

Item 1. Cover Page

## **Part 2A Form ADV**

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

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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. Vision Advisors is now 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 makes provisions for state registration as required. While states have varying requirements for registration and rules for compliance, Vision Advisors will not 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 is organized under the state of Delaware doing business since September 2000. Its principal owners are Howard Rothman and Boshnack Family LLC, a Delaware limited liability company whose principle is Robert Boshnack. The investment methodologies at Vision Advisors have been developed by Howard Rothman, its Chief Investment Officer. Mr. Rothman makes the ultimate investment selections and recommendations, and personally (though not solely) monitors each client account that receives discretionary investment advice. Mr. Rothman has concurrent ownership and/or control in Vision Advisors' and its "Affiliates": 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, all of which offer services to or on behalf of Vision Advisors and its clients. Mr. Rothman shares his working time, and directly and indirectly financially benefits from the services provided, between them and Vision Advisors.

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

#### **Investment Portfolios - Non-Wrap Fee Programs**

Vision Advisors provides discretionary advisory services on a non-wrap fee basis in the Equity, Balanced and Total Portfolios, the Stock Put Writing Program and the Stock Put Credit-Spread Option Program, and to individual and institutional investors. A Vision Advisors' client may establish an account in one or more of Vision's investment portfolios, each of which consists of accounts with similar investment objectives, portfolio construction, market exposure and risk tolerance. Each client's portfolio is managed specifically for that client based upon the client's individual goals, objectives, restrictions and current market conditions. A client may request, subject to Vision Advisors' approval, to place limited and reasonable restrictions on the specific securities or types of securities that are purchased for the client's account. Vision Advisors may also provide discretionary advisory services not based on any of the portfolios described below.

#### **The Equity Portfolio (The E-Portfolio)**

Vision Advisors' principal objective in its Equity Portfolio 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 is primarily composed of a diversified portfolio of large-cap stocks that currently exhibit a high degree of financial strength and potential for growth. The total amount of diversification is, to a large degree, a function of the total amount of the individual client's funds invested in the E-Portfolio. An account with a smaller amount invested generally will incorporate fewer stocks and therefore be less diversified.

Vision Advisors' research 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 selects and purchases stocks based upon its research and evaluation of a given company. During this process, we will review a given 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.

Securities in the Equity Portfolio may represent several sectors of the economy, but generally will not be concentrated in any one sector or constitute more than 15% in any one issuer. Securities are sold when we deem the ownership of that company is no longer attractive, or to replace that security with another

security that we believe is more attractive. Considerations to sell a security may include deceleration in sales or earnings growth or expected future growth, a high stock price based on PE Ratio or key management changes, among other related factors.

Vision Advisors also believes that it makes sound economic sense to employ, from time to time, a strategy of writing covered call positions against some or all of the stocks in the Equity Portfolio.

The primary purpose of option writing is to earn additional income through premiums received from the buyers of the call options. By monitoring the volatility, delta and time to expiration, Vision Advisors works to optimize the tradeoff between receiving option premium income and the possibility of forgoing future price appreciation on the underlying stock above the written strike price of the option, until the option expires. At the same time, the investor receives a small measure of downside protection, to the extent of the net option premium received, should the price of the stock decline. By adding a covered call position to an existing long stock position, Vision Advisors will attempt to enhance the potential overall return in the portfolio.

The goal of a covered call position is for the short option value to decay over time and allow the account holder to realize a gain up to the total net option premium received, should the option position expire worthless. In order to calculate the gain or loss on the overall covered call position, one must measure the profit or loss realized during the period the covered call option position was open against the profit and loss of the open securities position during the same time period.

In addition to covered calls, Vision Advisors may, from time to time, purchase out-of-the-money put options to further add to the level of downside protection. The ratio of purchased put options may be less than the number of long shares of stock owned in the account. Please recognize that employing puts to help protect the stocks in an account is likely to temper total returns (due to the premium paid to purchase the put options), but does provide some downside protection against declines in the value of the underlying stocks.

### **The Balanced Portfolio (The B-Portfolio)**

The principal objective of the Balanced Portfolio is to provide 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 is managed using the methods employed to manage the Equity Portfolio accounts. Within the fixed income portion, securities are evaluated and selected based upon Vision Advisors' interest rate assumptions, the U.S. Treasury yield curve, credit risk and a number of macro-economic variables that may affect the relative performance of the specific bonds. Fixed income holdings can include preferred stocks, municipal bonds, corporate bonds, U.S. Government Agency debt securities and other debt instruments.

Vision Advisors also believes that it makes sound economic sense to employ, from time to time, a strategy of writing covered call positions against some or all of the stocks in the Balanced Portfolio.

The primary purpose of option writing is to earn additional income through premiums received from the buyers of the call options. By monitoring the volatility, delta and time to expiration, Vision Advisors seeks to optimize the tradeoff between receiving option premium income and the possibility of forgoing future price appreciation on the underlying stock above the written strike price of the option, until the option expires. At the same time, the investor receives a small measure of downside protection, to the extent of the net option premium received, should the price of the stock decline. By adding a covered call position to an existing long stock position, Vision Advisors attempts to enhance the potential overall return in the portfolio.

The goal of a covered call position is for the short option value to decay over time and allow the account holder to realize a gain, up to the total net option premium received, should the option position expire worthless. In order to calculate the gain or loss on the overall covered call position, one must measure the

profit or loss realized during the period the covered call option position was open against the profit and loss of the open securities position during the same time period.

In addition to covered calls, Vision Advisors may, from time to time, purchase out-of-the-money put options to further add to the level of downside protection. The ratio of purchased put options may be less than the number of long shares of stock owned in the account. Please recognize that employing puts to help protect the stocks in an account is likely to temper total returns (due to the premium paid to purchase the put options), but does provide some downside protection against declines in value of the underlying stocks.

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

Vision Advisors provides its clients with an alternative trading strategy that is designed for investors seeking aggressive returns and who are suitable for a high risk of loss, active and short-term option trading, including the use of leverage in holding short put option positions and short put option credit-spread positions. For these investors, Vision Advisors offers the Stock Put Writing Program (SPWP) and the Stock Put Credit-Spread Option Program (SPCSOP).

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. (Vision Advisors has additional portfolios that could be utilized for the balance of a client's investable assets.) Clients who are age 65 or older should not allocate more than 15% of their investable assets into these portfolios.

Vision Advisors seeks to achieve an aggressive return for investors in the Stock Put Writing Program, by employing a strategy of writing (selling) put options on a group of common stocks. A client enters a typical trade by selling an out-of-the-money put on a given stock and receiving a premium in exchange for agreeing to purchase 100 shares of that stock at the strike price any time before the expiration date of the option. If the underlying stock price does not drop below the strike price of the option, the option 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 for that trade. If the stock price drops below the exercise 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. A client is not required under applicable margin rules to maintain in his/her account sufficient equity to fund assignments on all the client's 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.

Vision Advisors seeks to achieve an aggressive return for investors in the Stock Put Credit-Spread Option Program, by employing a strategy of writing (selling) put Credit-Spread options on a group of common stocks. By 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. Therefore, the Stock Put Credit-Spread Option Program is a leveraged investment and should only be considered by investors with a high risk tolerance.

Clients in both of the above programs will be required to open margin accounts with Vision Financial Markets LLC ("VFM"). 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.

## 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.

Clients in both of the above 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. Those clients who open option accounts will be provided with a copy of the brochure *Characteristics and Risks of Standardized Options* (and any supplements) prior to being approved to trade options. Clients will also receive margin and uncovered options disclosure forms. ***Please note: Options involve risk and are not suitable for all clients.***

Vision Advisors will first identify companies that we believe have a strong tendency to trade at or above their current market price (these may be the same stocks that Vision Advisors uses in its other portfolios). The Portfolios seek to achieve trading profits by ultimately entering into the short-put options trades at higher prices than when the positions are liquidated (closed) or the option positions expire worthless. Of course, an investor should fully understand that 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.

Leverage is a significant part of the investment strategy and creates the risk that a declining price of a stock, in the case of writing puts, 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.

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 stock and receiving a premium, in exchange for agreeing to purchase the stock 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 stock at the strike price at a future date. There are different kinds of spreads that can be used, each having different objectives.

Vision Advisors seeks to maintain a diversified portfolio of short options on various stocks that it believes will be more beneficial than limiting the option positions to just one or a few stocks.



In the Stock Put Writing Program, if a client desires to own shares of stock but also believes that the ownership of that stock should take place at a price that is lower than the current market price and is willing to wait until a future date, an option strategy can be employed. By writing a put option at a strike price below the current market price, it will offer the opportunity to potentially own the stock at a lower price by the designated expiration date of the option. The put writer receives the premium since he/she has now assumed the risk of loss if the stock moves below the strike price. If the stock price drops and the option is exercised, the net put premium will be used to lower his/her net cost on the stock when it is purchased at the strike price. If the stock 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 stocks. It is not the intention of this portfolio to hold any stocks. If an option position is exercised and stock is purchased, it would most likely be promptly liquidated.

In the Stock Put Credit-Spread Option Program, Vision Advisors will engage in writing put credit spreads. In this spread transaction, both the profit and loss 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 stock 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.

The opportunities of the SPWP and SPCSOP Programs are:

- The ability to profit 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;
- Access to investment methodologies developed by Howard Rothman, Vision Advisors' Chief Investment Officer ("CIO"). Mr. Rothman makes the ultimate investment selections or recommendations and actively manages the portfolios;
- Each client's individual portfolio will be individually managed by the CIO; and
- Portfolios also offer 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.

Additional information about each of the Portfolios is under Item 8 *"Methods of Analysis, Investment Strategies and Risk of Loss."*

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

Vision Advisors offers the Total Portfolio in which it may employ any of the strategies that it uses in managing the other Portfolios offered, such as the Equity and Balanced Portfolios and the Stock Put Writing and Stock Put Credit-Spread Option Program. 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 taking other actions in a client's account including the using margin to leverage the assets in a client's account. This portfolio entails a **HIGH DEGREE OF RISK** and requires Level 5 option trading (the highest level) along with margin access.

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. (Vision Advisors has additional portfolios that could be utilized for the balance of a client's investable assets.) 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 aggressive market returns. Please note that Vision Advisors will have broad discretion to employ many aggressive market strategies in order to seek profits. We believe that this portfolio has the flexibility to engage in activities that are specifically geared to events (either short-term or long-term) that are 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 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. Please review the following important risk disclosure statement regarding the use of margin in a client's account.

#### **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.

Clients in the Total Portfolio will also have 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. Those clients who open option accounts will be provided with a copy of the brochure *Characteristics and Risks of Standardized Options* (and any supplements) prior to being approved to trade options. Clients will also receive margin and uncovered options disclosure forms. **Please note: Options involve risk and are not suitable for all clients.**

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

Vision Advisors provides discretionary investment advisory services based on a client's investment objectives and risk tolerances. Occasionally, if requested by a client, Vision Advisors may provide investment advice on a non-discretionary basis. Vision Advisors also provides portfolio review services based on individual consultations with clients concerning their securities holdings and asset allocation. Vision may recommend a third-party investment adviser manage all or a portion of a client's account or an independent Commodity Trading Advisor ("CTA") to manage a portion of a client's account in managed futures.

#### **D. Investment Advisor Representatives Non-Wrap Fee Accounts**

Vision Advisors also sponsors and offers non-wrap fee accounts through Vision Advisors' Investment Advisor Representatives ("Vision IARs"). Under the IAR accounts, Vision IARs provide discretionary investment advice to individual and institutional clients not pursuant to the Investment Portfolios listed above, based on a combination of a one-time asset-based start-up fee, if any, and an asset-based management fee. Each Vision IAR provides investment advice differently. Clients will pay for advisory services and brokerage services separately.

Vision Advisors' compensation is based on a combination of a one-time asset-based start-up fee, if any, and an asset-based management fee (collectively, the "Fees"). The start-up fee, if any, is payable on the date the funds are deposited with the client's broker pursuant to Vision Advisors Investment Advisory Agreement and is refundable if the account is closed before any transactions are effectuated for the account. The management fee is 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. Fees may be negotiated and may differ between clients' accounts. The specific manner in which fees are charged by Vision Advisors is disclosed in a client's written agreement with Vision Advisors and the IAR. Clients should carefully review their investment advisory agreement with Vision Advisors and the IAR prior to establishing an account.

If the account starts in the middle of a quarter, the management 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. The management fee is deducted from the account before distribution of account assets to the client.

An IAR managing an account can receive a portion of the 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. Vision Advisors' fees may be higher or lower than those normally charged by other investment advisors for comparable advisory services. There may be other investment advisors who can provide comparable types of advisory services at a lower advisory fee rate. Clients should be aware that each advisor has different experience and may offer different products and levels of service.

Any updated Information about the IAR accounts can be found on Vision Advisors' Website as well at: [www.advicewithvision.com](http://www.advicewithvision.com) or can be requested by e-mail: [info@advicewithvision.com](mailto:info@advicewithvision.com) or by phone: 203.388.2700.

Vision Advisors' IARs can manage client's account and in such case each IAR has his/her own methods of providing investment advice. Vision Advisors does not select or recommend an IAR for a client and does not select client investments for the IARs. Each IAR acts independently, makes his/her own investment recommendations and is responsible for those recommendations, although Vision Advisors monitors the accounts of all clients.

The IAR managing a client's account can create a portfolio consisting of one or more of the following: individual equity securities including exchange-traded funds (ETFs), preferred stocks, mutual funds, fixed income securities (such as corporate bonds, government securities and municipal securities), unit investment trusts, real estate investment trusts and options on securities. Clients will generally be

invested in publicly-traded securities. Qualified clients may invest in private placement, offerings, through IARs, that only have been approved for offering through Vision Advisors. IARs may also invest in portfolios offered by Vision Advisors. IARs may not recommend or invest client assets in penny stocks or securities that do not have a readily available price.

IARs can allocate the client's assets among various investments in consideration of the objectives, risk tolerance and time horizon of each individual client. The portfolio's weighting can be determined by IARs between funds and market sectors for client's individual needs and circumstances. Clients have the opportunity to place reasonable restrictions on the types of investments made on their behalf, if they provide the restrictions in writing.

IARs can also engage third-party money managers, with whom VFM or Vision Advisors may have a selling agreement, when managing the client's account. Fees for such management can vary from manager to manager and will be in addition to the fees paid to Vision Advisors.

An IAR can recommend a third-party CTA to a client and to manage an appropriate portion of the client's account where such allocation to managed futures is suitable for the respective client based on details of the proposed investment (including size of the allocation, etc.). As a Futures Independent Introducing Broker, High Ridge Futures LLC, an affiliate, may act as the introducing broker for any such investment with a CTA and would receive compensation for acting in such capacity. The IAR can include such allocated assets in the total amount on which they are advising the client and on which the investment management fee is charged. There are costs involved in a managed futures investment including commissions, exchange/clearing fees and regulatory fees. These costs are separate from any fees charged by Vision Advisors for allocating and supervising the assets. In addition, an IAR can also be registered as an Associated Person with an Introducing Broker firm that is a member of the National Futures Association. In such instance, it is possible that an investment in a CTA program can be made through the Introducing Broker firm and that the IAR can then share in a portion of the commissions generated with the futures account. This may present a potential conflict of interest, which the IAR is required to disclose such affiliation to the client and obtain the client's consent to function as the Introducing Broker of the futures account in addition to their role allocating assets as an IAR.

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. However, IARs will continuously 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 viewed as more risky including, but not limited to, short-term trading (securities sold within 30 days) and short sales and/or naked option writing. Because these investment strategies involve certain additional degrees of risk, they can be recommended when the client's stated objectives have a tolerance for such risk.

There also risks associated with strategies and recommendations as stated in this document. Such as for Options, 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 resulting 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. All clients engaging in options transactions, regardless of the portfolio they select, will receive a copy of the brochure Characteristics and Risks of Standardized Options (and any supplements) at, or prior to opening an options account. Clients whose accounts are using options strategies, in addition to covered calls, will also receive the margin and uncovered options disclosure forms.

#### **E. Wrap Fee Programs**

Vision Advisors also sponsors and offers a wrap fee program: the Vision Advisors' Wrap Fee Program ("VIA Wrap Fee Program"). The Portfolios described in VIA Wrap Fee Program Brochure are offered to individual and institutional clients in the VIA Wrap Fee Program. Vision Advisors acts as the sole portfolio manager for the VIA Wrap Fee Program. Under the VIA Wrap Fee Program, Vision Advisors offers clients discretionary investment advice, along with trade execution, brokerage, custodial and other services for a single asset-based annual fee, paid quarterly, in addition to certain other charges and expenses. More information about the wrap fee program and the portfolios offered is contained in a separate brochure (Appendix 1), and can be found on Vision Advisors' Web site at: [www.advicewithvision.com](http://www.advicewithvision.com) or can be requested by e-mail: [info@advicewithvision.com](mailto:info@advicewithvision.com) or by phone: 203-388-2700.

#### **F. 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. Methods of Compensation and Fee Schedule**

##### **Fee Negotiation**

All fees may be subject to negotiation. When negotiating fees, Vision Advisors considers 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. Due to the fact that fees may vary, clients with existing accounts may be charged fees that do not match precisely the foregoing fee schedules or the fees paid by other clients. Total Fees charged by Vision Advisors along with any 3<sup>rd</sup> Party Asset Managers will not exceed industry standard unless a Qualified client. (3%)

All fees are also subject to negotiation between the client and an IAR, subject to approval by Vision Advisors. As such, fees and execution costs may differ among clients. When negotiating fees, IARs may consider these various factors as well. Because fees may vary, IAR clients who have funds allocated to Vision Advisors may pay a higher fee than clients who invest directly with Vision Advisors.

##### **Start-up Fees for All Accounts**

A representative fee schedule of the one-time asset-based start-up fee, if any, is listed below. However, the actual fee may be negotiated with an individual client prior to the time the account is opened and, for a specific tier, may be higher or lower than what is shown, but will not exceed the highest fee listed below. The fee charged to the client when combined with the asset-based management fee will generally not exceed industry standard unless a Qualified Client or exempt. (3%). "Qualified Clients" 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 fee is deducted from the client's account after the date of the initial deposit. Start-up fees may vary based upon factors at Vision Advisors' discretion, including but not limited to, a fee reduction in exchange for a higher management fee, or if the client has additional accounts with Vision Advisors or firms affiliated with Vision Advisors. Clients will be informed of their start-up fee, if any, prior to opening the account. Subsequent deposits in a client's account may, at Vision Advisors' discretion, incur separately charged supplemental start-up fees, which the clients are advised of in advance of depositing additional funds into their account:

##### **Start-Up Fee (All Portfolios)**

<b>Assets</b>	<b>Fees</b>
\$0 - \$250,000	2.00%
\$250,001 - \$500,000	1.50%
\$500,001 - \$1,000,000	1.00%
Over \$1,000,000	Negotiable

### **Annual Asset-Based Management Fee (Non-Wrap Fee Accounts) for Equity, Balanced and Total Portfolios**

Representative fee schedules of the annual asset-based management fees are listed below. 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, but will not exceed the highest fee shown below. Fees are paid on a quarterly basis. The amount of the fee may vary based upon factors at Vision Advisor's discretion, including but not limited to, the amount of the original investment, if the client has accounts with an affiliated firm and if the client has additional accounts with Vision Advisors. A client will be advised of the management fee prior to opening an account with Vision Advisors.

#### **Equity: E-Portfolio\***

<b>Assets</b>	<b>Fees</b>
\$0 - \$250,000	2.00%
\$250,001 - \$500,000	1.50%
Over \$500,000	Negotiable

#### **Balanced: B-Portfolio\***

<b>Assets</b>	<b>Fees</b>
\$0 - \$100,000	2.00%
\$100,001 - \$250,000	1.75%
\$250,001 - \$500,000	1.50%
Over \$500,000	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, an execution fee of \$25.00 for stock transactions and not to exceed \$5.00 per option contract executed will be assessed on each transaction placed in the account. All client accounts will incur a \$2.50 processing charge per transaction, payable to VFM or VBS, when trades are placed in the accounts.

### **Fee Schedule for Stock Put Writing and Stock Put Credit-Spread Option Programs**

A representative fee schedule of the annual asset-based management fees (paid quarterly), incentive fees and execution fees, is listed below. However, the actual fees may be negotiated with an individual client and, for a specific tier, may be higher or lower than what is shown, but will not exceed the highest fee shown 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. The amount of the fees may vary based on factors at Vision Advisor's discretion, including but not limited to, the amount of the original investment, if the client has accounts with an affiliated firm and if they have additional accounts with Vision Advisors. A client will be advised of the fees and execution charges prior to the client opening an account with Vision Advisors.

Program	Execution Fee	Management Fee	Incentive Fee
A	Up to \$5.00 per option contract* \$25.00 per stock trade*	2.00%	20.00%
B	Up to \$5.00 per option contract* \$25.00 per stock trade*	2.00% up to 4.00%**	NONE

\*Clients in the Stock Put Writing and Stock Put Credit-Spread Option Programs pay a \$2.50 processing charge on each transaction, payable to VFM or VBS, when trades are placed in their accounts.

\*\* High end of fee may only be charged to Qualified Clients (In CA defined under CCR 260.234). “ 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

### **Performance-Based Fees**

Vision Advisors will consider reducing its management fees for the Equity, Balanced and Total Portfolios, and the Stock Put Writing and Stock Put Credit-Spread Option Programs for qualified clients who choose to pay an incentive fee, which is based solely on the performance in the account. Under Rule 205-3 of the Investment Advisers Act, such clients are defined as “ 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 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. The incentive fee is paid 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.

#### **B. Client Payment of Fees**

The specific manner in which fees are charged by Vision Advisors is disclosed in the client's Investment Management Agreement with Vision Advisors. Fees are deducted from the client's account on a quarterly basis in arrears. Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Upon termination of any account, any unpaid fees will be due to Vision Advisors and payable on a prorated basis. Clients whose accounts are managed by a Vision IAR will pay Vision Advisors fees for a non-wrap account in addition to the fee they pay to Vision Advisors for a Vision IAR to manage their individual account.

In the Non-Wrap Fee Program, clients will pay for advisory services and brokerage services separately. Clients will not be charged commissions but will incur an execution fee on each transaction that is placed in their account.

#### **C. Additional Client Fees Charged**

### **Investment Portfolio Review Fees**

Vision Advisors will analyze a client's investment portfolio and make investment recommendations regarding asset allocation based on a client's stated investment objectives for an hourly fee ranging from

\$150-\$250. The rate will depend on the complexity of the client's portfolio. Clients who wish to implement recommendations with Vision Advisors after a portfolio review will receive a commensurate reduction of the start-up fee, which is negotiated when the account is opened.

#### **D. Prepayment of Fees**

##### **Fees for Investment Advisory Services**

Vision Advisors' compensation is based on a combination of a one-time asset-based start-up fee, if any, and an asset-based management fee. The start-up fee, if any, is payable on the date the funds are deposited in the client's account, pursuant to Vision Advisors Investment Advisory Agreement. The management fee is 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.

If an account starts in the middle of a quarter, the management 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 and prorated for the number of days in the quarter the account was under management. The management fee is deducted from the account before the account assets are distributed to the client.

Clients should be aware that Vision Advisors' 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 advisory fee rate.

#### **E. External Compensation For the Sale of Securities to Clients**

##### **Brokerage and Other Costs for Non-Wrap Fee Accounts**

Vision Advisors requires that clients establish and maintain their accounts at Vision Brokerage Services ("VBS") or Vision Financial Markets ("VFM"), brokerage firms that are affiliated with 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. Vision Advisors' advisory fees do not include brokerage and custodial expenses incurred by the client and paid to VBS and/or VFM, another broker/dealer or custodian selected by the client. In addition to the non-wrap fee, all client accounts will be charged execution fees of \$25.00 per stock trade and not to exceed \$5.00 per option contract executed. All client accounts will also incur a \$2.50 processing charge per transaction, payable to VFM or VBS, when trades are placed in their accounts. Clients will also be charged any mark-ups or mark-downs with respect to fixed income securities depending on where and how they are purchased. 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.

Where Vision Advisors recommends or purchases mutual funds in client accounts, it will do so through VBS or VFM. Generally, Vision Advisors purchases no-load mutual funds, which do not generate sales charges, but VBS or VFM may receive Rule 12b-1 fees from a mutual fund for the period of time the assets are invested. Clients who purchase load mutual funds will pay a mutual fund sales commission to VBS or VFM, in addition to, the advisory fee to Vision Advisors. Any Rule 12b-1 fees and any sales commission paid to VBS or VFM may create a conflict for Vision Advisors between its fiduciary duties to act in the best interest of its clients and its incentive to generate fees for VFM, VBS or its affiliated brokerage firms. Vision Advisors may put a portion of a client's assets in money market funds for cash management purposes. These funds may also pay 12b-1 fees to VBS or VFM.

Clients should be aware that the IAR managing the client's account, in his/her capacity as a Registered Representative affiliated with VBS, may receive a portion of the shareholder servicing or Rule 12b-1 fees



paid to VBS. The receipt of such compensation may create a conflict for the IAR between his or her fiduciary duty to act in the best interests of the client and the incentive to generate fees for VBS to obtain additional compensation for themselves. Vision Advisors addresses this conflict by monitoring mutual fund purchases for client accounts and by educating and supervising IARs regarding suitability requirements for clients. Clients also should be aware that Vision Advisors' use of VFM or VBS to execute transactions may result in the client receiving less favorable execution on some transactions.

Vision Advisors is mindful of its fiduciary duty to its clients and considers a number of factors before recommending or purchasing shares of a mutual fund for a client's account. These factors include, but are not limited to: (i) Vision Advisors' 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, Vision Advisors will only recommend or purchase shares of a mutual fund for a client if such investment is suitable for a client in light of the client's investment objectives, goals, time horizon and risk tolerance.

Vision Advisors may recommend a third party CTA to a client for management of an appropriate portion of the client's Account. Any such allocation to managed futures must be based on the suitability of the respective client and the details of the proposed investment (including size of the allocation, etc.). A client may incur fees and expenses in connection with a managed futures account with an independent CTA recommended by Vision Advisors in addition to any management fees charged by the individual CTA. Vision Advisors' fees will be determined on a case-by-case basis with each client prior to an agreement being signed.

IARs may engage third-party money managers to manage a portion of a client's account or may allocate a portion of a client's account to one or more portfolios offered by Vision Advisors. This could create two types of conflicts. The first is in the selection of the money manager. Investment of client funds with third-party money managers may result in IARs sharing in a part of the compensation paid by the money manager for such investments. Since different money managers pay different compensation, the IAR may have a potential conflict of interest, as the IAR could have a financial incentive to select a money manager that pays higher compensation. The second is in the selection of a money manager versus a Vision Advisors' portfolio. The compensation received by the IAR for using third-party money managers could be more or less than the compensation the IAR would receive for investing the client's funds in a Vision Advisors portfolio. In addition, the client may pay higher fees when investing through an IAR rather than directly with Vision Advisors or a third-party manager. Therefore, the IAR may have a financial incentive to select either a money manager or Vision Advisors portfolio that pays higher compensation over the one paying lower compensation. An IAR may give different advice to different clients based on their specific goals and objectives. An IAR 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.

Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's Prospectus. Such fees are in addition to the advisory fee charged by Vision Advisors. Neither Vision Advisors nor any of its affiliates receive any portion of such fund management fees.

Clients may also incur: (i) annual custodial fees, brokerage account fees or other administrative fees, such as wire fees, charged by VFM or VBS; (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.

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 and VFM and High Ridge Futures LLC. As owners of VBS and VFM and High Ridge Futures LLC, Messrs. Rothman and Boshnack have an indirect financial interest in brokerage charged by affiliates or other revenues generated by any securities or futures transactions for the clients of Vision Advisors. Although

Messrs. Rothman and Boshnack will not earn commissions directly from the brokerage transactions conducted through VBS and VFM or High Ridge Futures LLC, Registered Representatives of VBS or VFM or High Ridge Futures LLC may earn from fees charges for transactions, in addition to receiving a fee for referring the client to Vision Advisors. A referral fee consists of a portion of the advisory fees, both annual and start-up, if any, charged by Vision Advisors. See “*Client Referrals and Other Compensation*” on page 18 for more information. Thus, Vision Advisors may have an incentive to engage in a higher volume of trading than would be the case in the absence of such a relationship. Vision Advisors may also recommend the Vision Advisors’ Wrap Fee Program to a client, depending on the brokerage activity in the client’s account. Vision Advisors addresses this conflict by monitoring the brokerage activity in client accounts to identify any unusual trading patterns or circumstances.

See Item 12 “*Brokerage Practices*” for additional information.

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

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 (but do not currently) pay incentive fees while others do not, has the potential to create a conflict for Vision Advisors. Vision Advisors would have 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 its trades equally among all client 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 who seek an approach to capital appreciation by investing in established stocks with demonstrable prospects for growth coupled with a strategic covered call writing program. Vision Advisors’ investment programs are also suitable for institutional investors such as corporate pension plans, trusts, endowments and charitable organizations with similar investment objectives. In addition, Vision Advisors currently manages customer segregated funds account for VFM, and the collateral accounts of persons who have entered into secured demand notes with VFM. Each IAR may have specific types of investors that he/she serves. IARs may give different advice to different clients based on each client’s specific goals and objectives.

In order for its investment program 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 a potential loss of diversification.

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

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

Vision Advisors provides discretionary advisory services in the Equity, Balanced and Total Portfolios, and the Stock Put Writing and Stock Put Credit-Spread Option Programs as described under “*Advisory Business*,” beginning on page 1 above.

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

There can be no assurance that the methods described above will be successful or that clients will not suffer losses. Clients should be aware that each investment portfolio involves investing in securities. Investment in securities involves risk of loss that clients should be prepared to bear.

Clients who open margin accounts should be aware that margin involves the use of leverage, and clients may lose more money than they deposit in the margin account. Clients who open margin accounts with VFM or VBS will be provided with the full margin disclosure documents. However, they should be aware of the following:

#### **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.**

Vision Advisors' investments in the equity portion of its portfolios are concentrated in large-cap stocks with market capitalizations generally over \$5 billion. These stocks may be listed on exchanges or on the NASDAQ National Market System and typically are seasoned companies with a history of earnings displaying particular growth characteristics. Vision Advisors may also purchase mid-cap stocks that exhibit similar characteristics and preferred stocks. If a client's circumstances warrant, Vision Advisors may also recommend an independent CTA or another investment adviser to manage a portion of a client's account in managed futures or securities, as applicable.

Vision Advisors focuses primarily on long-term investing with a growth-oriented approach supported by technical analytical methods to determine target prices in its equity and balanced portfolios. Drawing from traditional and electronic information sources such as financial reports, SEC filings, Bloomberg, various rating services and nationally recognized research services such as Value Line and Standard & Poor's, Vision Advisors may conduct primary research on factors such as: (i) revenues and income growth; (ii) dominant-industry position; (iii) large-cap status; (iv) return on equity; and (v) companies that favor stock purchase programs. In addition, enhanced yield and a measure of downside protection is sought through closely monitored covered call option writing.

Vision Advisors may use one or more of these investment strategies: (a) long-term purchases (securities held for at least one year); (b) short-term purchases (securities sold within one year); (c) margin transactions; and (d) option writing, including covered options, uncovered options, or spread strategies.

#### **C. Security Specific material Risks**

#### **Special Considerations**

Although the stocks selected in the Equity, Balanced and Total Portfolios are generally established companies in their industries, there are a number of counterbalancing factors in considering an investment in these portfolios:

- Many of the companies selected for purchase are growth companies or are poised for active growth and tend to exhibit higher price-earnings ratios than the market as a whole. Such stocks 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.
- Because the companies in the Equity and Total Portfolios will typically conduct business globally and have significant operations or product distribution in countries outside the U.S., their earnings can be impacted by fluctuations in foreign currency rates.

In the Total Portfolio, Vision Advisors may purchase securities on margin. By virtue of the use of borrowed funds and the leverage employed in the portfolio, the returns must exceed interest expenses. Moreover, any losses will be increased in magnitude in direct proportion to the amount of margin debt incurred.

### **Risks of Option Writing Strategies**

There are certain risks associated with the option writing strategies employed in the Equity, Balanced, Total Portfolios and the Stock Put Writing Program and Stock Put Credit-Spread Option Program.

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.

All clients engaging in options transactions, regardless of the portfolio they select, will receive a copy of the brochure *Characteristics and Risks of Standardized Options* (and any supplements) at, or prior to opening an options account. Clients whose accounts are using options strategies, in addition to covered calls, will also receive the margin and uncovered options disclosure forms.

## **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**

Vision financial Markets, LLC ("VFM") an 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 created to assume VFM former futures business. Additional information is available on Vision Advisor's affiliates and its associated persons at [www.brokercheck.com](http://www.brokercheck.com) or at [www.nfa.futures.org](http://www.nfa.futures.org).

## **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, Chief Executive Officer - Futures 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.

### **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 and VFM. 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 registered Independent Introducing broker 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 is withdrawing its registration as an FCM and its membership with the NFA shortly.

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, through its discretionary authority, will, in the absence of a direction to the contrary by a client, establish brokerage accounts for its advisory clients at VBS or VFM. VBS and VFM are SEC registered broker/dealers and FINRA Member Firms. Vision Advisors will buy and sell orders 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 pays VBS a set fee of 15% of the quarterly management fees that it receives from its clients on a quarterly basis under the Vision Advisors Wrap Fee Program. This amount is paid out of the fees that the client already pays so that there is no additional charge to clients. Vision Advisors will manage its conflicts through information disclosure of its Reps who are also VFM or VBS brokers, and who are not permitted to collect brokerage and representative fees. Vision Advisors utilizes disclosures to clients to mitigate conflicts.

Vision Advisors sponsors the Vision Associates Advisory Network (the "Vision Network"). The Vision Network is a network of individuals who solicit advisory clients for Vision Advisors. Through the Vision Network, Vision Advisors solicits prospective clients among accounting and professional firms, correspondent firms and introducing brokers that clear their futures trades through VFM. A percentage of the start-up fees, if any, as well as a percentage of the ongoing quarterly fees that Vision Advisors receives from a client's account may be paid to the individual who referred the client to Vision Advisors.

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 in Client Transactions and Personal Trading**

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

Vision Advisors has adopted a Code of Ethics that is designed to detect and prevent conflicts of interest. The Code of Ethics contains various trading restrictions. Access persons under the Code, such as IARs, are required to report any violations of the Code to Vision Advisors' Chief Compliance Officer. On a quarterly and annual basis, these access persons must report their personal securities transactions and holdings, and comply with all applicable federal securities laws. The Chief Compliance Officer or designee is required to review and monitor reports of personal securities transactions. 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 discloses all material conflicts of interest to its clients.

**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.

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

Certain proprietary accounts and VFM's pension and profit sharing plan may pay lower advisory fees and execution charges than paid by clients. Because the investment objectives and personal circumstances of those persons may differ from those of their clients, the timing of such transactions may not coincide with the timing of the portfolio transactions for clients. In addition, 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, because such securities do not meet the investment guidelines established for client portfolios. In such instances, Vision Advisors is not obligated to offer clients the opportunity to invest or purchase such securities.

Vision Advisors is, nonetheless, mindful of its fiduciary duties and will not deprive clients of, or appropriate to its own advantage, investment opportunities that are suitable for client accounts. Because of the liquidity of the markets for the type of securities purchased in its Equity, Balanced, Stock Put Writing Program, Stock Put Credit-Spread Writing Programs and Total Portfolios, Vision Advisors does not anticipate the potential for conflicts in the personal securities transactions of its principals or employees. 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.

## **Item 12. Brokerage Practices**

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

Vision Advisors intends to effect all brokerage transactions through VBS or VFM. However, Vision Advisors may utilize other broker/dealers at its discretion based upon the account introduction. Vision Advisors reserves its right to reject an account that directs brokerage to another firm. Clients whose accounts consist of collateral underlying any secured demand note entered into with VFM will have their transactions executed at VFM. 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. Clients should be aware that not all investment advisers recommend or require clients to use a specified broker/dealer.

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 the firms. This may result in clients paying more for brokerage execution than might otherwise be the case. Although VBS and VFM are affiliated with Vision Advisors, Vision Advisors has a duty to its clients, as their investment adviser, to obtain a combination of best price and execution for their advisory accounts. It should be understood, however, that Vision Advisors is not entirely impartial in making this appraisal in view of its affiliation with VBS and VFM. Vision Advisors relies on the best execution policy of VBS and VFM. Both VBS and VFM receive quarterly best execution reports prepared by an independent third party, which are posted on their Web sites.

Vision Advisors reserves the right to decline acceptance of an advisory account that insists upon directing 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 may also result in Vision Advisors not being in a position 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 commonly considers in determining whether to accept directed brokerage accounts are 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 generally conducts in-house research and receives data from a variety of sources. Vision Advisors does not currently have any "soft-dollar arrangements" with VBS, VFM or other brokers nor does it direct transactions to other brokers in recognition of such services or obtain such services from VBS or VFM.

#### **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. However, any savings in transaction costs will not benefit clients with wrap fee accounts, since the client pays a wrap fee for all brokerage services in the Account.

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.**

The Chief Investment Officer at his sole discretion and election may review accounts weekly or otherwise and/or establish an ongoing analysis process to ensure that client objectives are being met and tactical adjustments are made to respond to changing market conditions.

#### **B. Review of client Accounts on Non-Periodic Basis**

Accounts for which Vision Advisors only provides investment portfolio review services are not reviewed after a report is provided to the client. When market conditions, economic events or individual issuers prompt immediate review, accounts are reviewed more frequently and may be subject to daily monitoring.

#### **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**

VFM and VBS 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. VFM and VBS may receive payments and incentives for investments with third parties that it has referral or other agreements with.

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

Vision Advisors sponsors the Vision Associates Advisory Network (the "Vision Network"). The Vision Network is a network of individuals who solicit advisory clients for Vision Advisors and act as a liaison between those clients and Vision Advisors. Vision Network participants may be employees of affiliates of Vision Advisors or third-party financial planners, accountants or other professionals, including correspondent brokers who clear transactions through VFM. Vision Network participants are subject to Vision Advisors' control and supervision when conducting these activities as a member of the Vision Network. Referrals will normally be made through written arrangements to compensate the referring party or solicitor for recommending Vision Advisors' investment management services to its clients. In exchange for such referrals and assistance with clients, Vision Advisors will offer to pay the referring party a portion of its advisory fee. Such arrangements will be entered into in accordance with Rule 206(4)-3 of the Investment Advisors Act and applicable state laws, which generally provide for disclosure of the terms of referral arrangements.

If you become a client through a member or agent in the Vision Network, you should not view any recommendation of such member as being disinterested, as the member will generally be paid for the introduction out of Vision Advisors' fees. Also, you should regard such a member as having an incentive to recommend that you remain a client of Vision Advisors, since the agent 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. The statements are sent monthly whenever there is activity in the account and quarterly regardless of account activity. In addition, clients receive confirmations directly from the custodian anytime a trade is done in the account. When the account is set up as an IRA account, a custodian such as Equity Trust Company or other qualified custodian will be the IRA Custodian, but the statements and confirmations will still come from VFM.

## **Item 16. Investment Discretion**

Unless otherwise negotiated with a client, Vision Advisors is given total discretionary authority in the agreements with its clients to invest their funds without prior consent to 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 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, the client should understand that 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. The SEC has adopted Rule 206(4)-6, requiring an investment adviser to adopt written policies and procedures governing its exercise of voting authority for client securities. The rule requires that proxy voting policies be reasonably designed to ensure that the adviser votes proxies in the best interest of clients.

## **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 or securities as defined in SEC rule 206(4)-2 as a qualified custodian. Vision Advisors and its Affiliates have no financial commitment 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 principle is Robert Boshnack and H. Rothman Family LLC, whose principal is Gayle Rothman. Howard Rothman is the Portfolio Manager, CEO and Owner 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 5 *Performance Based Fees and Side-By-side Management* or in the Appendices, 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 listed in Item 10.c. of Part 2A.