

Item 1. Cover Page

## **Part 2A Form ADV**

### **Vision Investment Advisors, LLC**

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June 29, 2015

This Brochure provides information about the qualifications and business practices of Vision Investment Advisors, LLC ("Vision Advisors"). If you have any questions about the contents of this Brochure, please contact us by e-mail: [info@advicewithvision.com](mailto:info@advicewithvision.com) or by phone: 203-388-2700. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority.

Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an adviser provides you with information you use in determining whether to hire or retain an adviser.

Additional information about Vision Advisors is also available on the SEC's Web site at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2. Material Changes**

There have been material changes to Vision Advisor's ADV Part 2A or its Appendices since the previous filing dated May 28, 2015. Beginning immediately the Firm will no longer offer wrap fee accounts. Prior account agreements with wrap fee accounts will be offered to the opportunity to be converted to regular accounts, in the near term. Additionally, charging a start-up fee to clients will no longer be an option. Vision Advisors is eligible for state registration due to a restructure of its affiliated firm, Vision Financial Markets LLC, which resulted in a redemption and thus reduction in Vision Advisor's assets under management. Therefore, Vision Advisors has been making provisions for its state registration as may be required. While states have varying requirements for registration and rules for compliance, Vision Advisors will not otherwise materially change the way it conducts its advisory business, nor in managing its fiduciary obligations.

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## **Item 4. Advisory Business**

### **A. Description of Advisory Firm**

Vision Investment Advisors, LLC ("Vision Advisors") is organized in Delaware, doing business since September 2000. Vision Advisors' principal owners are Howard Rothman and Boshnack Family LLC, a Delaware limited liability company whose principle are Robert Boshnack and H. Rothman Family LLC, whose principal is Gayle Rothman. The defined Investment Portfolio Programs ("Programs") discussed below, are methodologies developed by Howard Rothman, as Chief Investment Officer, who may also make the investment's selections. Vision Advisors' Investment Advisor Representatives ("IARs") may also provide discretionary advisory services, for the clients they advise. Investment Advisor Representatives may choose to use their own methodologies not select any, or include some, of the Programs described below. Some IARs act solely as solicitors or referral agents ("Agents"), although some may act in all capacities. Some IARs may solicit for advisors other than Vision Advisors. Vision Advisors' clients primarily consist of individual and institutional investors.

Mr. Rothman and Mr. Boshnack also have concurrent ownership and/or control in Vision Advisors' "Affiliates" which consists of: Vision Financial Markets LLC ("VFM") a self-clearing broker/dealer, Vision Brokerage Services, LLC ("VBS") a retail broker/dealer, and High Ridge Holding Company LLC which wholly owns High Ridge Futures LLC, an independent introducing futures broker (collectively "Affiliates"). The Affiliates are not operationally independent from Vision Advisors as they may share some or all employees, resources and services. Affiliates offer their services, for a fee and expenses to, or on behalf of, Vision Advisors and its clients. Some IARs are registered representative brokers with Affiliates, as well. Mr. Rothman and certain IARs share their working time, between the Affiliates and Vision Advisors as well as other entities, as an outside business activity. Mr. Rothman directly and indirectly benefits financially from Affiliate revenue. Affiliates who have selling agreements with third-party financial services firms or individuals, which provides Vision Advisors' and IARs additional investment products and strategies or sub-advisory management choices, for their clients. Vision Advisors is registered as a Commodity Trading Advisor ("CTA") with the CFTC as well and can make recommendations that include futures or managed futures programs or pools as well as for other CTAs to manage.

### **B. Description of Advisory Services Offered**

Advisory services for clients may be based upon one or more Programs, or on the client's goals, objectives, restrictions, or current market conditions for an asset-based management fee. Also, a client may request to include futures as part of their portfolio. A client may request a one-time portfolio review based on an hourly fee. A client may request, reasonable restrictions or limitations be placed on their account such as specific securities or types of securities that are purchased, if acceptable to Vision Advisors.

Total Fees charged by Vision Advisors together with its IARs, third-party managers or sub-advisors will not exceed reasonable industry standards (generally 3%), except as otherwise negotiated with a Qualified Client. Qualified Clients are defined as "under Rule 205-3 of the Investment Advisers Act and any applicable state regulations, and generally must place a minimum of \$1,000,000 under Vision Advisors' management or have a net worth (either individually or together with assets held jointly with a spouse) of more than \$2,000,000 (excluding primary residence) at the time of opening an account. Qualified Clients, who are defined below, may have performance based fees.

#### **1. Investment Portfolio Programs**

Programs are now offered on a non-wrap fee basis, though formerly were also offered under a wrap fee. Vision Advisors offers Programs seeking to provide a variety of investment method choices. An account may be invested in one or more Programs, albeit some may contain similar methodologies and investment objectives, portfolio construction, market exposure, and risk tolerances. Vision does not guarantee that investing one or more Programs will achieve client's goals for the Program, the client, or any return on investment. The Program methods and risks are described in further detail under Item 8. *Methods*, below.

## **2. Investment Advisor Representatives**

Vision Advisors offers clients, on a non-wrap fee account basis, advice upon the discretion of its affiliated IARs other than Howard Rothman. Vision Advisors does not select or recommend an IAR for a client, but rather, the client establishes the relationship with their IAR. Vision Advisors does not select client investments for the IARs. Each IAR independently makes his/her own investment recommendations and is responsible to the client for those recommendations. A client may request a change of IARs. Updated Information about the IAR's themselves can be found in their brochures or can be requested by e-mail: [info@advicewithvision.com](mailto:info@advicewithvision.com) or by phone: 203.388.2700. Vision Advisors' Website is [www.advicewithvision.com](http://www.advicewithvision.com)

IARs can provide discretionary investment advice, as well as allocate some investment to the Programs, described in Item 8. *Methods* below, as well. Vision Advisors' IARs, when managing client's account on a discretionary basis, has his/her own methods or opinion of providing investment advice differently that can pose different risks. This is also further explained in *Methods* under Item 8 below. Some IARs may solely refer clients to Vision Advisors, for a percentage of the fee charged by Vision Advisors, which does not increase the client's fee.

## **3. Investment Portfolio Review**

Vision Advisors can analyze a client's portfolio and make recommendations regarding asset allocation, based upon a client's stated objectives, for an hourly fee. Clients may choose whether or not to implement the recommendations by Vision Advisors.

## **4. Sub-advisory Methods and Managed Futures**

Vision Advisors has licensing agreements with financial services firms who provide access to a network of providers who offer a selection of financial strategies or who will also manage their strategies, in addition to direct relationships with third-party investment advisers who can manage all or a portion of a client's account as a sub-advisor.

Vision Advisors, as a registered CTA, may, itself, manage futures investments, or have an independent Commodity Trading Advisor ("CTA") and/or invest within a Commodity Pool which can manage all or a portion of an account. As a Futures Independent Introducing Broker, High Ridge Futures LLC, an affiliate, may act as the introducing broker effectuating transactions for any such investment, including with a CTA, and would receive compensation for acting in any such capacities.

### **C. Client Tailored Services and Client Imposed Restrictions**

Vision Advisors and IARs will provide discretionary investment advisory services based on a client's investment objectives and risk tolerances. If requested, Vision Advisors will consider providing investment advice on a non-discretionary basis, on a case by case basis.

### **D. Wrap Accounts**

Beginning immediately the Firm will no longer offer clients wrap fee accounts and it is anticipated that all prior advisory agreements for wrap fee accounts will be offered the opportunity to convert to non-wrap accounts, in the near term.

#### **E. Assets under Management**

As of December 31, 2014, Vision Advisors has \$62,783,131 in assets under management, all of which is discretionary.

### **Item 5. Fees and Compensation**

#### **A. Compensation for Advisory Services and Fee Schedule**

Vision Advisors' offers advisory services on a non-wrap fee basis, in other words, a charge for the advisory services, net of all expenses for the transactions that are done on behalf of the client. Advisory fees may be higher than those normally charged by other investment advisors for comparable advisory services. There may be other investment advisers who can provide comparable types of advisory services at a lower rate. Fees and expenses have an impact on investment returns and are important factors to consider in selecting advisors and investments. Investment advisors also have different experience and education and may offer different products and levels of service not offered by Vision Advisors.

Fees charged by Vision Advisors, together with its IARs, third-party managers, or sub-advisors will not exceed reasonable industry standards (generally 3%), except as may be negotiated with a Qualified Client. A "\*\*\*"denotes the higher range of fees, including incentive fees, that may only be charged to Qualified Clients. "Qualified Clients "are defined as those who must place a minimum of \$1,000,000 under Vision Advisors' management or have a net worth (either individually or together with assets held jointly with a spouse) of more than \$2,000,000 (excluding primary residence) at the time of opening an account(in CA defined under CCR 260.234).

##### **1. Asset-Based Management Fee**

Vision Advisors' compensation is based on an asset-based management fee ("management fee"). An IAR managing an account will receive a portion of the management fees paid by the client. The amount received by a particular IAR is agreed upon prior to the IAR's association with Vision Advisors and will differ among IARs.

##### **2. Performance-Based Fees**

Vision Advisors will consider reducing its management fees for Qualified Clients who choose to pay a "performance fee" (or "incentive fee"), which is based on successful performance in the account. The performance or Incentive fee is typically 20% of "new appreciation" in the account over a year's period, measured initially from the date the account is opened to the end of the calendar year and, in subsequent years, over the entire year. An IAR managing an account will receive a portion of the performance fees paid by the client. The amount received by a particular IAR is agreed upon prior to the IAR's association with Vision Advisors and will differ among IARs.

##### **3. Investment Portfolio Review Fees**

The "portfolio review fee" (e.g., where Vision Advisors analyzes a client's portfolio and makes recommendations regarding asset allocation or client's other stated objectives), may be negotiated on an hourly fee basis and may range from \$150-\$250 or more. The rate can increase based on the complexity of the client's portfolio reviewed amongst other factors. Clients may choose to implement the

recommendations, through Vision Advisors, after the portfolio review, in which case the client will be charged management fees, as negotiated with Vision Advisors by agreement, and any expenses associated with transactions for opening an account with an Affiliate or any other broker. The amount received by a particular IAR is agreed upon prior to the IAR's association with Vision Advisors and will differ among IARs.

#### 4. Fee Negotiation

All fees outlined above (collectively "fees") are subject to negotiation and may differ between clients of Vision Advisors. All fees are also subject to negotiation between a client and their IAR, subject to review or approval by Vision Advisors. Due to the fact that fees may vary, clients with existing accounts may be charged fees that are only reflective of these fee schedules or the fees paid by other clients. A client will be advised of the fees prior to consenting to opening an account with Vision Advisors. The fees will be agreed to, as disclosed in the client's written agreement with Vision Advisors and/or the IAR. Clients should carefully review all agreements and obtain independent legal or accounting advice for anything they may not understand or are unsure about.

When negotiating fees with clients, Vision Advisors, at its discretion, may consider one or more of the following factors, including but not limited to: (i) clients with multiple accounts; (ii) size of the account; (iii) a prior or existing relationship with a Vision Advisors' affiliate; and (iv) a client's particular needs or financial characteristics. When negotiating fees, IARs should consider these various factors as well.

Because fees may vary, IAR managed clients, who then have funds allocated to Vision Advisors Program's, may pay a higher fee than clients who invest directly with Vision Advisors in its Programs.

However, the actual fee may be negotiated with an individual client and, for a specific tier, may be higher or lower than what is shown below.

#### 5. Representative Annual Fee Schedules

Total Fees charged by Vision Advisors together with its IARs, third-party managers or sub-advisors will not exceed reasonable industry standards (generally 3%), except as otherwise negotiated with a Qualified Client. (In CA defined under CCR 260.234). "Qualified Clients" are defined as those who must place a minimum of \$1,000,000 under Vision Advisors' management or have a net worth (either individually or together with assets held jointly with a spouse) of more than \$2,000,000 (excluding primary residence) at the time of opening an account.

Representative fee schedules are listed below:

##### Balanced: B-Portfolio

Assets	Fees*
Up to \$100,000	2.50%
\$100,001 - \$250,000	2.25%
\$250,001 - \$500,000	2.00%
\$500,001 - \$750,000	1.75%
\$750,001 - \$1,000,000	1.50%
\$1,000,001 - \$3,000,000	1.25%
Over \$3,000,000	Negotiable

##### Dividend: D-Portfolio

Assets	Fees*
Up to \$1,000,000	1.00%



Over \$1,000,000	Negotiable
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#### **Equity: E-Portfolio**

<b>Assets</b>	<b>Fees*</b>
Up to \$250,000	2.50%
\$250,001 - \$500,000	2.00%
Over \$500,000	Negotiable

#### **Fixed Income: I-Portfolio**

<b>Assets</b>	<b>Fees*</b>
Up to \$100,000	2.00%
\$100,001 - \$750,000	1.50%
\$750,001 - \$1,000,000	1.25%
\$1,000,001 - \$3,000,000	1.00%
Over \$3,000,000	Negotiable

#### **Total: T-Portfolio**

<b>Assets</b>	<b>Fees*</b>
\$0 - \$1,000,000	2.00%
Over \$1,000,000	Negotiable

\*In addition to the fees, other expenses are incurred, as defined under Item 5. *Expenses*

### **Stock Put Writing and Stock Put Credit-Spread Option Programs**

A representative fee schedule is listed below:

Two alternative fee structures are offered – Program A with an incentive fee and lower management fee and Program B with no incentive fee and a higher management fee.

<b>Program</b>	<b>Management Fee*</b>	<b>Incentive Fee</b>
A	2.00%	20.00%**
B	2.00% up to 4.00%**	NONE

\* In addition to the fees, other expenses are incurred as defined, under Item 5.C. *Expenses*

\*\* High end of fees and incentive fees may only be charged to Qualified Clients defined above.

#### **B. Fee Deductions**

Fees are deducted from the account before distribution of account assets to the client. The specific fees charged by Vision Advisors are agreed to and disclosed in an Investment Management Agreement, between the client and Vision Advisors. With client's permission fees may be deducted from the client's account, by its custodian, such as VFM, on a quarterly basis in arrears and will be listed on the statements sent by the custodian.

### **C. Expenses**

All Fees are net of all expenses that are charged to an account for transactions, such as trade execution, brokerage, custodial and other services & transaction costs associated with products, including those charged by Vision Advisor Affiliates. These expenses may be higher than those charged by other financial services companies and/or available to other investment advisors, for their clients, for comparable services. There may be other financial service companies who can provide comparable types of services at a lower expense rate. Expenses will impact the rate of return on an investment.

To name a few expenses that clients can incur: (i) annual custodial fees, brokerage account fees or other administrative fees, such as wire fees; (ii) certain odd-lot differentials, transfer taxes or transaction fees mandated by the Securities Act of 1934, postage and handling fees and charges imposed by law with regard to transactions in the client's account; and (iii) advisory fees, expenses or sales charges (loads) of mutual funds (including money market funds), closed-end investment companies or other managed investments, if any, held in the client's account. Clients can be charged any mark-ups or mark-downs with respect to fixed income securities depending on where and how they are purchased.

Clients who purchase load mutual funds will pay a mutual fund sales commission. Mutual funds and exchange traded funds also charge internal management fees and other expenses, which are disclosed in a fund's prospectus.

Clients will not be charged commissions where an IAR is also the registered representative with Vision Advisor's Affiliate, but will incur an execution fee and any other expenses, by an Affiliate for transactions in their account (e.g., an execution fee of \$25.00 for stock transactions and \$5.00 per option contract executed could be assessed, and a processing charge, e.g., \$2.50 payable to Affiliates for transactions done in the accounts and for clearing). These expenses are outlined in the applicable brokerage account agreements signed by the client.

There are also expenses involved in managed futures investments including commissions, exchange/clearing fees and regulatory fees, as set forth by introducing futures brokers and clearing firms. These expenses are outlined in the applicable futures brokerage account agreement.

These expenses, including those charged by Affiliates, are separate from any fees charged by Vision Advisors for advisory services. See Item E below for Conflicts of Interest with Affiliates.

### **D. Payment of Fees & Refunds**

Fees are payable (in arrears) at the end of each calendar quarter based on the total value of the account (including net unrealized appreciation or depreciation of investments and cash, cash equivalents and accrued interest) on the last trading day of the quarter. Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. If the account starts in the middle of a quarter, the fee is prorated for the number of days remaining in the quarter. If an account is terminated in the middle of a quarter, the fee will be calculated based on the value of the account on the day of termination, prorated for the number of days in the quarter the account was under management. Upon termination of any account, any unpaid fees are due and payable on a prorated basis. Any Fees that are to be refunded to clients will be returned promptly into the account being charged and where payment is deducted, otherwise, or if the account has been closed, promptly returned to the client at the address of record.

### **E. Compensation for the Sale of Securities to Clients & Conflicts of Interest**

Vision Advisors generally requires that clients establish and maintain their brokerage accounts at Vision Brokerage Services ("VBS") or Vision Financial Markets ("VFM") (collectively "Affiliates") affiliated securities brokerage firms of Vision Advisors. Clients' funds and securities are held at VFM, acting as a custodian, which clears transactions on a fully-disclosed basis for VBS and for itself. If a client's IAR is a Registered Representative of VBS, the client must establish the account at VBS. If a client's IAR is not a

Registered Representative of VBS, but is a Series 65 licensed Investment Adviser Representative with Vision Advisors, the client must open the account with VFM.

Accounts are charged expenses, including those by Vision Advisors' Affiliates, such as execution brokerage, per transaction processing charges, custodial expenses and other transaction expenses, for transactions in the accounts they open with third-parties or Affiliates. Affiliate charges may be higher than those charged by other brokers for comparable services. There may be other brokers who can provide comparable types of services at a lower cost.

Purchases of mutual funds may be completed through Affiliates or another financial firm. Purchases of no-load mutual funds may not generate sales charges, but Affiliates may receive Rule 12b-1 fees from a mutual fund for the period of time the assets are invested. The 12b-1 Fee is an annual marketing or distribution fee on a mutual fund. The 12b-1 fee is generally considered an operational expense and, as such, is included in a fund's expense ratio. It is generally between 0.25-1% (the maximum allowed) of a fund's net assets. Load mutual funds incur mutual fund sales commission to Affiliates, in addition to, the advisory fee to Vision Advisors. Vision Advisors may invest some portion of a client's assets in money market funds for cash management purposes. These funds may also pay 12b-1 fees to Affiliates.

In addition, an IAR can also register as a broker representative with High Ridge Futures LLC, also an "Affiliate", as an introducing futures broker firm that is a member of the National Futures Association. Vision Advisors generally requires that clients establish and maintain their futures accounts with High Ridge Futures LLC. In such instance, a client may incur fees in connection with a managed futures account introduced by Vision Advisors, or an independent CTA recommended by Vision Advisors, and the expenses associated with such futures transactions. Affiliate costs may be higher than those charged by other introducing futures brokers for comparable services. There may be other introducing futures brokers who can provide comparable types of services at a lower expense rate.

Clients can have a Sub-Advisor or CTA manage your account for lower fees and expenses directly if not through Vision Advisors or introduced by its Affiliates.

## **1. Conflicts of Interest**

Vision Advisors and IARS are fiduciaries who are required to act in the best interest of its client, although conflicts of interests can and do arise, in which case Vision Advisors will attempt to resolve them in ways that will not unfairly harm its clients. Examples of conflicts include where Vision Advisors or its Affiliates:

- could make a gain or avoid a loss at a client's expense;
- have an interest in the outcome of a decision or service which is not the same as the client's ;
- have incentives to favor one client over another;
- have incentives to favor a service provider that is not the best solution for the client; and
- are not entirely impartial in making this appraisal in views of each other.

In cases where Vision Advisors has interests that might conflict with clients, Vision Advisors deals with them solely by disclosing the conflicts, e.g. the terms and conditions under which it operates or its motivations, so as to suggest to the client whether they should make an alternative selection, or, in either case, make an informed choice to accept the terms under such conditions. The following are some of those conflicts of interest, and others may be scattered throughout the document as noted.

Howard Rothman, the Chief Executive Officer, Chief Financial Officer and Chief Investment Officer of Vision Advisors, and Robert Boshnack, Principal of Vision Advisors, are also the principals of VBS, VFM and High Ridge Futures LLC ("Affiliates"). As owners of these Affiliates, Messrs. Rothman and Boshnack have a financial interest in all revenue received, by its Affiliates, from transactions generated in the accounts of clients, when managed by Vision Advisors. However, Messrs. Rothman and Boshnack do not earn commissions directly from the transactions conducted through Affiliates. Registered Representatives of Affiliates can charge commissions for transactions, or receive a portion of Vision Advisor's fee for

referring the client to Vision Advisors. See Item 14 “*Client Referrals and Other Compensation*” for more information. Vision Advisors and IARs share compensation received from the clients.

There are financial incentives to select an investment or third-party manager that results in the highest compensation. 12b-1 fees and any sales commission are incentives to generate transactions for Affiliates. Thus, Vision Advisors has an incentive to engage in a higher volume or higher paying investment than would be the case in the absence of such a relationship. Vision Advisors and Affiliates monitor IAR activity for client accounts. Clients may negotiate with other brokers to effect transactions.

IARs are required to disclose any affiliations and outside business activity. This information is disclosed to clients in the IAR brochure supplements, which are provided to clients. Other IARs may dedicate their time solely to advisory activities.

Vision Advisors and Affiliate fees and expenses are competitive, but they may be higher than otherwise available elsewhere, as they are not negotiated in arm’s length transactions. Therefore, clients must consent by agreement to the terms of services, which are negotiable, on a case-by-case basis.

Affiliates may utilize third-parties for executing transactions as well, which may result in the client receiving less favorable execution on some transactions. Vision Advisors and Affiliates conduct best execution reviews for this purpose. Clients may obtain execution from other brokers.

Vision Advisors and IARs may recommend third-party managers to manage a portion of the client’s assets. Also, a client may pay higher fees when investing through an IAR rather than directly with Vision Advisors or a third-party manager. Clients can contract directly with third parties or Vision Advisors.

Lastly, Vision Advisors or an IAR may give different advice on the same securities, to different clients, based upon on their specific goals and objectives. Therefore, they may purchase securities for one client while at the same time selling the same securities for another client, based upon their specific goals and objectives. T

## **2. Non-Affiliated Brokers**

Clients may purchase investment products through other brokers or agents not affiliated with Vision Advisors.

## **3. Affiliate Compensation**

As discussed above, commissions and other compensation for the sale of investment products, recommended by Vision Advisors, including asset based distribution fees from the sale of mutual funds is a revenue source for Vision Advisors Affiliated brokers.

## **4. Fee Reductions**

Vision Advisors does not reduce its advisory fees to offset commissions or mark-ups of its Affiliates.

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

The performance or Incentive fee is typically 20% of “new appreciation” in the account over a year’s period, measured initially from the date the account is opened to the end of the calendar year and, in subsequent years, over the entire year, although negotiable. The Incentive fee is charged only where the cumulative appreciation in the account exceeds a “High Water Mark” or the highest level of appreciation earned on any prior calculation date in the account. Once earned, the incentive fee is not refundable in

the event of subsequent losses, but Vision Advisors must recoup such losses and exceed the High Water Mark before it is entitled to another incentive fee. If the client withdraws funds or closes the account before the performance period ends, Vision Advisors will calculate the incentive fee based on the value of the account on the day of termination and will deduct any incentive fee due from the assets in the account before distribution.

As noted above, Vision Advisors will consider reducing its quarterly advisory fees for Qualified Clients who choose to pay an incentive fee. "Qualified Clients" who must place a minimum of \$1,000,000 under Vision Advisors' management or have a net worth (either individually or together with assets held jointly with a spouse) of more than \$2,000,000 (excluding primary residence) at the time of opening an account.

The fact that some client accounts could pay incentive fees while others do not creates an incentive to favor client accounts paying an incentive fee by placing the more profitable trades in those accounts. Vision Advisors addresses this conflict by allocating transactions equally, where appropriate, among all accounts in a given portfolio without regard to whether such account pays any incentive compensation.

## **Item 7. Types of Clients**

Vision Advisors caters primarily to affluent individuals and their retirement accounts, family offices and family investment vehicles. Vision Advisors' investment Programs are suitable for institutional investors with similar investment objectives. In addition, Vision Advisors currently manages the customer segregated funds account for its Affiliate VFM, as the collateral accounts of persons who have entered into secured demand notes with VFM. Each IAR may have specific or different types of clients they serve.

In order for its investment Programs to achieve a level of diversification, Vision Advisors recommends that client deposit at least \$100,000 in the account, however Vision Advisors will accommodate clients who wish to deposit less, but with the potential of loss of diversification.

Vision Advisors generally requires that clients establish and maintain their brokerage accounts at affiliated brokerage firms of Vision Advisors. Clients' funds and securities are held at VFM, acting as a custodian, which clears transactions on a fully-disclosed basis for VBS and for itself. If a client's IAR is a Registered Representative of VBS, the client must establish the account at VBS. If a client's IAR is not a Registered Representative of VBS, but is a Series 65 licensed Investment Adviser Representative with Vision Advisors, the client must open the account with VFM. High Ridge Futures, LLC, for futures accounts, can act as the introducing broker and is an Affiliate as well.

## **Item 8. Methods of Analysis, Investment Strategies, and Risks of Loss**

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

Vision Advisors provides discretionary advisory services as follows:

#### **1. Investment Portfolio Programs**

Vision Investment Advisors offers Programs seeking to provide a variety of investment method choices. An account may be invested in one or more Programs, which may contain similar methodologies and investment objectives, portfolio construction, market exposure, and risk tolerance. Vision does not guarantee that investing one or more Programs will achieve client's goals or investment returns.

Vision Advisors may employ, in Programs, from time to time, various option strategies including 'writing covered' (willing to sell based upon only those securities actually owned) call options against some or all

the Portfolio. In writing options the principal objective is to seek income from the premiums received, as the seller from the buyer, for the call options. Vision Advisors will seek to optimize the tradeoff between receiving option premium as income, and the possibility of forgoing future price appreciation, on the underlying security, above the written option strike price, until the option expires. Should the price of the security decline, the account may receive a small measure of protection by the amount of net option premium received. In addition to covered calls, Vision Advisors may, from time to time, purchase out-of-the-money put options, as some downside price protection from declines in the value of the underlying securities. Employing the purchase of puts is likely to temper total returns (by paying the premium to purchase these options). The ratio of options may be less than the actual underlying securities owned, at any time. Additional Option strategies are described in each Program below.

Leverage is a significant part of some Program strategies and creates the risk that a declining price of a security, in the case of writing puts; it may result in a loss greater than the amount deposited as margin. Moreover, a stock that is trading below the strike price, in the case of a short-put, can and may incur potentially substantial losses in a short period of time. The price of a stock may fall to zero, and the loss in the client's account will be the cost of purchasing the stock at the strike price (far surpassing the value of the margin deposited in the account and the premium income received). If a client purchases a put, it gives the client the right to sell the underlying stock on or before the expiration date at the strike price. If a client sells a put, the client is obligated to buy the underlying stock at the strike price if the client is assigned. As a writer (seller of a put) the client has no control over whether the option will be exercised. Of course, either type of position can be closed out before the expiration date, thereby ending any right or potential obligation.

**Options involve risk and are not suitable for all clients.** Generally, more information on options may be obtained through FINRA resources at: <http://www.finra.org/investors/options> or as updated from time to time. Those clients who open option accounts will be provided with a copy of the *Characteristics and Risks of Standardized Options* (and any supplements) brochure prior to being approved to trade options. Clients in certain Programs will be required to be approved for writing uncovered options. Clients will need to be approved for Level 3 options trading in order to write puts and for Level 4 options trading to write uncovered puts. Clients who utilize puts on Indexes must be approved for Level 5 options trading. Clients must also receive and read margin and uncovered options disclosures.

Clients in Programs that include options will also be required to open margin accounts with Vision Financial Markets LLC ("VFM").

#### **MARGIN DISCLOSURE STATEMENT**

**Clients who open margin accounts will be provided with the full margin disclosure documents.**

**Margin clients should be aware of the following:**

- They may lose more funds than are deposited in the margin account;
- VFM or VBS can liquidate any short option position or any other security to cover a margin deficiency;
- VBS or VFM can liquidate positions without first contacting the client;
- Clients are not entitled to choose which securities or other assets in their account(s) are liquidated or sold to meet a margin call;
- The loss on a given short spread is limited to the difference between the two strike prices less the net premium received, after execution charges and any other transaction costs;
- VBS or VFM can increase its "house" maintenance margin requirements at any time and are not required to provide advanced written notice to clients; and
- Clients are not entitled to an extension of time on a margin call.

Margin accounts allow for substantial leverage and clients will therefore be responsible for maintaining adequate levels of margin. If the market moves unfavorably, clients may be required to deposit additional margin on short notice to maintain their open positions. Also, clients should be aware that they will have limited ability to withdraw amounts deposited as margin while option positions in their accounts remain open.

**a. The Balanced Portfolio (The B-Portfolio)**

The Balanced Portfolio's principal objective is to seek income and capital gains from a combination of stocks (common and preferred), bonds, notes, cash, cash equivalents, and option premium income. The equity portion of the Balanced Portfolio may use the methods of the Equity Portfolio described below. Vision Advisors' may select securities for the fixed income portion, based upon their assumptions for interest rates, the U.S. Treasury yield curve, credit risk, or macro-economic variables. Fixed income holdings can include preferred stocks, municipal bonds, corporate bonds, U.S. Government Agency debt securities, or other debt instruments.

Vision Advisors may employ, from time to time, a strategy of "writing covered options" or purchasing out-of-the-money put options as described above for its Programs.

**b. The Dividend Portfolio (The D-Portfolio)**

The Dividend Portfolio's principal objective is to seek returns from a diversified group of companies that, we believe, has an attractive dividend rate. Accordingly, the Dividend Portfolio targets mid-cap and/or large-cap stocks with minimum dividend yields, such as 2.00%, or that exhibit a high level of potential for financial strength based upon historical above-average returns, although past performance does not guarantee future results. Mid-cap stocks are defined as companies that have a total market capitalization of between \$1 billion and \$5 billion. Large-cap stocks are companies defined as having over \$5 billion capitalization. Depending on various market influences, the Program may have less diversification, at times, and may be more exposed to sector trends.

Vision Advisors employs discretionary methods for forecasting future revenue and earnings and in applying other rules or financial ratios (such as PE ratio) to evaluate prospects for investment. Vision Advisors may examine financial strength, dividend yield or return on equity, the dividend payout, the debt equity ratio or forward-looking PE ratios, any company history for buying back its securities or raising their dividend payments. Given the discretionary methods for selection and factors, it may result in excluding certain industries including securities that may actually offer higher yields.

Vision Advisors may employ, from time to time, a strategy of "writing covered options" or purchasing out-of-the-money put options as described for its Programs above.

**c. The Equity Portfolio (The E-Portfolio)**

The Equity Portfolio's principal objective is to seek returns from a diversified group of large-cap U.S. traded equities that, we believe, have the potential to outperform the Standard & Poor's 500 Composite Stock Price Index ("S&P 500 Index") over time. The Equity Portfolio primary objective is to compose a diversified portfolio of large-cap stocks that may have exhibited some degree of financial strength, in the past, and thus a potential for growth, although past performance is not necessarily indicative of its future performance. The total amount of diversification will be, to a large degree, a function of the total amount of the individual's investment in the E-Portfolio. The smaller amount invested generally will mean incorporating fewer securities and therefore be less diversified.

Vision Advisors' efforts may focus on identifying companies that have sustainable gross revenue (top-line) and earnings or net income (bottom-line) growth, competitive advantages and strong returns on equity. Vision Advisors, at its discretion, selects and purchases stocks based upon its evaluation of a given company. Such evaluation may include one or more of the factors such as, company's past revenue and earnings growth, current cash flow status, debt factors, financial ratios such as the price-earnings ratio ("PE") and additional ratios and factors we deem to be relevant at any given time.

Securities in the Equity Portfolio may represent several industry sectors, but will generally seek not to be concentrated in any one sector or constitute more than 15% in any one issuer. Securities may be sold when Vision Advisors believes that company is no longer attractive or to replace that security with another security is more attractive. Considerations in selling a security may include factors such as deceleration in sales or earnings growth or expected future growth, a high stock price based on PE Ratio, or key management changes, or any other related factors.

Vision Advisors may employ, from time to time, a strategy of “writing covered options” or purchasing out-of-the-money put options as described for its Programs above.

**d. The Fixed Income Portfolio (The I-Portfolio)**

The Fixed Income Portfolio principal objective seeks conservative investments. They include a taxable Fixed Income Portfolio, which seeks to provide returns from U.S. government agency securities, corporate debt and/or preferred stocks, or a non-taxable Fixed Income Portfolio, which seeks to provide returns from municipal bonds. At Vision Advisors’ discretion the taxable and/or non-taxable Fixed Income Portfolios may consist entirely of one type of security, such as, government agency securities. Fixed income securities may be selected using the same methodology as the fixed income segment in the Balanced Portfolio discussed above. The Fixed Income Portfolio program seeks to produce total returns over complete market cycles to exceed returns that may, otherwise, be expected from random trading and passive management strategies.

**e. Stock Put Writing Program (SPWP) and the Stock Put Credit-Spread Option Program (SPCSOP)**

The Stock Put Writing Program (SPWP) and the Stock Put Credit-Spread Option Program (SPCSOP) seeks returns through an aggressive trading strategy of active and short-term option trading, which is generally suitable for clients capable of tolerating a high degree of risk and sustaining a complete loss of an investment. These Programs use leverage in holding short put option positions and short put option credit-spread positions. Clients in these portfolios must have “Speculation” or “Capital Appreciation” as their primary objective and their risk tolerance must be “Aggressive” or “Speculative”. Clients should allocate no more than 20% of their total investable assets into these portfolios. Clients who are age 65 or older should not allocate more than 15% of their investable assets into these portfolios. The opportunities sought for the SPWP and SPCSOP Programs are:

- The ability to from natural time decay of out-of-the-money short put options;
- The ability to profit from an upward stock trend and/or from a sideways stock trend;
- The ability to trade Exchange Traded Funds (“ETFs”) and Indexes. If puts are going to be sold on an Index, the client would have to first be approved for Level 5 options trading.

Vision Advisors seeks to employ a strategy in SPWP of writing puts (selling the right to a buyer to force a sale upon seller their securities at a particular price (the exercise strike)). A typical transaction may include selling one out-of-the-money put contract on a security and receiving the premium. This exchange means agreeing to purchase 100 shares of that security at the exercise strike price any time before or at the expiration date of the option. If the underlying security’s price does not drop below the strike price of the option, the option premium will generally decay in value, over time, and expire worthless on the expiration date. The premium collected for writing the option becomes the short term profit. If the price of the security drops below the exercise strike price, then the option is subject to being exercised. In that case, the stock would have to be purchased at the strike price, which would be higher than the current market price of the stock. Applicable margin rules do not require an account to maintain sufficient equity to fund assignments on all short option positions. However, should the client be exercised on a short-put position, the cost of funding the resulting assignment of the stock may exceed the account’s free available margin and result in a margin call, which would likely result in liquidating the stock position at a loss. The Stock Put Writing Program is, therefore, a leveraged investment and should only be considered by investors with a high risk tolerance.



In the Stock Put Writing Program, while the desire is to own securities, the belief is that the ownership of that securities should take place at a price that is lower than the current market price, and thus a willingness to wait until a future date under an option strategy. By writing a put option at a strike price below the current market price, it will offer the opportunity to potentially own the security at a lower price by the designated expiration date of the option. The put writer receives the premium as an assumed risk of loss, if the security moves below the strike price. If the security price drops and the option is exercised, the net put premium will be used to lower the net cost on the security when it is purchased at the strike price. If the security does not trade below the strike price by expiration, the option will ultimately expire as worthless and the net put premium will be the profit on the trade. The put writer will be writing uncovered puts and will not own the actual security. It is not the intention of this portfolio to hold any security. If an option position is exercised and the security is purchased, it would most likely be promptly liquidated.

Vision Advisors seeks to employ a strategy in the SPCSOP, by employing writing (selling) put Credit-Spread options. Upon entering into a spread position, under applicable margin rules, the initial margin that is required will be less than the total maximum potential loss on the spread position. The Stock Put Credit-Spread Option Program is a leveraged investment and should only be considered by investors with a high risk tolerance.

Vision Advisors may at its discretion identify securities that, in its belief, have a tendency to trade at or above average market price, ultimately permitting for entering into short-put options trades at higher prices, than when the positions are liquidated (closed) or the option positions expire worthless. A drop (especially a sudden large drop) in the respective stock price will cause losses on the stock option position and, at times, those losses could be greater than the total potential profit on the option transaction.

A credit spread is the simultaneous initiation of a short put option in combination with the purchase of put option at a lower strike price with the same expiration date. One side of the transaction is writing a put on the security and receiving a premium, in exchange for agreeing to purchase the security at the strike price at a future date. The other side of the spread is buying a put option. The buyer pays a premium for the right to sell the security at the strike price at a future date. There are different kinds of spreads that can be used, each having different objectives.

Vision Advisors will engage in writing put credit spreads in the Stock Put Credit-Spread Option Program. In this spread transaction, both the potential for profits and losses are limited. The spread is the difference between the higher and the lower strike price. This strategy is used when one anticipates that the price of the underlying security is likely to move higher or remain in a sideways trading range, but remaining above the strike prices of the spread transactions, which will give it the opportunity to decay over time and result in a profitable trade. The reason the transaction is structured as a short credit spread instead of a naked put is to limit the potential of a loss on the transaction. Having a limited-loss feature also restricts the potential profit and adds transaction costs, because there are two option positions rather than just one.

#### **f. The Total Portfolio (The T-Portfolio)**

The Total Portfolio seeks to employ any of the strategies that are used in managing the other Programs offered. In addition, Vision Advisors may engage in various option strategies including writing naked call options, entering into credit call spreads, entering into short stock positions and/or other including using margin to leverage the assets, which is generally suitable only for clients capable of tolerating a high degree of risk and sustaining a complete loss of their investment. Clients in this portfolio must have "Speculation" or "Capital Appreciation" as their primary objective and their risk tolerance must be "Aggressive" or "Speculative". Clients should allocate no more than 20% of their total investable assets into these portfolios. Clients who are age 65 or older should not allocate more than 15% of their investable assets into this portfolio.

In this portfolio, the manager is seeking market returns aggressively. Vision Advisors exercises broad discretion to employ many aggressive methodologies or market strategies. This portfolio may engage in

activities that are specifically geared to events (either short-term or long-term) taking place in the market. For example, Vision Advisors may employ a “tactical tilt” to exploit a current situation in the market or utilize a complex options strategy due to a severe move in an underlying stock or the market in general.

Vision Advisors may use one or more various strategies, including, but not limited to the following:

- All of the strategies detailed in the Stock Put Writing Program and the Stock Put Credit-Spread Option Program listed above;
- Selling a short (*i.e.*, uncovered) call position providing an opportunity for profit, but also involving unlimited risk of loss as the underlying stock price can rise substantially above the option strike price; and
- A short straddle, which is a non-directional options trading strategy that involves simultaneously selling a put and a call of the same underlying security, strike price and expiration date. The profit is limited to the premiums of the put and call, but the straddle has substantial risk of loss if the underlying security either drops substantially below the strike price of the put or soars above the strike price of the call. This strategy is called non-directional, because the short straddle makes a profit when the underlying security only has small changes in price before the expiration of the straddle.

These strategies involve the use of leverage and margin, writing uncovered options including puts on indexes and involve risks, including those disclosed in statement above about our Programs and the brochure *Characteristics and Risks of Standardized Options* and regarding the use of margin in a client's account.

## **2. IAR Managed Accounts**

The IAR management methods for a client's account differ. For example, they can create a portfolio consisting of one or more, not limited to the following, based on the client's objectives: individual equity securities, exchange-traded funds (ETFs), preferred stocks, mutual funds, fixed income securities (such as corporate bonds, government securities and municipal securities), publicly traded real estate investment trusts and options on securities. While clients may generally invest in publicly-traded securities, IARs may not recommend or invest client assets in penny stocks or securities that do not have a readily available price.

Qualified clients may invest in private placement, offerings, through IARs, that have been approved for offering by Vision Advisors or its Affiliates.

IARs may allocate the client's assets among various investments and may consider one or more of their objectives, risk tolerances or time horizons. The portfolio's weighting may be determined by IARs between funds and market sectors for client's individual needs, desires, or circumstances. Clients have the opportunity to place reasonable restrictions on the types of investments made on their behalf, if accepted by the IAR from the client in writing.

IARs may utilize various data sources in gathering historical information, as well as annual and quarterly reports. IARs may use various investment disciplines such as technical, fundamental, cyclical and charting analysis. IARs may continuously or periodically monitor and evaluate securities relative to market and industry conditions.

IARs may use money market funds to “sweep” unused cash balances.

IARs may use certain strategies that are more risky including, but not limited to, short-term trading (securities sold within 30 days), short sales, and/or naked option writing. Because these investment

strategies involve certain varying degrees of risk, they are recommended only when the client's stated objectives have a tolerance or ability for such risk.

In purchasing shares of a mutual fund for a client's account one or more factors or considerations may include, but are not limited to: (i) experience with the mutual fund; (ii) the mutual fund's overall expenses; and (iii) the fund's investment strategies, risks and performance record. Taking into account the applicable factors the purchase of a mutual fund must be suitable in light of the client's investment objectives, goals, time horizon and risk tolerance.

### **3. Investment Portfolio Review**

Vision Advisors' methods for portfolio review services is on a case by case basis, after an individual consultation, concerning securities holdings and asset allocation.

#### **B. Material Risks of Investment Strategy and Methods of Analysis**

**There can be no assurance that investments, strategies, or the methods described in this Form ADV brochure will be successful, nor that clients will not suffer a partial or complete loss of their entire investment which they must be able to bear. As past performance is not guarantee of future results there is no representation that any strategies or methods mentioned here have been successful in the past.**

Each Program and method involves investing in securities. Investment in securities involves risk of loss that clients should be prepared to bear. There are risks whenever margin, options, or leverage are implemented in a strategy, as discussed above that

#### **C. Security Specific Material Risks**

A variety of investment choices poses various risks that must be considered and may be complex to understand. Risks can survive the initial investment and require monitoring, should the client no longer contract Vision Advisors or their IAR to manage their assets. In addition to the risks described in Item 8 above, more specific material risks can include:

#### **Securities**

Although many securities selected are generally established companies in their industries, there are a number of counterbalancing factors in considering these investments:

- Certain securities may be more vulnerable to market declines from earnings disappointments or adverse factors that inhibit a company's ability to carry out the plan on which the growth prospects were anticipated.
- Securities outside the U.S. can be impacted by fluctuations in foreign currency rates.
- Where margin is utilized, by virtue of the use of borrowed funds and the leverage employed, the returns must exceed interest expenses. Moreover, any losses will be increased in magnitude in direct proportion to the amount of margin debt incurred.

#### **Option Writing**

There are certain risks associated with the option writing strategies:

- In a rising market, a call option written to protect the portfolio, or an individual stock position within the portfolio, may reduce upside potential above the strike price of the option.

- As options expire or experience increased market volatility, it may be more difficult to manage the covered call positions for maximum economic advantage.
- Likewise, market volatility may drop around the time of the expiration and result in lower premium income attainable when “rolling over” an options position.
- Option execution charges have a much greater impact on smaller accounts than they do on larger accounts.

Clients whose accounts will engage in options transactions will receive a copy of the brochure *Characteristics and Risks of Standardized Options* (and any supplements). Clients whose accounts use margin will receive Margin and Uncovered Options disclosures. All these should be read carefully and understood, by the client, before opening an account or agreeing to invest in such strategies.

## **Mutual Funds**

In selecting a mutual fund, there are key factors and risks to consider:

- ability to tolerate a fund's investment strategy, risk profile, investment performance, and relationship to the overall assets allocation strategy and investment time horizon;
- a fund's fees and expenses can have an impact on its investment returns and are important factors as well; and
- the Information and risks for a mutual fund in its respective prospectus.

## **Miscellaneous**

Given that clients may have a variety of investment selected, each investment selection may pose various risks that must be considered or may be complex to understand. Also, many of these risks survive, should the client no longer decides to have Vision Advisors or their IAR manage their investment. Here are some material examples:

### **Call Risk**

A callable provision of a security allows the issuer to call, or repay early. If interest rates drop low enough, an issuer can save money by calling the security and issuing a new security at lower interest rates. If this happens, interest payments cease and clients will receive their principal early.

### **Complex Products**

Complex products may include more than one risk, and rather a number of risks, from any embedded features of any such as structured products, equity-indexed annuities, leveraged and inverse exchange-traded funds (ETFs), principal protected notes, reverse convertibles, and commodity future-linked securities.

### **Counterparty or Credit Risk**

The risk to each party of a contract that the counterparty will not live up to its contractual obligations. Counterparty risk as a risk to both parties and in most financial contracts, counterparty risk is also known as “default risk”. This can cause having to buy in or sell at a price not otherwise anticipated as part of a strategy.

### **Exotic-Exposure Risk**

Complex strategies that move beyond plain-vanilla stocks and bonds have a host of complex risks and require the ability to understand the risks and bear the losses.

### **Hot-New-Thing Risk or Crowded-Trade Risk**

The marketing machine is a mighty force therefore markets that "believe the hype" may artificially increase and alternatively decrease the value of the security in the market. As money rushes in, the attractiveness of a particular asset can diminish. Moreover, some of these new asset classes have limits on liquidity. If the money rushes out, valuations could also be harmed. This can cause the need for additional funding to preserve the position or force liquidation or buy-ins.

### **Inflation Risk**

Inflation risk is a particular concern for investors who are planning to live off their bond income, though it's a factor everyone should consider. The risk is that inflation will rise, thereby lowering the purchasing power of the income.

### **Interest Rate Risk**

Depending on the economic environment and market conditions-both of which can be affected significantly by a change in interest rates, the value of products that have an interest rate sensitivity can be affected (e.g., bonds). However, if you were holding a bond until maturity, interest rate risk is not a concern in that respect.

### **Liquidity Risk**

Liquidity risk is the risk that you might not be able to buy or sell investments quickly for a price that is close to the true underlying value of the asset. Even though a security is liquid when purchased triggers of bad news or other events may cause a sudden change to liquidity, and even the freeze of trading a security.

### **Private Placements**

Private placements each have unique risks associated with the strategy; therefore the respective prospectus must be reviewed before investing.

### **Shutdown Risk**

Where a fund is liquidated and shareholders are paid in cash or in kind the client may realize capital gains, transaction costs, uneven tracking, legal costs or various other possibilities during the liquidation process, which will go to the shareholders of a record date.

### **Tax Risk**

Determining the impact of long and short term tax implications is something the client must be sure to understand and consult with an accountant on as necessary. For example where an investment has the possibility of a cash flow consequence that substantially impacts the client's ability to pay tax liabilities.

### **Trading Risk**

A spread can vary from one penny to many dollars. Spreads can vary over time as well, being small one day and wide the next. Liquidity can be superficial. Therefore, trading costs can quickly eat into returns.

## **Item 9. Disciplinary Information**

Vision Advisors is required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of it or the integrity of its management.

### **A. Criminal or Civil Actions**

Vision Investment Advisors, LLC has no material information applicable to this section. Vision Advisor Affiliates during the course of its ordinary business operations encounter various customer disputes that result in arbitration, none of which at this time is believed to have any material impact to Vision Advisors operations or financial condition.

### **B. Administrative Enforcement Proceedings**

Vision Investment Advisors, LLC has no material information applicable to this section.

### **C. Self-Regulatory Organization Enforcement Proceedings**

1. Information is readily available on Vision Advisor's Affiliates and its IARs as associated persons at [www.brokercheck.com](http://www.brokercheck.com) or at [www.nfa.futures.org](http://www.nfa.futures.org)
2. Vision Financial Markets LLC ("VFM") a Vision Advisor Affiliate, having neither admitted nor denied, settled with the Business Conduct Committee of the NFA in Case No. 13-BCC-018 by agreeing to withdraw NFA FCM membership, pay restitution and a fine, and that Howard Rothman, Robert Boshnack, and Steve Silver would not supervise the VFM affiliate High Ridge Futures LLC that was created to assume VFM's former futures commission merchant business.

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

### **A. Broker Dealer or Representative Registration**

Howard Rothman is the Chief Executive Officer, Managing Member and the Chief Investment Officer for Vision Advisors. Mr. Rothman is President and Chief Financial Officer of Vision Financial Markets LLC, an affiliated self-clearing broker/dealer. In July 1999, he became President of Vision Brokerage Services, LLC, an affiliated broker/dealer, for which he acts as a General Securities Principal, Option Principal and Financial Operations Principal. Among his various treasury functions as Chief Financial Officer of Vision Financial Markets LLC, Mr. Rothman has been responsible for the investments of both customer equity and Firm capital. This involved the management of up to \$300 million invested in short-term government securities, U.S. government agency instruments, and short-term investments including money market instruments. Mr. Rothman sets credit, risk and margin policies on behalf of the Firm. He holds the following FINRA designation: National Commodity Futures exam (Series 3); Registered Options Principal (Series 4); General Securities Representative (Series 7); Direct Participation Programs Limited Representative (Series 22); General Securities Principal (Series 24); Financial and Operations Principal (Series 27); Direct Participation Programs Limited Principal (Series 39); Uniform Securities Agent State

Law (Series 63); and Uniform Investment Adviser (Series 65). Mr. Rothman is a Managing Member of the sole member of High Ridge Futures LLC an affiliated independent introducing futures broker.

Robert Boshnack is a Principal of Vision Advisors, and currently has no administrative responsibilities with Vision Advisors and is not involved in the day-to-day activities of Vision Advisors. He is Chairman and Registered Principal of Vision Financial Markets LLC (and its predecessor Vision LP). In addition, Mr. Boshnack has functioned as President of Whitehall Investment Management Inc., a registered Futures Introducing Broker, since November 1984. He is a managing member of the sole member of High Ridge Futures LLC, an affiliated independent introducing futures broker.

Steven M. Silver is the Chief Operating Officer and the Chief Compliance Officer for Vision Advisors. Mr. Silver has been associated with Vision Advisors since May of 2006 and is also the Chief Marketing Officer and Global Head of Sales for Vision Financial Markets LLC and the Chief Operating Officer for Vision Brokerage Services, LLC. He is a General Securities Principal, Registered Options Principal and Municipal Securities Principal. Mr. Silver holds the following FINRA qualifications: Registered Commodity Representative (Series 3); Registered Options Principal (Series 4); General Securities Representative (Series 7); General Sales Supervisor (Series 8); General Registered Principal (Series 24); Branch Manager Futures (Series 30); Municipal Securities Principal (Series 53); Uniform Securities Agent State Law (Series 63); and Uniform Investment Adviser (Series 65). Mr. Silver is the Global Head of Sales for High Ridge Futures LLC an affiliated independent introducing futures broker.

Lloyd King is Senior Vice President, Administration, for Vision Financial Markets LLC (and its predecessor Vision LP) since February 1988. Mr. King is also Senior Vice President, Administration and a General Securities Principal, Registered Options Principal and a Municipal Securities Principal of Vision Brokerage Services, LLC, an Affiliate. Mr. King holds the following FINRA qualifications: General Securities Representative (Series 7); General Securities Principal (Series 24); Municipal Securities Principal (Series 53); Uniform Investment Adviser (Series 65); and Uniform Securities Agent State Law (Series 63). Mr. King also holds a National Commodity Futures license (Series 3) and is an associated person with High Ridge Futures LLC, an affiliated independent introducing futures broker. Mr. King is retiring shortly and his role will be assumed by current staff.

Additional information may be available in the brochure supplements for each IAR of Vision Advisors, and upon request.

#### **B. Futures or Commodity Registration**

Vision Advisors is registered as a Commodity Trading Advisor ("CTA") with the Commodity Futures Trading Commission ("CFTC"). Additionally, Vision Advisors is affiliated, through common ownership, with VBS, VFM and High Ridge Futures. VBS and VFM are broker/dealers registered with the Securities and Exchange Commission and members of Financial Industry Regulatory Authority ("FINRA"). High Ridge Futures is an NFA member and Independent Introducing broker registered with the CFTC, and an Affiliate. These affiliations are a result of common ownership, management and control including sharing representatives, employees, operations, locations, and expenses. VFM has withdrawn its registration as an FCM and its membership with the NFA.

All of the management persons of Vision Advisors are engaged in other endeavors and business ventures. Certain management persons are Registered Representatives of VFM and VBS and/or Associated Persons of High Ridge Futures LLC. VFM and VBS share employees with Vision Advisors.

#### **C. Material Relationships Maintained by this Advisory Business and Conflicts of Interest**

Vision Advisors utilizes disclosures to clients, implements written supervisory procedures, which includes a code of conduct for its business, Affiliates and IARs in managing Conflicts of Interest. Vision Advisors will manage Conflicts of Interest, as is described throughout the various sections of this Form ADV

brochure. IARs who are also VFM or VBS registered representative brokers, are not permitted to earn simultaneously broker commissions and IAR advisory fees on clients they advise.

Vision Advisors and IARs direct the client, in the absence of a direction to the contrary by a client, to establish brokerage accounts at VBS or VFM, its Affiliates. VBS and VFM are SEC-registered broker/dealers and FINRA Member Firms. Vision Advisors buys and sells securities for its advisory accounts through VBS and VFM. VBS conducts brokerage services for Vision Advisors' accounts on a fully-disclosed basis with VFM.

Vision Advisors may recommend an independent CTA to a client for management of a portion of the client's account in managed futures. High Ridge Futures LLC may act as an introducing brokerage firm for such CTAs and receive earnings for execution charged from the client's futures account. Vision Advisors may receive a fee or generate execution charges on investments that it recommends be placed with CTAs. The costs associated with investing with each CTA are determined on a case-by-case basis and are disclosed to the client in writing prior to investment.

In the event Vision Advisors selects third-party advisors for its clients, Vision Advisors will contemplate to assure the proper licensure and registration of such advisors, in accordance with the regulatory obligations for such advisory activities they will be selected to advise upon, such as with the NFA for a CTA.

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

### **A. Code of Ethics Description**

A Code of Ethics contains restrictions, and requirements to comply with all applicable federal securities laws. Vision Advisors has adopted a Code of Ethics to detect non-compliance and manage conflicts of interest. On a quarterly and annual basis, those persons covered by the Code, such as IARs, report their personal securities transactions and holdings. The Chief Compliance Officer or designee will review reports to monitor personal securities transactions. Those persons covered under the Code are required to report any violations of the Code to Vision Advisors' Chief Compliance Officer. Clients and prospective clients may obtain a copy of Vision Advisors' Code of Ethics at any time upon request.

### **B. Investment Recommendations Involving a Material Financial Interest and Conflicts of Interest**

Vision Advisors may recommend in the various portfolios offered to clients, securities of issuers that are also purchased, sold or held by Vision Advisors and its officers, directors, associates, employees and affiliates and their pension or retirement plans. Vision Advisors makes this disclosure to manage material conflicts of interest to its clients, so as to permit the client to assess the motivation of the decisions that it takes on the client's behalf. Vision Advisors and Affiliates will seek to avoid any actions that would unfairly place its own interest ahead of the best interest of the client's.

### **C. Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest.**

Vision Advisors may purchase in the various portfolios offered to clients, securities of issuers that are also purchased, sold or held by Vision Advisors and its officers, directors, associates, employees and affiliates and their pension or retirement plans. Vision Advisors makes this disclosure to manage material conflicts of interest to its clients, so as to permit the client to assess the motivation of the decisions that it takes on the client's behalf. Vision Advisors and Affiliates seek to avoid any actions that would unfairly place its own interest ahead of the best interest of the client's.



**D. Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest.**

Vision Advisors is mindful of its fiduciary duties and seeks not inappropriately deprive them to its own advantage. Generally, the liquidity of the markets for the type of securities purchased in its Programs do not create the potential for conflicts in the personal securities transactions of its principals or employees. Vision Advisors and its principals, associates, employees, affiliates and their retirement accounts may purchase or sell securities that they do not recommend to or include in client portfolios, where they do not meet the investment guidelines established for client portfolios. Also, investment objectives and personal circumstances of those persons can differ from those of clients as such the timing of such transactions may or may not coincide with the timing of the portfolio transactions for clients. As a precaution, however, Vision Advisors will typically place proprietary orders on the same side of a transaction on the same day for the same security simultaneously with orders placed for client accounts. The orders will usually be allocated using the average pricing method to alleviate any difference in execution prices. Vision Advisors Affiliates do monitor for suspicious transactions and timing.

Certain proprietary accounts and VFM's pension and profit sharing plan may pay lower advisory fees and execution charges than paid by clients. Although, clients may negotiate fees with Vision Advisors and Affiliates.

## **Item 12. Brokerage Practices**

**A. Factors Used to Select Broker-Dealers for Client Transactions**

Vision Advisors utilizes its Affiliate brokers VFM and VBS, for its client's transactions. Not all investment advisers recommend clients to use a specified broker-dealer. VBS is a FINRA-member firm that clears trades through VFM, which also is a SEC-registered broker-dealer and FINRA member. VFM will clear and settle the transactions and hold custody of client funds and securities. Vision Advisors may utilize other broker-dealers, at its discretion. However, Vision Advisors reserves its right to reject an account that directs brokerage to another firm.

Although VBS and VFM provide competitive execution charges, these charges may not be the lowest attainable for similar transactions and have not been negotiated at arms' length due to the relationship between Vision Advisors and Affiliates. This may result in clients paying more for brokerage execution than might otherwise be available from others. Vision Advisors has a duty to its clients, as their investment adviser, to obtain the combination of best price from execution and reviews its practices regularly. It should be understood, that Vision Advisors is not entirely impartial in making this appraisal in review of its affiliation with VBS and VFM. VBS and VFM choose executing brokers with which to execute securities transactions with. These executing brokers post their quarterly best execution reports on their websites, and are available upon client request.

Vision Advisors may decline an advisory account that directs brokerage to another broker/dealer. Where Vision Advisors decides to accept such an account, it will place its orders for the directed account after it has placed orders for the same securities through VBS or VFM, instead of batching orders or placing block orders, a procedure that may result in less favorable executions. Directing brokerage can result in Vision Advisors being unable to freely negotiate execution charges or spreads, select such brokers on the basis of best price and execution, or ensure the rates of such firms will be comparable to those of VFM or VBS. As a result, the client may pay higher execution charges, additional transaction costs or greater spreads, or may receive less favorable net prices, for the advisory account than would otherwise be the case. Factors that Vision Advisors may consider in determining whether to accept directed brokerage accounts is the size of the account, the nature of the client or a previously established relationship with the other brokerage firm and whether the client was referred by that firm.

Vision Advisors conducts its own research on data from of a variety of sources, for each client and its selections. Vision Advisors does not publish or sell research reports. Vision Advisors does not have any “soft-dollar arrangements” (benefits provided to an asset manager by a broker-dealer as a result of commissions generated from financial transaction executed by the broker-dealer for client accounts) with Affiliates.

**B. Aggregating Securities Transactions for Client accounts**

Orders for an advisory account may be placed separately, unless Vision Advisors decides to purchase or sell the same securities for several clients at approximately the same time. In such event, Vision Advisors may (but is not obligated to) aggregate or “batch” such orders to obtain best execution, to negotiate more favorable execution charges or to allocate equitably among accounts, thereby reducing differences in prices and execution charges or other transaction costs that might have occurred had such orders been placed separately. Transactions generally will be averaged as to price and transaction costs and will be allocated among accounts in proportion to the purchase and sale orders placed for each account on any given day.

VFM may receive rebates for options orders executed by certain market makers at the Chicago Board Options Exchange. This could create an incentive for VFM to direct client orders to such market makers.

### **Item 13. Review of Accounts**

**A. Schedule for Periodic Review of Client Accounts or financial Plans and advisory Persons Involved.**

Vision Advisor’s Chief Investment Officer, at his sole discretion, may review Program participant accounts weekly, monthly, quarterly or less, as determined at his sole election for establishing, or for ongoing analysis of, a process and/or schedule of review for meeting objectives, adjustments or responses to market conditions for portfolios and accounts. IAR similarly elect at their sole discretion the necessary review procedures and schedule for such review.

**B. Review of Client Accounts on Non-Periodic Basis**

Accounts for which Vision Advisors only provides an investment portfolio review service is not subsequently reviewed or updated after the report is issued or provided to the client.

**C. Content of Client Provided Reports and Frequency**

Vision Advisors has a Web site related to its advisory services: [www.advicewithvision.com](http://www.advicewithvision.com), which is available to its clients. Clients whose accounts are maintained at VBS may access their brokerage accounts, retrieve statements and confirmations and obtain market information at: [www.visionbrokerageservices.com](http://www.visionbrokerageservices.com). Clients whose accounts are maintained at VFM may access their brokerage accounts, retrieve statements and confirmations, and obtain market information at: [www.visionfinancialmarkets.com](http://www.visionfinancialmarkets.com).

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

**A. Economic Benefits provided to the Advisory Firm from external Sources and Conflicts of Interest**

In addition to those laid out in Item 5. Section D *External Compensation* Affiliates may obtain payments for order flow and thus its Affiliates receive an economic benefit from external sources for orders that are placed by Vision Advisors. Affiliates may receive payments and incentives from investments with third-parties, under which it has a referral or selling, agreement.

## **B. Advisory Firm Payments for Client Referrals**

IARs or Agents (“Agents”) who solely solicit or refer clients will normally be compensated, by written arrangement, for those accepted by Vision Advisors’ for investment management services as clients. Some Agents may not be qualified by examination, as permitted by relevant state rules on a case by case basis, to recommend or select investment advisors, in such cases the Agent acts solely as referrer and is not making any qualified investment advisory recommendations regarding Vision Advisors. In exchange for such referrals or solicitation and assistance with clients, Vision Advisors will pay the Agent a portion of its advisory fee. This does not increase the fee paid by clients. Such arrangements generally provide for disclosure and acknowledgement of the referral arrangements to the client. Although, any recommendation of such Agent is not disinterested, because they are paid for the introduction. Also, Agent has incentive to recommend that you remain a client of Vision Advisors, since the Member will generally be paid a portion of Vision Advisors’ fees for all periods during which you remain a client.

## **Item 15. Custody**

Clients receive account statements directly from the custodian, VFM, a self-clearing broker-dealer and Affiliate of Vision Advisors, under common control and ownership and as further explained in Item 4 *Description of Advisory Business*. This custodian, as an SEC-registered self-clearing broker-dealer safeguards its customer assets by complying with the applicable net capital, customer protection, and security count rules of the SEC or other applicable regulations, along with sending client’s monthly account statements, whenever there is activity in the account, or quarterly regardless of account activity. In addition, clients receive confirmations, directly from the custodian, anytime a trade is done for the account. When the account is set up as an IRA account, a non-affiliate custodian, such as Equity Trust Company or other qualified custodian will be the IRA’s Custodian, but the statements and confirmations will still come from VFM.

## **Item 16. Investment Discretion**

Unless otherwise negotiated with a client, the client executes a Limited Power of Attorney over their account which provides Vision Advisors and any IAR with total discretionary authority to invest the funds in the account and over the purchase and sale of all securities from the assets within the account, without the client’s prior consent, before each transaction, within the framework of the investment objectives expressed by the client. This authority also includes the authority to select brokers or dealers through which transactions will be effected and execution charges paid. In certain cases, Vision Advisors may provide advisory services on a non-discretionary basis, and Vision Advisors will recommend a transaction to a client who is then responsible for rejecting or approving such recommendation before the transaction is affected.

## **Item 17. Voting Client Securities**

For all client accounts that are not subject to the Employees Retirement Income Security Act (“ERISA”), unless a client directs Vision Advisors in writing to vote proxies pertaining to investments in a client’s account, Vision Advisors will not vote any proxies for securities or exercise voting rights pertaining to investments in a client’s account (including, without limitation to, matters relating to conversions, exchanges, mergers, stock splits, rights, offerings, recapitalizations and reorganizations). Vision Advisors will also not act for clients in any legal proceedings, including bankruptcies or class actions, involving securities held or previously held by a client’s account. It is the client’s responsibility to vote any proxies for securities, exercise voting rights, or take any legal actions pertaining to investments in his or her account. Ordinarily, the client’s broker/dealer or custodian will forward proxies or other communications pertaining to investments in the client’s account directly to the client. Clients should contact their

broker/dealer or custodian if they do not receive proxies or other mailings pertaining to the investments in the account.

For those accounts that are subject to ERISA, unless a client directs Vision Advisors in writing to the contrary, or the documents of an employee benefit plan reserve the right to vote proxies to the plan's trustees or named fiduciary, Vision Advisors will vote all proxies for securities and exercise voting rights pertaining to investments in a client's account (including, without limitation to, matters relating to conversions, exchanges, mergers, stock splits, rights, offerings, recapitalizations and reorganizations). Clients may obtain a copy of Vision Advisors' complete proxy voting policies and procedures upon request. Clients may also obtain information from Vision Advisors about how Vision Advisors voted any proxies on behalf of their account(s).

Vision Advisors may retain a third party to advise it in making proxy decisions and to process the return of proxies. Also, clients should understand that Vision Advisors will not be responsible or liable for failing to vote any proxies where it has not received such proxies or related communications on a timely basis from the broker/dealer or custodian.

## **Item 18. Financial Information**

### **A. Balance Sheet**

Vision does not solicit prepayment from Clients in fees six months or more in advance.

### **B. Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients.**

Vision Advisors is required in this section to provide certain financial information or disclosures about its financial condition. Vision Advisors affiliates may have discretionary authority as VFM maintains custody of VIA client funds as a qualified custodian. Vision Advisors and its Affiliates have no financial commitments that impair their ability to meet contractual and fiduciary commitments to clients.

### **C. Bankruptcy Petitions during the Past Ten Years**

Vision Advisors has not been the subject of a bankruptcy proceeding.

## **Item 19. Requirements for State-Registered Advisor**

### **A. Principal Executive Officers and Management Persons**

Vision Investment Advisors, LLC principal owners are Howard Rothman and Boshnack Family LLC, a Delaware limited liability company whose principal is Robert Boshnack and H. Rothman Family LLC, whose principal is Gayle Rothman. Howard Rothman is the Chief Executive Officer, Managing Member and the Chief Investment Officer and Steve Silver is the CCO and COO. Lloyd King is Senior VP and David Stein is General Counsel. Robert Boshnack, Gayle Rothman, Lloyd King and David Stein do not make recommendations, render advice, manage accounts or solicit, nor do they supervise those who do.

### **B. Other Business Activities Engaged In.**

Vision Advisors does not engage in other activities, although its principals and executive officers and management persons above do share their time between Vision Financial Markets, LLC and Vision

Brokerage Services, LLC which are further explained in Item 10. *Other Financial Industry Affiliations Section*

**C. Performance Based Fee Description.**

Vision Advisors is not compensated for performance-based fees not otherwise described in Item 5. *Fees and Compensation* and Item 6. *Performance Based Fees and Side-By-side Management*, which includes any conflicts of interest.

**D. Disclosure of Material Facts Related to Arbitration or Disciplinary Actions Involving Management Persons.**

Any material facts related to Vision Advisors its management persons and affiliates is listed in Item 9. *Disciplinary Information*.

**E. Material Relationships Maintained by this Advisory Business or Management Persons With Issues of Securities.**

Vision Advisors and its management persons do not have any relationship or arrangement with any issuer of securities that is not disclosed in this Form ADV.