



Item 1 Cover Page

FORM ADV PART 2A Brochure

February 8, 2017

Vista Wealth Management, LLC

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This Brochure provides information about the qualifications and business practices of Vista Wealth Management, LLC. If you have any questions about the contents of this Brochure, please contact James M. Knight, our Chief Compliance Officer at 650-252-0550.

The information in this Brochure has not been approved or verified by the U.S. Securities and Exchange Commission or by any state authority. Additional information about Vista Wealth Management, LLC is available on the SEC's website at www.adviserinfo.sec.gov.

References herein to Vista Wealth Management, LLC as a "registered investment adviser" or any reference to being "registered" does not imply a certain level of skill or training.

Item 2 MATERIAL CHANGES

There have been no material changes to this Form ADV Part 2A, Brochure since the March 28, 2016 annual update filing. However, this Brochure has been amended throughout since that time to clarify service offerings and expound upon pre-existing disclosures.

Vista Wealth Management, LLC's Chief Compliance Officer, James M. Knight remains available to address any questions that a client or prospective client has about this Brochure.

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Item 4 ADVISORY BUSINESS

- A. Vista Wealth Management, LLC, (“Vista”) is a California limited liability company that has been registered with the Securities and Exchange Commission as an Investment Adviser since March 23, 2001. Michael E. Spector and James M. Knight are Vista’s principal owners.
- B. As discussed below, Vista offers to its clients (generally: individuals, high-net worth individuals, pension and profit sharing plans, trusts and estates, charitable organizations, corporations, and other business entities) discretionary investment management, financial planning, and other consulting services.

INVESTMENT MANAGEMENT SERVICES

Vista offers investment management services on a *fee-only* basis. Vista’s annual investment management fee shall include investment management services, and to the extent specifically requested by the client, financial planning and consulting services. In the event that the client requires extraordinary planning and/or consultation services (to be determined in the sole discretion of Vista), Vista may determine to charge for such additional services pursuant to a stand-alone Financial Planning and Consulting Agreement (see below).

Before engaging Vista to provide planning or consulting services, clients are required to enter into an Investment Advisory Agreement with Vista setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the portion of the fee that is due from the client.

To commence the investment management process, Vista’s representatives consult with clients to discuss their financial condition, investment experience, time horizon, risk tolerance level, income requirements, and other relevant factors. Vista’s representatives then help clients develop investment objectives, individualized investment guidelines, and an asset allocation strategy. Vista supervises account transactions on a continuous basis, and each client’s portfolio holdings and asset allocations are monitored on at least a quarterly basis.

FINANCIAL PLANNING AND CONSULTING SERVICES (STAND-ALONE)

Vista may provide financial planning and/or consulting services (including investment and non-investment related matters, including estate planning, insurance planning, etc.) on a stand-alone separate fee basis. Before engaging Vista to provide planning or consulting services on a stand-alone separate fee basis, clients are required to enter into a Financial Planning and Consulting Agreement with Vista setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the portion of the fee that is due from the client prior to Vista commencing services.

If requested by the client, Vista may recommend the services of other professionals for implementation purposes. The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from Vista.

MISCELLANEOUS

Limitations of Financial Planning and Non-Investment Consulting/Implementation Services. Vista may provide consulting services regarding non-investment related matters, such as estate planning, tax planning, insurance, etc. Vista does not serve as a law firm, accounting firm, or insurance agency, and no portion of its services should be construed as legal, accounting, or insurance implementation services. Accordingly, Vista does not prepare estate planning documents, tax returns, or sell insurance products. However, to the extent requested by a client, Vista may recommend the services of other professionals for certain non-investment implementation purposes (i.e. attorneys, accountants, insurance agents, etc.). The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from Vista and/or its representatives. **Please Note:** If the client engages any such recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional.

Client Obligations. In performing its services, Vista is not required to verify any information received from the client or from the client's other professional advisors, and is expressly authorized to rely thereon. Moreover, each client is advised that it remains the client's responsibility to promptly notify Vista of any change in their financial situation or investment objectives that would necessitate a review, evaluation or revision by Vista of previous recommendations and/or services.

Use of Mutual Funds. While Vista may recommend allocating investment assets to mutual funds that are not available directly to the public, Vista may also recommend that clients allocate investment assets to publically-available mutual funds that the client could obtain without engaging Vista as an investment adviser. However, if a client or prospective client determines to allocate investment assets to publically-available mutual funds without engaging Vista as an investment adviser, the client or prospective client would not receive the benefit of Vista's initial and ongoing investment advisory services. Other mutual funds, such as those issued by Dimensional Fund Advisors ("DFA"), are generally only available through registered investment advisers. Vista may allocate client investment assets to DFA mutual funds. Therefore, upon the termination of Vista's services to a client, restrictions regarding transferability and/or additional purchases of, or reallocation among DFA funds will apply. Vista's Chief Compliance Officer, James M. Knight, remains available to address any questions that a client or prospective client may have regarding the above.

Retirement Plan Rollovers – No Obligation / Potential for Conflict of Interest: A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted, (ii) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account ("IRA"), or (iv) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). If Vista recommends that a client roll over their retirement plan assets into an account to be managed by Vista, such a recommendation creates a conflict of interest if Vista will earn an advisory fee on the rolled over assets. **No client is under any obligation to roll over retirement plan assets to an account managed by Vista. Vista's Chief Compliance Officer, James M. Knight, remains available to address any questions that a client or prospective client may have regarding the potential for conflict of interest presented by such rollover recommendation.**

Unaffiliated Private Investment Funds. Vista may provide investment advice about unaffiliated private investment funds, and may also recommend, on a non-discretionary basis, that certain qualified clients consider an investment in such unaffiliated private investment funds. Vista's role relative to the private investment funds shall be limited to its initial and ongoing due diligence and investment monitoring services. If a client determines to become a private fund investor, the amount of assets invested in the fund(s) shall be included for purposes of Vista calculating its annual investment advisory fee. Vista's clients are under absolutely no obligation to consider or make an investment in a private investment fund(s).

Please Note: Private investment funds generally involve various risk factors, including, but not limited to, potential for complete loss of principal, liquidity constraints and lack of transparency, a complete discussion of which is set forth in each fund's offering documents, which will be provided to each client for review and consideration. Unlike liquid investments that a client may maintain, private investment funds do not provide daily liquidity or pricing. Each prospective client investor will be required to complete a Subscription Agreement, pursuant to which the client shall establish that he/she is qualified for investment in the fund, and acknowledges and accepts the various risk factors that are associated with such an investment.

Please Also Note: Valuation. In the event that Vista references private investment funds owned by the client on any supplemental account reports prepared by Vista, the value(s) for all private investment funds owned by the client shall reflect the most recent valuation provided by the fund sponsor. If the fund sponsor does not provide a post-purchase valuation, then the valuation shall reflect the initial purchase price (and/or a value as of a previous date) or the current value(s) (either the initial purchase price and/or the most recent valuation provided by the fund sponsor). If the valuation reflects the initial purchase price (and/or a value as of a previous date), then the current value(s) (to the extent ascertainable) could be significantly more or less than the original

purchase price. The client's advisory fee shall be based upon such reflected fund value(s).

Independent Managers. Vista may allocate (and/or recommend that the client allocate) a portion of a client's investment assets among unaffiliated independent investment managers ("Independent Manager(s)") in accordance with the client's designated investment objective(s). In such situations, the Independent Manager(s) will have day-to-day responsibility for the active discretionary management of the allocated assets. Vista will continue to render investment supervisory services to the client relative to the ongoing monitoring and review of account performance, asset allocation and client investment objectives. The factors Vista considers in recommending Independent Manager(s) include the client's designated investment objective(s), management style, performance, reputation, financial strength, reporting, pricing, and research. The investment management fee charged by the Independent Manager(s) is separate form, and in addition to, Vista's advisory fee as set forth in Item 5.

Investment Risk. Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by Vista) will be profitable or equal any specific performance level(s).

- C. Vista shall provide investment advisory services specific to the needs of each client. Prior to providing investment advisory services, an investment adviser representative will ascertain each client's investment objective(s). Thereafter, Vista shall allocate and/or recommend that the client allocate investment assets consistent with the designated investment objective(s). The client may, at any time, impose reasonable restrictions, in writing, on Vista's services.
- D. Vista does not participate in a wrap fee program.
- E. As of December 31, 2016, Vista maintained approximately \$1,524,130,900 in client assets under management on a discretionary basis.

Item 5 FEES AND COMPENSATION

- A. The client can determine to engage Vista to provide discretionary investment advisory services on a *fee-only* basis as described below.

INVESTMENT MANAGEMENT SERVICES

Vista's negotiable annual investment advisory fee for investment management services is generally based on a percentage of the market value of the assets under management as follows:

Market Value of Account Assets	Annual Fee %
From \$0 to \$3,000,000	0.95%
Next \$3,000,000 to \$5,000,000	0.80%
Next \$5,000,000 to \$10,000,000	0.50%
Next \$10,000,000 to \$25,000,000	0.35%
Market value of Account above \$25,000,000	0.30%
Minimum Annual Fee	\$9,500

The investment advisory fee is computed on the first day of each quarter by determining the market value of assets under management using the following guidelines: (a) cash or equivalents, at dollar value; (b) for marketable securities: the current market price provided by custodian; and (c) for securities for which there exists no active market (such as real estate, gas and oil, or other illiquid securities), by using such information as Vista shall in good faith deem relevant to determine the value thereof, or in the absence of such information, at cost. In the case of illiquid securities, Vista will set value at the most recent valuation provided by the investment sponsor or, if a current valuation is not provided by the sponsor, at the last sponsor-provided valuation or at the initial investment cost (please refer to the Unaffiliated Private Investment Funds disclosures at Item 4.B. above).

The investment advisory fee is billed quarterly, in advance, and prorated for accounts established or terminated at times other than the start of the quarter.

Although Vista generally charges for investment management services according to the fee schedule provided above, Vista may negotiate alternative fee arrangements (including a fixed percentage not to exceed 1.0% annually) with the client including based on, but not limited to the following factors: complexity of the engagement, value of assets under management, anticipated future additional assets, related accounts, investment objectives, account composition, and the individual(s) performing the services.

FINANCIAL PLANNING AND CONSULTING SERVICES (STAND-ALONE)

Vista may provide its clients with financial planning and/or financial consulting services (which may include non-investment related matters) on a stand-alone fee basis. For these services, Vista charges either an hourly or a fixed fee. Vista's hourly rates range from \$125 - \$400, depending upon the level of staff experience required for the services requested. Vista's fixed fee services may range between \$2,500 and \$20,000, depending upon the scope of the services requested and the amount of client assets and holdings.

Before engaging Vista to provide financial planning and/or consulting services, the client will generally be required to enter into a written agreement setting forth the terms and conditions of the engagement and describing the scope of the services to be provided and the portion of the fee that is due from the client prior to Vista commencing services.

- B. Clients may elect to have Vista's investment advisory fees deducted from their custodial account. Both Vista's Investment Advisory Agreement and the custodial/clearing agreement may authorize the custodian to debit the account for the amount of Vista's investment advisory fee and to directly remit that management fee to Vista in compliance with regulatory procedures. In the limited event that Vista bills the client directly, payment is due upon receipt of Vista's invoice.
- C. As discussed below, unless the client directs otherwise or an individual client's circumstances require, Vista will generally recommend that Charles Schwab & Co., Inc., an SEC-registered, FINRA and SIPC member broker-dealer ("Schwab") or TD Ameritrade Inc., an SEC-registered, FINRA, SIPC and NFA member broker-dealer ("TD Ameritrade"), serve as the broker-dealer/custodian for client investment management assets. Broker-dealers such as Schwab and TD Ameritrade charge brokerage commissions and/or transaction fees for effecting certain securities transactions (e.g. transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and fixed income securities transactions). In addition to Vista's investment management fee, brokerage commissions and/or transaction fees, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses). Relative to its discretionary investment management services, when beneficial to the client, individual fixed income transactions may be effected through broker-dealers other than the account custodian, in which event, the client generally will incur both the fee (commission, mark-up/mark-down) charged by the executing broker-dealer and a separate "tradeaway" and/or prime broker fee charged by the account custodian (generally, Schwab or TD Ameritrade).
- D. Vista's annual investment advisory fee shall be prorated and paid quarterly, in advance, based upon the market value of the assets on first business day of the billing quarter. The Investment Advisory Agreement between Vista and the client will continue in effect until terminated by either party by written notice in accordance with the terms of the Investment Advisory Agreement. Upon termination, Vista shall refund the pro-rated portion of the

advanced advisory fee paid based upon the number of days remaining in the billing quarter. Either party may also terminate the Financial Planning and Consulting Agreement by written notice to the other. In the event the client terminates Vista's financial planning and/or consulting services, the balance of Vista's unearned fees (if any) shall be refunded to the client.

- E. Neither Vista, nor its representatives accept compensation from the sale of securities or other investment products.

Item 6 PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Neither Vista nor any supervised person of Vista accepts performance-based fees (fees based upon capital gains or the capital appreciation of assets).

Item 7 TYPES OF CLIENTS

Vista's clients will generally include individuals, high-net worth individuals, pension and profit sharing plans, trusts and estates, charitable organizations, corporations, and other business entities. Vista generally requires a \$1 million minimum asset value for investment management services. Multiple accounts for the same client may be aggregated to meet the minimum account value. As a result of this minimum account value requirement, Vista's services may not be appropriate for everyone. Particularly for smaller accounts, other investment advisers may provide somewhat similar services for lower compensation, although still others may charge more for similar services. For its investment management services, Vista generally imposes a minimum annual investment advisory fee of \$9,500. Therefore, if a client maintains less than \$1 million under Vista's management, and is subject to the \$9,500 annual fee, the client will pay a higher percentage annual fee than the 0.95% referenced in Item 5.A. above.

Under certain circumstances, and in its sole discretion, Vista may negotiate an alternative minimum asset value or minimum annual investment advisory fee based upon the nature of the account and such factors, as: historical relationship with the client, related accounts, account composition, negotiations with the client, anticipated future earning capacity, and anticipated future additional assets.

Item 8 METHODS OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF LOSS

A. Vista may utilize the following methods of security analysis:

- Charting - (analysis performed using patterns to identify current trends and trend reversals to forecast the direction of prices)
- Fundamental - (analysis performed on historical and present data, with the goal of making financial forecasts)
- Technical – (analysis performed on historical and present data, focusing on price and trade volume, to forecast the direction of prices)

Vista may utilize the following investment strategies when implementing investment advice given to clients:

- Long Term Purchases (securities held at least a year)
- Short Term Purchases (securities sold within a year)
- Trading (securities sold within thirty (30) days)
- Options (contract for the purchase or sale of a security at a predetermined price during a specific period of time)

Please Note: Investment Risk. Investing in securities involves risk of loss that clients should be prepared to bear. Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by Vista) will be profitable or equal any specific performance level(s).

- B. Vista's methods of analysis and investment strategies do not present any significant or unusual risks. However, every method of analysis has its own inherent risks. To perform an accurate market analysis Vista must have access to current/new market information. Vista has no control over the dissemination rate of market information; therefore, unbeknownst to Vista, certain analyses may be compiled with outdated market information, severely limiting the value of Vista's analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

Vista's primary investment strategies - Long Term Purchases, Short Term Purchases, and Trading - are fundamental investment strategies. However, every investment strategy has its own inherent risks and limitations. For example, longer term investment strategies require a longer investment time period to allow for the strategy to potentially develop. Shorter term investment strategies require a shorter investment time period to potentially develop but, as a result of more frequent trading, may incur higher transactional costs when compared to a longer term investment strategy. Trading, an investment strategy that requires the purchase and sale of securities within a thirty (30) day investment time period, involves a very short investment time period but will incur higher transaction costs when compared to a short term investment strategy and substantially higher transaction costs than a longer term investment strategy.

Options Strategies. In addition to the fundamental investment strategies discussed above, Vista may implement the use of options transactions as an investment strategy, which involves a high level of inherent risk. Option transactions establish a contract between two parties concerning the buying or selling of an asset at a predetermined price during a specific period of time. During the term of the option contract, the buyer of the option gains the right to demand fulfillment by the seller. Fulfillment may take the form of either selling or

purchasing a security depending upon the nature of the option contract. Generally, the purchase or the recommendation to purchase an option contract by Vista shall be with the intent of offsetting/"hedging" a potential market risk in a client's portfolio. **Please Note:** Although the intent of the options-related transactions that may be implemented by Vista is to hedge against principal risk, certain of the options-related strategies (i.e. straddles, short positions, etc.), may, in and of themselves, produce principal volatility and/or risk. Thus, a client must be willing to accept these enhanced volatility and principal risks associated with such strategies. In light of these enhanced risks, client may direct Vista, in writing, not to employ any or all such strategies for his/her/their/its accounts.

- C. Currently, Vista primarily allocates client investment assets among various mutual funds, exchange traded funds, individual bonds, bond funds, and Independent Managers on a discretionary basis in accordance with the client's designated investment objective(s). When consistent with a client's investment objectives, Vista may also recommend that clients allocate investment assets to unaffiliated private investment funds, and/or non-traded / non-public real estate investment trusts ("REITs").

Please Note: REITs are subject to risks generally associated with investing in real estate, such as: possible declines in the value of real estate; adverse general and local economic conditions; possible lack of availability of mortgage funds; changes in interest rates; and environmental problems. In addition, REITs are subject to certain other risks related specifically to their structure and focus such as: dependency upon management skills; limited diversification; the risks of locating and managing financing for projects; heavy cash flow dependency; possible default by borrowers; the costs and potential losses of self-liquidation of one or more holdings; the possibility of failing to maintain exemptions from securities registration; and, in many cases, relatively small market capitalization, which may result in less market liquidity and greater price volatility.

Item 9 DISCIPLINARY INFORMATION

Vista has no disciplinary history and consequently, is not subject to any disciplinary disclosures.

Item 10 OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

- A. Neither Vista, nor its representatives, are registered or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.
- B. Neither Vista, nor its representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.
- C. **Other Affiliations.** Vista owns Vista Venture Partners LLC ("VVP"), which is a California limited liability company that invests in early stage private companies. Interests in VVP, and the private companies in which VVP invests, are neither recommended to, nor offered for sale

to, Vista's investment management clients. No Vista clients are invested in VVP. However, in limited circumstances, VVP may invest in companies in which Vista's clients are also invested. In the event that a Vista client is invested in any such underlying company, such investment occurred separate and independent of Vista or any of its representatives. **Vista's Chief Compliance Officer, James M. Knight, remains available to address any questions that a client or prospective client may have regarding the above conflict of interest.**

- D. Vista does not receive, directly or indirectly, compensation from investment advisors that it recommends or selects for its clients.

Item 11 CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

- A. Vista maintains an investment policy relative to personal securities transactions. This investment policy is part of Vista's overall Code of Ethics, which serves to establish a standard of business conduct for all of Vista's Representatives that is based upon fundamental principles of openness, integrity, honesty and trust, a copy of which is available upon request.

In accordance with Section 204A of the Investment Advisers Act of 1940, Vista also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by Vista or any person associated with Vista.

- B. Neither Vista nor any related person of Vista recommends, buys, or sells for client accounts, securities in which Vista or any related person of Vista has a material financial interest.
- C. Vista and/or representatives of Vista may buy or sell securities that are also recommended to clients. This practice may create a situation where Vista and/or representatives of Vista are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. Practices such as "scalping" (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if Vista did not have adequate policies in place to detect such activities. In addition, this requirement can help detect insider trading, "front-running" (i.e., personal trades executed prior to those of Vista's clients) and other potentially abusive practices.
- D. Vista has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of Vista's "Access Persons". Vista's securities transaction policy requires that an Access Person of Vista must provide the Chief Compliance Officer or his/her designee with a written report of their current securities holdings within ten (10) days after becoming an Access Person. Additionally, each Access Person must provide the Chief Compliance Officer or his/her designee with a written report of the Access Person's current securities holdings at least once each twelve (12) month

period thereafter on a date Vista selects; provided, however that at any time that Vista has only one Access Person, he or she shall not be required to submit any securities report described above.

Vista and/or representatives of Vista may buy or sell securities, at or around the same time as those securities are recommended to clients. This practice creates a situation where Vista and/or representatives of Vista are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. As indicated above in Item 11.C., Vista has a personal securities transaction policy in place to monitor the personal securities transaction and securities holdings of each of Vista's Access Persons.

Item 12 BROKERAGE PRACTICES

- A. In the event that the client requests that Vista recommend a broker-dealer/custodian for execution and/or custodial services (exclusive of those clients that may direct Vista to use a specific broker-dealer/custodian), Vista generally recommends that investment management accounts be maintained at Schwab or TD Ameritrade. Before engaging Vista to provide investment management services, the client will be required to enter into a formal Investment Advisory Agreement with Vista setting forth the terms and conditions under which Vista shall manage the client's assets, and a separate custodial/clearing agreement with Schwab or TD Ameritrade.

Factors that Vista considers in recommending Schwab, TD Ameritrade, or any other broker-dealer include Vista's historical relationship with the broker-dealer, financial strength, reputation, execution capabilities, pricing, research, and service. Although the commissions and/or transaction fees paid by Vista's clients shall comply with Vista's duty to obtain best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where Vista determines, in good faith, that the commission/transaction fee is reasonable. 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 broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although Vista will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, Vista's investment management fee. Vista's best execution responsibility is qualified if securities that it purchases for client accounts are mutual funds that trade at net asset value as determined at the daily market close. **Please Note:** The transactions fees charged by Schwab, TD Ameritrade, or any other broker-dealer could be more than other broker-dealers/custodians charge for similar accounts and transactions. **Vista's Chief Compliance Officer, James M. Knight, remains available to address any questions that a client or prospective client may have regarding the above.**

1. Non-Soft Dollar Research and Additional Benefits

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, Vista **may** receive from Schwab, TD Ameritrade (or another broker-dealer/custodian, unaffiliated investment platform, unaffiliated investment manager, vendor, and/or mutual fund sponsor) without cost (and/or at a discount) support services and/or products, certain of which assist Vista to better monitor and service client accounts maintained at such institutions. Included within the support services that may be obtained by Vista may be investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by Vista in furtherance of its investment advisory business operations.

As indicated above, certain of the support services and/or products that may be received may assist Vista in managing and administering client accounts. Others do not directly provide such assistance, but rather assist Vista to manage and further develop its business enterprise.

Vista's clients do not pay more for investment transactions effected and/or assets maintained at Schwab, TD Ameritrade, or any other broker-dealer as a result of this arrangement. There is no corresponding commitment made by Vista to Schwab, TD Ameritrade, or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement. **Vista's Chief Compliance Officer, James M. Knight, remains available to address any questions that a client or prospective client may have regarding the above arrangements and any corresponding conflict of interest such arrangements may create.**

Additional Benefits from Schwab

Schwab Advisor Services (formerly called Schwab Institutional) is Schwab's business serving independent investment advisory firms like Vista. They provide Vista and its clients with access to its institutional brokerage – trading, custody, reporting and related services – many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help Vista manage or administer its clients' accounts while others help Vista manage and grow its business. Schwab's support services are generally available on an unsolicited basis (Vista does not have to request them) and at no charge to Vista as long as Vista maintains a total of at least \$10 million of its clients' assets in accounts at Schwab. If Vista maintains less than \$10 million in client assets at Schwab, it may charge Vista a quarterly service fee. Here is a more detailed description of Schwab's support services:

Schwab's Additional Services that Benefit the Client. Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which Vista might not otherwise have access or that would require a significantly higher minimum initial investment by its clients. Schwab's services described in this paragraph generally benefit the clients and the clients' accounts, including access to accounts and download of account data so that Vista may manage the accounts.

Schwab's Additional Services that May Not Directly Benefit the Client. Schwab also makes available to Vista other products and services that benefit Vista but may not directly benefit clients or their accounts. These products and services assist Vista in managing and administering its clients' accounts. They include investment research, both Schwab's own and that of third parties. Vista may use this research to service all or some substantial number of its clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- provide access to client account data (such as duplicate trade confirmations and account statements);
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- provide pricing and other market data;
- facilitate payment of our fees from our clients' accounts; and
- assist with back-office functions, recordkeeping and client reporting.

Schwab's Additional Services that Generally Benefit Only Vista. Schwab also offers other services intended to help Vista manage and further develop our business enterprise. These services include:

- educational conferences and events
- technology, compliance, legal, and business consulting;
- publications and conferences on practice management and business succession; and
- access to employee benefits providers, human capital consultants and insurance providers.
- Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to Vista. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide Vista with other benefits such as occasional business entertainment of our personnel.

Vista's Interest in Schwab's Services

The availability of these services from Schwab benefits Vista because it does not have to produce or purchase them. Vista does not have to pay for Schwab's services so long as it maintains a total of at least \$10 million of client assets in accounts at Schwab. Beyond that, these services are not contingent upon Vista committing any specific amount of business to Schwab in trading commissions or assets in custody. The \$10 million minimum may give Vista an incentive to recommend that clients maintain their account with Schwab based on our interest in receiving Schwab's services that benefit Vista's business rather than based on clients' interest in receiving the best value in custody services and the most favorable execution of transactions. This creates a potential **conflict of interest**. However, Vista will only recommend Schwab's services to clients if it believes that its selection of Schwab as custodian and broker is in the best interests of such client based upon the scope, quality and price of Schwab's services (based on the factors discussed above) and not Schwab's services that benefit only Vista. In addition, based upon the value of assets under Vista's management as described in Item 4.E. above, Vista does not believe that this arrangement presents a material conflict of interest.

TD Ameritrade Institutional Advisor Program

Vista may also recommend that clients establish brokerage accounts with TD Ameritrade, to maintain custody of clients' assets and to effect trades for their accounts.

Vista participates in the institutional advisor program (the "Program") offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC/NFA ("TD Ameritrade"), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisors services, which include custody of securities, trade execution, clearance and settlement of transactions. Vista receives some benefits from TD Ameritrade through its participation in the Program.

Vista's evaluation of TD Ameritrade and its brokerage program considers a number of factors, some of which are transaction fees, custodial fees charges for holding securities, commission rates, interest charges on debit balances and interest credits on credit balances, quality of execution and record keeping and reporting capabilities. Vista regularly reviews this program to ensure that its offering is consistent with its fiduciary duty.

As disclosed above, Vista participates in TD Ameritrade's institutional customer program and Vista may recommend TD Ameritrade to clients for custody and brokerage services. There is no direct link between Vista's participation in the program and the investment advice it gives to its Clients, although Vista receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors.

These benefits include the following products and services (provided without cost or at a discount):

- receipt of duplicate Client statements and confirmations;
- research related products and tools;
- consulting services;
- access to a trading desk serving Advisor participants;
- access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts);
- the ability to have advisory fees deducted directly from Client accounts;
- access to an electronic communications network for Client order entry and account information;
- access to mutual funds with no transaction fees and to certain institutional money managers; and
- discounts on compliance, marketing, research, technology, and practice management products or services provided to Vista by third party vendors.

TD Ameritrade may also have paid for business consulting and professional services received by Vista's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit Vista but may not benefit its Client accounts. These products or services may assist Vista in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Vista manage and further develop its business enterprise. The benefits received by Vista or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, Vista endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Vista or its related persons in and of itself creates a potential conflict of interest and may indirectly influence Vista's choice of TD Ameritrade for custody and brokerage services.

Vista considers a number of factors in selecting brokers and custodians at which to locate (or recommend location of) its client accounts, including, but not limited to, execution capability, experience and financial stability, reputation and the quality of services provided.

2. Schwab Advisor Network®

Vista is a participant in the Schwab Advisor Network® (the "Service") which is designed to help investors find an independent investment advisor through Schwab. Vista receives client referrals from Schwab through its participation in the Service, for which Vista pays Schwab referral fees. Vista's participation in the Service may raise potential conflicts of interest described below. Schwab does not supervise Vista through the

Service and has no responsibility for Vista's management of clients' portfolios or its other advice or services.

Vista pays Schwab a referral fee, called a "Participation Fee", on all referred clients' accounts that are maintained in custody at Schwab. It also may pay a Non-Schwab Custody Fee on all referred client accounts that are maintained at, or transferred to, another custodian. The Participation Fee paid by Vista is a percentage of the fees the referred client owes to Vista or a percentage of the value of the assets in the referred client's account, subject to a minimum Participation Fee. Vista pays Schwab the Participation Fee for so long as the referred client's account remains in custody at Schwab. The Participation Fee is billed to Vista quarterly and may be increased, decreased or waived by Schwab from time to time. The Participation Fee is paid by Vista and not by the client. Vista has agreed not to charge clients referred through the Service fees or costs greater than the fees or costs Vista charges clients with similar portfolios who were not referred through the Service.

Vista pays Schwab the Non-Schwab Custody Fee if custody of a referred client's account is not maintained by, or assets in the account are transferred from Schwab. This Fee does not apply if the client was solely responsible for the decision not to maintain custody at Schwab. The Non-Schwab Custody Fee is a one-time payment equal to a percentage of the assets placed with a custodian other than Schwab. The Non-Schwab Custody Fee is higher than the Participation Fees Advisor generally would pay in a single year. Thus, Vista has an incentive to recommend that client accounts be held in custody at Schwab.

The Participation and Non-Schwab Custody Fees are based on assets in accounts of Vista clients who were referred by Schwab and those referred clients' family members living in the same household. Thus, Vista has incentives to encourage household members of clients referred through the Service to maintain custody of their accounts and execute transactions at Schwab.

Vista's Chief Compliance Officer, James M. Knight, remains available to address any questions that a client or prospective client may have regarding any of the above arrangements and any corresponding conflict of interest such arrangements may create.

3. Vista does not generally accept directed brokerage arrangements (when a client requires that account transactions be effected through a specific broker-dealer). In such client directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and Vista will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by Vista. As a result, 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.

Please Note: In the event that the client directs Vista to effect securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through Vista. Higher transaction costs adversely impact account performance. **Please Also Note:** Transactions for directed accounts will generally be executed following the execution of portfolio transactions for non-directed accounts.

- B. To the extent that Vista provides investment management services to its clients, the transactions for each client account generally will be effected independently, unless Vista decides to purchase or sell the same securities for several clients at approximately the same time. Vista may (but is not obligated to) combine or "bunch" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among Vista'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 be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. Vista shall not receive any additional compensation or remuneration as a result of such aggregation.

Item 13 REVIEW OF ACCOUNTS

- A. Individual client accounts are supervised on a continuous basis by Vista's advisory staff and reviewed not less than quarterly. Reviews focus on asset allocations, securities positions, cash positions, market prospects and client liquidity needs. Each advisor reviews no more than 200 accounts. Reviewers verify that accounts are managed within the guidelines of the respective client's investment objectives and that appropriate securities are held in each account. Financial plans provided to clients are reviewed and updated when necessary as agreed to by the client and Vista.
- B. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, changes in the market or political environment. Vista consults with each client at least annually to review the client's account and update the client's investment objectives as necessary. It is the client's responsibility to notify Vista immediately of any material change in their personal and/or financial situation, which would require immediate review/revision of the client's investment objectives.
- C. All clients receive monthly statements and confirmations of transactions directly from their respective broker/dealer/custodian. Vista provides a quarterly billing statement, and also makes a summary of all assets held in the account, including the cost and current market value; a presentation of the account asset allocation; a computation of the account's

investment return for the quarter and since inception using time weighted returns; and an annual report on the account available to clients through an online portal. Current market values are set at the closing price of marketable securities as provided by custodian. For securities for which there exists no active market (such as real estate, gas and oil, or other illiquid securities), Vista uses information obtained in good faith and deemed relevant to determine the value thereof, or in the absence of such information, at cost. Cash or equivalents are reported at dollar value. Clients are advised to regularly compare the assets and holdings listed on their Vista account report with those listed on the custodian's account statements. Vista may also track and provide reporting services for assets that have not been placed under Vista's management. Vista does not include these unmanaged assets in its investment advisory fee calculation and as such does not take responsibility for them. Such assets may include issues that are specifically purchased at the direction of a client, or which client owned prior to retaining Vista. Unmanaged assets are shown in the Vista client reporting system under the heading "Unmanaged Assets." In addition, these assets may also be shown in the Vista client reporting system in separate non-managed accounts.

Item 14 CLIENT REFERRALS AND OTHER COMPENSATION

- A. As referenced in Item 12.A.1. above, Schwab and TD Ameritrade may, from time to time provide Vista with certain economic benefits and/or support services.. Schwab and TD Ameritrade's electronic trading platforms provide Vista access to client accounts, electronic download of trades, balances and positions, and the ability to directly debit client fees. In addition, Schwab and TD Ameritrade provide Vista with access to its institutional trading and custody services, research, and software which are not typically available to retail investors. These services are generally available to independent investment advisors that meet stated asset thresholds, at no charge or reduced charges, and are not otherwise contingent upon Vista committing to Schwab or TD Ameritrade a specific amount of business. Schwab and TD Ameritrade's services include brokerage, custody, research and access to mutual funds and other investments that are generally available only to institutional investors or would require significantly higher investment minimums. Many of these services may be used to service all or a substantial number of Vista's accounts, including accounts not maintained at Schwab or TD Ameritrade.
- B. If a client is introduced to Vista by either an unaffiliated or an affiliated solicitor, Vista may pay that solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, and any corresponding state securities law requirements. Any such referral fee shall be paid solely from Vista's investment management fee, and shall not result in any additional charge to the client. If the client is introduced to Vista by an unaffiliated solicitor, the solicitor, at the time of the solicitation, shall disclose the nature of his/her/its solicitor relationship, and shall provide each prospective client with a copy of Vista's written Brochure with a copy of the written disclosure statement from the solicitor to the client disclosing the terms of the solicitation arrangement between Vista and the solicitor, including the compensation to be received by the solicitor from Vista.

Item 15 CUSTODY

Vista does not maintain physical custody of client funds or securities. Clients are required to set up their investment accounts with a “qualified custodian,” namely a broker dealer, bank or trust company. Vista’s generally recommends that clients establish their custodial accounts with either Schwab or TD Ameritrade.

Under applicable regulations, Vista is deemed to have custody of client assets if it is authorized to instruct the custodian to deduct its advisory fees directly from clients’ custodial accounts. The custodian maintains actual custody of client assets. Clients will receive account statements directly from the custodian at least quarterly. They will be sent to the email or postal mailing address clients provide to the custodian. Clients should carefully review those statements promptly upon receipt. Vista also urges clients to compare the custodian’s account statements to the periodic portfolio reports from Vista.

Vista engages in other practices and/or services on behalf of a limited number of clients (i.e. trustee, and standing letters of authorization) that require disclosure at the Custody section of Part 1 of Form ADV, which practices and/or services are subject to an annual surprise CPA examination in accordance with the requirements of Rule 206(4)-2 under the Investment Advisers Act of 1940. Vista’s Chief Compliance Officer, James M. Knight, remains available to address any questions that a client or prospective client may have regarding custody-related issues.

Item 16 INVESTMENT DISCRETION

The client can determine to engage Vista to provide investment advisory services on a discretionary basis. Before Vista assumes discretionary authority over a client’s account, the client shall be required to execute an Investment Advisory Agreement naming Vista as the client’s attorney and agent in fact, granting Vista full authority to buy, sell, or otherwise effect investment transactions involving the assets in the client’s name found in the discretionary account.

Clients who engage Vista on a discretionary basis may, at any time, impose restrictions, **in writing**, on Vista’s discretionary authority (i.e. limit the types/amounts of particular securities purchased for their account, exclude the ability to purchase securities with an inverse relationship to the market, limit or proscribe Vista’s use of margin, etc.).

Item 17 VOTING CLIENT SECURITIES

- A. Vista does not vote client proxies. Clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client’s investment assets.

- B. Clients will receive their proxies or other solicitations directly from their custodian. Clients may contact Vista to discuss any questions they may have with a particular solicitation.

Item 18 FINANCIAL INFORMATION

- A. Vista does not solicit fees of more than \$1,200, per client, six months or more in advance.
- B. Vista is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts.
- C. Vista has not been the subject of a bankruptcy petition.

ANY QUESTIONS: Vista's Chief Compliance Officer, James M. Knight, remains available to address any questions that a client or prospective client may have regarding the above disclosures and arrangements.