

Item 1 – Cover Page

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**dba**  
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**June 18, 2018**

**Form ADV Part 2A Brochure**

Drive Wealth Management, LLC dba Drive Wealth Advisers is a registered investment adviser. An "investment adviser" means any person who, for compensation, engages in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities, or who, for compensation and as part of a regular business, issues or promulgates analyses or reports concerning securities. Registration with the SEC or any state securities authority does not imply a certain level of skill or training.

This brochure provides information about the qualifications and business practices of Drive Wealth Advisers. If you have any questions about the contents of this brochure, please contact us at (801) 901-6150. 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 Drive Wealth Advisers is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).



## Item 2 - Material Changes

The purpose of this page is to inform you of any material changes since the previous version of this brochure. We review our brochure at least annually and update as needed to make sure that it remains current.

On March 22, 2018, we submitted our annual updating amendment filing for fiscal year 2017 and updated Item 4 of our Form ADV Part 2A Brochure to disclose discretionary assets under management of approximately \$167,855,989 and non-discretionary assets under management of approximately \$13,101,593.

Additionally, we have changed our address from 2600 W. Executive Parkway, Suite 100 to 2000 W. Ashton Blvd., Suite 120. All other contact information remains the same. We are now also doing business under the name of Drive Wealth Advisers.

We have also updated Item 12 of our brochure to reflect that in addition to those offered through Schwab and TD Ameritrade, we may also recommend the brokerage services of Raymond James Financial Services, Inc. (RJFS), a FINRA-registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Although Drive Wealth Advisers may recommend that clients establish accounts at RJFS, it is the client's decision to custody assets with RJFS or another custodian. Drive Wealth Advisers is independently owned and operated and not affiliated with or supervised by RJFS.

Clients may utilize the broker dealer of their choice and have no obligation to purchase or sell securities through RJFS. As a registered FINRA broker dealer, RJFS routes order flow through its affiliated broker dealer Raymond James & Associates, Inc. ("RJA"). RJA is obligated to seek the best execution pursuant to FINRA Rule 2320 for all trades executed, however better executions may be available via another broker dealer based on a number of factors including volume, order flow and market making activity.

Specific custodian recommendations are made to clients based on their need for such services. Drive Wealth Advisers recommends custodians based on the proven integrity and financial responsibility of the firm and the best execution of orders at reasonable commission rates.

RJFS provides Drive Wealth Advisers with access to its institutional trading and custody services, which are typically not available to RJFS retail investors. These services generally are available to independent investment advisors on an unsolicited basis.

RJFS' brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For client accounts maintained in RJFS' custody, RJFS generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through RJFS or that settle into RJFS accounts.

RJFS also makes available to Drive Wealth Advisers other products and services that benefit Drive Wealth Advisers but may not directly benefit its clients' accounts. Many of these products and services may be used to service all or some substantial number of clients' accounts, including accounts not maintained at RJFS.

RJFS' products and services that assist Drive Wealth Advisers in managing and administering clients' accounts may include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client



accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of the Advisor's fees from its clients' accounts; and, (v) assist with back-office functions, recordkeeping, and client reporting.

RJFS charges Drive Wealth Advisers an administrative service fee for services such as producing monthly account statements which detail account assets, account transactions, receipt and disbursement of funds, interest and dividends received and account gain or loss of the total account, clerical services, and the maintenance of custody of securities positions through Raymond James & Associates, Inc. (RJA), its affiliate. This administrative fee, while generally competitive, may not necessarily be the lowest in the industry.

RJFS also offers other services intended to help Drive Wealth Advisers manage and further develop its business enterprise. These services may include: (i) compliance, legal and business consulting; (ii) publications and conferences on practice management and business succession; and (iii) access to employee benefits providers, human capital consultants and insurance providers. RJFS may make available, arrange, and/or pay third-party vendors for the services rendered to Drive Wealth Advisers. RJFS may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to the Advisor. RJFS may also provide other benefits such as attendance at educational events or occasional business entertainment of Drive Wealth Advisers' personnel.

Subsequently, on April 13, 2018, we updated Item 15 of our brochure to clarify that in certain situations where we accept standing letters of authorization from clients to transfer assets to third parties, we are deemed to have custody. We maintain safeguards in accordance with regulatory requirements regarding custody of client assets.

Additionally, due to an increase in regulatory assets under management, we have applied to become a federally registered investment adviser. This change will not affect the way we conduct business or the services we provide to you. It simply means that we will now be subject to regular examination by the United States Securities and Exchange Commission (SEC).

Subsequently, on June 18, 2018, we updated Item 12 of our brochure to clarify that we generally recommend broker-dealers capable of acting as a "prime broker." In such cases, we will consider, among other things, the clearance and settlement capabilities of the broker-dealer where other broker-dealers execute transactions, the broker-dealer's ability to provide effective and efficient reporting to the client and our firm, the broker-dealer's reliability and financial stability, and the likelihood that the broker-dealer will often be chosen as executing broker-dealer on the basis of the considerations previously described in Item 12 of our brochure, including the prospects that the broker-dealer will provide valuable research services and products.

Under "prime broker" arrangements, the firm will, on a transaction-by-transaction basis, select broker-dealers other than the client's primary custodian, such as Schwab, TD Ameritrade, or RJFS, that will execute transactions for settlement into the client's "prime brokerage" account with the client's primary custodian. The practice of one brokerage firm executing an order on behalf of a client, but giving credit (and part of the commission) to another brokerage firm is commonly known as "trading away," "stepping-out," or "step-out" trading. Typically, these transactions are assessed additional commissions (a small mark-up) incurred for transferring and allocating the shares in your account with your primary custodian. Trading away is generally limited to situations such as seeking best execution for fixed income securities (e.g., bonds, etc.), where another broker-dealer has more or different inventory of certain securities or types of securities, or has larger blocks of certain securities available to be allocated across multiple clients accounts for an average share price (see also "Trade Aggregation/Block Trading" disclosures in Item 12 of our brochure).

**If you have questions or if you would like to receive a full copy of our current brochure at any time, free of charge, please contact us at (801) 901-6150.**



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#### **Item 4 - Advisory Business**

Drive Wealth Management, LLC doing business as Drive Wealth Advisers is a registered investment advisor based in Lehi, Utah. We are a limited liability company under the laws of the State of Utah. We have been providing investment advisory services since 2015. Drive Wealth Advisers is owned by Crabb Financial, LLC. Lowell C. Crabb is the Chief Compliance Officer of Drive Wealth Advisers and sole owner of Crabb Financial, LLC.

You may see the term Associated Person throughout this Brochure. As used in this Brochure, this term refers to anyone from our firm who is an officer, employee, and all individuals providing investment advice on behalf of our firm. Where required, such persons are properly registered as investment adviser representatives.

Currently, we offer the following investment advisory services, personalized to each individual client:

- **Portfolio Management Services**
- **Recommendation of Sub Advisers**
- **Financial Planning Services**
- **Pension Consulting Services**
- **General Consulting Services**

##### ***Portfolio Management Services***

Our firm offers discretionary and non-discretionary portfolio management services to our Clients. Discretionary portfolio management means we will make investment decisions and place buy or sell orders in your account without contacting you. These decisions would be made based upon your stated investment objectives. Non-discretionary portfolio management service means that we must obtain your approval prior to making any transactions in your account.

Our investment advice is tailored to meet our clients' needs and investment objectives. If you decide to hire our firm to manage your portfolio, we will meet with you to gather your financial information, determine your goals, and decide how much risk you should take in your investments. The information we gather will help us implement an asset allocation strategy that will be specific to your goals, whether we are actively investing for you or simply providing you with advice.

Drive Wealth Advisers mainly uses equity securities, exchange traded funds, mutual funds, U.S. government securities, corporate debt securities, commercial paper, municipal securities, certificates of deposit, covered options and limited partnerships investing in real estate, oil and gas in its portfolio management programs.

We will regularly monitor the performance of your accounts managed by sub-adviser(s), and may hire and fire any sub-adviser without your prior approval. Our ability to hire and fire sub-advisers on your behalf is based on you granting our firm discretionary authority.

However we construct your investment portfolio, we will monitor your portfolio's performance on a continuous basis, and rebalance the portfolio whenever necessary, as changes occur in market conditions, your financial circumstances, or both.

##### ***Recommendation of Sub Advisers***

*As part of our overall portfolio management strategy, we may also recommend sub advisers that specialize in alternative investments to manage all or a portion of your account. All sub advisers recommended by our firm must either be registered as investment advisers or exempt from registration requirements. These sub advisers may specialize in private equity investments, private credit markets, hedge funds or other types of alternative investments. Factors that we take into consideration when making our recommendations include, but are not*



*limited to, the following: the sub adviser's performance, methods of analysis, fees, your financial needs, investment goals, risk tolerance, and investment objectives. We will periodically monitor the sub adviser's performance to ensure its management and investment style remains aligned with your investment goals and objectives.*

### **Financial Planning Services**

We offer broad based financial planning services regarding management of financial resources. Such management is based upon an analysis of the client's individual needs and begins with an initial complementary consultation. Once we collect and analyze all documentation, we provide a written financial plan designed to achieve the client's financial goals and objectives. In this way, Drive Wealth Advisers assists the client in developing a strategy for the successful management of income, assets, and liabilities. In general, financial planning services may include any one or all of the following:

- Cash Flow Analysis – Assessment of a client's present financial situation by collecting information regarding net worth and cash flow statements, tax returns, insurance policies, investment portfolios, pension plans, employee benefit statements etc. The Firm advises on ways to reduce risk, coordinate, and organize records, and estate information.
- Retirement Analysis – Identification of a client's long-term financial and personal goals and objectives includes advice for accumulating wealth for retirement income or appropriate distribution of assets following retirement. Tax consequences and implications are identified and evaluated.
- Portfolio Analysis/Investment Planning – We provide investment alternatives, including asset allocation, and effect on a client's portfolio. We evaluate economic and tax characteristics of existing investments as well as their suitability for a client's objectives. We identify and evaluate tax consequences and their implications.
- Education Savings Analysis – Alternatives and strategies with respect to the complete or partial funding of college or other post-secondary education.
- Estate Analysis – We provide advice with respect to property ownership, distribution strategies, estate tax reduction, and tax payment techniques.

The recommendations and solutions are designed to achieve the client's desired goals, subject to periodic evaluation of the financial plan, which may require revision to meet changing circumstances. Financial plans are based on a client's financial situation based on the information provided to the Firm. We should be notified promptly of any change to a client's financial situation, goals, objectives, or needs.

Clients can also request financial planning services that cover a specific area, such as retirement or estate planning, asset allocation analysis, manager due diligence and 401(k) platform due diligence. We offer consultative services where we set an appointment to meet with you for financial planning advice for an hourly fee.

You may choose to accept or reject our recommendations. If you decide to proceed with our recommendations, you may do so either through our investment advisory services or by using the advisory/brokerage firm of your choice.

In some cases, our recommendations may involve the purchase of insurance products. Drive Wealth Advisers is affiliated with Drive Insurance Services, an insurance agency licensed in the State of Utah, through common ownership. Investment Adviser Representatives of Drive Wealth Advisers may also be licensed insurance agents. Drive Insurance Services and our dually licensed Investment Adviser Representatives can effect transactions in insurance products and earn commission based compensation for these activities. Clients should be aware that a conflict of interest is inherent in such an arrangement. Clients are instructed that the fees paid to the firm for advisory services are separate and distinct from the commissions earned by Drive Insurance Services and our dually licensed Investment Adviser Representatives. Clients of Drive Wealth Advisers are not required to purchase insurance products from Drive Insurance Services or the firm's dually licensed Investment Adviser Representatives and can purchase insurance products from any insurance agency and agent of their choice.



Note: Information related to tax and legal consequences that is provided as part of the financial plan is for informative purposes only. Clients are instructed to contact their tax or legal advisers for personalized advice.

***Pension Consulting Services***

Drive Wealth Advisers provides several Defined Contributions and Defined Benefit consulting services separately or in combination. While the primary clients for these services will be pension, profit sharing and 401(k) plans, Drive Wealth Advisers will also offer these services, where appropriate, to businesses, individuals, trusts, estates, and charitable organizations. Defined Contributions and Defined Benefit Consulting Services are comprised of four distinct services. Clients may choose to use any or all of these services.

***Investment Policy Statement Preparation***

Drive Wealth Advisers will meet with the client (in person or over the telephone) to determine the client's investment needs and goals. Drive Wealth Advisers will then prepare a written Investment Policy Statement ("IPS") stating those needs and goals and creating a policy to help achieve these goals. The IPS will also list the criteria for selection of investment vehicles and the procedures and timing interval for monitoring of investment performance.

***Selection of Investment Vehicles***

Drive Wealth Advisers will review various investments, consisting of one or all of the following: individual equities, bonds, other investment products and mutual funds (both index and managed) to determine which of these investments are appropriate to implement the client's Investment Policy Statement. The number of investments to be recommended will be determined by the client, based on the client's Investment Policy Statement.

***Monitoring of Investment Performance***

Client investments will be monitored continuously based on the procedures and timing intervals outlined in the Investment Policy Statement. Although Drive Wealth Advisers will not be involved in any way in the purchase or sale of these investments, Drive Wealth Advisers will supervise the client's portfolio and will make recommendations to the client as market factors and the client's needs dictate.

***Employee Communications***

For pension, profit sharing and 401(k) plans where the individual account participant exercises control over assets in his/her own account (hereinafter "self-directed plans"), Drive Wealth Advisers also provides educational support and investment workshops designed for the Plan participants. The nature of the topics to be covered will be determined by Drive Wealth Advisers and the client under the guidelines established in ERISA Section 404(c). The educational support and investment workshops will NOT provide Plan participants with individualized, tailored investment advice or individualized, tailored asset allocation recommendations.

Other pension consulting services are available on request. All of our pension consulting services, whether general or customized, will be outlined in an Agreement that shows the services that will be provided and the fees that will be charged for those services.

***General Consulting Services***

We also offer general consulting services primarily involving advising clients on specific financial related topics. The topics we address may include, but are not limited to, risk assessment/management, investment planning, financial organization, or financial decision making/negotiation, among others.

Our advice is based on your financial situation and the financial information you provide to our firm at that time. You may choose to accept or reject our recommendations. If you decide to proceed with our recommendations, you may do so either through our firm or by using the advisory/brokerage firm of your choice.



Note: Information related to tax or legal consequences that is provided as part of a plan is for informative purposes only. Clients are instructed to contact their tax professionals or attorneys for tax or legal advice.

#### **Wrap Fee Programs**

Drive Wealth Advisers does not participate in or manage a wrap fee program.

#### **Assets Under Management**

As of March 15, 2018, we manage discretionary assets under management of approximately \$167,855,989 and non-discretionary assets under management of \$13,101,593.

### **Item 5 - Fees and Compensation**

Drive Wealth Advisers charges a percentage of assets under management, hourly charges, and fixed fees (not including subscription fees). We may also receive third party referral fees for our advisory services.

#### **Portfolio Management Services Fees**

For portfolio management services, Drive Wealth Advisers charges an annual fee based upon a percentage of the market value of the assets being managed. On an annualized basis, we charge the following asset management fees:

<b>Assets Under Management</b>	<b>Equities &amp; Alternatives Fee Schedule<sup>1</sup></b>	<b>Fixed Income &amp; Cash Fee Schedule<sup>2</sup></b>
First \$500,000	1.20%	0.60%
Next \$1,500,000	1.00%	0.55%
Next \$3,000,000	0.85%	0.50%
Next \$5,000,000	0.80%	0.45%
Next \$15,000,000	0.70%	0.40%
Next \$25,000,000	0.40%	0.40%
Next \$50,000,000	0.30%	0.30%
Over \$100,000,000	Negotiable	Negotiable

<sup>1</sup>Equities & Alternatives Fee Schedule covers mutual funds, equity based allocations, alternatives, and direct investments with a moderate risk profile and above.

<sup>2</sup>Fixed Income & Cash Fee Schedule covers mutual funds and fixed income based allocations with a conservative risk profile and below.

Portfolio management fees may be negotiable depending on factors such as the amount of assets under management, range of investments, and complexity of the client's financial circumstances, among others. Since this fee is negotiable, the exact fee paid by the client will be clearly stated in the advisory agreement signed by the client and the firm.

Portfolio management fees are billed quarterly, in arrears and are based on the value of your portfolio at the end of the preceding quarter. The custodian holding the client's account will deduct the fees directly from the account provided the client has given written authorization. The qualified custodian will send an account statement at least quarterly. This statement will detail all account activity. The custodian will usually deduct from a designated account to facilitate billing.



Our annual fee is exclusive of, and in addition to brokerage commissions, transaction fees, and other related costs and expenses, which will be incurred by the client. However, Drive Wealth Advisers will not receive any portion of the commissions, fees, and costs. Please see Item 12 – Brokerage Practices for further information on brokerage and transaction costs.

In some cases, our recommendations may involve the purchase of insurance products. Drive Wealth Advisers is affiliated with Drive Insurance Services, an insurance agency licensed in the State of Utah, through common ownership. Investment Adviser Representatives of Drive Wealth Advisers may also be licensed insurance agents. Drive Insurance Services and our dually licensed Investment Adviser Representatives can effect transactions in insurance products and earn commission based compensation for these activities. Clients should be aware that a conflict of interest is inherent in such an arrangement. Clients are instructed that the fees paid to the firm for advisory services are separate and distinct from the commissions earned by Drive Insurance Services and our dually licensed Investment Adviser Representatives. Clients of Drive Wealth Advisers are not required to purchase insurance products from Drive Insurance Services or the firm's dually licensed Investment Adviser Representatives and can purchase insurance products from any insurance agency and agent of their choice.

At the inception of investment management services, the first pay period's fees will be calculated on a pro-rata basis. The Advisory Agreement between Drive Wealth Advisers and the client will continue in effect until either party terminates the Agreement in accordance with the terms of the Agreement. Drive Wealth Advisers' annual fee will be pro-rated through the date of termination. Refunds are not applicable since all portfolio management fees are payable in arrears.

#### **Sub Adviser Fees**

*Advisory fees charged by sub adviser(s) are separate and apart from our advisory fees. Advisory fees that you pay to the sub adviser(s) are established and payable in accordance with the Form ADV Brochure provided by each sub adviser to whom you are referred. These fees may or may not be negotiable. You should review the recommended sub adviser's brochure and take into consideration their fees along with our fees to determine the total amount of fees charged to your account. In some cases, we may share in the fee charged by the sub adviser. In such cases, we will lower our advisory fees by the amount of fees paid to us by the sub adviser.*

*Generally, the combined fee charged by Drive Wealth Advisers and the sub adviser will be lower than 2% of client assets under management. Clients are informed that a combined fee in excess of 2% of assets under management is in excess of industry norm and similar advisory services can be obtained for less. Depending on the sub adviser, clients may or may not be able to negotiate the portion of the sub adviser fee payable to Drive Wealth Advisers.*

*You will be required to sign an agreement directly with the sub adviser(s). You may terminate your advisory relationship with the sub adviser(s) according to the terms of your agreement with the sub adviser(s). You should review each sub adviser's brochure for specific information on how you may terminate your advisory relationship with the sub adviser and how you may receive a refund, if applicable. You should contact the sub adviser directly for questions regarding your advisory agreement with the sub adviser.*

#### **Financial Planning Services Fees**

For financial planning services, we charge a maximum hourly fee of \$200 or a fixed fee that may range from \$5,000 to \$50,000 depending on the scope of the services to be provided. If the client engages the firm for additional investment advisory services, the firm may offset all or a portion of its fees for those services based upon the amount paid for financial planning services.

Prior to engaging Drive Wealth Advisers to provide consulting services, the client will be required to enter into a written Agreement with our firm. The Agreement will set forth the terms and conditions of the engagement and describe the scope of the services to be provided and the portion of the fee that is due from the client. Generally,



Drive Wealth Advisers requires a prepayment of 50% of the fee with the remaining balance due upon completion of the agreed upon services. Other fee payment arrangements may be negotiated with the client on a case-by-case basis. All such arrangements will be clearly set forth in the financial planning agreement signed by the client and the firm.

Either party may terminate the Agreement by written notice to the other. In the event the client terminates Drive Wealth Advisers' consulting services, the balance of Drive Wealth Advisers' unearned fees (if any) shall be refunded to the client.

#### ***Pension Consulting Services Fees***

The compensation arrangement for these services will be based on fixed fees or fees based on a percentage of assets under management. Fixed fee will not exceed \$10,000/year and fees based on a percentage of assets under management will be similar to the fees listed in the Portfolio Management Services Fee schedule above. Services will be negotiated on a case-by-case basis and the exact fee paid by the client will be clearly stated in the pension consulting agreement signed by the client and the firm.

If you choose to have Drive Wealth Advisers' fee deducted directly from your account, you must provide authorization. The qualified custodian holding your funds and securities will send you an account statement on at least a quarterly basis. This statement will detail account activity. Please review each statement for accuracy. Drive Wealth Advisers will also receive a copy of your account statements from the custodian.

#### ***General Consulting Fees***

Drive Wealth Advisers offers consulting services for an hourly or fixed fee. If the client decides to engage us for consulting services, we charge a maximum hourly fee of \$200 and fixed fees may range from \$5,000 - \$50,000 depending on the scope of the services to be provided. The fee is negotiable depending on the nature, complexity, and the time involved in providing the client with the requested services.

Prior to engaging Drive Wealth Advisers to provide consulting services, the client will be required to enter into a written agreement with our firm. The agreement will set forth the terms and conditions of the engagement and describe the scope of the services to be provided and the portion of the fee that is due from the client. Fees are typically due in arrears and are payable as invoiced. We do not require the prepayment of more than \$500 in fees six or more months in advance.

You may terminate the agreement within five days of entering into the agreement without penalty. After the five-day period, either party may terminate the agreement by written notice to the other. Any prepaid, unearned fees will be promptly refunded to the client.

#### ***Additional Fees and Expenses***

The fees Drive Wealth Advisers charges may be negotiable based on the amount of assets under management, complexity of client goals and objectives, and level of services rendered. As described above, the fees are charged as described and are not based on a share of capital gains of the funds of an advisory client.

All fees paid to Drive Wealth Advisers for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds to their shareholders. These fees and expenses are described in each fund's prospectus. These fees generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge.

A client could invest in a mutual fund directly, without the services of Drive Wealth Advisers. In that case, the client would not receive the services provided by Drive Wealth Advisers, which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and the fees



charged by Drive Wealth Advisers to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

#### **Sales Compensation**

Drive Wealth is affiliated with Drive Insurance Services, an insurance agency licensed in the State of Utah, through common ownership. Investment Adviser Representatives of Drive Wealth Advisers may also be licensed insurance agents. Drive Insurance Services and our dually licensed Investment Adviser Representatives can effect transactions in insurance products and earn commission based compensation for these activities. Clients should be aware that a conflict of interest is inherent in such an arrangement. Clients are instructed that the fees paid to the firm for advisory services are separate and distinct from the commissions earned by Drive Insurance Services and our dually licensed Investment Adviser Representatives. Clients of Drive Wealth Advisers are not required to purchase insurance products from Drive Insurance Services or the firm's dually licensed Investment Adviser Representatives and can purchase insurance products from any insurance agency and agent of their choice.

#### **General Information on Advisory Services and Fees**

We do not represent, warrant, or imply that the services or methods of analysis employed by our firm can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines.

We shall never have custody of any client funds or securities, as the services of a qualified and independent custodian will be used for these asset management services. We will send you an invoice for the payment of our advisory fee, or we will deduct our fee directly from your account through the qualified custodian holding your funds and securities. We will deduct our advisory fee only when you have given our firm written authorization permitting the fees to be paid directly from your account. Further, the qualified custodian will deliver an account statement to you at least quarterly. These account statements will show all disbursements from your account. You should review all statements for accuracy. We will also receive a duplicate copy of your account statements. The fees charged are calculated as described above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds, or any portion of the funds of an advisory client (15 U.S.C. §80b-5(a)(1)).

Disclosures required by California Code of Regulations, 10 CCR Section 260.235.2: A conflict exists between the interests of the investment adviser and the interests of the client, the client is under no obligation to act upon the investment adviser's recommendation, and if the client elects to act on any of the recommendations, the client is under no obligation to effect the transaction through the investment adviser.

All material conflicts of interest under CCR Section 260.238 (k) are disclosed regarding the investment adviser, its representatives, or any of its employees, which could be reasonably expected to impair the rendering of unbiased and objective advice.

While the firm endeavors at all times to offer clients its specialized services at reasonable costs, the fees charged by other advisers for comparable services may be lower than the fees charged by Drive Wealth Advisers (CCR Section 260.238(j)).

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

We and our Associated Persons do not accept performance based fees. Performance based fees are based on a share of capital gains on or capital appreciation of the client's assets.



#### Item 7 - Types of Clients

We generally offer investment advisory services to individuals, pension and profit sharing plans and participants, trusts, estates, charitable organizations, corporations, and other business entities.

We do not require a minimum account size to open and maintain an advisory account. Accounts managed by sub advisers may be subject to different minimum investment requirements.

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

The following are different methods of analysis that we may use when providing you with investment advice:

- Fundamental Analysis – this approach attempts to determine a security's value by focusing on underlying factors that affect a company's actual business and its future prospects. The term refers to the analysis of the economic well-being of a financial entity as opposed to only its price movements.
- Tactical Analysis – this approach aims to take advantage of inefficiencies in asset pricing while avoiding overpriced assets. Tactical Analysts believe that making periodic changes in the amounts invested within different asset classes can enhance investment returns and reduce risk.

We may use one or more of the following investment strategies when advising you on investments:

- Long Term Purchases – securities held for over a year.
- Short Term Purchases – securities held for less than a year.
- Covered Options – covered option is a strategy in which an investor writes an option contract while at the same time owning an equivalent number of shares of the underlying stock.

The investment advice provided along with the strategies suggested by Drive Wealth Advisers will vary depending on each client's specific financial situation and goals. The below section does not disclose all of the risks and other significant aspects of investing in financial markets. In light of the risks, you should fully understand the nature of the contractual relationship(s) into which you are entering and the extent of your exposure to risk. Certain investing strategies may not be suitable for many members of the public. You should carefully consider whether the strategies employed will be appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances.

#### **Investing in securities involves risk of loss that you should be prepared to bear.**

**General Investment Risk:** All investments come with the risk of losing money. Investing involves substantial risks, including complete possible loss of principal plus other losses and may not be suitable for many members of the public. Investments, unlike savings and checking accounts at a bank, are not insured by the government to protect against market losses. Different market instruments carry different types and degrees of risk and you should familiarize yourself with the risks involved in the particular market instruments you intend to invest in.

**Loss of Value:** There can be no assurance that a specific investment will achieve its investment objectives and past performance should not be seen as a guide to future returns. The value of investments and the income derived may fall as well as rise and investors may not recoup the original amount invested. Investments may also be affected by any changes in exchange control regulation, tax laws, withholding taxes, international, political and economic developments, and government, economic or monetary policies.

**Interest Rate Risk:** Fixed income securities and funds that invest in bonds and other fixed income securities may



fall in value if interest rates change. Generally, the prices of debt securities rise when interest rates fall, and their prices fall when interest rates rise. Longer-term debt securities are usually more sensitive to interest rate changes.

**Credit Risk:** Investments in bonds and other fixed income securities are subject to the risk that the issuer(s) may not make required interest payments. An issuer suffering an adverse change in its financial condition could lower the credit quality of a security, leading to greater price volatility of the security. A lowering of the credit rating of a security may also offset the security's liquidity, making it more difficult to sell. Funds investing in lower quality debt securities are more susceptible to these problems and their value may be more volatile.

**Foreign Exchange Risk:** Foreign investments may be affected favorably or unfavorably by exchange control regulations or changes in the exchange rates. Changes in currency exchange rates may influence the share value, the dividends or interest earned and the gains and losses realized. Exchange rates between currencies are determined by supply and demand in the currency exchange markets, the international balance of payments, governmental intervention, speculation, and other economic and political conditions. If the currency in which a security is denominated appreciates against the US Dollar, the value of the security will increase. Conversely, a decline in the exchange rate of the currency would adversely affect the value of the security.

**Risks Associated with Investing in Options:** Transactions in options carry a high degree of risk. A relatively small market movement will have a proportionately larger impact, which may work for or against the investor. The placing of certain orders, which are intended to limit losses to certain amounts, may not be effective because market conditions may make it impossible to execute such orders. Selling ("writing" or "granting") an option generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of that amount. The seller will also be exposed to the risk of the purchaser exercising the option and the seller will be obliged either to settle the option in cash or to acquire or deliver the underlying investment. If the option is "covered" by the seller holding a corresponding position in the underlying investment or a future on another option, the risk may be reduced.

**Risks of Investing in Alternative Investment Strategies.** Some of the sub advisers recommended by our firm specialize in alternative investment strategies. These strategies may carry potentially greater and substantially different risks than those of traditional equity and fixed income investments. Clients should consider the specific risks associated with alternative investments, including fee structures, tax issues, and investment strategies. The investment strategies employed and associated risks are more fully disclosed in each sub adviser's disclosure brochure. Alternative investments can be subject to one-time losses from rare events, and the value of the investment is not guaranteed – and the principal invested may not be returned. There are no guarantees that any investment will meet its objectives or that an investment can avoid losses.

**Risks Associated with Investing in Exchange Traded Funds (ETFs).** ETF performance may not exactly match the performance of the index or market benchmark that the ETF is designed to track because 1) the ETF will incur expenses and transaction costs not incurred by any applicable index or market benchmark; 2) certain securities comprising the index or market benchmark tracked by the ETF may, from time to time, temporarily be unavailable; and 3) supply and demand in the market for either the ETF and/or for the securities held by the ETF may cause the ETF shares to trade at a premium or discount to the actual net asset value of the securities owned by the ETF.

Certain ETF strategies may from time to time include the purchase of fixed income, commodities, foreign securities, or other securities for which expenses and commission rates could be higher than normally charged for exchange-traded equity securities, and for which market quotations or valuation may be limited or inaccurate.



#### **Item 9 - Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of us or the integrity of our management. There is no history of reportable material legal or disciplinary events by our firm or our management persons.

#### **Item 10 - Other Financial Industry Activities or Affiliations**

Crabb Financial, LLC is the holding company of Drive Insurance Services, an insurance agency licensed in the State of Utah. Drive Insurance Services sells various insurance products for commission based compensation. Lowell Crabb, CCO of Drive Wealth Advisers and owner of Drive Insurance Services is also an insurance agent of Drive Insurance Services and Cambridge Financial Center and can effect transactions in insurance products and earn commissions through these entities. Clients should be aware that a conflict of interest is inherent in such an arrangement. Clients are instructed that the fees paid to the firm for advisory services are separate and distinct from the commissions earned by its Investment Adviser Representatives for placing the client in insurance products. Clients of Drive Wealth Advisers are not required to purchase insurance products from Mr. Crabb, Drive Insurance Services, or Cambridge Financial Center and can purchase insurance products from any insurance agency and agent of their choice.

##### **Recommendation of Other Advisors**

We may recommend that you use a sub adviser as part of our asset allocation and investment strategy. In some cases, Drive Wealth Advisers will share in the compensation received by the sub adviser for managing your account. The compensation arrangement presents a conflict of interest due to a financial incentive to recommend the services of a sub adviser that compensates us as opposed to sub advisers that have no compensation arrangements with our firm. You are not required to use the services of any sub adviser we recommend.

In the case of sub advisers that pay us compensation, we will only recommend sub advisers with whom we have executed a written agreement. We will provide all clients with a written disclosure that includes:

- Our firm name, the sub adviser's name, the nature of the relationship, including any affiliation between our firm and the sub adviser;
- A statement that our firm will be compensated by the sub adviser;
- The terms of such compensation arrangement, including a description of the compensation paid to our investment adviser representatives;
- and compensation differentials, if any, charged to clients above the sub adviser's normal fee, as a result of the cost of obtaining clients by compensating our firm and investment adviser representatives.

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

##### **Description of Our Code of Ethics**

Drive Wealth Advisers has adopted a Code of Ethics (the "Code") to address investment advisory conduct. The Code focuses primarily on fiduciary duty, personal securities transactions, insider trading, gifts, and conflicts of interest. The Code includes Drive Wealth Advisers' policies and procedures developed to protect client's interests in relation to the following topics:

- The duty at all times to place the interests of clients first;
- The requirement that all personal securities transactions be conducted in such a manner as to be



consistent with the code of ethics.

- The responsibility to avoid any actual or potential conflict of interest or misuse of an employee's position of trust and responsibility;
- The fiduciary principle that information concerning the identity of security holdings and financial circumstances of clients is confidential; and
- The principle that independence in the investment decision-making process is paramount.

A copy of Drive Wealth Advisers' Code of Ethics is available upon request to Lowell Crabb, CCO, at (801) 901-6150.

#### **Personal Trading Practices**

At times, Drive Wealth Advisers and/or its Advisory Representatives may take positions in the same securities as clients, which may pose a conflict of interest with clients. Drive Wealth Advisers and its Advisory Representatives will generally be "last in" and "last out" for the trading day when trading occurs in close proximity to client trades. We will not violate our fiduciary responsibilities to our clients. Front running (trading shortly ahead of clients) is prohibited. Should a conflict occur because of materiality (i.e. a thinly traded stock), disclosure will be made to the client(s) at the time of trading. Incidental trading not deemed to be a conflict (i.e. a purchase or sale which is minimal in relation to the total outstanding value, and as such would have negligible effect on the market price), would not be disclosed at the time of trading.

### **Item 12 - Brokerage Practices**

Drive Wealth Advisers has an institutional custodial relationship with Charles Schwab & Co., Inc. (Schwab), a FINRA-registered broker-dealer, member SIPC. Schwab Advisor Services (formerly called Schwab Institutional) is Schwab's business serving independent investment advisory firms like us. We are independently owned and operated and not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when we instruct them to. While we recommend that you use Schwab as custodian/broker, you will decide whether to do so and open your account with Schwab by entering into an account agreement directly with them. We do not open the account for you.

#### ***Your Custody and Brokerage Costs***

Schwab generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account. Schwab's commission rates applicable to our client accounts were negotiated based on our commitment to maintain \$10 million of our clients' assets in accounts at Schwab. This commitment benefits you because the overall commission rates you pay are lower than they would be if we had not made the commitment. In addition to commissions Schwab charges you a flat dollar amount as a "prime broker" or "trade away" fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Schwab account. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer.

#### ***Research and Other Soft Dollar Benefits***

Although not considered "soft dollar" compensation, Drive Wealth Advisers may receive benefits from Schwab Advisor Services in the form of access to its institutional brokerage, trading, custody, reporting and related services, many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients' accounts while others help us manage and grow our business. Schwab's support services are generally available on an unsolicited basis (we don't have to request them) and at no charge to us as long as we keep a total of at least \$10 million of our clients' assets in accounts at Schwab. If we have less than \$10 million in client assets at Schwab, it may charge us quarterly service fees. Below is a detailed description of Schwab's support services:



*Services that Benefit You:* Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit you and your account.

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

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

*Services that Generally Benefit Only Us:* Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- educational conferences and events
- technology, compliance, legal, and business consulting;
- publications and conferences on practice management and business succession; and
- access to employee benefits providers, human capital consultants, and insurance providers.

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide us with other benefits such as occasional business entertainment of our personnel.

Drive Wealth Advisers understands its duty for best execution and considers all factors in making recommendations to clients. These research services may be useful in servicing all Drive Wealth Advisers clients, and may not be used in connection with any particular account that may have paid compensation to the firm providing such services. While Drive Wealth Advisers may not always obtain the lowest commission rate, Drive Wealth Advisers believes the rate is reasonable in relation to the value of the brokerage and research services provided.

#### *Other Custodial Relationships*

Drive Wealth Advisers may also recommend the services of TD Ameritrade Institutional, a division of TD Ameritrade, Inc. ("TD Ameritrade"). TD Ameritrade is a member of the Financial Industry Regulatory Authority ("FINRA"), and the Securities Investor Protection Corporation ("SIPC").

TD Ameritrade is an independent and unaffiliated SEC-registered broker-dealer. TD Ameritrade offers to independent investment Advisors services which include custody of securities, trade execution, clearance, and settlement of transactions. Drive Wealth Advisers receives some benefits from TD Ameritrade through its participation in the program.

#### *Research and Other Soft Dollar Benefits*



Although not considered “soft dollar” compensation, we receive benefits from TD Ameritrade in the form of reports, software, and institutional trading support. We do not have to produce or pay for such research, products, or services.

Drive Wealth Advisers participates in TD Ameritrade’s institutional customer program and Drive Wealth Advisers may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between Drive Wealth Advisers’ participation in the program and the investment advice it gives to its Clients, although Drive Wealth Advisers 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 Drive Wealth Advisers 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 Drive Wealth Advisers by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by Drive Wealth Advisers’ related persons.

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

Drive Wealth Advisers may receive succession planning, practice valuation, and equity management services from third-party vendors through Drive Wealth Advisers’ participation in the TD Ameritrade Institutional Equity Management Program. In addition to meeting the minimum eligibility criteria for participation in the TD Ameritrade Institutional Equity Management Program, Drive Wealth Advisers may have been selected to participate in the TD Ameritrade Institutional Equity Management Program based on the amount and potential profitability to TD Ameritrade of the assets in, and trades placed for, client accounts maintained with TD Ameritrade.

TD Ameritrade is a discount broker-dealer independent of, and unaffiliated with, Drive Wealth Advisers and there is no employee or agency relationship between TD Ameritrade and Drive Wealth Advisers. TD Ameritrade has established the TD Ameritrade Institutional Equity Management Program as a means of assisting independent unaffiliated Advisors to grow and maintain their respective investment advisory business. TD Ameritrade does not supervise Drive Wealth Advisers and has no responsibility for Drive Wealth Advisers’ management of client portfolios or Drive Wealth Advisers’ other advice or services to clients.

Drive Wealth Advisers’ participation in the TD Ameritrade Institutional Equity Management Program raises potential conflicts of interest. Drive Wealth Advisers may encourage their clients to custody their assets at TD Ameritrade and whose client accounts are profitable to TD Ameritrade. Consequently, in order to participate in the TD Ameritrade Institutional Equity Management Program, Drive Wealth Advisers may have an incentive to



recommend to clients that the assets under management by Drive Wealth Advisers be held in custody with TD Ameritrade and to place transactions for client accounts with TD Ameritrade. Drive Wealth Advisers' participation in the TD Ameritrade Institutional Equity Management Program does not relieve the Drive Wealth Advisers of the duty to seek best execution of trades for client accounts.

Drive Wealth Advisers may also recommend the brokerage services of Raymond James Financial Services, Inc. (RJFS), a FINRA-registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Although Drive Wealth Advisers may recommend that clients establish accounts at RJFS, it is the client's decision to custody assets with RJFS or another custodian. Drive Wealth Advisers is independently owned and operated and not affiliated with or supervised by RJFS.

Clients may utilize the broker dealer of their choice and have no obligation to purchase or sell securities through RJFS. As a registered FINRA broker dealer, RJFS routes order flow through its affiliated broker dealer Raymond James & Associates, Inc. ("RJA"). RJA is obligated to seek the best execution pursuant to FINRA Rule 2320 for all trades executed, however better executions may be available via another broker dealer based on a number of factors including volume, order flow and market making activity.

Specific custodian recommendations are made to clients based on their need for such services. Drive Wealth Advisers recommends custodians based on the proven integrity and financial responsibility of the firm and the best execution of orders at reasonable commission rates.

RJFS provides Drive Wealth Advisers with access to its institutional trading and custody services, which are typically not available to RJFS retail investors. These services generally are available to independent investment advisors on an unsolicited basis.

RJFS' brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For client accounts maintained in RJFS' custody, RJFS generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through RJFS or that settle into RJFS accounts.

RJFS also makes available to Drive Wealth Advisers other products and services that benefit Drive Wealth Advisers but may not directly benefit its clients' accounts. Many of these products and services may be used to service all or some substantial number of clients' accounts, including accounts not maintained at RJFS.

RJFS' products and services that assist Drive Wealth Advisers in managing and administering clients' accounts may include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of the Advisor's fees from its clients' accounts; and, (v) assist with back-office functions, recordkeeping, and client reporting.

RJFS charges Drive Wealth Advisers an administrative service fee for services such as producing monthly account statements which detail account assets, account transactions, receipt and disbursement of funds, interest and dividends received and account gain or loss of the total account, clerical services, and the maintenance of custody of securities positions through Raymond James & Associates, Inc. (RJA), its affiliate. This administrative fee, while generally competitive, may not necessarily be the lowest in the industry.

RJFS also offers other services intended to help Drive Wealth Advisers manage and further develop its business enterprise. These services may include: (i) compliance, legal and business consulting; (ii) publications and



conferences on practice management and business succession; and (iii) access to employee benefits providers, human capital consultants and insurance providers. RJFS may make available, arrange, and/or pay third-party vendors for the services rendered to Drive Wealth Advisers. RJFS may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to the Advisor. RJFS may also provide other benefits such as attendance at educational events or occasional business entertainment of Drive Wealth Advisers' personnel.

#### **Best Execution**

In recommending a broker dealer, Drive Wealth Advisers will endeavor to select those brokers or dealers that will provide the best services at the lowest commission rates possible. The reasonableness of commissions is based on several factors, including the broker's ability to provide professional services, competitive commission rates, volume discounts, execution price negotiations, the broker's reputation, experience, and financial stability of the broker or dealer, and the quality of service rendered by the broker or dealer in other transactions.

Best execution is not measured solely by reference to commission rates. Paying a broker a higher commission rate than another broker might charge is permissible if the difference in cost is reasonably justified by the quality of the brokerage services offered. In addition, Drive Wealth Advisers may have an incentive to recommend a broker-dealer based on our interest in receiving the research or other products or services, rather than on our clients' interest in receiving most favorable execution.

#### **Recommendation of Prime Broker**

We generally recommend broker-dealers capable of acting as a "prime broker." In such cases, we will consider, among other things, the clearance and settlement capabilities of the broker-dealer where other broker-dealers execute transactions, the broker-dealer's ability to provide effective and efficient reporting to the client and our firm, the broker-dealer's reliability and financial stability, and the likelihood that the broker-dealer will often be chosen as executing broker-dealer on the basis of the considerations described above, including the prospects that the broker-dealer will provide valuable research services and products.

Under "prime broker" arrangements, the firm will, on a transaction-by-transaction basis, select broker-dealers other than the client's primary custodian, such as Schwab, TD Ameritrade, or RJFS, that will execute transactions for settlement into the client's "prime brokerage" account with the client's primary custodian. The practice of one brokerage firm executing an order on behalf of a client, but giving credit (and part of the commission) to another brokerage firm is commonly known as "trading away," "stepping-out," or "step-out" trading. Typically, these transactions are assessed additional commissions (a small mark-up) incurred for transferring and allocating the shares in your account with your primary custodian.

Trading away is generally limited to situations such as seeking best execution for fixed income securities (e.g., bonds, etc.), where another broker-dealer has more or different inventory of certain securities or types of securities, or has larger blocks of certain securities available to be allocated across multiple clients accounts for an average share price (see also "Trade Aggregation/Block Trading" disclosures below in this section of our brochure).

#### **Brokerage for Client Referrals**

We do not receive client referrals from broker-dealers and custodians in which we have an institutional advisory arrangement. Also, we do not receive other benefits from a broker-dealer in exchange for client referrals.

#### **Directed Brokerage**

Clients may direct our firm to use a specified broker-dealer other than one recommended by our firm. In these situations, our firm may not be authorized to negotiate commissions and may not be able to obtain volume discounts or best execution. In addition, under these circumstances a disparity in commission charges may exist between the commissions charged to clients who direct our firm to use a particular broker/dealer and those who do not.



#### **Trade Aggregation/Block Trading**

Drive Wealth Advisers may aggregate transactions in equity and fixed income securities for a client with other clients to improve the quality of execution. When transactions are so aggregated, the actual prices applicable to the aggregated transactions will be averaged, and the client account will be deemed to have purchased or sold its proportionate share of the securities involved at the average price obtained. Drive Wealth Advisers may determine not to aggregate transactions, for example, based on the size of the trades, the number of client accounts, the timing of the trades and the liquidity of the securities. If the firm does not aggregate orders, some clients purchasing securities around the same time may receive a less favorable price than other clients. This means that this practice of not aggregating may cost clients more money. Drive Wealth Advisers and/or its Associated Persons may participate in block trades with clients; However, Drive Wealth Advisers and/or its Associated Persons will not participate on a pro rata basis for partial fills.

### **Item 13 - Review of Accounts**

#### **Portfolio Management Account Reviews**

Drive Wealth Advisers monitors client accounts on a continuous basis and conducts formal account reviews at least annually. Accounts are reviewed by Lowell Crabb or the Associated Person delegated to the client relationship.

Additional reviews may be offered in certain circumstances. Triggering factors that may stimulate additional reviews include, but are not limited to, changes in economic conditions, changes in the client's financial situation or investment objectives, or a client's request.

A financial plan is a snapshot in time and no ongoing reviews are conducted. We recommend clients engage us on an annual basis to update the financial plan.

Drive Wealth Advisers provides clients a quarterly performance report. Additionally, clients will receive statements directly from their account custodian(s) on at least a quarterly basis. We encourage our clients to compare custodial account statements with statements prepared by our firm for accuracy.

Clients are encouraged to notify our firm if changes occur in their personal financial situation that might adversely affect their investment plans.

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

We receive an economic benefit from Schwab, TD Ameritrade, and/or RJFS in the form of the support products and services it makes available to us and other independent investment advisors that have their clients maintain accounts at Schwab, TD Ameritrade, and/or RJFS. These products and services, how they benefit us, and the related conflicts of interest are described above (*see Item 12 – Brokerage Practices*). The availability to us of Schwab's, TD Ameritrade's, and/or RJFS' products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

Drive Wealth Advisers is affiliated with Drive Insurance Services, an insurance agency licensed in the State of Utah, through common ownership. Investment Adviser Representatives of Drive Wealth Advisers may also be licensed insurance agents. Drive Insurance Services and our dually licensed Investment Adviser Representatives can effect transactions in insurance products and earn commission based compensation for these activities. Clients should be aware that a conflict of interest is inherent in such an arrangement. Clients are instructed that the fees paid to the



firm for advisory services are separate and distinct from the commissions earned by Drive Insurance Services and our dually licensed Investment Adviser Representatives. Clients of Drive Wealth Advisers are not required to purchase insurance products from Drive Insurance Services or the firm's dually licensed Investment Adviser Representatives and can purchase insurance products from any insurance agency and agent of their choice.

#### **Cash Payment for Client Solicitations**

Non-employee (outside) consultants, individuals, and/or entities, who are directly responsible for bringing a Client to Drive Wealth Advisers, may receive compensation from the firm. Such arrangements will comply with the requirements set forth in Rule 206(4)-3 of the Investment Advisers Act of 1940, including the requirement that the relationship between the solicitor and the investment adviser be disclosed to the Client at the time of the solicitation or referral. In addition, all applicable state laws will be observed. Under these arrangements, the Client does not pay higher fees than Drive Wealth Advisers' normal/typical advisory fees.

#### **Recommendation of Other Advisors**

We may recommend that you use a sub adviser as part of our asset allocation and investment strategy. In some cases, Drive Wealth Advisers will share in the compensation received by the sub adviser for managing your account. The compensation arrangement presents a conflict of interest due to a financial incentive to recommend the services of a sub adviser that compensates us as opposed to sub advisers that have no compensation arrangements with our firm. You are not required to use the services of any sub adviser we recommend.

We and our related persons do not compensate, either directly or indirectly, any person or entity who is not our supervised person for client referrals.

### **Item 15 - Custody**

Drive Wealth Advisers is deemed to have custody of client assets solely because of the fee deduction authority granted by the client in the investment advisory agreement and in certain situations where we accept standing letters of authorization from clients to transfer assets to third parties. We maintain safeguards in accordance with regulatory requirements regarding custody of client assets.

We do not otherwise have physical custody or access to any of your funds and/or securities. Your funds and securities will be held with an independent, qualified custodian. Clients will receive account statements at least quarterly from the broker-dealer or other qualified custodian. Clients are urged to review custodial account statements for accuracy.

### **Item 16 - Investment Discretion**

Drive Wealth Advisers offers Portfolio Management Services primarily on a discretionary basis. Clients must grant discretionary authority in the Advisory Agreement. Discretionary authority extends to the types and amounts of securities to be bought and sold in client accounts. Apart from the ability to instruct the custodian to withdraw advisory fees from client accounts, Drive Wealth Advisers does not have the ability to withdraw funds or securities from client accounts.

In a non-discretionary account, Drive Wealth Advisers recommends the purchase or sale of securities for review and approval by the client. Drive Wealth Advisers will only purchase or sell securities, which have been approved by clients in advance.



If you wish, you may limit our discretionary authority by, for example, setting a limit on the type of securities that can be purchased for your account. Simply provide us with your restrictions or guidelines in writing. Please refer to the "Advisory Business" section in this Brochure for more information on our discretionary management services.

#### Item 17 - Voting Client Securities

##### **Proxy Voting**

Drive Wealth Advisers does not vote proxies. It is the client's responsibility to vote proxies. Clients will receive proxy materials directly from the custodian. Questions about proxies may be made via the contact information on the cover page.

#### Item 18 - Financial Information

We are required in this Item to provide you with certain financial information or disclosures about Drive Wealth Advisers', financial condition. Drive Wealth Advisers does not require the prepayment of over \$500, six or more months in advance. Additionally, Drive Wealth Advisers has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

#### Item 19 - Requirements of State-Registered Advisers

Our firm is registered with the SEC; therefore, this section is not applicable.

#### Miscellaneous

##### **Class Action Lawsuits**

From time to time, securities held in the accounts of clients will be the subject of class action lawsuits. Drive Wealth Advisers has no obligation to determine if securities held by the client are subject to a pending or resolved class action lawsuit. It also has no duty to evaluate a client's eligibility or to submit a claim to participate in the proceeds of a securities class action settlement or verdict. Furthermore, the firm has no obligation or responsibility to initiate litigation to recover damages on behalf of clients who may have been injured as a result of actions, misconduct, or negligence by corporate management of issuers whose securities are held by clients.

Where the firm receives written or electronic notice of a class action lawsuit, settlement, or verdict affecting securities owned by a client, it will forward all notices, proof of claim forms, and other materials, to the client. Electronic mail is acceptable where appropriate, and the client has authorized contact in this manner.

##### **Trade Error Correction Procedures**

On infrequent occasions, an error may be made in a client account. For example, a security may be erroneously purchased for the account instead of sold. In these situations, the firm generally seeks to rectify the error by placing the client account in a similar position as it would have been had there been no error. Depending on the circumstances, various corrective steps may be taken, including among others canceling the trade or adjusting an allocation. Any losses resulting from error correction will be placed in Drive Wealth Advisers' error correction account. Typically, gains will be credited to the client.



However, for accounts held at TD Ameritrade, if a profit results from correcting a trade error, we will not retain the profit as all net gains (positive error account balances resulting from trade corrections) will be moved to a TD Ameritrade error account and subsequently donated to charity.

**Confidentiality**

Drive Wealth Advisers views protecting its customers' private information as a top priority; and, pursuant to the requirements of the Gramm-Leach-Bliley Act, the firm has instituted policies and procedures to ensure that customer information is kept private and secure. Drive Wealth Advisers does not disclose any nonpublic personal information about its customers or former customers to any nonaffiliated third parties, except as permitted by law. In the course of servicing a client account, Drive Wealth Advisers may share some information with its service providers, such as transfer agents, custodians, broker-dealers, accountants, and lawyers.

Drive Wealth Advisers restricts internal access to nonpublic personal information about its clients to those employees who need to know that information in order to provide products or services to the client. Drive Wealth Advisers maintains physical and procedural safeguards that comply with state and federal standards to guard a client's nonpublic personal information and ensure its integrity and confidentiality. As emphasized above, it has always been and will always be the firm's policy never to sell information about current or former customers or their accounts to anyone. It is also the firm's policy not to share information unless required to process a transaction, at the request of the client, or as required by law.

A copy of the firm's privacy policy notice will be provided to each client prior to, or contemporaneously with, the execution of the Advisory Agreement. Thereafter, the firm will deliver a copy of the current privacy policy notice to its clients on an annual basis. If you have any questions on this policy, please contact Lowell Crabb, CCO, at (801) 901-6150.



**Lowell Charles Crabb, CFP®**

Chief Compliance Officer / Investment Adviser Representative

**Drive Wealth Management, LLC**

**dba**

**Drive Wealth Advisers**

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**April 13, 2018**

**Form ADV Part 2B – Brochure Supplement**

This Brochure Supplement provides information about Lowell Crabb that supplements the Drive Wealth Advisers' Brochure. You should have received a copy of that Brochure. Please contact our office at (801) 901-6150 if you did not receive Drive Wealth Advisers' Brochure or if you have any questions about the contents of this supplement.

Additional information about Mr. Crabb is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Mr. Crabb's CRD number is 5188240.



## **Item 2 - Educational Background and Business Experience**

### **Lowell Charles Crabb**

Year of Birth: 1980

Formal Education after High School:

- Brigham Young University, B.S., Psychology, 2005
- American College, CERTIFIED FINANCIAL PLANNER™ Program, 2013 to Present.

Business Background for the Previous Five Years:

- Drive Wealth Management, LLC dba Drive Wealth Advisers, CCO / Investment Adviser Representative, 01/2015 to Present.
- Crabb Financial, LLC, Managing Member, 01/2008 to Present.
- Drive Insurance Services, Insurance Agent, 03/2013 to present.
- Cambridge Financial Center, Insurance Agent, 12/2010 to Present.
- Andina Family Offices, Investment Adviser Representative, 01/2012 to 04/2015.
- Questar Asset Management, Investment Adviser Representative, 11/2010 to 01/2012.
- Questar Capital Corporation, Registered Representative, 11/2010 to 01/2012.
- J.P. Turner & Company Capital Management, LLC, Investment Adviser Representative, 07/2010 to 10/2010.

### **Professional Designations**

**CERTIFIED FINANCIAL PLANNER™ [‘CFP®’]:** The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the “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. Currently, more than 68,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board’s financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one’s ability to correctly diagnose financial planning issues and apply one’s knowledge of financial planning to real world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board’s Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:



- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the Code of Ethics and other parts of the Standards of Professional Conduct, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the Standards of Professional Conduct. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

### **Item 3 - Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Mr. Crabb and Drive Wealth Advisers. Mr. Crabb has not been involved in any reportable disciplinary events.

### **Item 4 - Other Business Activities**

Lowell Crabb, CCO of Drive Wealth Advisers and owner of Crabb Financial, LLC is also an insurance agent of Drive Insurance Services and Cambridge Financial Center and can effect transactions in insurance products and earn commissions through these entities. Clients should be aware that a conflict of interest is inherent in such an arrangement. Clients are instructed that the fees paid to the firm for advisory services are separate and distinct from the commissions earned by its Investment Adviser Representatives for placing the client in insurance products. Clients of Drive Wealth Advisers are not required to purchase insurance products from Mr. Crabb, Drive Insurance Services, or Cambridge Financial Center and can purchase insurance products from any insurance agency and agent of their choice.

### **Item 5 - Additional Compensation**

Apart from the receipt of compensation for the sale of insurance products, Mr. Crabb does not receive additional compensation or economic benefits from third party sources in connection to his advisory activities.

### **Item 6 - Supervision**

Mr. Crabb is an investment adviser representative of Drive Wealth Advisers. In this role, Mr. Crabb is responsible for making investment decisions for the firm and the monitoring of investment portfolios.

Drive Wealth Advisers has implemented a Code of Ethics and an internal compliance program that guides each Associated Person in meeting their fiduciary obligations to clients. Mr. Crabb adheres to Drive Wealth Advisers' Code of Ethics and compliance program as mandated. Clients may contact Mr. Crabb at the phone number listed



on the cover of this Brochure Supplement, to obtain a copy of Drive Wealth Advisers' Code of Ethics.

Additionally, Drive Wealth Advisers' is subject to regulatory oversight by various agencies. These agencies require registration by Drive Wealth Advisers' and its employees. As a registered entity, Drive Wealth Advisers is subject to examinations by regulators, which may be announced or unannounced. Drive Wealth Advisers is required to periodically update the information provided to these agencies and to provide various reports regarding firm business and assets under management.

#### **Item 7 - Requirements for State-Registered Advisers**

Our firm is registered with the SEC; therefore, this section is not applicable.