

# Disclosure Brochure

March 10, 2016

## **Infiniti Wealth Management**

*a Registered Investment Adviser*

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This brochure provides information about the qualifications and business practices of Infiniti Wealth Management (hereinafter "Infiniti"). If you have any questions about the contents of this brochure, please contact George Waters at (845) 278-8638. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Additional information about Infiniti Wealth Management is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Infiniti Wealth Management is an SEC registered investment adviser. Registration does not imply any level of skill or training.

## Item 2. Material Changes

This Item discusses only the material changes that have occurred since Infiniti's last annual update dated March 10, 2015. Infiniti does not have any material changes to disclose in this Item.

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## Item 4. Advisory Business

Infiniti was founded by George Waters and Michael Durante, the principals of the firm, in June 2003 based on the belief that many financial services firms were too large and impersonal. Infiniti believes that personalized individual attention is what clients deserve and seeks to provide that to its clients.

Infiniti provides financial planning, consulting, and investment management services. Prior to engaging Infiniti to provide any of the foregoing investment advisory services, the client is required to enter into one or more written agreements with Infiniti setting forth the terms and conditions under which Infiniti renders its services (collectively the “*Agreement*”). Neither Infiniti nor the client may assign the *Agreement* without the consent of the other party. A transaction that does not result in a change of actual control or management of Infiniti is not considered an assignment.

Infiniti has \$94,563,623 of assets under management as of December 31, 2015, all of which are managed on a discretionary basis.

This disclosure brochure describes the business of Infiniti. Certain sections will also describe the activities of *Supervised Persons*. *Supervised Persons* are any of Infiniti’s officers, partners, directors (or other persons occupying a similar status or performing similar functions), or employees, or any other person who provides investment advice on Infiniti’s behalf and is subject to Infiniti’s supervision or control.

### Financial Planning and Consulting Services

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Infiniti may provide its clients with a broad range of comprehensive financial planning and consulting services (which may include non-investment related matters). These services are tailored to the individual needs of the client, but generally include retirement planning, divorce financial planning, and general financial planning.

In performing its services, Infiniti is not required to verify any information received from the client or from the client’s other professionals (e.g., attorney, accountant, etc.) and is expressly authorized to rely on such information. Infiniti may recommend the services of itself, and/or other professionals to implement its recommendations. Clients are advised that a conflict of interest exists if Infiniti recommends its own services. The client is under no obligation to act upon any of the recommendations made by Infiniti under a financial planning or consulting engagement or to engage the services of any such recommended professional, including Infiniti itself. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any of Infiniti’s recommendations. Clients are advised that it remains their responsibility to promptly notify Infiniti if there is ever any change in their financial situation or investment objectives for the purpose of reviewing, evaluating, or revising Infiniti’s previous recommendations and/or services.

## Investment Management Services

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Clients can engage Infiniti to manage all or a portion of their assets on a discretionary or non-discretionary basis.

Infiniti primarily allocates clients' investment management assets among mutual funds, exchange-traded funds ("ETFs"), individual debt and equity securities, certificates of deposit, municipal and United States government securities, and/or *Independent Managers* (as defined below) in accordance with the investment objectives of the client. In addition, Infiniti may recommend that clients who are "accredited investors" as defined under Rule 501 of the Securities Act of 1933, as amended, invest in private placement securities, which may include debt, equity, and/or pooled investment vehicles when consistent with the clients' investment objectives. Infiniti also provides advice about any type of investment held in clients' portfolios.

Infiniti tailors its advisory services to the individual needs of clients. Infiniti consults with clients initially and on an ongoing basis to develop a financial plan or similar goal/risk questionnaire to determine risk tolerance, time horizon and other factors that may impact the clients' investment needs. Infiniti ensures that clients' investments are suitable for their investment needs, goals, objectives and risk tolerance.

Clients are advised to promptly notify Infiniti if there are changes in their financial situation or investment objectives or if they wish to impose any reasonable restrictions upon Infiniti's management services.

## Use of Independent Managers

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As mentioned above, Infiniti recommends that certain clients authorize the active discretionary management of a portion of their assets by and/or among certain independent investment managers ("*Independent Managers*"), based upon the stated investment objectives of the client. The terms and conditions under which the client engages the *Independent Managers* are set forth in a separate written agreement between Infiniti or the client and the designated *Independent Managers*. Infiniti renders services to the client relative to the discretionary and/or non-discretionary selection or recommendation of *Independent Managers*. Infiniti also monitors and reviews the account performance and the client's investment objectives. Infiniti receives an annual advisory fee which is based upon a percentage of the market value of the assets being managed by the designated *Independent Managers*.

When recommending or selecting an *Independent Manager* for a client, Infiniti reviews information about the *Independent Manager* such as its disclosure brochure and/or material supplied by the *Independent Manager* or independent third parties for a description of the *Independent Manager's* investment strategies, past performance and risk results to the extent available. Factors that Infiniti considers in recommending an *Independent Manager* include the client's stated investment objectives, management style, performance, reputation, financial strength, reporting, pricing, and research. The investment management fees charged by the designated *Independent Managers*, together with the fees charged by the corresponding designated broker-dealer/custodian of the client's assets, may be exclusive of, and in

addition to, Infiniti's investment advisory fee set forth above. As discussed above, the client may incur additional fees than those charged by Infiniti, the designated *Independent Managers*, and corresponding broker-dealer and custodian.

In addition to Infiniti's written disclosure brochure, the client also receives the written disclosure brochure of the designated *Independent Managers*. Certain *Independent Managers* may impose more restrictive account requirements and varying billing practices than Infiniti. In such instances, Infiniti may alter its corresponding account requirements and/or billing practices to accommodate those of the *Independent Managers*.

## Item 5. Fees and Compensation

Infiniti offers its services on a fee basis, which may include hourly and/or fixed fees, as well as fees based upon assets under management.

### Financial Planning and Consulting Fees

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Infiniti may charge a fixed fee and/or hourly fee for financial planning and consulting services. These fees are negotiable, but generally range from \$1,000 to \$8,000 on a fixed fee basis and/or from \$150 to \$300 on an hourly rate basis, depending upon the level and scope of the services and the professional rendering the financial planning and/or the consulting services. If the client engages Infiniti for additional investment advisory services, Infiniti may offset all or a portion of its fees for those services based upon the amount paid for the financial planning and/or consulting services.

Prior to engaging Infiniti to provide financial planning and/or consulting services, the client is required to enter into a written agreement with Infiniti setting forth the terms and conditions of the engagement. Generally, Infiniti requires one-half of the financial planning / consulting fee (estimated hourly or fixed) payable upon entering the written agreement. The balance is generally due upon delivery of the financial plan or completion of the agreed upon services. For divorce financial planning, Infiniti generally requires full payment up-front.

### Investment Management Fee

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Infiniti provides investment management services for an annual fee based upon a percentage of the market value of the assets being managed by Infiniti, as follows:

<b>PORTFOLIO VALUE</b>	<b>BASE FEE</b>
up to \$2,000,000	1.25%
\$2,000,001 to \$5,000,000	1.00%
\$5,000,001 to \$10,000,000	0.75%
above \$10,000,001	0.50%

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Infiniti's annual fee is exclusive of, and in addition to brokerage commissions, transaction fees, and other related costs and expenses which are incurred by the client. Infiniti does not, however, receive any portion of these commissions, fees, and costs. Infiniti's annual fee is prorated and charged quarterly, in advance or arrears, based upon the market value of the assets being managed by Infiniti on the last day of the previous quarter.

As further disclosed in response to Item 7, Infiniti imposes a minimum annual fee for its investment management services. Infiniti, in its sole discretion, may negotiate to waive its minimum fee or charge a lesser management fee based upon certain criteria (i.e., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention, *pro bono* activities, etc.).

### **Fees Charged by Financial Institutions**

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As further discussed in response to Item 12 (below), Infiniti generally recommends that clients utilize the brokerage and clearing services of Fidelity Institutional Wealth Services ("*Fidelity*") Pershing Advisor Solutions ("*Pershing*") for investment management accounts.

Infiniti may only implement its investment management recommendations after the client has arranged for and furnished Infiniti with all information and authorization regarding accounts with appropriate financial institutions. Financial institutions include, but are not limited to, *Fidelity*, any other broker-dealer recommended by Infiniti, broker-dealer directed by the client, trust companies, banks etc. (collectively referred to herein as the "*Financial Institutions*").

Clients may incur certain charges imposed by the *Financial Institutions* and other third parties such as fees charged by *Independent Managers* (as defined below), custodial fees, charges imposed directly by a mutual fund or ETF in the account, which is disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Additionally, for assets outside of any wrap fee programs, clients may incur brokerage commissions and transaction fees. Such charges, fees and commissions are exclusive of and in addition to Infiniti's fee.

Infiniti's *Agreement* and the separate agreement with any *Financial Institutions* may authorize Infiniti or *Independent Managers* to debit the client's account for the amount of Infiniti's fee and to directly remit that management fee to Infiniti or the *Independent Managers*. Any *Financial Institutions* recommended by Infiniti have agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to Infiniti. Alternatively, clients may elect to have Infiniti send an invoice for payment.

### **Fees for Management During Partial Quarters of Service**

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For the initial period of investment management services, the fees are calculated on a *pro rata* basis.

The *Agreement* between Infiniti and the client will continue in effect until terminated by either party pursuant to the terms of the *Agreement*. Infiniti's fees are prorated through the date of termination and any remaining balance is charged or refunded to the client, as appropriate.

Clients may make additions to and withdrawals from their account at any time, subject to Infiniti's right to terminate an account. Additions may be in cash or securities provided that Infiniti reserves the right to liquidate any transferred securities or decline to accept particular securities into a client's account. Clients may withdraw account assets on notice to Infiniti, subject to the usual and customary securities settlement procedures. Infiniti may consult with its clients about the options and ramifications of transferring securities. However, clients are advised that when transferred securities are liquidated, they are subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications.

If assets are deposited into or withdrawn from an account after the inception of a quarter, the fee payable with respect to such assets will not be adjusted or prorated based on the number of days remaining in the quarter.

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

Infiniti does not provide any services for performance-based fees. Performance-based fees are those based on a share of capital gains on or capital appreciation of the assets of a client.

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

Infiniti provides its services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and business entities.

#### **Minimum Fee**

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As a condition for starting and maintaining a relationship, Infiniti generally imposes a minimum annual fee of \$4,000. This minimum fee may have the effect of making Infiniti's service impractical for clients, particularly those with portfolios less than \$200,000 under Infiniti's management. Infiniti, in its sole discretion, may waive its minimum annual fee based upon certain criteria including anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention, and *pro bono* activities.

Additionally, certain *Independent Managers* may impose more restrictive account requirements and varying billing practices than Infiniti. In such instances, Infiniti may alter its corresponding account requirements and/or billing practices to accommodate those of the *Independent Managers*.



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

Infiniti views itself as partners with its clients. Infiniti meets with clients to develop a personalized financial plan and then implements the plan through its ongoing investment management. Infiniti manages its clients' assets based on each individual client's goals and time horizon within a risk level appropriate for that client in a conservative, tax efficient and cost efficient portfolio. Infiniti does not try to time the market, but believes firmly in asset allocation and diversification while managing risk, tax liability, and expenses.

Infiniti's investment approach is centered on the use of ETFs and mutual funds. Infiniti first develops a core portfolio for the client, and then incorporates additional securities that have a low correlation to the core portfolio and/or Infiniti believes will offer added value. Infiniti closely tracks client portfolios to targeted benchmarks and adjusts portfolios accordingly.

In selecting securities, Infiniti's primary methods of analysis are fundamental and technical.

*Fundamental analysis* involves the fundamental financial condition and competitive position of a company. Infiniti will analyze the financial condition, capabilities of management, earnings, new products and services, as well as the company's markets and position amongst its competitors in order to determine the recommendations made to clients. The primary risk in using fundamental analysis is that while the overall health and position of a company may be good, market conditions may negatively impact the security.

*Technical analysis* involves the analysis of past market data rather than specific company data in determining the recommendations made to clients. Technical analysis may involve the use of charts to identify market patterns and trends which may be based on investor sentiment rather than the fundamentals of the company. The primary risk in using technical analysis is that spotting historical trends may not help to predict such trends in the future. Even if the trend will eventually reoccur, there is no guarantee that Infiniti will be able to accurately predict such a reoccurrence.

### **Risk of Loss**

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Investing in securities involves the risk of loss. Clients should be prepared to bear such loss.

### **Mutual Funds and Exchange Traded Funds (ETFs)**

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An investment in a mutual fund or ETF involves risk, including the loss of principal. Mutual funds and ETFs are subject to secondary market trading risks. Shares of mutual funds and ETFs will be listed for trading on an exchange, however, there can be no guarantee that an active trading market for such shares will develop or continue. There can be no guarantee that a mutual funds' and ETFs' exchange listing or ability to trade its shares will continue or remain unchanged. Shares of the mutual fund or ETF may trade on an exchange at prices at, above or below their most recent net asset valuation (NAV),

which is the price that an investor would buy or sell the mutual fund or ETF at. The per share NAV of a mutual fund or ETF is calculated at the end of each business day, and fluctuates with changes in the market value of the mutual fund's or ETF's holdings. The trading prices of a mutual fund's or ETF's shares may differ significantly from NAV during periods of market volatility, which may, among other factors, lead to the mutual fund's ETF's shares trading at a premium or discount to NAV.

## Market Risks

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The profitability of a significant portion of Infiniti's recommendations may depend to a great extent upon correctly assessing the future course of price movements of stocks and bonds. There can be no assurance that Infiniti will be able to predict those price movements accurately.

## Use of Independent Managers

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Infiniti may recommend the use of *Independent Managers* for certain clients. Infiniti will continue to do ongoing due diligence of such managers, but such recommendations rely, to a great extent, on the *Independent Managers* ability to successfully implement their investment strategy. In addition, Infiniti does not have the ability to supervise the *Independent Managers* on a day-to-day basis, if at all.

## Use of Private Collective Investment Vehicles

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Infiniti may recommend the investment by certain clients in privately placed collective investment vehicles (some of which may be typically called "hedge funds"). The managers of these vehicles will have broad discretion in selecting the investments. There are few limitations on the types of securities or other financial instruments which may be traded and no requirement to diversify. The hedge funds may trade on margin or otherwise leverage positions, thereby potentially increasing the risk to the vehicle. In addition, because the vehicles are not registered as investment companies, there is an absence of regulation. There are numerous other risks in investing in these securities. The client will receive a private placement memorandum and/or other documents explaining such risks.

## Use of Margin

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To the extent that a client authorizes the use of margin, and margin is thereafter employed by Infiniti in the management of the client's investment portfolio, the market value of the client's account and corresponding fee payable by the client to Infiniti will not be increased.

While the use of margin borrowing can substantially improve returns, such use may also increase the adverse impact to which a client's portfolio may be subject. Borrowings will usually be from securities brokers and dealers and will typically be secured by the client's securities and/or other assets. Under certain circumstances, such a broker-dealer may demand an increase in the collateral that secures the client's obligations and if the client were unable to provide additional collateral, the broker-dealer could liquidate assets held in the account to satisfy the client's obligations to the broker-dealer. Liquidation in

that manner could have extremely adverse consequences. In addition, the amount of the client's borrowings and the interest rates on those borrowings, which will fluctuate, will have a significant effect on the client's profitability.

### **Item 9. Disciplinary Information**

Infiniti is required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of management. Infiniti does not have any required disclosures to this Item.

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

This item requires investment advisers to disclose certain financial industry activities and affiliations. The Firm does not have any other financial industry activities or affiliations that need to be disclosed.

### **Item 11. Code of Ethics**

Infiniti and persons associated with Infiniti ("Associated Persons") are permitted to buy or sell securities that it also recommends to clients consistent with Infiniti's policies and procedures.

Infiniti has adopted a code of ethics that sets forth the standards of conduct expected of its associated persons and requires compliance with applicable securities laws ("*Code of Ethics*"). In accordance with Section 204A of the Investment Advisers Act of 1940 (the "Advisers Act"), its *Code of Ethics* contains written policies reasonably designed to prevent the unlawful use of material non-public information by Infiniti or any of its associated persons. The *Code of Ethics* also requires that certain of Infiniti's personnel (called "*Access Persons*") report their personal securities holdings and transactions and obtain pre-approval of certain investments such as initial public offerings and limited offerings.

Unless specifically permitted in Infiniti's *Code of Ethics*, none of Infiniti's *Access Persons* may effect for themselves or for their immediate family (i.e., spouse, minor children, and adults living in the same household as the *Access Person*) any transactions in a security which is being actively purchased or sold, or is being considered for purchase or sale, on behalf of any of Infiniti's clients.

When Infiniti is purchasing or considering for purchase any security on behalf of a client, no *Access Person* may effect a transaction in that security prior to the completion of the purchase or until a decision has been made not to purchase such security. Similarly, when Infiniti is selling or considering the sale of any security on behalf of a client, no *Access Person* may effect a transaction in that security prior to the completion of the sale or until a decision has been made not to sell such security. These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii)

shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

Clients and prospective clients may contact Infiniti to request a copy of its *Code of Ethics*.

### Item 12. Brokerage Practices

As discussed above, in Item 5, Infiniti generally recommends that clients utilize the brokerage and clearing services of Fidelity Institutional Wealth Services (“*Fidelity*”) and Pershing Advisor Solutions (“*Pershing*”).

Factors which Infiniti considers in recommending *Fidelity and/or Pershing* or any other broker-dealer to clients include their respective financial strength, reputation, execution, pricing, research and service. *Fidelity and/or Pershing* enables Infiniti to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. The commissions and/or transaction fees charged by *Fidelity and/or Pershing* may be higher or lower than those charged by other *Financial Institutions*.

The commissions paid by Infiniti’s clients comply with Infiniti’s duty to obtain “best execution.” Clients may pay commissions that are higher than another qualified *Financial Institution* might charge to effect the same transaction where Infiniti determines that the commissions are reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a *Financial Institution’s* services, including among others, the value of research provided, execution capability, commission rates, and responsiveness. Infiniti seeks competitive rates but may not necessarily obtain the lowest possible commission rates for client transactions.

Infiniti periodically and systematically reviews its policies and procedures regarding its recommendation of *Financial Institutions* in light of its duty to obtain best execution.

The client may direct Infiniti in writing to use a particular *Financial Institution* to execute some or all transactions for the client. In that case, the client will negotiate terms and arrangements for the account with that *Financial Institution*, and Infiniti will not seek better execution services or prices from other *Financial Institutions* or be able to “batch” client transactions for execution through other *Financial Institutions* with orders for other accounts managed by Infiniti (as described below). As a result, the client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to its duty of best execution, Infiniti may decline a client’s request to direct brokerage if, in Infiniti’s sole discretion, such directed brokerage arrangements would result in additional operational difficulties.

Transactions for each client generally will be effected independently, unless Infiniti decides to purchase or sell the same securities for several clients at approximately the same time. Infiniti may (but is not

obligated to) combine or “batch” such orders to obtain best execution, to negotiate more favorable commission rates, or to allocate equitably among Infiniti’s clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will generally be averaged as to price and allocated among Infiniti’s clients pro rata to the purchase and sale orders placed for each client on any given day. To the extent that Infiniti determines to aggregate client orders for the purchase or sale of securities, including securities in which Infiniti’s *Supervised Persons* may invest, Infiniti shall generally do so in accordance with applicable rules promulgated under the Advisers Act and no-action guidance provided by the staff of the U.S. Securities and Exchange Commission. Infiniti shall not receive any additional compensation or remuneration as a result of the aggregation. In the event that Infiniti determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which may include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account’s assets after an order is placed); (iv) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a *de minimis* allocation in one or more accounts, Infiniti may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.

Consistent with obtaining best execution, brokerage transactions may be directed to certain broker-dealers in return for investment research products and/or services which assist Infiniti in its investment decision-making process. Such research generally will be used to service all of Infiniti’s clients, but brokerage commissions paid by one client may be used to pay for research that is not used in managing that client’s portfolio. The receipt of investment research products and/or services as well as the allocation of the benefit of such investment research products and/or services poses a conflict of interest because Infiniti does not have to produce or pay for the products or services.

### **Software and Support Provided by Financial Institutions**

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Infiniti may receive from *Fidelity and/or Pershing*, without cost to Infiniti, computer software and related systems support, which allow Infiniti to better monitor client accounts maintained at *Fidelity and/or Pershing*. Infiniti may receive the software and related support without cost because Infiniti renders investment management services to clients that maintain assets at *Fidelity and/or Pershing*. The software and support is not provided in connection with securities transactions of clients (i.e. not “soft dollars”).

The software and related systems support may benefit Infiniti, but not its clients directly. In fulfilling its duties to its clients, Infiniti endeavors at all times to put the interests of its clients first. Clients should be aware, however, that Infiniti's receipt of economic benefits from a broker-dealer creates a conflict of interest since these benefits may influence Infiniti's choice of broker-dealer over another broker-dealer that does not furnish similar software, systems support, or services.

Additionally, Infiniti may receive the following benefits from *Pershing* or *Fidelity* through the Fidelity Registered Investment Advisor Group: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk that exclusively services its Registered Investment Advisor Group participants; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and access to an electronic communication network for client order entry and account information.

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

For those clients to whom Infiniti provides investment management services, Infiniti monitors those portfolios as part of an ongoing process while regular account reviews are conducted on at least a quarterly basis. For those clients to whom Infiniti provides financial planning and/or consulting services, reviews are conducted on an "as needed" basis. Such reviews are conducted by one of Infiniti's Principals. All investment advisory clients are encouraged to discuss their needs, goals, and objectives with Infiniti and to keep Infiniti informed of any changes thereto. Infiniti shall contact ongoing investment advisory clients at least annually to review its previous services and/or recommendations and to discuss the impact resulting from any changes in the client's financial situation and/or investment objectives.

Unless otherwise agreed upon, clients are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer or custodian for the client accounts. Those clients to whom Infiniti provides investment advisory services will also receive a report from Infiniti that may include such relevant account and/or market-related information such as an inventory of account holdings and account performance at least annually or as clients may request from time to time. Clients should compare the account statements they receive from their custodian with those they receive from Infiniti.

Those clients to whom Infiniti provides financial planning and/or consulting services will receive reports from Infiniti summarizing its analysis and conclusions as requested by the client or otherwise agreed to in writing by Infiniti.

### Item 14. Client Referrals and Other Compensation

Infiniti is required to disclose any relationship or arrangement where it receives an economic benefit from a third party (non-client) for providing advisory services. In addition, Infiniti is required to disclose any direct or indirect compensation that it provides for client referrals.

Infiniti may receive economic benefits from non-clients for providing advice or other advisory services to clients. This type of relationship poses a conflict of interest and any such relationship is disclosed in response to Item 12, above.

### Item 15. Custody

Infiniti's *Agreement* and/or the separate agreement with any *Financial Institution* may authorize Infiniti through such *Financial Institution* to debit the client's account for the amount of Infiniti's fee and to directly remit that management fee to Infiniti in accordance with applicable custody rules.

The *Financial Institutions* recommended by Infiniti have agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to Infiniti. In addition, as discussed in Item 13, Infiniti also sends periodic supplemental reports to clients. Clients should carefully review the statements sent directly by the *Financial Institutions* and compare them to those received from Infiniti.

### Item 16. Investment Discretion

Infiniti may be given the authority to exercise discretion on behalf of clients. Infiniti is considered to exercise investment discretion over a client's account if it can effect transactions for the client without first having to seek the client's consent. Infiniti is given this authority through a power-of-attorney included in the agreement between Infiniti and the client. Clients may request a limitation on this authority (such as certain securities not to be bought or sold). Infiniti takes discretion over the following activities:

- The securities to be purchased or sold;
- The amount of securities to be purchased or sold;
- When transactions are made; and
- The *Independent Managers* to be hired or fired.

### Item 17. Voting Client Securities

Infiniti is required to disclose if it accepts authority to vote client securities. Infiniti does not vote client securities on behalf of its clients.

### **Item 18. Financial Information**

Infiniti does not require or solicit the prepayment of more than \$1,200 in fees six months or more in advance. In addition, Infiniti is required to disclose any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients. Infiniti has no disclosures pursuant to this Item.



## **Infiniti Wealth Management**

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Prepared by:



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