

Part 2A of Form ADV: *Firm Brochure*

Item 1 Cover Page

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February 8, 2018

FORM ADV PART 2 UNIFORM

APPLICATION FOR INVESTMENT ADVISOR

REGISTRATION FOR

WHITE LIGHTHOUSE INVESTMENT MANAGEMENT, INC.

(Previously known as White Lighthouse Investment Management and JJK
Investment Management)

5 Militia Drive Suite 205

Lexington, MA, 02421

Contact: Jonathan Lachowitz—Owner and Chief Compliance Officer—508-471-4431

This brochure provides information about the qualifications and business practices of White Lighthouse Investment Management, Inc. If you have any questions about the contents of this brochure, please contact us at the above phone number. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Additional information about White Lighthouse Investment Management is also available on the SEC's website at <https://www.adviserinfo.sec.gov/> and at the White Lighthouse web site at www.white-lighthouse.com.

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



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Item 2 Material Changes

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There are no material changes since the last annual update of this brochure in 2017.

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Item 4 Advisory Services

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White Lighthouse Investment Management was founded by Jonathan Lachowitz to provide investment management and financial planning services to Americans and multinational families living abroad or in the USA. As of December 31, 2017, The firm had approximately \$213,300,000 of discretionary assets under management and approximately \$20,200,000 of non-discretionary assets for a total of approximately \$233,500,000 under management calculated according to the method prescribed by the SEC.

Investment management Services

For investment management clients, the firm conducts a discovery process to understand the clients' income and net worth, their goals, risk tolerance and other factors that inform the investment policy that guides the design and management of clients' portfolios. We create diversified portfolios with a custom designed asset allocation mostly composed of low-to-moderate cost, high quality, liquid investments, mostly in the form of Exchange Traded Funds from companies like Vanguard, BlackRock (iShares) and others though we may use or retain individual securities and mutual funds.

Financial Planning and Comprehensive Wealth Management Services

We provide financial planning services such as tax, retirement and estate planning, with a focus on US cross-border issues, either on project basis for clients who we do not manage assets, or on an ongoing basis for investment management clients and wealth management clients. Examples of specialized financial planning services include outbound and inbound US planning due to international relocations; business planning for professionals and owners with operations in multiple countries; rental real estate planning in and outside the USA; expatriation (surrendering US citizenship or green cards) and naturalization planning; estate and tax planning for beneficiaries of foreign trusts or complex structures and tax compliance review, including IRS international compliance programs.



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Item 5 Fees and Compensation

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We offer three engagement options, an investment management based engagement option, a comprehensive wealth management engagement option and an hourly or project based financial planning

Investment Management Based Engagement

Clients pay an annual fee, paid quarterly in arrears, with a \$6,000 annual minimum that covers both investment management and standard financial planning such as tax and retirement planning, estate planning and insurance needs analysis. Fees are calculated based on assets under management per the following schedule:

	Assets Under Management	%
	\$0 - \$2,000,000	1.00%
on the next	\$2,000,001 to \$5,000,000	0.80%
on the next	\$5,000,001 and above	negotiable

In addition, clients pay trading fees to brokerage house custodians that typically range from \$4.95 and \$19.95 per equity trade or more for some custodians. Mutual funds trading fees may vary. Most mutual funds and exchange traded funds have their own management expense fees, typically ranging from .05% to over .50% per year, although exceptionally some may be higher. We are only compensated by our clients and do not receive any fees from any brokers from any funds or from any other source other than directly from our clients.

Comprehensive Wealth Management Engagement

Clients pay a comprehensive wealth management fee, paid quarterly, with a minimum annual fee of \$15,000. The annual fee is determined based on several factors including client advisory needs, complexity of their situation, number of countries and types of assets involved, levels of income and net worth, business interests, multiple citizenships or foreign country nexus and others. This fee is adjusted annually by up to 3% or CPI or higher and reviewed every three years or more often if changes in the clients' situation demands it. Due to the intensity of up-front work part or all of the first-year fee may be non-refundable, and a 50% deposit may be required.

Comprehensive wealth management clients receive premium services in addition to ongoing investment management and standard financial planning. Premium services include close coordination with their attorneys,



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accountants, insurance agents and other advisors, complex US cross-border financial planning services and concierge level services that proactively assists with their anticipated tax and financial planning needs.

For both Investment Management and Comprehensive Wealth Management engagements, fees are deducted quarterly in arrears, directly from client accounts. At the discretion of the firm, we may agree to bill for these services separately, in which case a previously agreed on administrative fee may apply and when billed in advance will generally be non-refundable.

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

Hourly or Project Based Financial Planning Consultations

Clients may engage us on hourly or project based fixed fee basis, agreed upon in advance, based on the scope and complexity of the project. The minimum fee for this type of engagement depends on the advisor, but it is generally \$1,000 or higher. The typical range for one-time consultation projects is \$1,000 to \$10,000. A non-refundable 50% deposit is required at the time of the agreement of the scope of the engagement and applicable fees, and the balance is due upon delivery of the project based services.

For all engagement types, fee minimums and deposit requirements may be higher, reduced, or waived at the discretion of the individual advisor or the firm.

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

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



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Item 7 Types of Clients

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Our clients include individuals, families and in some cases their adult children. We work with also work with small corporations, trusts and pension plans such as SEP IRAs or Solo 401ks of individual clients or their corporations. Most of our clients are families and individuals including small business owners.

We do not have account minimums, but we have minimum fees of \$1,000 for project-based consultations, \$6,000 annually for investment management-based engagements (financial planning is included in this fee) and \$15,000 annually for comprehensive wealth management engagements, which includes investment management. At our discretion or for historical reasons we may charge clients less than our stated minimum or provide pro-bono services.



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

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

All investments and investment strategies contain risk of loss. Based on our understanding of our clients' risk profiles, goals and income needs we endeavor to create well diversified portfolios using primarily index ETFs (that hold the underlying securities), mutual funds, and other individual securities that are cost efficient and are highly liquid. Historically, globally well diversified portfolios, using the concepts of modern portfolio theory have produced lower volatility returns for a given level of risk. Where possible, we manage client portfolios for tax efficiency, taking into consideration their worldwide tax exposure to identify and avoid double taxation risks, and to take advantage of tax minimization opportunities; though asset allocation is seen to be more important than tax efficiency.

We manage accounts with a long-term investment horizon, which can have short term volatility that at times can be extreme. We request that clients let us know as soon as possible of any changes in their circumstances that would require funding for short term needs or may require us to rebalance their portfolio and plan accordingly.

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



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Item 9 Disciplinary Information

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



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Item 10 Other Financial Industry Activities and Affiliations

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Jonathan Lachowitz was formerly [2011-2016] on the board and is currently a member of the SFPO (Swiss Financial Planning Organization). SFPO is, authorized by the FPSB (Financial Planning Standards Board) in Washington, D.C. to grant the CFP(R) marks in Switzerland. Jonathan resigned from the board voluntarily due to time constraints and remains a member of SFPO in good standing.

Jonathan Lachowitz is also the founder and primary owner of WHITE LIGHTHOUSE INVESTMENT MANAGEMENT S.A.R.L, which is registered with the Swiss financial authorities and the SEC. Business is conducted from an office in Lausanne Switzerland.

In 2014 Jonathan Lachowitz joined the Advisory Board of OnShore Wealth S.A.; a Swiss Registered Independent Asset Management Firm. Jonathan receives no compensation for this role and has no expectation of client referrals.

From 2014-2016 Jonathan wrote numerous personal financial articles for The Wall Street Journal on an unpaid basis.

Jonathan teaches occasionally at IMD Business School in Lausanne and for ESCP, a French Business School with several campuses in Europe. The material presented is generally of a financial planning nature.



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

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We have never participated or had an interest in trades to or from a client account or between existing client accounts. Trades are made on the open markets. While we do personal trading, our portfolios consist primarily of mutual funds, ETF's and large capitalization stocks (e.g. Johnson & Johnson, Microsoft, etc.). Our personal trades, other than mutual funds, are documented and reviewed periodically.

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

Investing in the same securities as clients' accounts is a potential conflict of interest but we feel that since we almost exclusively invest in high capitalization securities, mutual funds or ETFs in the public markets the conflict is minimal at best.

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

We have structured our business to minimize conflicts of interest. We receive no commissions and referral fees from other professionals or institutions and we provide services under the fiduciary standard, meaning that we provide advice that is in the best interest of the client, even when it conflicts with our own. If a conflict of interest arises, we disclose it to clients.



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Item 12 Brokerage Practices

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We will consider any broker and could potentially work with any broker that clients are already working with or may wish to work with. We recommend brokers based on their technical ability to deliver information about accounts and investments, their ability to work with our clients in their country of residence and based on their reporting capabilities.

We also consider the research available to both us and clients. We recommend to our clients to open accounts at Charles Schwab and Co Inc. (Schwab) , Interactive Brokers (IB) or Pershing (through MS Howells or Papamarkou). Most of our clients have their assets in custody with Charles Schwab & Co., Inc. A few of our clients have accounts at other brokerage houses of their choosing.

We do not receive any products or services from Schwab, IB, Pershing or any other brokerage firm that would not fall under the safe harbor rules. Brokers do provide some minimal research that we can access, such as performance statistics on mutual funds. The convenience and service provided by Schwab, both for us and for our clients, have induced us to do most of our business there. While there are some companies that offer lower trading fees the trade off in service does not warrant a change, in our opinion.

We receive some free information from Schwab and other brokers and we use very little of this data on a day to day basis. Their information does not impact our recommending of Schwab or other brokerage firms as the brokerage services that we use. It is possible that directing clients to Schwab or another brokerage firm may cost our clients more than some other services that are available elsewhere but we feel that their services, convenience and technology platform are worth the extra cost to our clients. While we could recommend a broker based on the services they offer to us, we have not done that.



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Item 13 Review of Accounts

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

Client reports are available to each client through the client's secure portal on a quarterly basis and include account holdings, performance reports, and a billing statement. Reports consist of account summary showing beginning and end values and interest and dividends received, and performance review showing relationship-to-date, 5yr, 3yr, 1 year and quarter performance with ROI information.

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



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Item 14 Client Referrals and Other Compensation

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We gladly accept client referrals from existing clients and other professionals though may at our discretion choose not to work with these prospective clients.

We pay for referrals on a limited basis to OnShore Wealth Management in Switzerland. This is generally for high net worth clients with complex international situations where White Lighthouse serves as the Investment Manager for US based investments. This currently applies to 3 clients.

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



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Item 15 Custody

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We use independent custodians and have limited custody of client assets to the extent that they allow us to debit our advisory fees from their accounts.

Clients receive statements from us on a quarterly basis and from Schwab or the other brokerage firms either monthly or quarterly. It is recommended that clients review and compare these reports and notify us of any discrepancies. Clients can independently access their accounts, statements and transactions any time on-line at the custodians we use.

For their convenience, clients can give us limited authority to transfer assets between their own accounts. This authority is exclusively at the custodian Charles Schwab and Company, and follows the 7 requirements of the SEC to not require an annual audit.



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Item 16 Investment Discretion

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

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

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

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



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Item 17 Voting Client Securities

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Most clients choose to give us authority to vote proxies for their convenience. Other choose to retain the responsibility to vote proxies on the securities they own in their accounts. When clients delegate proxy voting to us, most of the time we vote with the management of the individual companies and funds.

Clients can request copies of written proxies or can ask us how we voted on those that are submitted electronically. Clients may direct us to vote in a specific manner at their discretion. Since our personal equity holdings are in large capitalization stocks, we perceive no conflict of interests in our voting versus our clients' instructions. In the Sharefile system under the Public folder clients can see how proxies were voted. Clients can also call or email us if they choose to vote themselves. White Lighthouse has a proxy policy which is available electronically to all clients and is available upon request.



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Item 18 Financial Information

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Since we do not have the ability to withdraw client assets [other than our fees, which are generally in arrears or on a non-refundable basis] our financial situation would not have any impact on our clients' contractual obligations. While we do have discretionary authority over our clients' accounts, there are no incidences in which our financial condition would impact their trading activities. Therefore, we do not believe it is necessary for us to report on any of our financial information.

We do require pre-payments for some financial planning services, which are not refundable.



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Item 19 Requirements for State-Registered Advisers

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White Lighthouse Investment Management, Inc. is registered with the SEC and makes notice filings in the States of California, Connecticut, Texas, Florida, New York, Massachusetts, and Pennsylvania. It is not required to register with any state securities authority.

For the latest up-to-date information please see our filing on the SEC's website as occasionally this changes with the SEC before the ADV 2A is updated.

