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**Firm Brochure**  
**Part 2A, Form ADV**  
**March 12, 2018**

This brochure provides information about the qualifications and business practices of Synergy Financial Management, LLC. If you have any questions about the contents of this brochure, please contact us at (206) 386-5455 or send an email to [info@sfmadvisors.com](mailto:info@sfmadvisors.com). 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 Synergy Financial Management, LLC is also available on the SEC's website at [www.advisorinfo.sec.gov](http://www.advisorinfo.sec.gov). Registration with the SEC as an investment advisor does not imply a certain level of skill or training.



## **Item 2     Material Changes**

Synergy Financial Management, LLC updates its ADV Part 2A annually, or more frequently in the event of certain material changes. This section summarizes specific changes made to this Brochure since our last update dated March 2017.

There have been no material changes made to Synergy Financial Management, LLC's ("SFM") Part 2A Brochure since its prior Annual Amendment filing of August, 2017.



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## **Item 4 Advisory Business**

### **Firm Description**

Synergy Financial Management, LLC ("SFM," "we," "our," or "us") is a Washington limited liability company founded in July of 2001. We provide personalized confidential financial planning and investment management to a variety of clients, including individuals, businesses, business owners, financial advisors, and trusts. Advice is provided through consultation with the client ("client," "you," or "your") and may include: determination of financial objectives and goals, identification of financial issues, cash flow management, tax planning, investment management, education funding, retirement planning, and estate planning.

Rowan Street Advisors, LLC ("Rowan"), our affiliate, is the Managing Member of our private fund. Rowan (as a "Relying Advisor") and SFM (as a "Filing Advisor") are operationally integrated, collectively conduct a single advisory business, and are together filing a single Form ADV in reliance on guidance from the SEC and under the Investment Advisers Act of 1940 as amended (the "Act"). Relying Advisors are considered to be a registered investment advisor with the SEC and, as such, are required to comply with all the provisions of the Act and the rules thereunder that apply to registered advisors.

Other related companies include Synergy Mergers + Acquisitions, LLC dba Synergy, a real estate broker working with many levels of real estate purchase and sales, including businesses; and Synergy Business Valuations + Consulting, LLC which specializes in business planning, valuations, and succession strategies.

### **Principal Owners**

SFM is owned 99% by Synergy Financial Services, Inc. and 1% by Joseph M. Maas, our Principal. Mr. Maas owns 100% of Synergy Financial Services, Inc. Rowan Street Advisors, LLC is owned 50% by Alex Kopelevich and 50% by Synergy Financial Services, Inc.

### **Types of Advisory Services**

SFM provides continuous and comprehensive wealth management and investment advisory services to our clients on a discretionary or non-discretionary basis, typically through managed accounts. We also provide asset management and investment advisory services to our private fund. The detailed terms, strategies, and risks applicable to investors in the fund are described in the fund's organizational and offering documents.



## **Tailored Advisory Services and Investment Options**

Through discussions with you, we develop a wealth management and investment plan based on, among other things, your particular circumstances, financial goals and/or objectives, risk tolerance, time horizon, and liquidity needs. We then implement the plan using internally managed custom portfolios we have developed. When providing advice, we may also recommend hiring third party investment managers for some of your assets. In certain situations, as appropriate, we may also recommend an investment in our private fund.

### **Custom Portfolios**

As it relates to our custom portfolios, we manage most assets on a discretionary basis, meaning we have investment control to implement the plan we have developed with you without obtaining your consent prior to making a trade. We also manage portfolios on a non-discretionary basis, meaning we will manage and implement the plan we have developed with you, but will always obtain your approval prior to making any trades.

As an advisory client, you may impose reasonable restrictions on the way we manage assets held in your account(s), such as prohibiting the purchase of tobacco stocks, for example.

We only make recommendations to advisory clients regarding investing in our private fund on a non-discretionary basis, meaning that you must decide whether to accept or reject our recommendations. For our private fund, this generally involves investing a private fund's assets in accordance with the fund's organizational and offering documents.

As part of our investment process, we will also review any current investments you own and evaluate them in light of your current goals and objectives and offer our recommendations as to whether such investments should be retained.

### **Institutional Intelligent Portfolios™**

We provide some portfolio management services through Institutional Intelligent Portfolios™, an automated, online investment management platform for use by independent investment advisors (including SFM) and sponsored by Schwab Wealth Investment Advisory, Inc. (the "IIP Program" and "SWIA," respectively). Through the IIP Program, we offer clients a range of investment strategies we have constructed and manage, each consisting of a portfolio of exchange traded funds ("ETFs") and a cash allocation. The client's portfolio is held in a brokerage account opened by the client at SWIA's affiliate, Charles Schwab & Co., Inc. We are independent of and not owned by, affiliated with, or sponsored or supervised by SWIA, Charles Schwab & Co., Inc., or their affiliates (together, "Schwab"). The IIP Program is described in the Schwab Wealth Investment Advisory, Inc. Institutional Intelligent Portfolios™ Disclosure Brochure (the "IIP Program Disclosure Brochure"), which is delivered to clients by SWIA during the online enrollment process.



We, and not Schwab, are your investment advisor and primary point of contact with respect to the IIP Program. We are solely responsible, and Schwab is not responsible, for determining the appropriateness of the IIP Program for you, choosing a suitable investment strategy and portfolio for your investment needs and goals, and managing that portfolio on an ongoing basis. SWIA's role is limited to delivering the IIP Program Disclosure Brochure to clients and administering the IIP Program so that it operates as described in the IIP Program Disclosure Brochure.

We have contracted with SWIA to provide us with the technology platform and related trading and account management services for the IIP Program. This platform enables us to make the IIP Program available to clients online and includes a system that automates certain key parts of our investment process (the "IIP System"). The IIP System includes an online questionnaire that helps us determine your investment objectives and risk tolerance and select an appropriate investment strategy and portfolio. Clients should note that we will recommend a portfolio via the IIP System in response to your answers to the online questionnaire. You may then indicate an interest in a portfolio that is one level less or more conservative or aggressive than the recommended portfolio, but we make the final decision and select a portfolio based on all the information we have about the you. The IIP System also includes an automated investment engine through which we manage your portfolio on an ongoing basis through automatic rebalancing and tax-loss harvesting (if you are eligible and elect to activate this feature).

We do not receive a portion of a wrap fee for our services to clients through the Program. Clients do not pay fees to SWIA in connection with the IIP Program, but we charge clients a fee for our services as described below under Item 6 Fees and Compensation. Our own advisory fees are not set or supervised by Schwab. Clients do not pay brokerage commissions or any other fees to Charles Schwab & Co., Inc. as part of the IIP Program. Schwab does receive other revenues in connection with the IIP Program, as described in the IIP Program Disclosure Brochure.

We do not pay SWIA fees for its services in the IIP Program so long as we maintain \$100 million in client assets in accounts at Charles Schwab & Co., Inc., that are not enrolled in the IIP Program. If we do not meet this condition, then we pay SWIA an annual fee of 0.10% (10 basis points) on the value of our clients' assets in the Program. This fee arrangement gives us an incentive to recommend or require that our clients with accounts not enrolled in the IIP Program be maintained with Charles Schwab & Co., Inc.

## **GroupIRA Platform**

For clients with smaller IRA accounts, we offer a platform through GroupIRA, which pools smaller accounts together, allowing for economies of scale related to fees and expenses. These accounts are managed on a non-discretionary basis. This platform allows us to offer our custom model(s), but with access to Institutional mutual fund share classes that a smaller account normally can't purchase due to minimum investment constraints put in place by the mutual fund sponsor.



GroupIRA custodies our pooled account with Benefit Trust, a qualified custodian, which acts as the settlement agent for the pooled account. GroupIRA then acts as the administrator for your assets, providing all the reporting, valuations, and performance of the assets held for your benefit.

We have provided GroupIRA with our custom models, which you can access via their online portal in order to implement the investing plan we create with you.

Clients on this platform will contract individually and directly with GroupIRA. Fees related to this platform are discussed below in Item 6.

## **Financial Planning**

As requested, we provide comprehensive financial planning services as part of our services, and in connection with our broader investment management implementation, which may include:

- A net worth statement
- A cash flow statement
- A review of investment accounts, including an asset allocation review and the provision of reposition recommendations
- Strategic tax planning
- A review of retirement accounts and plans, including recommendations
- A review of one or more retirement scenarios
- An estate planning review and recommendations
- Education planning with funding recommendations

## **Services to Third-Party Advisors**

### **Turnkey Asset Management Program ("TAMP")**

SFM also provides discretionary portfolio management services to third party unaffiliated investment advisors ("TPIAs"). In some cases, we serve as a TAMP, providing asset management tasks services such as investment research and model portfolios, as well as handling account administration, billing and reporting on behalf of the TPIA. The specific services provided to a given TPIA are specified in an agreement between SFM and the TPIA.

If applicable, clients of the TPIA will enter into a tri-party agreement with SFM and the TPIA that describes the services to be provided. In general, SFM provides only investment management services when working with clients through the TAMP platform; the TPIA is typically responsible for all other services, such as financial planning, insurance planning, retirement and IRA rollover planning, and other financial services outside the scope of SFM's responsibilities under the tri-party agreement. We provide our TAMP services using the TD Ameritrade platform and Schwab's IIP Program (see Items 4, 5 and 12 for more information about the IIP Program and Item 12, Brokerage Practices, for more information about TD Ameritrade).





## Management Services to Other Advisors and Institutions

We also have relationships with other TAMPs, custodians and unaffiliated investment advisors in which we provide model portfolios and suggested allocations on an impersonal basis. In these cases, the end client is typically *not* a client of SFM and will not enter into an advisory agreement with us. Clients using these services will receive applicable disclosure documents through the other TAMP, custodian, or unaffiliated investment advisor. SFM has no obligation to determine client suitability and has no control over the timing of trading in end client accounts maintained through these other financial institutions.

Where SFM acts as a co-manager with another advisor and creates a client relationship, we will enter into an advisory agreement with the end client that specifies our services and fees, as well as those of the other manager. Our agreements with other financial institutions (such as FOLIO*fn*, Jefferson National, and Adhesion) to provide models or allocations do not create an advisor-client relationship between SFM and end investors.

## Assets Under Management

As of December 31, 2017, our total regulatory assets under management (including Separately Managed Accounts) were approximately \$194,828,192. Of this amount, we manage approximately \$174,744,847 on a discretionary basis and approximately \$20,083,345 on a non-discretionary basis.

## Miscellaneous

### Limitations of Financial Planning and Non-Investment Consulting/Implementation Services

To the extent requested by a client, SFM may provide financial planning and related consulting services regarding non-investment related matters, such as estate planning, tax planning, insurance, etc. SFM for a separate fee per the terms and conditions of a Financial Planning and Consulting Agreement between SFM and the client. **Please Note:** SFM **does not** serve as an attorney or accountant, and no portion of our services should be construed as legal or accounting services. Accordingly, SFM **does not** prepare estate planning documents or tax returns. To the extent requested by a client, we may recommend the services of other professionals for certain non-investment implementation purpose (i.e. attorneys, accountants, insurance, etc.), including certain SFM's representatives, in their separate individual capacities as licensed insurance agents of SFM's affiliated insurance agency, Synergy Financial Services, Inc. ("SFS"). 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 SFM and/or its representatives. **Please Note:** If the client engages any recommended unaffiliated professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. **Please Also Note-**



**Conflict of Interest:** A recommendation by SFM that a client purchase an insurance commission product from SFM's representatives in their separate individual capacities as licensed insurance agents of SFS representatives presents a ***conflict of interest***, as the receipt of commissions may provide an incentive to recommend investment products based on commissions to be received, rather than on a particular client's need. No client is under any obligation to purchase any insurance commission products from SFM's representatives. Clients are reminded that they may purchase insurance products recommended by SFM through other, non-affiliated insurance agencies. **SFM's Chief Compliance Officer, Joseph Maas, remains available to address any questions that a client or prospective client may have regarding the above conflicts of interest.**

**Please Note: Retirement Rollovers-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 Registrant recommends that a client roll over their retirement plan assets into an account to be managed by Registrant, such a recommendation creates a conflict of interest if Registrant will earn new (or increase its current) compensation as a result of the rollover. When acting in such capacity, Registrant serves as a fiduciary under the Employee Retirement Income Security Act (ERISA), or the Internal Revenue Code, or both. **No client is under any obligation to rollover retirement plan assets to an account managed by SFM. SFM'S Chief Compliance Officer, Joseph Maas 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.**

**Charles Schwab, TD Ameritrade, and Benefit Trust Company** As discussed below at Item 13, unless the client directs otherwise, SFM shall generally recommend that Charles Schwab ("Schwab"), TD Ameritrade ("TD") and/or Benefit Trust Company ("Benefit") serve as the broker-dealer and/or custodian for client investment management assets. Broker-dealers and custodians generally charge brokerage commissions and/or transaction fees for effecting securities transactions. In addition to SFM's investment management fee described at Item 6 below, 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).

**Please Note-Use of Mutual Funds:** Most mutual funds are available directly to the public. Thus, a prospective client can obtain many of the mutual funds that may be recommended and/or utilized by SFM independent of engaging SFM as an investment advisor. However, if a prospective client determines to do so, he/she will not receive SFM's initial and ongoing investment advisory services.

**Please Note: Asset Based Pricing Limitations:** We may recommend that our clients enter into an asset based pricing agreement with the account custodian. Under an asset based pricing arrangement, the amount that a client will pay the custodian for account commission/transaction fees is based upon a percentage (%) of the market value of your account, generally expressed in basis

points. One basis point is equal to one one-hundredth of one percent (This differs from transaction-based pricing, which assesses a separate commission/transaction fee against your account for each account transaction. Account investment decisions are driven by security selection and anticipated market conditions and not the amount of transaction fees payable by you to the account custodian. We do not receive any portion of the asset based transaction fees payable by you to the account custodian. We continue to believe that our clients can benefit from an asset based pricing arrangement. You can request at any time to switch from asset based pricing to transactions based pricing, However, there can be no assurance that the volume of transactions will be consistent from year-to-year given changes in market events and security selection. Thus, given the variances in trading volume, any decision by you to switch to transaction based pricing could prove to be economically disadvantageous. **ANY QUESTIONS:** Our Chief Compliance Officer, Joseph Maas, remains available to address them.

**Portfolio Activity.** SFM has a fiduciary duty to provide services consistent with the client's best interest. As part of its investment advisory services, SFM will review client portfolios on an ongoing basis to determine if any changes are necessary based upon various factors, including, but not limited to, investment performance, mutual fund manager tenure, style drift, and/or a change in the client's investment objective. Based upon these factors, there may be extended periods of time when SFM determines that changes to a client's portfolio are neither necessary nor prudent. Of course, as indicated below, there can be no assurance that investment decisions made by SFM will be profitable or equal any specific performance level(s).

**Please Note: Non-Discretionary Service Limitations.** Clients that engage SFM on a non-discretionary investment advisory basis **must be willing to accept** that SFM cannot effect any account transactions without obtaining prior consent to any such transaction(s) from the client. Thus, in the event that SFM would like to make a transaction for a client's account (including in the event of an individual holding or general market correction), and the client is unavailable, SFM will be unable to effect the account transaction(s) **without first obtaining the client's consent.**

**Separate Managed Account program engagements:** As indicated above, SFM's investment strategies are available on unaffiliated managed account programs. In these type arrangements, unaffiliated investment professionals can determine to allocate a portion of their clients' assets to or more SFM strategies. In these type arrangements, SFM is generally directed to effect account transactions through a specific broker-dealer/custodian, and SFM will correspondingly be unable to negotiate commissions and/or transaction costs, and/or seek better execution. 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 through alternative brokerage/custody arrangements. Higher transaction costs adversely impact account performance. If SFM is engaged in conjunction with an unaffiliated a wrap program, the wrap program sponsor arranges for the investor participant to receive investment advisory services, the execution of securities brokerage transactions, custody and reporting services for a single specified fee. **Participation in a wrap program may cost the participant more or less than purchasing such services**



separately. **Please Note:** Transactions for program directed accounts will generally be executed following the execution of portfolio transactions for non-directed accounts.

**Introduction from Unaffiliated Investment Professionals.** If the client obtains SFM services through the client's Investment Professional (i.e., broker or adviser), the Investment Professional shall serve as the client's primary investment professional, and shall be exclusively responsible for: (a) assisting client in determining the initial and ongoing suitability for the SFM's investment portfolios and/or strategies; and, (b) for receiving/ascertaining client's directions, notices, and instructions, and forwarding them to SFM in writing. SFM shall be entitled to rely upon any such direction, notice, or instruction until it has been duly advised in writing of changes therein. SFM's obligation shall be to manage the assets consistent with the investment strategy directed by the Investment Professional. SFM shall have no responsibility to the client for the failure of the Investment Professional to timely receive/ascertain/forward/communicate any and all such directions, notices, and instructions. If SFM is directed by the Investment Professional to effect account transactions through a specific broker-dealer/custodian, SFM will be unable to negotiate commissions and/or transaction costs, and/or seek better execution. 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 through alternative brokerage/custody arrangement. Higher transaction costs adversely impact account performance. **Please Note:** Transactions for program directed accounts will generally be executed following the execution of portfolio transactions for non-directed accounts.

**Private Investment Funds.** As indicated below at Items 6 and 9 below, SFM may also provide investment advice regarding affiliated and unaffiliated private investment funds. SFM, on a non-discretionary basis, may recommend that certain qualified clients consider an investment in private investment funds. With respect to unaffiliated private investment funds, SFM's role relative to unaffiliated private investment funds shall be limited to its initial and ongoing due diligence and investment monitoring services. Unless indicated to the contrary, in writing, if a client determines to become a private fund investor, the amount of assets invested in the fund(s) shall be included as part of "assets under management" for purposes of SFM calculating its investment advisory fee. **SFM'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 own, 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 SFM references private investment funds owned by the client on any supplemental account reports prepared by SFM, the value(s) for all private investment funds owned by the client shall reflect the most recent valuation provided by the fund

sponsor. If no subsequent valuation post-purchase is provided by the Fund Sponsor, 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 initial purchase price (and/or a value as of a previous date), the current value(s) (to the extent ascertainable) could be **significantly more or less** than original purchase price. The client's advisory fee shall be based upon reflected fund value(s).

**Please Also Note: Potential Conflict Of Interest.** If SFM can earn compensation from an affiliated private investment fund (both management fees and incentive compensation) that may exceed the fee that SFM would earn under its standard asset based fee schedule referenced in Item 6 below, the recommendation that a client become a Fund investor presents a **conflict of interest**. No client is under any obligation to become a Fund investor. **SFM's Chief Compliance Officer, Joseph Maas, remains available to address any questions regarding this conflict of interest.**

**Client Obligations.** In performing our services, SFM shall not be required to verify any information received from the client or from the client's other professionals, and is expressly authorized to rely thereon. Moreover, each client is advised that it remains his/her/its responsibility to promptly notify SFM if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising our previous recommendations and/or services.

**Please Note: 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 SFM) will be profitable or equal any specific performance level(s).

## **Item 5 Fees and Compensation**

Generally, we charge an annualized management fee based on the value of the assets we manage for you. Excluding assets held through the Group IRA and 401(k) platforms, our management fees for non-discretionary accounts are the same as those for discretionary accounts. Our fees are assessed quarterly, in advance, based upon the value of your portfolio on the last day of the quarter. Unless specifically requested, we deduct the management fee directly from your account(s).

Our fees are negotiable based on the size of the account(s). Any new accounts opened during the quarter are billed initially for the days from inception to the end of the quarter.

Subsequent quarterly fees will be calculated based upon the market value of your account(s) (including accrued interest and dividends) on the last business day of the previous calendar quarter and will become due the following business day. Any deposits made after the end of a quarter will be included in the next billing period.



The custodian of your account is normally authorized to deduct our advisory fees based on the Account Agreement we enter into with you at the onset of our relationship. All fees deducted and paid to us will be reflected on your quarterly account reports as well as on your statement from the custodian.

Our standard advisory fee schedule for both discretionary and non-discretionary accounts is:

Account Value	Quarterly Fee	Annualized Fee
First \$500,000	0.25%	1.00%
Next \$500,000	.1875%	.75%
Over \$1 million	.00125%	.50%

We may negotiate fees with clients that differ from this schedule based on a variety of factors including the type of client, the account size and anticipated increases in account size, or pre-existing relationship. We typically combine certain related advisory client accounts for purposes of calculating a client's aggregate account size and/or management fee. Some existing advisory clients are governed by fee schedules different from the above schedule and, therefore, those existing clients may pay higher or lower fees than new clients.

In general, we charge advisory clients a minimum annual fee of \$3,000 per year billed in quarterly increments, though we may choose to waive the minimum fee depending on your specific circumstances. Accordingly, you will pay the greater of i) the applicable SFM fee percentage multiplied by the household assets we manage, or ii) \$3,000. The minimum annual fee is also negotiable.

We refund pro-rated management fees for any accounts terminated during the quarter. We calculate the number of days between termination and the end of the quarter and mail a check for the refund amount.

Advisory clients generally are responsible for all fees and expenses incurred by or arising in connection with an account, including custodial fees, brokerage commissions, fees and expenses charged by mutual funds and exchange traded funds, trade-away fees, clearing fees, interest, and taxes incurred in connection with trading. Advisory clients pay these fees and expenses in addition to the management fee we charge. We discuss brokerage and other transaction costs incurred by advisory client accounts in more detail in Item 12 – Brokerage Practices.

## **Fees for Third Party Financial Products, Services & Platforms**

In addition to SFM fees, you may pay a fee to an investment fund or to a third-party investment manager. Mutual Fund fees and expenses are set forth in the applicable fund prospectus. Fees imposed by third-party managers are disclosed at the time you enter into an investment advisory agreement with the third-party manager. In situations where we recommend a third-party manager,





their fees and expenses are billed directly to you either by debiting your account (with a signed discretionary advisory agreement) or via invoice to you directly.

Neither SFM nor any employee receives any compensation from any third-party manager chosen to manage a portion of your investments.

## **Institutional Intelligent Portfolios™ Fees**

As described in *Item 4 Advisory Business*, clients do not pay fees to SWIA or brokerage commissions or other fees to Charles Schwab & Co., Inc. as part of the IIP Program. Schwab does receive other revenues in connection with the IIP Program, as described in the IIP Program Disclosure Brochure. Brokerage arrangements are further described below in *Item 13 Brokerage Practices*. SFM clients do not pay extra fees to SFM for use of the IIP Program platform; the fee assessed by SFM will be described in the client agreement and will typically reflect our standard fee schedule.

## **GroupIRA Fees**

Advisory Fees Paid to SFM monthly in arrears:

Account Value	Monthly Fee	Annualized Fee
All Account Values	0.04583%	0.55%

In addition to the above AUM fees, GroupIRA clients will also pay an annual membership fee of \$60 annually (\$5.00 per month), although the annual membership fee is waived for members making active monthly contributions. See GroupIRA's policies for details. All fees related to GroupIRA are charged monthly in arrears based on the value of the account on the last business day of the month.

SFM is not affiliated with GroupIRA and receives only the SFM Advisory fees shown above and related to accounts held on the GroupIRA platform. GroupIRA, through their client agreement, deducts all fees directly from client accounts and pays SFM its portion.



## Jefferson National/Nationwide

We provide our management services on the Jefferson National/Nationwide variable annuity platform. TPIAs with clients holding the Monument Advisor variable annuity may select SFM to manage the annuity's underlying funds.

SFM's fees are charged quarterly in advance as follows:

Account Value	Quarterly Fee	Annualized Fee
All Account Values	0.125%	0.5%

In addition to the above fees to SFM, you will pay advisory fees to the TPIA (or SFM if our client invests in this product) as described in your agreement with the TPIA. The Monument Advisor variable annuity charges \$20 per month and you will also pay the internal fees charged by the funds held in the annuity. This annuity assesses no surrender charges.

## FOLIOfn

TPIAs and their clients using the FOLIOfn platform are able to select SFM as a manager. SFMs fees are charged quarterly in advance as follows:

Account Value	Quarterly Fee	Annualized Fee
All Account Values	0.125%	0.5%

In addition to the above fees to SFM, you will pay advisory fees to the TPIA as described in your agreement with the TPIA, and any fees assessed by FOLIOfn as custodian and TAMP.

## Atria Investments LLC/Adhesion Wealth Advisor Solutions, Inc.

TPIAs and their clients using the Atria Investments/Adhesion platform are able to select SFM as a manager. SFMs fees are charged quarterly in advance as follows:

Account Value	Quarterly Fee	Annualized Fee
All Account Values	.125%	0.5 %

In addition to the above fees to SFM, you will pay advisory fees to the TPIA as described in your agreement with the TPIA, and any fees assessed by Atria Investments/Adhesion is its role as overlay manager and TAMP.



## Private Funds

Fees associated with our private fund generally include a management fee or a performance-based fee or allocation. Each fund investor must be an “accredited investor” meeting one of the qualifications below:

1. a natural person who has individual net worth, or joint net worth with the person’s spouse, that exceeds \$1 million at the time of the purchase, excluding the value of the primary residence of such person;
2. a natural person with income exceeding \$200,000 in each of the two most recent years or joint income with a spouse exceeding \$300,000 for those years and a reasonable expectation of the same income level in the current year; or
3. a trust with assets in excess of \$5 million, not formed to acquire the securities offered, whose purchases a sophisticated person makes.

In addition, fund investors who pay a performance fee must also meet the definition of a “qualified client”:

1. Has a net worth (together, in the case of a natural person, with assets held jointly with a spouse) of more than \$2,100,000. For purposes of calculating a natural person's net worth:
  - (a) The person's primary residence must not be included as an asset;
  - (b) Indebtedness secured by the person's primary residence, up to the estimated fair market value of the primary residence at the time the investment advisory contract is entered into may not be included as a liability (except that if the amount of such indebtedness outstanding at the time of calculation exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess must be included as a liability); and
  - (c) Indebtedness that is secured by the person's primary residence in excess of the estimated fair market value of the residence must be included as a liability; or
2. A natural person who has assets under management with SFM in excess of \$1,000,000.

Accredited investors who do not meet the threshold of being a Qualified Client will pay an annual management fee of 1.5% (.375% quarterly) based on the net asset value of the investor’s capital account at the end of each quarter. The management fee will be pro-rated for contributions other than at the beginning of a quarter.

Investors who meet the definition of qualified client will not pay any management fee, but will be assessed an annual performance fee of 25% subject to a 3% hurdle rate. Additional information on



the performance fee and related conflicts of interest is found in Item 7, below. Details about how the performance fee is calculated are found in the offering documents for the private fund. The private fund pays all operating expenses and other costs of the fund, including fund formation costs, custodial fees, brokerage commissions, fees and expense charged by mutual funds and exchange traded funds (if any), clearing fees, interest, and taxes incurred in connection with or related to its investments. The private fund's organizational and/or operating documents include details regarding the fees, costs and expenses associated with the fund.

## **Financial Planning**

The financial planning services we provide are in conjunction with our investment advisory services, and we generally do not charge additional fees for any of these services. However, depending on the situation, we may provide financial planning services to clients where we design the financial plan, but then are not tasked with the responsibility of implementing the plan. In those situations, and with a written agreement between us, we will negotiate either a flat fee or a fee based on the assets involved in the preparation of the plan.

## **Hourly or Flat Fees**

We may on occasion charge an advisory client an hourly fee for advice regarding investment or related planning. We negotiate the fees associated with these arrangements with the client on a case-by-case basis.

## **Other Fees**

Our advisory fees are exclusive of custodial fees, brokerage commissions and fees, transaction fees, bank service fees, interest on loans and debit balances, wire transfer and electronic fund transfer fees, interest on margin accounts, borrowing charges on securities sold short, and any other fees and taxes on brokerage accounts and securities transactions. All fees charged by the custodian are clearly detailed in the opening account form supplied by the custodian and in a separate document provided by the custodian, called a Pricing Guide.

All mutual funds/exchange traded funds incur expenses for account management services and fund administrative services by the fund company. These expenses may range from 0% to 2.0% of the net asset value for a domestic equity fund and from 0% to 2.5% for an international or global equity fund. Internal expenses of bond funds tend to be lower than for equity funds. The fees we charge to manage your account(s) are in addition to these internal fund expenses.

Certain of the open-end mutual funds which may be acquired for your account, may, in addition to assessing management fees, internally assess a distribution fee pursuant to section 12(b)1 of the Investment Company Act of 1940, as amended, or an administrative or service fee. SFM does not share in these fees and generally avoids selecting funds that charge 12(b)1 fees when managing



assets on a discretionary basis. These fees are included in the calculation of operating expenses of a mutual fund and are disclosed in the prospectus for each mutual fund.

Sometimes we may purchase a no-load mutual fund through the custodian in your account. When purchased at the custodian, there may be a transaction fee assessed by the custodian, if the fund is not included in the custodian's no transaction fee list. You may purchase mutual funds that charge no sales load directly with the sponsoring fund organization or, possibly, from an unaffiliated broker, with no transaction fee.

SFM receives no part of any of the fees charged by the custodian or mutual fund company, so there is no conflict of interest in the selection of assets that are purchased for your account. SFM's compensation from individually managed accounts comes entirely from the management fees based on the asset value of the account.

Please refer to Item 13 – Brokerage Practices below for additional information regarding brokerage charges that may be relevant to this discussion of fees.

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

Rowan Street Advisors, LLC, our affiliate, serves as the Managing Member to our private fund, Rowan Street Capital, LLC (the "Fund"). As described in Item 5 – Fees and Compensation, SFM/Rowan receives a management fee (only for accredited clients) and a performance incentive fee (only for qualified clients) for performance in excess of a specified hurdle. Specific details describing management and incentive fees are more fully described in the offering documents for the Fund. Our performance fees are charged in accordance with the requirements of Rule 205-3 under the Investment Advisers Act of 1940, as amended. Specifically:

- In measuring assets for the calculation of performance-based fees, we include realized and unrealized capital gains and losses.
- We have procedures designed and implemented to ensure that all clients subject to any performance or incentive fee arrangements are treated fairly and equally.
- Upon the redemption or withdrawal of an investor's interest in the fund, the pro-rata portion of the performance allocation or fee allocation is charged at the next instance a performance fee is assessed.
- Our fund is subject to an annual audit conducted by a qualified, PCAOB member, independent auditor.

Our compensation from the private fund (a higher management fee/performance incentive) creates a conflict because we charge advisory clients an asset based fee for the services we provide, but we (including Rowan) are entitled to receive performance-based fees or allocations from the Fund. As a result, we have an incentive to recommend that an advisory client invest in our private Fund, as

opposed to holding assets only in separate accounts and allocating those assets to investment options through which we would not be entitled to receive performance-based fees or allocations.

We seek to address this conflict by emphasizing our duty to place the interests of our clients first. We have procedures designed and implemented to ensure that all clients/fund investors are treated fairly and equally.

SFM, in its sole discretion, may charge a lesser investment management fee and/or waive its annual minimum 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, negotiations with client, etc.). **Please Note:** As result of the above, similarly situated clients could pay different fees. In addition, similar advisory services may be available from other investment advisers for similar or lower fees. **Please Also Note:** If you are subject to the annual minimum fee, you could pay a higher percentage advisory fee than reflected in the fee schedule at Item 5 above.

## Item 7 Types of Clients

SFM provides investment advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Business owners
- Trusts and estates of individuals and high net worth individuals
- 401(k) plans
- Corporations or other business entities
- Financial Advisors

We do not require a minimum account size, though we generally charge advisory clients a minimum annual fee of \$3,000 per year; however, we may choose to waive the minimum depending on the specific situation. Please refer to Item 5 – Fees and Compensation for additional information regarding the fees and compensation we receive.

### Types of Clients for Institutional Intelligent Portfolios™:

Clients eligible to enroll in the IIP Program include individuals, IRAs and revocable living trusts. Clients that are organizations (such as corporations and partnerships) or government entities, and clients that are subject to the Employee Retirement Income Security Act of 1974, are not eligible for the Program. The minimum investment required to invest an account in the Program is \$5,000. The Program Disclosure Brochure describes related minimum required account balances for maintenance of the account, automatic rebalancing, and tax-loss harvesting.

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

### Methods of Analysis

We are devoted to performing two primary, value-added wealth management services – investment management and comprehensive financial planning. We believe in a team approach to addressing comprehensive financial needs. This team may include SFM, as the quarterback of the team, a CPA, an attorney, a banker, a mortgage broker, or other professionals that you may rely on. As part of this process we use the following approach:

- Identify and prioritize goals in a discussion with you
- Obtain quantitative and qualitative data through the use of comprehensive questionnaires
- Analyze the data from the questionnaires and document our findings in a formal document
- Present and discuss our findings, including any issues we see along with our proposed solutions
- Implement the strategies we have outlined
- Monitor and adjust the plan as needed based on regular meetings and any changes occurring in your life.

### Financial Planning Foundations

Investment theory and historic capital market return data suggest that, over long periods of time, there is a relationship between the level of risk assumed and the level of return that can be expected in an investment program. In general, higher risk (e.g., volatility of return) is associated with higher return. Returns can also be evaluated by comparing relative returns to absolute returns.

Given this relationship between risk and return, a fundamental step in determining the investment policy for a portfolio is the determination of an appropriate risk tolerance. There are two primary factors that affect an investor's risk tolerance:

- Financial ability to accept risk associated with the investments, and
- Willingness to accept volatility in the expected returns

These two factors along with the responses to the questionnaires you complete determine your Risk Tolerance.

**Return:** We manage all portfolios from a total return perspective and separate returns by “required” and “desired”. Required returns are associated with primary goals, and desired returns are associated with secondary goals. If there are discrepancies between the two types of returns or if the current required return is not realistic under current market conditions, we may need to discuss the risk/return characteristics and review other variables that can provide solutions to meeting your goals.

Further, returns can be considered in nominal terms and in real terms. Real returns include inflation, and nominal returns address the return without inflation. We also consider returns on both a pre-tax and a post-tax basis. In addition, return characteristics can be considered from a principal conservation perspective or a principal invasion perspective. Using financial modeling, scenario and sensitivity analysis, and Monte Carlo simulation, we may explore a range of possible portfolio outcomes. For principal conservation, we can simply state the current return requirement. To provide for income needs, we can employ an income portfolio strategy in addition to a growth portfolio or overlay it on top of a growth strategy.

**Time Horizon:** While past performance is no guarantee of future results, historic asset class return data suggest that the risk of principal loss over a holding period of at least 10 to 20 years may be minimized with a long-term investment mix.

A series of facts determines your personal time horizon. A single family may have short-term investment goals, mid-term investment goals, and long-term investment goals, determined by their situation. We review all these needs and link them with risk objectives to determine the period of your time horizon.

**Taxes:** Taxes can affect the investment policy in several ways and should be analyzed by comparing pre-tax vs. post-tax opportunities, such as:

- The determination as to the appropriate investment vehicles for a portfolio, either taxable or tax-free, and/or income producing or growth through capital appreciation.
- The selection of either an active or passive strategy to be employed for a particular asset class and/or account type.

Initial portfolio implementation and portfolio rebalancing may have adverse tax consequences. Ordinary income and both short and long term capital gains taxes may apply.

**Liquidity:** We consider liquidity needs to be any need for cash flow within a twelve (12) month period. For these requirements, we use savings vehicles or equivalents so those assets are not subject to systematic market risk.

## Unique Circumstances

**Marketability of Assets:** A passive/active portfolio can be invested in illiquid, long-term investments. Such investments may include, but shall not be limited to, mutual funds, pooled investment vehicles, unit investment trusts, fixed and variable annuities, stocks, bonds, and options. Please be advised that most annuities have surrender charges and may also contain management or participation fees. A commission may also be earned by the insurance agent.





**Diversification:** Investments will generally be limited to individual marketable securities or packaged products (for example, mutual funds, or unit investment trusts) in categories as listed below. We may add or delete classes as necessary depending on your individual circumstances:

Asset Classes we use may include but are not limited to:

1. Cash and cash equivalents
2. Fixed Income – Domestic Bonds
3. Fixed Income – Non-U.S. Bonds
4. Equities – U.S.
5. Equities – Non-U.S.
6. Equities – Emerging Markets
7. Equities – REITs
8. Mortgages
9. Precious Metals

Security Types we use may include but are not limited to:

1. Mutual Funds – Stocks, Bonds, Money Market Funds
2. Individual Stocks, as long as they are traded on the major exchanges
3. Individual Bonds, as long as they are rated BBB or better.
4. Closed-end funds
5. Unit Investment trusts
6. Covered Call Options
7. Deferred Annuities issued by an insurance company with a Best rating of A or better
8. Bank certificates of deposit
9. Listed or OTC Options
10. Commodity ETFs or Pooled Investments

## **Investment Strategies**

Our goal is to provide our clients with adaptive portfolios built for all market conditions. We accomplish this through a sophisticated blend of advanced focused tactical asset allocation mathematics, bottom-up fundamental analysis, and professional technical analysis.

Portfolios are updated as the facts change. We are reluctant to make these changes unless they are absolutely valid. Mindful of the cost of trading expenses, we always base our decisions on the effect to the different Synergy portfolios. Our primary obligation is the preservation and explanation of our clients' wealth.

Our process also provides a sell-discipline that is as clearly defined as the buy-discipline. Most investors don't have a problem deciding on which securities to buy; but when it comes to knowing when to sell, it's a different story. Many investors learn that losing positions can become a serious detriment, eliminating the gains that were so enthusiastically earned. The lesson is that what you don't own is every bit as important as what you do own.





Investors can entrust their wealth to any one of Synergy's 18 portfolios, because our methodology is based on duplicable, systematic, and logical management systems that accelerate success.

## **Active Strategy**

SFM currently manages two active, custom, non-diversified strategies that seek to earn a return above their respective benchmarks. This excess return is called alpha. In seeking alpha, we may employ either or both of these strategies in the portfolio. Your ability and willingness to take risk are the primary determinants of which strategy (or combination of strategies) is implemented. We look for companies which have had strong historic performance and continue to have prospects for sustainable performance in several key value drivers, i.e., return on invested capital, growth, cash flows, and valuations. In addition to fundamental analysis, technical analysis is used to help identify execution decisions.

At any given time, the active equity strategy may contain stocks in various sectors, or it may contain concentrated sector allocations as well as various or concentrated market capitalizations.

**Focused Growth Strategy:** This proprietary strategy seeks to identify alpha opportunities through event-driven, opportunistic and/or intrinsic value principals and blends bottom-up research with top-down considerations. For small-cap companies, the discount from intrinsic value we look for is larger than the discount for mid-cap companies, and the mid-cap category requires a higher discount than the large-cap companies.

We manage risk in this strategy by initiating position limits and may execute stop loss orders when appropriate. Further, we take a long-term hold focus on our positions, which helps achieve the goal of minimizing taxes and transaction costs. Moreover, our target holding period is a minimum of twelve months. Taxable and non-taxable accounts may be treated differently, and a sale within twelve months may be appropriate in some situations.

To aid in the exit strategy of positions, we have several sell disciplines, some of which are soft rules and others are hard rules. The following are some reasons we may want to exit a securities position:

- Deteriorating fundamentals
- Price has risen well above its intrinsic value
- Better investment opportunities have been identified
- A percentage drop from the original position

**Dividend Income Strategy:** This strategy is ideally suited for "Buy and Hold" investors. This strategy contains well established companies that often pay a dividend who may be close to their intrinsic value or fully valued. The return expectation may be lower than the market expected return, have a lower capital gain expectation, higher income expectation, and lower volatility than the general market



over full market cycles. Additionally, we may execute a call option strategy given the right market conditions to enhance the potential income return.

**Conservative Strategy:** The conservative strategy is comprised of various investment vehicles and/or strategies designed to provide a secure foundation to the Client's overall portfolio. Investments may include but are not limited to: cash equivalents, CDs, money market instruments, T-bills, government and credit fixed income instruments, and fixed annuities.

Like the Active Strategies, we look for companies which have had strong historic performance and continue to have prospects for sustainable performance in several key value drivers, i.e., return on invested capital, growth, cash flows, and valuations. In addition to fundamental analysis, technical analysis is used to help identify execution decisions.

At any given time, the active equity strategy may contain stocks in various sectors, or it may contain concentrated sector allocations as well as various or concentrated market capitalizations.

Various strategies over short-term, intermediate-term and long-term time periods may be executed to help you meet your goals and objectives. The following are a few of the strategies that may be employed:

- Bullet strategies
- Barbell strategies
- Immunization strategies
- Cash flow matching strategies
- Combination strategies
- Laddering strategies
- Asset & Liability matching strategies

The use of each one of these strategies and/or investment instruments will be determined through a variety of factors including: economic analysis, general trends in fixed income and equity markets, yield curve analysis, credit analysis, spread analysis, risk adjusted returns, quality analysis, sector analysis, and total return projections. These financial factors will be considered along with personal circumstances and your specific portfolio objectives and constraints. In addition, on occasion, a client may have a favorite equity or other assets they prefer to hold outside of SFM models. If applicable, the details will be outlined in your personal Investment Policy Statement.

## **Institutional Intelligent Portfolios™ Program Risks**

The IIP Program Disclosure Brochure includes a discussion of various risks associated with the IIP Program, including the risks of investing in ETFs, as well as risks related to the underlying securities in which ETFs invest. In addition, the IIP Program Disclosure Brochure also discusses

market/systemic risks, asset allocation/strategy/diversification risks, investment strategy risks, trading/liquidity risks, and large investment risks.

## Private Funds

We may, directly or through our affiliate, form and control various private funds designed primarily to provide our clients with exposure to alternative investment strategies. We do not tailor the strategy of our fund(s) to the needs of individual investors in the private fund and all investors must complete and submit subscription documentation and be accepted by SFM/Rowan as an investor in the fund.

Private funds may employ a variety of investment strategies and techniques, including, among others:

- long/short equity strategies, where the portfolio has both long and short positions,
- distressed investing or arbitrage strategies, including equity-related investments, loans or other debt, structured finance, bonds or other asset classes and types,
- the purchase of interests of a single private fund issuer sold in the secondary market,
- cleared and over the counter financial instruments, including options on securities or groups of securities, swaps, futures and other derivatives, designed to increase return or act as a hedge against other positions or against certain market or interest rate risks, or as part of other trading strategies.

## Material Risks

Any investment activity, including investing in securities, involves risk of loss that clients should be prepared to bear. All investments carry the risk of loss, including complete loss, and there is no guarantee that any investment strategy will meet its objective. Any past success of a particular investment strategy or methodology does not imply or guarantee future success. We ask that you work with us to help us understand your tolerance for risk.

Depending on the investment strategy and the type of financial instruments used at any given time to implement that strategy, advisory clients may face the following material investment risks:

**Equity Instruments:** Investments in equity securities generally involve a high degree of risk. Stock prices are volatile and change daily, and market movements are difficult to predict. Movements in stock prices and markets may result from a variety of factors, including those affecting individual companies, sectors, or industries. Such movements may be temporary or may last for extended periods. The price of an individual stock may fall or fail to appreciate, even in a rising stock market. You could lose money due to a sudden or gradual decline in a stock's price or due to an overall decline in the stock markets generally.

**Fixed Income Instruments:** Generally, prices of fixed income instruments can exhibit some volatility and change daily. Investments in fixed income instruments present numerous risks, including credit, interest rate, reinvestment and prepayment risk, all of which affect the price (i.e., value) of the

instruments. For instance, a rise in interest rates may cause fixed income instruments to lose value. We make certain assumptions regarding interest rates when evaluating fixed income securities including, among other things, the yield curve of the security. A variation in the slope of a fixed income security's yield curve from the slope we assumed would be present will have an impact in allocating assets to these fixed income securities. Such variation could have a material adverse effect on the value of your account. In addition, the value of fixed income instruments may decline in response to events affecting the issuer, its credit rating or any underlying assets backing the instruments. High-yield fixed income instruments (often referred to as "junk bonds") are speculative and involve a greater risk of default and price change than investment grade fixed income instruments. Prices of high-yield instruments are especially sensitive to developments affecting the issuer's business and to changes in the ratings assigned to the issuer by rating agencies. High-yield instruments can experience sudden and sharp price swings due to changes in economic conditions, stock market activity, sales by major investors, default, perceived creditworthiness or other factors. The secondary market for high-yield fixed income instruments may be less liquid than the market for investment grade instruments, and you may not be able to sell illiquid high-yield instruments at an advantageous time or price. In all cases, developments in the credit markets may adversely affect fixed income instruments held in your account and could result in substantial losses. An event of default by an issuer may result in the issuer's fixed income instruments being worthless.

***Small and Mid-Capitalization Companies:*** Depending on the investment strategies we use to manage your assets, we may allocate a substantial portion of the assets to a manager that focuses on smaller and less established companies (i.e., small-capitalization and mid-capitalization companies). These smaller companies may present greater opportunities for capital appreciation, but typically are more volatile and involve greater risk than companies that are larger and more established. Such smaller companies may have limited product lines, markets or financial resources and their securities may trade less frequently and in more limited volumes than the securities of larger, more mature companies. As a result, the prices of the securities of such smaller companies may fluctuate to a greater degree than the prices of the securities of other issuers and these companies may be more likely to fail, which could result in substantial losses.

***Non-U.S. Investments:*** We may allocate to a manager that invests in instruments issued by non-U.S. companies and governments, including those in developing nations, emerging markets and frontier markets. Such investments involve a number of risks not usually associated with investing in securities of U.S. companies or the U.S. government. Those risks include, among other things, trade balances and imbalances and related economic policies, currency exchange rate fluctuations, imposition of exchange control regulation, withholding taxes, limitations on the repatriation of funds or other assets to the U.S., possible nationalization of assets or industries, political difficulties and political instability, any of which could lead to substantial losses.

***Turnover:*** We may, either directly or through an outside manager, trade in your account many times per month. A higher turnover rate, or increased trading in your account, may result in higher transaction costs and higher taxes in taxable accounts, and may materially affect performance. Since



we primarily employ no-load mutual funds, high turnover costs are unlikely to be experienced by our clients.

**Management:** Our judgments regarding the attractiveness, value, or potential appreciation of a particular asset class or investment instrument may be incorrect, and there is no guarantee that any asset class or instrument will perform as we expect. We may fail to implement a strategy as we Intended, or we may not identify all risks associated with a strategy or a shift in strategy; all of which may cause substantial losses.

**Market Risk; Liquidity Risk:** General economic and market conditions, such as interest rates, availability of credit, inflation rates, commodity prices, economic uncertainty, changes in laws, trade barriers, currency fluctuations and controls, and national and international political circumstances can materially affect your account. For example, any of these factors may affect price volatility and the liquidity of instruments held in your account. Even an instrument that generally is, or recently was, liquid may unexpectedly and suddenly become illiquid. Such volatility or illiquidity could result in substantial losses.

**Extraordinary Events:** Global terrorist activity and armed conflicts may negatively affect general economic conditions, including sales, profits, and production, and may materially affect prices and/or impair our trading facilities and infrastructure or the trading facilities and infrastructure of our sub-advisors, counterparties, or the exchanges or markets on which we (they) trade.

**Regulatory Developments:** The legal, tax and regulatory environment worldwide in the financial industry is evolving, and changes in regulations affecting the financial industry, including SFM and the issuers of financial instruments held in your account(s), may have a material adverse effect on our ability to pursue the investment strategies described above or the value of the instruments held in your account(s). There has been an increase in scrutiny of the financial industry by governmental agencies and self-regulatory organizations. Various national governments have expressed concern regarding the disruptive effects of speculative trading and the need to regulate the financial markets in general. New laws and regulations or actions taken by regulators that restrict our ability to pursue our investment strategies or conduct business with broker-dealers and other advisors or counterparties with whom we work could adversely affect your account(s).

**Concentration:** Your account(s) may hold highly concentrated positions in issuers engaged in one or a few industries. This increases the risk of loss relative to the market as a whole.

**Derivatives:** Derivatives (a term that includes a broad range of investments, including futures, options, forward contracts, and swaps) may trade in unexpected ways due to the use of leverage and other factors and may result in increased volatility or losses. Many derivatives, particularly those negotiated over-the-counter, are substantially illiquid or could become illiquid under certain market conditions. Use of derivatives also involves counterparty risk, meaning that the counterparty to a derivative contract may fail to comply with the terms of the contract. Any dispute concerning a



derivative contract could be expensive and time consuming to resolve, and even a favorable resolution could come too late to prevent liquidity problems and substantial losses.

**Short Sales:** In certain circumstances, based on a client's goals and objectives, and to facilitate a particular strategy for a client, and, if appropriate given the size and sophistication of the client, we may sell securities short in a client's account or may purchase an investment vehicle in which short sales are employed. Short sales can result in profits to your account if the price of the securities sold short declines. In a short sale, securities are sold that have been borrowed, usually from a broker. To obtain the borrowed shares, we typically will pledge cash or securities held in your account in an amount equal to or exceeding the value of the borrowed securities. The amount of the deposit may increase or decrease to reflect changes in the market value of the borrowed securities, and the lender generally may demand the return of the borrowed securities at any time. Your account will profit only if it repays the lender with securities purchased at a lower price than it borrowed them. Your account could experience losses if it is required to replace borrowed securities by purchasing them in the market at a time when the market price is higher than the price at which it borrowed them. Accordingly, short sales generally involve the potential for unlimited loss.

**Leverage:** Notwithstanding the above, we do not, as a general rule, employ leverage (i.e., borrowing cash or securities in connection with an investment position) in a client accounts. Nevertheless, upon request, and if appropriate given the size and sophistication of the client, we may employ leverage in that client's account, typically for a relatively brief period of time. Some examples of investment positions that use leverage include derivatives, short sales, and purchasing securities on margin. The use of leverage generally involves a high degree of risk. Typically, your account will be required to post cash or securities as collateral against the amount borrowed. If the value of the derivatives or securities in the account that have been posted as collateral falls below the margin or collateral levels required by the lender, then additional margin or collateral would be required. Failing to post additional margin or collateral could cause the lender to terminate the transaction(s) and liquidate or retain the collateral and margin. In addition, because the use of leverage allows the account to hold a position worth more than the amount of the investment in the position, the amount the account may lose if the price moves against the position will be high in relation to the amount invested.

**Alternative Investments (Private Funds) Risk:** In addition to the above risks, our private fund and the strategies we use may include additional risks, including:

- The private fund is exempt from SEC registration and only available to "accredited investors" or "qualified purchasers" who are assumed to be sophisticated purchasers who have little or no need for liquidity from such investments, and are able to withstand the loss of some or all of their investment.
- Limited withdrawal rights and restrictions on transfer create higher liquidity risk, and investors should view an investment in the private fund as a long-term investment.
- Fees and expenses may be a higher percentage of net assets than traditional investment strategies, and investors typically are subject to performance or incentive fees or allocations in addition to management fees.



*The various risks summarized above and in this section are not the only potential or actual risks associated with an investment in our private fund. Before making any investment decision regarding the private fund, you must carefully review and evaluate all of the applicable fund documents, including the private fund's private offering memorandum, and the specific disclosures regarding risk factors and conflicts of interest applicable to the private fund.*

## **Item 9      Disciplinary Information**

We are required to disclose any legal or disciplinary events that are material to your evaluation of our advisory business or the integrity of our management. SFM has had no legal or disciplinary events to disclose.

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

Rowan Street Advisors, LLC ("Rowan"), our affiliate and Managing Member of our private fund, has the right to receive a performance-based fee or allocation from the private fund and has the power to determine who will serve as the investment manager to the fund. Because of this, Rowan Street may be considered to be acting as an investment advisor. To the extent that is true, Rowan Street and SFM collectively conduct a single advisory business. Accordingly, Rowan Street is registered with the SEC as an investment advisor in reliance on SFM's Form ADV. We have disclosed in the Miscellaneous Section of Schedule D of Part 1A of our Form ADV that Rowan Street and SFM are together filing a single Form ADV in reliance upon guidance expressed in an SEC no-action letter.

Depending on the situation, we may recommend that an advisory client invest in our private fund. Because SFM and our affiliate serves as investment manager and Managing Member of the private fund, we and/or our affiliate is entitled to receive a management fee and a performance-based fee or allocation. This creates a conflict of interest because we have an incentive to recommend an investment in the private fund based on our own financial interest, rather than solely based on the interest of our clients. Please see Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading, for further discussion of this and other conflicts of interest and how we seek to address them.

SFM, through its affiliated entity Synergy Financial Services, Inc., a Washington state licensed Insurance Producer, may recommend insurance products to clients based on our financial planning process. This can create a conflict whereby SFM may benefit from the purchase of such products by advisory clients. However, clients are under no obligation to purchase insurance products recommended by Synergy Financial. Synergy Financial is also the parent company of Synergy Business Valuations & Consulting, LLC, a Washington corporation, which offers business valuation services to individuals and entities; and Synergy Mergers and Acquisitions, LLC (dba Synergy), a Washington corporation, which offers real estate brokerage services to individuals and entities. Please see Item 12 – Code of Ethics below for further discussion of these and other conflicts of interest and how we seek to address them.



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

We have adopted a Code of Ethics (the “Code”), which sets forth the high ethical standards of business conduct that we expect of our employees and emphasizes our fiduciary duty to you. The Code provides guidance and specific standards of conduct for situations where violations, inadvertent or otherwise, could occur in the conduct of business. Employees must avoid situations where their personal interest conflicts with the interest of our company and our clients.

The Code describes appropriate conduct surrounding gifts, outside employment, fiduciary appointments, political activities, personal investments, and trading activities. In addition, the Code prohibits dishonest and fraudulent acts and reaffirms our commitment to client confidentiality. Every employee is required to annually sign a statement acknowledging that he or she agrees to follow the standards set forth in the Code.

Employees of SFM/Rowan Street may, from time to time, purchase or sell shares of the same securities, which are held in our client/fund accounts. As part of our fiduciary duty, all employees must put client interests ahead of their own, and this includes not trading ahead of clients (i.e., ramping or front-running). Given the market capitalization of these securities and the daily trading volume they experience, we do not believe there is a material risk that our employees’ personal trades that may coincidentally be placed at or near the time of client trades would in any way be detrimental to our clients, however, all employees must obtain written pre-approval prior to placing equity trades in their personal (or related) accounts. Furthermore, our policy prohibits insider trading by any of our employees. The Code is designed to ensure that the personal securities transactions, activities, and interests of all employees will not interfere with making decisions in the best interest of our advisory/fund clients, while, at the same time, allowing employees to invest for their own accounts.

A complete copy of our Code of Ethics is available to current or prospective clients upon request.

**ANY QUESTIONS: Our Chief Compliance Officer, Joseph Maas, remains available to address any questions that a client or prospective client may have regarding the above arrangements and the conflicts of interest such arrangements may create.**

## **Item 12 Brokerage Practices**

SFM recommends that clients use the custodial account services of Charles Schwab & Co., Inc. (“Schwab”), TD Ameritrade Institutional, a division of TD Ameritrade, Inc. (“TD”), or Benefit Trust Company. While we recommend the custodial and brokerage services of Schwab and TD, and the custodial services of Benefit Trust, as the client, you are ultimately responsible for deciding whom to open a custodial account with. You are not under any obligation to select TD or Schwab as your



custodian, however, clients with accounts on the GroupIRA platform must custody with Benefit Trust. We reserve the right to decline the acceptance of any client account for which you have selected a custodian other than TD or Schwab, if we believe that the choice would hinder our ability to fulfill our fiduciary duty to you and/or our ability to service your account(s). Our choice in custodians is based upon each custodian's proven operational capabilities, research services, product availability, and competitive commission charges. We have an institutional relationship with these custodians, and we feel that we can best serve you because of these relationships.

You will sign a separate agreement with the selected custodian that details the compensation to be paid to those firms. Depending on the specific circumstances, both TD and Schwab generally provide their custodial (TD, Schwab, and Benefit Trust) and execution services (TD and Schwab only) to SFM clients for an annual asset-based charge. All custodians typically assess other fees and charges, in addition to the commissions or asset-based fees, for services such as wire fees, retirement plan maintenance fees, transfer and termination fees, etc. We do not have any obligation to place trades with these custodians. Many times, we will execute smaller trades (e.g., rebalancing trades, trades that are not aggregated or small aggregated block trades) through TD or Schwab, consistent with our duty to seek best execution. In addition, if an advisory client account held at TD or Schwab does not meet the minimum asset size to be prime broker eligible (at least \$100,000) then we would not be able to effect trades in that account away from the applicable custodian. In an effort to ensure all advisory client accounts receive the same trade price on trades made away from TD, Schwab, or Benefit Trust, we typically trade prime broker eligible accounts directly with the executing broker-dealer (i.e., away from TD or Schwab) and non-prime-broker eligible accounts are bundled together by the applicable custodian and traded by the custodian directly with the executing broker-dealer (i.e., the non-prime broker eligible trade is 'stepped-out'). In that case, the advisory client accounts included in the stepped-out portion of the trade do not pay a commission to the executing broker-dealer, but those accounts will pay the applicable custodian a commission based on the custodian's commission schedule.

## **Best Execution**

Unless otherwise designated in your discretionary/non-discretionary agreement with us, we will determine the brokers used and the commissions paid in connection with transactions for your account(s). We have a duty to seek to obtain "best execution" for clients on each brokerage transaction. We believe that the ability to execute through a wide network of broker-dealers provides us with the flexibility to seek best execution. We will allocate brokerage transactions to those brokers, dealers, and markets, and at such prices and commission rates, as we, in our good faith judgment, expect to be in the best interest of our clients. In making such allocations, we may take into account a variety of factors, including execution capabilities and research, transaction size, quality of execution and services (including research services) provided by the broker-dealer, block positioning, custodial or other services provided by the broker-dealer that we believe could enhance our general portfolio management capabilities and the value of ongoing relationships with the broker-dealer. It is not necessary that such factors provide a direct benefit to a particular client, and we do not have any duty or obligation to seek advance competitive bidding for the most favorable commission rate.

Accordingly, although we will seek competitive commission rates, we will not necessarily obtain the lowest possible commission rate in respect of a transaction.

Third-party managers typically determine the broker-dealers to be used to trade securities in the client accounts they manage and are responsible for obtaining best execution for those clients.

## **Soft Dollars**

Subject to meeting our fiduciary responsibility to seek best execution for all client transactions, we may obtain research products or services that fall within the 'safe harbor' established by Section 28(e) of the Securities Exchange Act of 1934. We may purchase brokerage or research services consistent with the requirements of Section 28(e) with soft-dollar commissions generated by trades for clients (including the private fund), even if that service may not be directly or fully useful to that client as long as we have determined that the services would be useful to our clients (including the private fund) as a whole. When using client brokerage commissions to obtain research or other products or services, we receive a benefit because we do not have to produce or pay for the research, products, or services.

In general, we use soft dollar benefits to service all client accounts, including those accounts that do not generate the soft dollar credits. This creates a conflict because some clients may receive the benefit of research or services received due to another client's commission dollars. For instance, we treat the private fund as a client account for these purposes. In many cases, trades placed by the private fund may be larger than those placed by advisory client accounts or, if the private fund and the advisory client accounts trade on an aggregated basis, the portion of the trade allocable to the private fund is larger than the portion of the trade allocable to the advisory client accounts. Nevertheless, we use any soft dollars generated by private fund trades to benefit the advisory client accounts without regard to whether or to what extent advisory client accounts participated in the trade. We do not seek to allocate soft dollar benefits to client accounts proportionately to the soft dollar credits generated by such client accounts. We have various controls in place designed to manage these conflicts, including:

- On a periodic basis, we review soft dollar practices to determine that commissions paid were reasonable in relation to the value of research or services received;
- We review commission rates periodically relative to peers; and
- We periodically review products and services acquired with soft dollar commissions to assess their benefit to clients.

Because the research and services received could benefit us, we may face a conflict of interest when choosing how to allocate brokerage business for client accounts. In other words, we might have an incentive to execute client transactions through a broker-dealer that provides valuable services or products to us and pay transaction commissions charged by that broker-dealer, rather than based on a client account's interest in receiving most favorable execution. We could also have an incentive to cause client accounts to engage in more securities transactions than would otherwise be optimal in



order to generate soft dollars with which to acquire research products and services. Additionally, in some cases, a client's transaction may be executed by a broker-dealer in recognition of services or products that are not used in managing that client's account. We do not exclude a broker-dealer from consideration when making a trading decision regarding a client's account simply because the broker-dealer has not provided research services or products to us, although we may not be willing to pay the same commission to that broker-dealer.

We seek to address some of these conflicts of interest by "unbundling" the commission amounts we pay to a broker-dealer. In other words, we have agreed with TD that a predetermined amount of commission will represent execution services provided by the broker-dealer and the remainder of the commission will be allocated to soft dollars. Pursuant to commission sharing agreements we have with TD, TD places the amount of commissions allocated to soft dollars in an account for our benefit. We then periodically direct the applicable broker-dealer to pay itself or third parties from the account for products or research created or developed by it or those third parties.

We may cause client accounts to pay a brokerage commission higher than another broker-dealer might have charged for completing the same transaction. We would do this if we determine, in our good faith, that the commission is reasonable in relation to the value of the brokerage and/or research services provided by the broker-dealer, viewed in terms of either the particular transaction or our overall responsibilities with respect to our client accounts.

If we receive a product or service that has a research or brokerage use and a non-research or non-brokerage use, we will use our judgment to make a reasonable allocation of the cost of the product or service according to its use (i.e., the component that relates to research or brokerage use vs. the component that relates to non-research or non-brokerage services). We would then pay the portion allocable to research or brokerage using soft dollars, while paying the portion allocable to non-research or non-brokerage portion using hard dollars paid by us. In making an allocation, we will consider users of the product or service and usage, including relative importance, costs of use, frequency of use, and available substitutes.

Services we may acquire with soft dollars include research reports, counsel on market analysis and execution strategies, discussions with research analysts, research related to the market for securities, including pre- and post-trade analytics, seminars or conferences, software that provides analysis of portfolios, corporate governance research and market data, company financials, and economic data. We will allocate soft dollars to a broker-dealer to receive the broker-dealer's proprietary research (i.e., research created or developed by the broker-dealer to which we are allocating soft dollars), and we also use soft dollars generated with a broker-dealer to pay for research created or developed by a third-party. In the case of a third-party, the broker-dealer may provide us with such third-party research or may pay such third-party directly and instruct the third-party to deliver the research to us.

We might also receive brokerage specific services, including communication services related to execution, clearing, and settlement of transactions and other functions incidental to effecting



securities transactions, post-trade matching, electronic communication of allocations routing and settlement instructions, client reporting software, trading software to route orders to market centers or brokers, and direct market access.

In our last fiscal year we used soft dollars from TD Ameritrade (see Section 15 below) to pay for many of the above-listed items, including research regarding external managers and general research services such as Morningstar.

With respect to the IIP Program, as described above under *Item 4 Advisory Business*, we do not pay SWIA fees for its services in connection with the IIP Program so long as we maintain \$100 Million in client assets in accounts at Charles Schwab & Co., Inc., that are *not* enrolled in the IIP Program. In light of our arrangements with Schwab, we may have an incentive to recommend that our clients maintain their accounts with Charles Schwab & Co., Inc., based on our interest in receiving Schwab's services that benefit our business rather than based on the client's interest in receiving the best value in custody services and the most favorable execution of transactions. This is a potential conflict of interest. We believe, however, that our selection of Charles Schwab & Co., Inc., as custodian and broker is in the best interests of our clients. It is primarily supported by the scope, quality and price of Charles Schwab & Co., Inc.'s, services and not Schwab's services that benefit only us.

## Trade Aggregation

When we deem the purchase or sale of securities to be in the best interest of one or more accounts, we may aggregate the securities to be purchased or sold for all such clients for a variety of reasons, including seeking best execution. In such situations, we typically will allocate any securities purchased or sold as discussed below. We strongly prefer to allocate all transaction costs (including commissions) for aggregated orders pro-rata based on each client's participation in the aggregated order. Many times, however, it is not possible or practical to share all costs pro-rata due to the nature of the client accounts participating in the order. For example, as discussed above, we may aggregate prime broker eligible and non-prime broker eligible accounts so all accounts participating in the aggregate order receive the same execution price and/or for purposes of best execution. In such cases, the prime broker-eligible accounts would pay the executing broker's commission on a pro-rata basis. The non-prime-broker eligible accounts would pay a fee to the applicable custodian on such account according to each account's custodial fee schedule, because such accounts cannot pay or participate in the payment of the executing broker's commission.

Any aggregation or bunching of trades will be consistent with our duty to seek best execution.

In addition to our portfolio management and other services, the IIP Program includes the brokerage services of Charles Schwab & Co., Inc., a broker-dealer registered with the Securities and Exchange Commission and a member of FINRA and SIPC. While clients are required to use Charles Schwab & Co., Inc., as custodian/broker to enroll in the IIP Program, the client decides





whether to do so and opens its account with Charles Schwab & Co., Inc., by entering into an account agreement directly with Charles Schwab & Co., Inc. We do not open the account for the client. If the client does not wish to place his or her assets with Charles Schwab & Co., Inc., then we cannot manage the client's account through the IIP Program. As described in the IIP Program Disclosure Brochure, SWIA may aggregate purchase and sale orders for ETFs across accounts enrolled in the IIP Program, including both accounts for our clients and accounts for clients of other independent investment advisory firms using the IIP Program.

## **Trade Allocation**

We allocate securities purchased or sold across portfolios and the private fund in accordance with an order allocation statement we prepare. The private fund is treated as a client account for this purpose and may participate in allocations along with advisory client accounts. If an order is partially filled, we generally allocate the filled portion of the order on a pro-rata basis based on account size.

Although we may allocate on a pro-rata basis, we will not always do so. There are instances where, in our judgment, allocating an order on a pro-rata basis is not desirable or appropriate for client accounts. For example, filling a relatively small or large percentage of an order may have the potential for clients to receive multiple statements and/or trade confirmations reflecting the allocation of a relatively small number of shares over the course of multiple days. In that case, we may allocate the partially filled order on a random and full basis. Typically, we seek to fill the remaining portion of the order during subsequent trading days. However, it is possible that the security will not trade at a price that is desirable for future buys or sells, as the case may be, in which case client accounts that were not filled in full will not trade any amount of the securities. In addition, a partially filled buy order may cause or contribute to an increase in the price of the security during subsequent trading days, and a partially filled sell order may cause or contribute to a decrease in the price of the security during subsequent trading days. In addition to the foregoing, we may allocate orders on a basis different from that specified in the order allocation statement if all client accounts receive fair and equitable treatment over time. No client will be favored over another client, though each client will not necessarily be offered or participate in every investment opportunity. We will endeavor to make all investment allocations in a manner that we consider to be fair and equitable over time.

From time to time, we, or our affiliate (Rowan Street), may be presented with investment opportunities in connection with our and their management and control of the private fund. For various reasons, we may determine that those opportunities are not appropriate or desirable investments for the private fund, or that only a portion of an available opportunity is appropriate or desirable for the private fund. In general, we believe advisory clients should access investments made by, or investment opportunities presented to, the private fund by making an investment in the private fund. Accordingly, in such cases we or our affiliate may, but is not obligated to, in our discretion, offer the available investment opportunity to any one or more persons, including: investors in the private fund, persons or entities that are not investors in the private fund, and/or personnel employed by us. In each of the foregoing cases, any such offer will be on such terms and conditions as we determine in our discretion.

We may not, and are not obligated to, offer such available investment opportunities to advisory clients, and we, our affiliate, and/or personnel employed by our affiliate or us, may invest in such investment opportunities without allocating any portion of the investment opportunity to advisory clients and without providing notice to, or obtaining consent from, any advisory clients. In addition, we, our affiliate and/or personnel employed by our affiliate or us, may invest in the same investment opportunities as our clients on more favorable terms than our clients, including fee and liquidity terms that are more favorable than the terms on which our clients invest. See the section regarding Participation or Interest in Client Transactions and Personal Trading in Item 11 (Code of Ethics, Participation or Interest in Client Transactions and Personal Trading) for additional information.

### **Brokerage Discretion – Private Fund**

With regard to the private fund, we will have full investment discretion with respect to all portfolio securities transactions in the fund and full authority to select broker-dealers to execute such transactions. Allocation of investment opportunities and investments will be determined in accordance with the provisions of the fund offering documents and our allocation policies and procedures. In general, we endeavor to allocate liquid market transactions under guidelines materially similar to those described in Item 12A above. Notwithstanding the forgoing, neither we nor Rowan Street are precluded from directly or indirectly purchasing, selling or holding assets or investments for our, or their, own accounts, regardless of whether the fund also purchases, sells, or holds the same assets or investments.

### **Directed Brokerage**

We do not routinely recommend, request, or require that a client direct us to execute transactions through a specified broker-dealer, and we generally will do so when requested by a client only on a case-by-case basis. In the event a client does direct us to use a particular broker-dealer and we agree to do so, we will not have authority to negotiate commissions or obtain volume discounts, and best execution may not be achieved. In addition, under these circumstances, a disparity in commission charges may exist between the commissions charged to other clients.

We do not use, recommend, or direct activity to brokers in exchange for client referrals.

### **Timing of Model Updates and Related Trades – SFM-Managed Accounts vs Models Accessed Through Other Platforms**

When changing our models, we attempt to minimize the impact of notification delays to third party platforms and trading delays that may results for investors using the models on platforms where SFM does not control trading. In order to avoid possible front-running or other disadvantages that could accrue to investors using the models through third parties, if changes result in SFM's entering buys or sells for our client accounts, we will notify platform providers in a trading rotation with SFM's own



clients, treating the platform provider as if it were a directed brokerage account that does not permit step-outs. The models will therefore be updated on external platforms after the models have been updated on behalf of SFM's internally-managed clients. This could result in better or worse executions than SFM's internal clients receive. Updating of models on external platforms does not necessarily result in trades for end-investors and SFM has no ability to make those trades except for its own discretionary clients.

## Item 13 Review of Accounts

Every quarter, the investment team (Joe Maas, Connie Peterson, Alex Kopelevich, and Frank Roman) conducts a formal review of client accounts. The team reviews the quarterly performance percentages for each client, including overall account performance and strategy performance data (active, semi-passive, and conservative strategies). After compiling the information, the data are reviewed using several statistical measures, such as averages, range, deviation, dispersions, regression, etc. The many measures used help the team assess relative and absolute performance of the accounts. Finally, the reports are reviewed line by line and compared to internal benchmarks.

If an account's return is outside the expected range, the account is marked for allocation review to determine the cause of the diversion from expected return. Accounts may be reviewed additionally during the year for a number of reasons:

- We see changes in the market that warrant action
- The account is rebalanced to the allocation model
- A client notifies us of a material change in their needs or situation
- A client meeting is scheduled

In addition, SFM sends printed reports to clients quarterly in April, July, October, and January for the quarter just finished. The selected custodian for your account(s) will also send out statements at least quarterly. If there is activity or a change in your account(s) during an interim month not at the end of the quarter, an additional statement may be sent by the custodian in addition to the quarterly statement.

SFM, together with Rowan Street, reviews the fund portfolio on a regular (at least monthly) basis. Reviews consist of an analysis of the portfolio holdings, performance to date in light of its investment objective, portfolio risk exposure, and an evaluation of any appropriate changes to be implemented with respect to the portfolio.

Investors in the private fund receive the fund's annual audited financial statement. In addition, we generally provide written reports to investors that may include, among other things, unaudited values, performance date, information regarding the status of an investor's account, and certain tax reporting information on an interim basis. The organizational and offering documents for the fund describes the nature and frequency for which fund investors receive information from us.



**ANY QUESTIONS: Our Chief Compliance Officer, Joseph Maas, remains available to address any questions that a client or prospective client may have regarding the above arrangements and the conflicts of interest such arrangements may create.**

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

SFM maintains agreements with certain affiliated solicitors for the solicitation of other advisory firms and/or investment adviser representatives to utilize SFM as a sub-adviser or money manager. If a party is introduced to SFM by such affiliated solicitor, SFM 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 the SFM's advisory fee, and shall not result in any additional charge to the referred party. If the client is introduced to the Registrant by such affiliated solicitor, the solicitor, at the time of the solicitation, shall provide each prospective client with a copy of this Form ADV Part 2A and a copy of a written disclosure statement from the solicitor to the client disclosing the solicitor's affiliation with SFM, the terms of the solicitation arrangement between SFM and the solicitor, and the compensation to be received by the solicitor from SFM.

However, we do participate 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 ("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. We receive some benefits from TD Ameritrade through its participation in the Program.

As disclosed above, we participate in TD Ameritrade's institutional customer program and Advisor may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between Advisor's participation in the program and the investment advice it gives to its Clients, although Advisor 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 Advisor by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by Advisor's related persons. Some of the products and services made available by



TD Ameritrade through the program may benefit Advisor but may not benefit its Client accounts. These products or services may assist Advisor in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Advisor manage and further develop its business enterprise. The benefits received by Advisor 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, Advisor endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Advisor or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the Advisor's choice of TD Ameritrade for custody and brokerage services.

Generally, in addition to a broker's ability to provide "best execution," we may also consider the value of "research" or additional brokerage products and services a broker-dealer has provided or may be willing to provide. This is known as paying for those services or products with "soft dollars." Because many of the services or products could be considered to provide a benefit to the firm, and because the "soft dollars" used to acquire them are client assets, the firm could be considered to have a conflict of interest in allocating client brokerage business: it could receive valuable benefits by selecting a particular broker or dealer to execute client transactions and the transaction compensation charged by that broker or dealer might not be the lowest compensation the firm might otherwise be able to negotiate. In addition, the firm could have an incentive to cause clients to engage in more securities transactions than would otherwise be optimal in order to generate brokerage compensation with which to acquire products and services.

The firm's use of soft dollars is intended to comply with the requirements of Section 28(e) of the Securities Exchange Act of 1934. Section 28(e) provides a "safe harbor" for investment managers who use commissions or transaction fees paid by their advised accounts to obtain investment research services that provide lawful and appropriate assistance to the manager in performing investment decision-making responsibilities. As required by Section 28(e), the firm will make a good faith determination that the amount of commission or other fees paid is reasonable in relation to the value of the brokerage and research services provided. That is, before placing orders with a particular broker, we generally determine, considering all the factors described below, that the compensation to be paid to TD Ameritrade is reasonable in relation to the value of all the brokerage and research products and services provided by TD Ameritrade. In making this determination, we typically consider not only the particular transaction or transactions, and not only the value of brokerage and research services and products to a particular client, but also the value of those services and products in our performance of our overall responsibilities to all of our clients. In some cases, the commissions or other transaction fees charged by a particular broker-dealer for a particular transaction or set of transactions may be greater than the amounts another broker-dealer who did not provide research services or products might charge.

We receive an economic benefit from Schwab in the form of the support products and services it makes available to us. These products and services, how they benefit us, and the related conflicts of interest are described above under *Item 12 Brokerage Practices*. The availability to us of



Schwab's products and services is not based on our giving particular investment advice, such as buying particular securities for our clients.

## **Item 15 Custody**

SFM does not have physical custody over client assets in separately managed accounts. Such assets will be held by unaffiliated, third party custodians you have selected (generally Schwab, TD, or Benefit Trust (for Group IRA accounts)). We do, however, have the authority to directly debit advisory fees from your custodial account(s) at Schwab or TD based on your written authorization to do so. We urge you to carefully compare the reports we provide you with those you receive directly from your custodian, realizing that the official record of your activity is the custodial statement and not ours.

Rowan Street Advisors, LLC, our affiliate, is the Managing Member of our private fund. As a Managing Member, we have the power and authority to access and distribute client funds and/or securities from the fund. This ability to access client funds deems us to have "custody" of your assets and requires us to comply with the specific custody rules as outlined in Rule 206(4)-2 of the Advisors Act of 1940, as amended.

To comply with these rules, we have implemented internal control procedures including the audit or examination of the fund by an independent certified public accounting firm that is a member of the Public Company Accounting Oversight board ("PCAOB"). Such examination will occur on an annual basis and fund audited financial statements will be delivered to all fund investors within 120 days of its fiscal year end. In addition, fund investors will receive statements from SFM/Rowan Street on a quarterly basis which will include, but not be limited to: details regarding the management fee (if applicable), how it was calculated and the asset value upon which the fee was calculated, as well as details regarding any incentive fees (calculated annually as applicable). Membership interests are held in book-entry form. See also Item 13 - Review of Accounts.

## **Item 16 Investment Discretion**

As indicated in Item 4 above, SFM provides investment management services for separately managed accounts on both a discretionary and non-discretionary basis. Our investment authority is documented in the written agreement we have with you and may be updated as you determine; however, we require that you provide all limitations or restrictions in writing.

As it relates to our Fund, each member in the Fund grants the Managing Member discretionary authority to manage the fund assets through the subscription documents completed and signed by each investor. SFM does not have discretionary authority to choose the private fund for a client. We



have discretionary authority to invest and reinvest the assets of the private fund, subject to the control of the fund's Managing Member, which is an affiliate of ours.

## Item 17 Voting Client Securities

SFM does not have any authority to and does not vote proxies on behalf of advisory clients. If you request, we will provide information or our professional insight into various matters related to your proxies. Certain third party money managers may request to retain the authority to vote proxies in accounts they manage for you, subject to their stated policies.

As described in the IIP Program Disclosure Brochure, clients enrolled in the IIP Program designate SWIA to vote proxies for the ETFs held in their accounts. We have directed SWIA to process proxy votes and corporate actions through and in accordance with the policies and recommendations of a third party proxy voting service provider retained by SWIA for this purpose. Additional information about this arrangement is available in the IIP Program Disclosure Brochure. Clients who do not wish to designate SWIA to vote proxies may retain the ability to vote proxies themselves by signing a special Charles Schwab & Co., Inc., form available from us.

Corporate Actions: If requested, we will provide advice and input on corporate actions, especially in cases where there are options to receive cash payments or retain ownership.

## Item 18 Financial Information

SFM does not have any financial commitment(s) that are reasonably likely to impair our ability to meet contractual and fiduciary commitments to our clients. In addition, neither SFM nor its management persons have been the subject of a bankruptcy proceeding.

**ANY QUESTIONS: SFM's Chief Compliance Officer, Joseph Maas, remains available to address any questions regarding this Part 2A.**

## Brochure Supplement

ADV Part 2B follows.



**ITEM 1: COVER PAGE**

**PART 2B OF FORM ADV: BROCHURE SUPPLEMENT**

**Joseph M. Maas**

**Synergy Financial Management, LLC  
701 Fifth Avenue, Suite 3520  
Seattle, Washington 98104  
(206) 386-5455  
[www.sfmadvisors.com](http://www.sfmadvisors.com)**

**2017**

This brochure supplement provides information about our Joseph M. Maas that supplements our ADV Part 2A brochure. You should have received a copy of that brochure. Please contact us via phone (206) 386-5455 or email [info@sfmadvisors.com](mailto:info@sfmadvisors.com) if you did not receive Synergy's brochure or if you have any questions about the content of this supplement.

Additional information about Joe is available on the SEC's website at <http://www.adviserinfo.sec.gov>.



## **ITEM 2 EDUCATIONAL BACKGROUND AND EXPERIENCE**

Joseph M. Maas, Managing Member

Year of Birth: 1966

Education:

- Bachelor of Arts – Finance, Seattle Pacific University 1990
- Master of Science – Financial Services, American College 2000

Business Experience:

- 1997 to Present Synergy Financial Services, Inc.
- 2001 to Present: Founder and Managing Member, Synergy Financial Management, LLC
- 2003 to 2005: Skyline Properties

Industry Designations\*:

- Charter Financial Analyst 2009
- Certified Valuation Analyst 2010
- Certified Financial Planner 1997
- Chartered Financial Consultant 1995
- Chartered Life Underwriter 1995

## **Item 3 Disciplinary Information**

Synergy Financial Management, LLC is required to disclose all material facts regarding any legal or disciplinary events that would materially impact a client's evaluation of Joe Maas. No events have occurred that are applicable to this item.

## **Item 4 Other Business Activities**

Synergy Financial Services, Inc. is a 99% owner of Synergy Financial Management, LLC, with Joe Maas owning 1%. Synergy Financial Services is an Insurance Broker. There may be commissions received from insurance policies purchased by clients of Synergy Financial Management, LLC.

Synergy Financial Services, Inc. also owns Synergy Mergers + Acquisitions, LLC and Synergy Business Valuations + Consulting, LLC.

## **Item 5 Additional Compensation**

Synergy Financial Management, LLC is required to disclose any outside business activities or occupation for compensation that could potentially create a conflict of interest with clients.

In addition to compensation paid through Synergy Financial Management, LLC, Joe also may receive commissions related to insurance products or in his capacity as an M&A specialist as well as a licensed real estate broker. Because Joe receives additional remuneration related to these outside activities, this can create a conflict whereby a client will purchase insurance products or engage Joe in his capacity as a real estate broker or M&A specialist. Recommendations made by Joe in one of these capacities is not required or obligated to be executed through the related entities.

## **Item 6 Supervision**

We are a small investment advisor, with a limited number of principals and employees. Because of our size, traditional internal control and oversight structures are not viable because a separation of duties among different people is not possible. However, we regularly consult with outside counsel as well as engage

industry specific compliance consultants to assist us with our internal controls, oversight of our activities and creation/maintenance of our internal written policies and procedures. In addition, we maintain records that are intended to demonstrate our compliance with securities laws, rules and our policies.

### **\*Chartered Financial Analyst (CFA®)**

The Chartered Financial Analyst charter is a professional designation established in 1962 and awarded by CFA Institute. To earn the CFA charter, candidates must pass three sequential, six-hour examinations, which takes most candidates between two and five years. The three levels of the CFA Program test a wide range of investment topics, including ethical and professional standards, fixed-income analysis, alternative and derivative investments, and portfolio management and wealth planning. In addition, CFA charter holders must have at least four years of acceptable professional experience in the investment decision-making process and must commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.

### **Certified Valuation Analyst (CVA®)**

The National Association of Certified Valuators and Analysts (NACVA) supports the users of business and intangible asset valuation services and financial forensic services, including damages determinations of all kinds and fraud detection and prevention, by training and certifying financial professionals in these disciplines. NACVA training includes Continuing Professional Education (CPE).

To earn the CVA® designation, a candidate must:

1. Hold a business degree and/or and MBA or higher from an accredited college or university; and
2. Be able to demonstrate with business reference or attestations from current or previous employers and/or partners "substantial experience" in business valuation. For this purpose, substantial could mean:
  - a. Two years or more of full-time or equivalent experience in business valuation and related disciplines; or
  - b. Having performed 10 or more business valuations where the applicant's role was significant enough to be referenced in the valuation report or a signatory on the report; or
  - c. Being able to demonstrate substantial knowledge of business valuation theory, methodologies, and practices.
3. Be a Practitioner member in good standing with NACVA;
4. Successfully demonstrate that applicant meets NACVA's "Experience Threshold" by completing a sample Case Study or Submitting an actual and sanitized Fair Market Value (FMV) report prepared in the last 12 months for peer review;
5. Submit three personal and three business references; and
6. Pass a comprehensive, five-hour, multiple-choice, proctored examination.

To hold an active CVA designation, individuals must maintain current Practitioner or Academic member, or Government employed valuator in NACVA

### **Certified Financial Planner™ (CFP®)**

The Certified Financial Planner™ and CFP® marks are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. ("CFP Board"). The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients.

To attain the right to use the CFP® marks, an individual must complete an advanced college-level course in financial planning, pass the comprehensive two-day examination, and complete at least three years of full-time financial planning-related experience. Additionally successful candidates agree to be bound by the CFP Board's Standards of Professional conduct and complete 30 hours of continuing education every two years.

### **Chartered Financial Consultant (ChFC®)**

The Chartered Financial Consultant (ChFC®) is the "Advanced Financial Planning" designation awarded by The American College of Financial Services. Charter holders are qualified to provide comprehensive advanced financial planning for individuals, professionals, and small business owners. The authority to use the ChFC mark is granted by the Certification Committee of the Board of Trustees of The American College and is contingent on adherence to a set of ethical guidelines.

To earn the ChFC® designation, applicants must have three years of full-time business experience within the preceding five years and must complete nine college-level courses, equivalent to 27 semester credit hours. Students must master over 100 topics on integrated advanced financial planning. To maintain the designation, holders must complete 30 hours of continuing education every two years and adhere to The American College Code of Ethics and Procedures.

### **Certified Life Underwriter (CLU®)**

The Certified Life Underwriter (CLU®) designation is awarded to those candidates who have demonstrated a thorough understanding of a broad array of personal risk management and life insurance planning issues and stresses ethics, professionalism, and in-depth knowledge in the delivery of financial advice. Candidates must have at least three years of full-time, relevant business experience and as part of the certification, must additionally complete eight college-level courses, five required and three electives. The required courses include Fundamentals of Insurance Planning; Individual Life Insurance; Life Insurance Law; Fundamentals of Estate Planning; and Planning for Business Owners and Professionals. Elective topics cover financial planning, health insurance, income taxation, group benefits, investments, and retirement planning. All candidates must pass eight closed-book, course-specific, two-hour proctored exams.

Those awarded the CLU® designation must adhere to The American College's Code of Ethics, which includes the following professional pledge: "I shall, in light of all conditions surrounding those I serve, which I shall make every conscientious effort to ascertain and understand, render that service which, in the same circumstances, I would apply to myself." To maintain the designation, holders must complete 30 hours of continuing education every two years.

### **Certified Wealth Preservation Planner (CWPP™)**

The Certified Wealth Preservation Planner (CWPP™) designation is awarded to advisors that complete a 24 hour educational course and pass a 240 question multiple choice examination and a 3 question essay examination. Topics covered in the course work include: asset protection, deferred compensation, estate planning, accounts receivable leveraging/financing, life settlements, reverse mortgages, Section 79 plans, advance planning with IRAs, voluntary employee benefit associations, Mortgages, Qualified Plan Insurance Partnership (QPIP®), charitable planning, ESOPs, international tax planning, qualified plans, life insurance, annuities.

Designations are awarded by The Wealth Preservation Institute and maintenance of the designation requires 24 hours of Continuing Education every two years.



**ITEM 1: COVER PAGE**

**PART 2B OF FORM ADV: BROCHURE SUPPLEMENT**

**John A. Flavin**

**Synergy Financial Management, LLC  
701 Fifth Avenue, Suite 3520  
Seattle, Washington 98104  
(206) 386-5455  
[www.sfmadvisors.com](http://www.sfmadvisors.com)**

**2017**

This brochure supplement provides information about John A. Flavin that supplements our ADV Part 2A brochure. You should have received a copy of that brochure. Please contact us via phone (206) 386-5455 or email [info@sfmadvisors.com](mailto:info@sfmadvisors.com) if you did not receive Synergy's brochure or if you have any questions about the content of this supplement.

Additional information about John Flavin is available on the SEC's website at <http://www.adviserinfo.sec.gov>.

## **ITEM 2 EDUCATIONAL BACKGROUND AND EXPERIENCE**

John A. Flavin, Managing Member

Year of Birth: 1972

Education:

- Bachelor of Science – Environmental Geosciences, Boston College 1994

Business Experience:

- 2001 to Present: Senior Associate Planner/Investment Adviser Representative, Synergy Financial Management, LLC
- 2002 to Present: Synergy Financial Services, Inc.
- 1998 to Present: Flavin Financial Services, Inc.

Industry Designations\*:

- Chartered Financial Consultant 2007
- Certified Financial Planner 2005
- Chartered Life Underwriter 2013
- Accredited Investment Fiduciary 2014

## **Item 3 Disciplinary Information**

Synergy Financial Management, LLC is required to disclose all material facts regarding any legal or disciplinary events that would materially impact a client's evaluation of John Flavin. No events have occurred that are applicable to this item.

## **Item 4 Other Business Activities**

Synergy Financial Management, LLC is required to disclose any outside business activities or occupation for compensation that could potentially create a conflict of interest with clients. Because John receives commissions related to the sale of certain insurance products, this can create a conflict whereby a client will purchase insurance products through Flavin Financial Services. While John will recommend such insurance products, a client is not obligated to purchase the recommended product through John or Flavin Financial Services.

## **Item 5 Additional Compensation**

In addition to compensation related to sales, client referrals, new accounts, John may receive commissions and/or trail commissions related to his activities as an insurance agent.

## **Item 6 Supervision**

Joe Maas, Chief Compliance Officer, is responsible for all supervision and monitoring of investment advice and insurance recommendations John gives to clients. He can be reached at (206) 386-5455. While the underlying securities within accounts are continually monitored, Mr. Maas reviews these accounts at least quarterly. Accounts are reviewed in the context of each client's stated investment objectives and guidelines.

### **\*Chartered Financial Consultant (ChFC®)**

The Chartered Financial Consultant (ChFC®) is the "Advanced Financial Planning" designation awarded by The American College of Financial Services. Charter holders are qualified to provide comprehensive advanced financial planning for individuals, professionals, and small business owners. The authority to use the ChFC mark is granted by the Certification Committee of the Board of Trustees of The American College and is contingent on adherence to a set of ethical guidelines.

To earn the ChFC® designation, applicants must have three years of full-time business experience within the preceding five years and must complete nine college-level courses, equivalent to 27 semester credit hours. Students must master over 100 topics on integrated advanced financial planning. To maintain the designation, holders must complete 30 hours of continuing education every two years and adhere to The American College Code of Ethics and Procedures.

### **Certified Financial Planner™ (CFP®)**

The Certified Financial Planner™ and CFP® marks are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. ("CFP Board"). The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients.

To attain the right to use the CFP® marks, an individual must complete an advanced college-level course in financial planning, pass the comprehensive two-day examination, and complete at least three years of full-time financial planning-related experience. Additionally successful candidates agree to be bound by the CFP Board's Standards of Professional conduct and complete 30 hours of continuing education every two years.

### **Certified Life Underwriter (CLU®)**

The Certified Life Underwriter (CLU®) designation is awarded to those candidates who have demonstrated a thorough understanding of a broad array of personal risk management and life insurance planning issues and stresses ethics, professionalism, and in-depth knowledge in the delivery of financial advice. Candidates must have at least three years of full-time, relevant business experience and as part of the certification, must additionally complete eight college-level courses, five required and three electives. The required courses include Fundamentals of Insurance Planning; Individual Life Insurance; Life Insurance Law; Fundamentals of Estate Planning; and Planning for Business Owners and Professionals. Elective topics cover financial planning, health insurance, income taxation, group benefits, investments, and retirement planning. All candidates must pass eight closed-book, course-specific, two-hour proctored exams.

Those awarded the CLU® designation must adhere to The American College's Code of Ethics, which includes the following professional pledge: "I shall, in light of all conditions surrounding those I serve, which I shall make every conscientious effort to ascertain and understand, render that service which, in the same circumstances, I would apply to myself." To maintain the designation, holders must complete 30 hours of continuing education every two years.

### **Accredited Investment Fiduciary (AIF®)**

The Accredited Investment Fiduciary (AIF®) designation represents a thorough knowledge of and ability to apply fiduciary practices and is offered through the Center for Fiduciary Studies. Upon completion of specific coursework, candidates are tested on their knowledge of pertinent legislation, industry best practices and the 22 Prudent Investment Practices developed by the Foundation for Fiduciary Studies.





**ITEM 1: COVER PAGE**

**PART 2B OF FORM ADV: BROCHURE SUPPLEMENT**

**Alex Kopelevich**

**Synergy Financial Management, LLC  
701 Fifth Avenue, Suite 3520  
Seattle, Washington 98104  
(206) 386-5455  
[www.sfmadvisors.com](http://www.sfmadvisors.com)**

**2017**

This brochure supplement provides information about Alex Kopelevich that supplements our ADV Part 2A brochure. You should have received a copy of that brochure. Please contact us via phone (206) 386-5455 or email [info@sfmadvisors.com](mailto:info@sfmadvisors.com) if you did not receive Synergy's brochure or if you have any questions about the content of this supplement.

Additional information about Alex is available on the SEC's website at <http://www.adviserinfo.sec.gov>.

## **ITEM 2 EDUCATIONAL BACKGROUND AND EXPERIENCE**

Alex Kopelevich

Year of Birth: 1977

Education:

- Bachelor of Science – University of Southern California 2000

Business Experience:

- 2000-2005: Portfolio Analyst, Mellon Private Wealth Management
- 2005-2013: Portfolio Manager, U.S. Trust
- 2013-2014: Portfolio Manager, Neumann Capital Management, LLC
- 2015 to Present: Portfolio Manager, Synergy Financial Management, LLC

Industry Designations:

- Chartered Financial Analyst (CFA®) 2007

## **Item 3 Disciplinary Information**

Synergy Financial Management, LLC is required to disclose all material facts regarding any legal or disciplinary events that would materially impact a client's evaluation of Alex. No events have occurred that are applicable to this item.

## **Item 4 Other Business Activities**

Synergy Financial Management, LLC is required to disclose any outside business activities or occupation for compensation that could potentially create a conflict of interest with clients. Alex is not actively engaged in any such activities.

## **Item 5 Additional Compensation**

Alex does not receive any additional compensation related to sales, client referrals, or new accounts.

## **Item 6 Supervision**

Joe Maas, Chief Compliance Officer, is responsible for all supervision and monitoring of investment advice Alex gives to clients. He can be reached at (206) 386-5455. While the underlying securities within accounts are continually monitored, Mr. Maas reviews these accounts at least quarterly. Accounts are reviewed in the context of each client's stated investment objectives and guidelines.

### **\*Chartered Financial Analyst (CFA®)**

The Chartered Financial Analyst charter is a professional designation established in 1962 and awarded by CFA Institute. To earn the CFA charter, candidates must pass three sequential, six-hour examinations, which takes most candidates between two and five years. The three levels of the CFA Program test a wide range of investment topics, including ethical and professional standards, fixed-income analysis, alternative and derivative investments, and portfolio management and wealth planning. In addition, CFA charter holders must have at least four years of acceptable professional experience in the investment decision-making process and must commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.



**ITEM 1: COVER PAGE**

**PART 2B OF FORM ADV: BROCHURE SUPPLEMENT**

**Francis J. Roman**

**Synergy Financial Management, LLC  
701 Fifth Avenue, Suite 3520  
Seattle, Washington 98104  
(206) 386-5455  
[www.sfmadvisors.com](http://www.sfmadvisors.com)**

**2017**

This brochure supplement provides information about Alex Kopelevich that supplements our ADV Part 2A brochure. You should have received a copy of that brochure. Please contact us via phone (206) 386-5455 or email [info@sfmadvisors.com](mailto:info@sfmadvisors.com) if you did not receive Synergy's brochure or if you have any questions about the content of this supplement.

Additional information about Alex is available on the SEC's website at <http://www.adviserinfo.sec.gov>.

## **ITEM 2 EDUCATIONAL BACKGROUND AND EXPERIENCE**

Francis J. Roman, Financial Planner

Year of Birth: 1991

Education:

- Bachelor of Science, Mechanical Engineering, University of Idaho 2013

Business Experience:

- 2017 to current Synergy Financial Services/Mangement, LLC
- 2015 to 2017 Tooling Design Engineer, Boeing Commercial Airplanes
- 2014 to 2015 Fracture Engineer, Oasis Petroleum
- 2012 to 2014 Mechanical Engineer, Cascade Aircraft Conversions
- 2010 to 2012 Nabors Industries
- 2009 to 2010 Kadrmas Lee & Jackson

## **Item 3 Disciplinary Information**

Synergy Financial Management, LLC is required to disclose all material facts regarding any legal or disciplinary events that would materially impact a client's evaluation of Frank Roman. No events have occurred that are applicable to this item.

## **Item 4 Other Business Activities**

Synergy Financial Management, LLC is required to disclose any outside business activities or occupation for compensation that could potentially create a conflict of interest with clients. Because Frank receives commissions related to the sale of certain insurance products, this can create a conflict whereby a client will purchase insurance products through KBR Financial LLC. While Frank will recommend such insurance products, a client is not obligated to purchase the recommended product through Frank or KBR Financial LLC.

## **Item 5 Additional Compensation**

In addition to compensation related to sales, client referrals and new accounts, Frank may receive commissions and/or trail commissions related his activities as an insurance agent.

## **Item 6 Supervision**

Joe Maas, Chief Compliance Officer, is responsible for all supervision and monitoring of investment advice and insurance recommendations Frank gives to clients. He can be reached at (206) 386-5455. While the underlying securities within accounts are continually monitored, Mr. Maas reviews these accounts at least quarterly. Accounts are reviewed in the context of each client's stated investment objectives and guidelines.