

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

## Item 1 Cover Page

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January 30, 2015

FORM ADV PART 2 UNIFORM APPLICATION  
FOR INVESTMENT ADVISOR REGISTRATION  
FOR

WHITE LIGHTHOUSE INVESTMENT MANAGEMENT, S.A.R.L.

Av D'Ouchy 29

1006 Lausanne

Switzerland

Contact: Jonathan Lachowitz (41 22 548 1431) owner

This brochure provides information about the qualifications and business practices of White Lighthouse Investment Management., SARL. If you have any questions about the contents of this brochure, please contact us at the above phone number. 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 White Lighthouse Investment Management SARL is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

By the fact that White Lighthouse Investment Management is Registered Investment Advisor does not in itself imply a certain level of skill or training.



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## Item 2 Material Changes

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WLIM SARL registered with the SEC in 2014. Due to FATCA regulations, WLIM SARL is considered a Foreign Financial Institution and has registered with the IRS.



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### Item 4 Advisory Services

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The discretionary assets under management by White Lighthouse Investment Management SARL , as of December 31, 2014, were \$26,920,031. This was calculated in the manner that the SEC

Jonathan Lachowitz is the owner of WLIM SARL The firm provides investment management services for clients.

For investment management clients, the firm, at its discretion, may provide financial planning services for no additional fees in areas of general financial planning covering retirement, estate, tax, education and other personal financial planning issues.

For clients where we do not manage investments or for extraordinary requests made by existing asset management clients the firm may engage in financial planning work on an hourly basis. The financial planning work may be in the areas of general financial planning covering retirement, estate, tax, education and other personal financial planning issues. In these cases, the questions to be answered and scope of the financial planning engagement are agreed up front between the client and the planner and an estimated time of completion is given by the planner. No payment is requested until after the financial planning advice has been delivered. Investment Advisory services are tailored to clients based on such personal factors as age, health, risk profile, income level, and where they live. At our discretion, we will provide to our investment advisory clients, at no additional charge, with financial planning advice though may direct them to seek additional expertise from other professionals (e.g. lawyers, accountants, insurance agents etc.) when the scope of their needs is beyond our abilities. We do not manage any wrap accounts.

Clients may, at their discretion, impose restrictions on their investments whether that be an individual security or a type of investment (e.g. no tobacco companies).



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## Item 5 Fees and Compensation

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The fee that is charged varies by client and may vary by the size and complexity of their account and situation. The standard fee is 1% of the assets under management for the first CHF 2 Million under management and .80% for the amount managed over CHF 2 Million. These fees are calculated and charged quarterly in arrears. For example, a client with CHF 500,000 under management at the end of a full billing cycle (quarter) would pay .25% or CHF 1250 for the quarter.

In addition to our fees there is a fee charged by the bank for trades of stocks, bonds or funds. Swiss banks may also charge fees for custody of assets, cash transfers, foreign exchange, tax reports, holding of physical assets, administration etc. A typical charge by a Swiss bank can range from 25 CHF to over 1000 CHF per trade. We strongly encourage clients to use a low cost bank. In all cases WLIM Sarl never receives a payments back from the bank or any investment funds for trading or other fees; these are known as retrocessions in Switzerland. WLIM Sarl has always acted as a strictly fee-only advisor. Depending upon the mutual fund there may be a charge when trading that varies among funds, though we do not receive any commissions from trading or holding mutual funds for clients. There is also a fee in most mutual funds and exchange traded funds ranging from less than 1% to over 2% during the course of the year for fund expenses (managers, advertising, report generation, etc.). As fee-only planners, we do NOT receive any fees from any brokers, banks or from any funds, we are only compensated by our clients.

The hourly rates are CHF 500 when working with a CFP® professional, depending on the advisor's experience. Rates may be negotiable depending upon the nature of the work and are the sole discretion of the advisor(s) providing the service. Termination terms and refunds are also negotiated with the client before advisory services are commenced. These fees are billed directly to the client after the advisory work is completed. Lower fees for comparable services may be available from other sources.

For investment management services, fees are deducted directly from client accounts. At the discretion of the firm, we may agree to bill. Investment management services to the client and not deduct the charges from the account. For Financial Planning services, clients are billed directly after the completion of services. All fees are paid in arrears after service has been delivered, we do not accept advance payments.

As additional safeguards to our clients, we send all invoiced amounts to the custodian, who review the amounts before they are posted to the client accounts. A copy of the invoice amount charged to the client is sent to each client as part of the quarterly reports received by each client. The custodian also provides monthly reports and on-line real time access to account activity. The client may also call the custodian at any time to terminate our ability to trade in and deduct fees from their accounts. Clients must authorize the custodian to allow the applicant to deduct their management fees. Please note above that brokerage transactions may include fees other than those charged directly by White Lighthouse Investment Management. A Swiss Value Added tax of 8% must be charged to all Swiss Resident Clients.



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

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We currently do not charge any performance-based fees. Side-by-side management is when one manages accounts in which some are charged by assets under management and some are charged by performance. Since we do not charge by performance we therefore do not tend to favor one account charged one way over another account charged the other way.



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### Item 7 Types of Clients

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Our clients are individuals, couples as well as children of clients. We work with several high net worth individuals many of whom have their assets (that we manage) in trusts or other legal structures. Our current minimum account size for new clients is CHF 500,000, though at our discretion we may accept clients below this minimum or refuse clients above this level.



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

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We manage each client's portfolio(s) based on their individual circumstances. This generally includes their risk profile, their age, their income needs from the portfolio, their time horizon and a number of other factors that pertain specifically to each client. Asset allocation over several investment classes is done in order to build well diversified portfolios. Based on macro-economic factors and our own analysis we may decide to include or exclude specific investment classes or under or over weight specific sectors.

It should be noted that investing in securities involves the potential loss of invested capital and clients should be prepared to bear this loss. We try to tailor the account based on a clients risk profile in order to keep losses in line with risk tolerance.

All investments and investment strategies contain risk of loss. Based on our understanding of our clients' risk profiles we endeavor to create well diversified portfolios using primarily index ETFs, mutual funds, and other individual securities that are highly liquid. Historically well diversified portfolios using the concepts of modern portfolio theory have produced lower volatility returns for a given level of risk, though past performance may not be indicative of future performance.

We encourage client's to take a long term investment horizon since equity and fixed income investments are known historically to be prone to volatility, which can at times be extreme. We also request clients to let us know of any changes in their circumstances and any cash needs so we are able to plan accordingly.

Other risks that client portfolios are subject to are: Inflation, regulatory, systemic, currency changes, interest rates and the overall macro economic environment in the United States and globally. Every investment strategy has risk of loss and our client portfolios and our strategy may result in clients losing money.





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### Item 9 Disciplinary Information

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There have been no disciplinary events against White Lighthouse Investment Management SARL or any of its advisory personnel.



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### Item 10 Other Financial Industry Activities and Affiliations

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Jonathan Lachowitz is on the board and a member of the SFPO (Swiss Financial Planning Organization). SFPO is, authorized by the FPSB (Financial Planning Standards Board) in Washington, D.C. to grant the CFP(R) marks in Switzerland.

WHITE LIGHTHOUSE INVESTMENT MANAGEMENT Inc. is registered with the SEC and has an office in Lexington, MA, where business is conducted from. Jonathan Lachowitz is the primary business owner of WHITE LIGHTHOUSE INVESTMENT MANAGEMENT Inc..

In 2014 Jonathan Lachowitz joined the Advisory Board of OnShore Wealth S.A.; a Swiss Registered Independent Asset Management Firm.



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

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We have never participated or had an interest in trades to or from a client account or between existing client accounts.

Trades are made on the open markets. While we do personal trading, our portfolio's consist primarily of mutual funds, ETF's and large capitalization stocks (e.g. Johnson & Johnson, Microsoft, etc.). Our personal trades, other than mutual funds, are documented regularly.

We may buy or sell the same securities as those owned by our clients. These are generally widely held stocks, mutual funds or ETFs and based on the size of trades in both client and our personal accounts we don't believe we can have any influence over pricing and the markets.

White Lighthouse Investment Management, SARL. has its own written code of ethics which includes the complete CFP (R) Board's Standards of Professional Conduct. A copy of this is available upon request by any client or prospective client.

Investing in the same securities as clients accounts is a potential conflict of interest but we feel that since we only invest in either high capitalization securities, mutual funds or ETF's the conflict is minimal at best.



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### Item 12 Brokerage Practices

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While we may try to work with any bank or broker that a client either already has an account with or wishes to establish an account with, many Swiss banks refuse to work with independent investment advisors who don't bring a minimum amount of assets to the bank. Additionally, many Swiss banks engage in excessive pricing or discriminatory practices with respect to the national origin of the potential client. Banks often pay a percentage of their bank fees back to the investment advisor, a practice that WLIM SARL does not engage. Based on these complications, we work together with the clients to try and find a bank or brokerage firm that will accept the client, us as an independent investment advisor and also provides transparent pricing and on-line access to both the clients and the advisor. We do not receive any products or services from any banks or brokerage firms that would not fall under the safe-harbor rules. The banks do provide some minimal research that we can access, such as performance statistics on investment funds.



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### Item 13 Review of Accounts

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All client accounts are reviewed by Jonathan Lachowitz, on at least a quarterly basis. Accounts may also be reviewed more frequently based on market conditions or significant changes in a client profile or large cash deposits or withdrawals.

Client reports are available to each client (using their password) on a quarterly basis and include account holdings, performance reports, and a billing statement. Reports consist of: account summary showing beginning and end values and interest and dividends received. Performance review showing 5yr, 3yr, 1 yr and quarter performance with ROI information.

Portfolio statements show in graph format the classes of assets held, followed by a specific breakdown of securities held, including cost basis and current market value. A report showing the management fees broken down by the clients individual accounts and a total is included, followed by a comprehensive performance report for each security held in the client accounts.



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### Item 14 Client Referrals and Other Compensation

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We gladly accept client referrals from existing clients and other professionals.

We do not get compensated by any institution or individual for any clients referrals we may make to them.



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### Item 15 Custody

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We do not have custody of any of the assets of our clients. While it is debated as to whether taking our management fees out of a client's portfolio constitutes custody, that is the only way in which we have the ability to obtain any money directly from a client's account. These fees are included in our reports as well as the statements from Schwab or Pershing (MS Howells) and can also be seen on-line.

Clients receive statements from us on a quarterly basis and from the custodian banks either monthly or quarterly. It is recommended that clients review and compare these reports and notify us of any discrepancies. All clients have the ability to access their accounts, statements and transactions any time on-line at the custodians.



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### Item 16 Investment Discretion

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The firm has investment discretion for virtually all of the accounts that we manage, with a limited power of attorney to buy and sell on the client's behalf, in accounts titled in the name of the clients or for their benefit. Investment management fees are a percent of assets under management and can include ancillary financial planning advice generally related to the financial and investment goals of the client.

Occasionally investment advice is given to clients for accounts that are not managed by us. This advice is generally in the context of general financial planning and may include investment selection in client retirement accounts not able to be managed by us, or more general investment allocation recommendations. No individual securities are recommended (outside of client's retirement accounts) where we do not have discretionary management over the client's investments.

Financial planning advisory takes place on an hourly basis where we are not responsible for managing the clients accounts, or before clients decide to have us manage their investments. Generally client's questions and needs are identified first, a firm range of time and cost to deliver services is given and then financial planning analysis is performed and delivered.

Analysis consists generally of investment/asset allocation across a number of different investment classes based on the client's risk tolerance which is formulated based client interviews, goals and objectives and a risk profiling questionnaire.

Decision makers in investment allocation must have a CFP(R) qualification or comparable experience and licensing in order to make investment choices for clients.





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### Item 17 Voting Client Securities

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We do not vote client securities.



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### Item 18 Financial Information

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Since we do not have custody over our clients assets our financial situation would not have any impact on our clients contractual obligations. While we do have discretionary authority over our clients accounts, there are no incidences in which our financial condition would impact their trading activities. Therefore, we do not believe it is necessary for us to report on any of our financial information.

We do not require or solicit prepayments of more than CHF 500 for any services.

