Other Business Types.

## Item 6: Portfolio Manager Selection & Evaluation

Our firm and its related persons act as portfolio manager(s) for this wrap fee program. This may create a conflict of interest in that other investment advisory firms may charge the same or lower fees than our firm for similar services. Our related person portfolio managers are not subject to the same selection and review as outside portfolio managers that participate in the wrap fee program. This is because we have chosen not to utilize outside portfolio managers.

### Advisory Business

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We offer individualized investment advice to clients utilizing our Wrap Asset Portfolio Management and Wrap Comprehensive Portfolio Management services. Each client has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio. Restrictions on investments in certain securities or types of securities may not be possible due to the level of difficulty this would entail in managing the account. Restrictions would be limited to our Wrap Asset Management and Wrap Comprehensive Portfolio Management services. We do not manage assets through our other services. See Item 4 for information about our wrap fee advisory program.

### Participation in Wrap Fee Programs

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Our wrap fee and non-wrap fee accounts are managed on an individualized basis according to the client's investment objectives, financial goals, risk tolerance, etc. We do not manage wrap fee accounts in a different fashion than non-wrap fee accounts.

### Performance-Based Fees & Side-By-Side Management

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We do not charge performance fees to our clients.

## **Methods of Analysis, Investment Strategies & Risk of Loss**

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We use the following methods of analysis in formulating our investment advice and/or managing client assets:

- Charting;
- Cyclical;
- Fundamental; and
- Technical.

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

- Long Term Purchases (Securities Held At Least a Year);
- Short Term Purchases (Securities Sold Within a Year);
- Trading (Securities Sold Within 30 Days);
- Option Writing; and

CWA may also offer a proprietary equity hedging strategy, which is designed to offer consistent, attractive cash flow returns, with an active hedging strategy designed to manage the risk of equity ownership.

This strategy begins with the purchase of a portfolio of blue chip, dividend pay stocks, which are screened for strong fundamentals, a consistent dividend history, and a strong price momentum profile. Once a stock position is purchased, it is immediately “hedged” through the sale of an “In the Money Covered Call” option. In essence, we sell a call option contract against that stock position, which is designed in such a way as to create a strike price which is below the current trading price of the stock. In return for selling this option, the portfolio receives an option “Premium”, which is greater than the amount by which the strike price is lower than the stock price. In other words, the option premium is sufficient to offset the capital loss which will be taken if the stock is sold at the strike price, plus to provide a cash return.

When combined with the stock dividend to be paid, the option premium provides an attractive cash flow return to the investor, which is received immediately upon the purchase of the stock. Additionally, by arranging the strike price of the option below the purchase price paid, we are able to create a measure of “downside Protection”, as the portfolio returns are now protected even if the stock price trades down to the selected strike price. In this way, the portfolio creates a “buffer” against some measure of downside movement in the stock prices of the positions selected.

**Risk of Loss:** Investing in securities involves risk of loss that clients should be prepared to bear. While the stock market may increase and your account(s) could enjoy a gain, it is also possible that the stock market may decrease and your account(s) could suffer a loss. It is important that you understand the risks associated with investing in the stock market, are appropriately diversified in your investments, and ask us any questions you may have.

## **Voting Client Securities**

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We do not and will not accept the proxy authority to vote client securities. Clients will receive proxies or other solicitations directly from their custodian or a transfer agent. In the event that proxies are sent to our firm, we will forward them on to you and ask the party who sent them to



mail them directly to you in the future. Clients may call, write or email us to discuss questions they may have about particular proxy votes or other solicitations.

### **Item 7: Client Information Provided to Portfolio Manager(s)**

We are required to describe the information about you that we communicate to your portfolio manager(s), and how often or under what circumstances we provide updated information. Our firm communicates with your portfolio manager(s) on a regular basis as needed (daily, weekly, monthly, etc) to ensure your most current investment goals and objectives are understood by your portfolio manager(s). In most cases, we will communicate such information as part of our regular investment management duties. Nevertheless, we will also communicate information to your portfolio manager(s) when you ask us to, when market or economic conditions make it prudent to do so, etc.

### **Item 8: Client Contact with Portfolio Manager(s)**

Clients are always free to directly contact their portfolio manager(s) with any questions or concerns they have about their portfolios or other matters.

### **Item 9: Additional Information**

#### **Disciplinary Information**

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We have determined that our firm and management have no disciplinary information to disclose.

#### **Financial Industry Activities & Affiliations**

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Representatives of our firm are registered representatives of Purshe Kaplan Sterling Investments, Inc. ("PKS"), member FINRA/SIPC. They may offer securities and receive normal and customary commissions as a result of securities transactions. A conflict of interest may arise as these commissionable securities sales may create an incentive to recommend products based on the compensation they may earn and may not necessarily be in the best interests of the client.

#### **Code of Ethics, Participation or Interest in Client Transactions & Personal Trading**

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We recognize that the personal investment transactions of members and employees of our firm demand the application of a high Code of Ethics and require that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, we believe that if investment goals are similar for clients and for members and employees of our firm, it is logical and even desirable that there be common ownership of some securities.

Therefore, in order to prevent conflicts of interest, we have in place a set of procedures (including a pre-clearing procedure) with respect to transactions effected by our members, officers and

employees for their personal accounts<sup>1</sup>. In order to monitor compliance with our personal trading policy, we have a quarterly securities transaction reporting system for all of our associates.

Furthermore, our firm has established a Code of Ethics which applies to all of our associated persons. An investment adviser is considered a fiduciary. As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times.

We have a fiduciary duty to all clients. Our fiduciary duty is considered the core underlying principle for our Code of Ethics which also includes Insider Trading and Personal Securities Transactions Policies and Procedures. We require all of our supervised persons to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment or affiliation and at least annually thereafter, all supervised persons will sign an acknowledgement that they have read, understand, and agree to comply with our Code of Ethics. Our firm and supervised persons must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics. However, if a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.

Neither our firm nor a related person recommends to clients, or buys or sells for client accounts, securities in which our firm or a related person has a material financial interest.

Related persons of our firm may buy or sell securities and other investments that are also recommended to clients. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request.

Related persons of our firm may buy or sell securities for themselves at or about the same time they buy or sell the same securities for client accounts. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request. Further, our related persons will refrain from buying or selling the same securities within 24 hours prior to buying or selling for our clients. If related persons' accounts are included in a block trade, our related persons will always trade personal accounts last.

## **Review of Accounts**

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We review accounts on at least a quarterly basis for our clients subscribing to our Wrap Asset Portfolio Management and Wrap Comprehensive Portfolio Management services. The nature of these reviews is to learn whether clients' accounts are in line with their investment objectives, appropriately positioned based on market conditions, and investment policies, if applicable. Only our Financial Advisors or Portfolio Managers will conduct reviews.

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<sup>1</sup> For purposes of the policy, our associate's personal account generally includes any account (a) in the name of our associate, his/her spouse, his/her minor children or other dependents residing in the same household, (b) for which our associate is a trustee or executor, or (c) which our associate controls, including our client accounts which our associate controls and/or a member of his/her household has a direct or indirect beneficial interest in.

We may review client accounts more frequently than described above. Among the factors which may trigger an off-cycle review are major market or economic events, the client's life events, requests by the client, etc.

We provide written and verbal reports to clients on at least an annual basis to Wrap Asset Management and Wrap Comprehensive Portfolio Management clients.

## **Client Referrals & Other Compensation**

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### **Charles Schwab & Co., Inc:**

Our firm may recommend that clients establish brokerage accounts with Schwab Institutional division of Charles Schwab & Co., Inc. ("Schwab"), registered broker-dealers, Members SIPC, to maintain custody of Clients' assets and to effect trades for their accounts. Our firm is independently owned and operated and not affiliated with Schwab. Our firm may also recommend that Clients establish accounts with firms other than Schwab.

Our firm places trades for its Clients' accounts subject to its duty to seek best execution and its other fiduciary duties. Our firm may use broker-dealers other than Schwab to execute trades for client accounts maintained at Schwab, but this practice may result in additional costs to clients so that we are more likely to place trades through Schwab rather than other broker-dealers. Schwab's execution quality may be different than other broker-dealers.

For our client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Some of the products, services and other benefits provided by Schwab benefit us and may not benefit our firm's client accounts. Our recommendation/requirement that a client place assets in Schwab's custody may be based in part on benefits Schwab provides to us, and not solely on the nature, cost or quality of custody and execution services provided by Schwab.

Schwab also makes available to our firm other products and services that benefit us but may not benefit clients' accounts. These benefits may include national, regional or specific to our firm, educational events organized and/or sponsored by Schwab Institutional. Other potential benefits may include occasional business entertainment of personnel of our firm by Schwab Institutional personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist us in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of our fees from its clients' accounts, and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of our firm's accounts, including accounts not maintained at Schwab Institutional. Schwab Institutional also makes available to us other services intended to help our firm manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology,

business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance and marketing. In addition, Schwab may make available, arrange and/or pay vendors for these types of services rendered to our firm by independent third parties. Schwab Institutional may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to us. While, as a fiduciary, Our firm endeavors to act in its clients' best interests, our recommendation/requirement that clients maintain their assets in accounts at Schwab may be based in part on the benefit to our firm of the availability of some of the foregoing products and services and other arrangements and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

But for soft dollar arrangements, we would have to obtain the aforementioned services and products for cash. As a result of receiving such products and services for no cost, we may have an incentive to continue to place Client trades through broker-dealers that offer soft dollar arrangements. This interest conflicts with the Clients' interest of obtaining the lowest commission rate available. Therefore, our firm must determine in good faith, based on the "best execution" policy stated above that such commissions are reasonable in relation to the value of the services provided by such executing broker-dealers.

From time-to-time our firm may make an error in submitting a trade order on a client's behalf. When this occurs, we may place a correcting trade with the broker-dealer which has custody of the client's account. If an investment gain results from the correcting trade, the gain will remain in the client's account unless the same error involved other client account(s) that should have received the gain, it is not permissible for the client to retain the gain, or our firm confers with the client and the client decides to forego the gain (e.g., due to tax reasons). If the gain does not remain in the client's account and Schwab is the custodian, Schwab will donate the amount of any gain \$100 and over to charity. If a loss occurs greater than \$100, we will pay for the loss. Schwab will maintain the loss or gain (if such gain is not retained in the client's account) if it is under \$100 to minimize and offset its administrative time and expense. Generally, if related trade errors result in both gains and

#### **Referral Fees:**

We do not pay referral fees (non-commission based) to independent solicitors (non-registered representatives) for the referral of their clients to our firm in accordance with Rule 206 (4)-3 of the Investment Advisers Act of 1940.

#### **Financial Information**

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We are not required to provide financial information in this Brochure because we do not require the prepayment of more than \$1,200 in fees and six or more months in advance, we do not take custody of client funds or securities and we do not have a financial condition or commitment that impairs our ability to meet contractual and fiduciary obligations to clients.

We have never been the subject of a bankruptcy proceeding.