

# Bogart Wealth, LLC

ADV Part 2A, Brochure

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**This Brochure provides information about the qualifications and business practices of Bogart Wealth, LLC. If you have any questions about the contents of this Brochure, please contact us at (703) 570-8651. 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 Bogart Wealth, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

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

## **Item 2           Material Changes**

In this Item, Bogart Wealth, LLC (hereinafter “Bogart Wealth” or the “Firm”) is required to discuss any material changes that have been made to the brochure since the last annual amendment on March 2, 2017. The Firm has amended certain items to reflect the fact that Bogart Wealth provides certain investment management services as the sponsor and manager of the Bogart Wealth Wrap Fee Program. Additionally, the Firm has amended Item 5 to amend its fee schedule for wealth management services. The Firm has also amended Item 5 and Item 10 to reflect the fact that one or more of its supervised persons may serve as registered representatives of a broker-dealer, Purshe Kaplan Sterling Investments, Inc. The Firm has also amended Item 5 and Item 10 to reflect the fact that one or more of its supervised persons will serve as insurance agents offering insurance products on a commissionable basis. The Firm has also amended Item 12 to remove reference to a Schwab Advisor Business Loan, as such loan has been satisfied, and to increase and enhance disclosures. The Firm has no other changes to disclose in relation to this Item.

## **Item 3           Table of Contents**

Item 1	Cover Page.....	1
Item 2	Material Changes.....	2
Item 3	Table of Contents.....	2
Item 4	Advisory Business .....	3
Item 5	Fees and Compensation .....	7
Item 6	Performance-Based Fees and Side-by-Side Management .....	9
Item 7	Types of Clients.....	9
Item 8	Methods of Analysis, Investment Strategies and Risk of Loss.....	10
Item 9	Disciplinary Information .....	11
Item 10	Other Financial Industry Activities and Affiliations .....	11
Item 11	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	12
Item 12	Brokerage Practices .....	13
Item 13	Review of Accounts.....	16
Item 14	Client Referrals and Other Compensation.....	16
Item 15	Custody.....	16
Item 16	Investment Discretion.....	17
Item 17	Voting Client Securities.....	17
Item 18	Financial Information .....	18

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

- A. Bogart Wealth is a limited liability company formed in the State of Delaware. The Firm became registered with the SEC as an Investment Advisory Firm in June 2016. The Firm is owned by James Bogart and Brian Bogart.
- B. Bogart Wealth offers a variety of advisory services, which include financial planning, consulting, and investment management services. Prior to Bogart Wealth rendering any of the foregoing advisory services, clients are required to enter into one or more written agreements with Bogart Wealth setting forth the relevant terms and conditions of the advisory relationship (the “Advisory Agreement”).

While this brochure generally describes the business of Bogart Wealth, certain sections also discuss the activities of its Supervised Persons, which refer to the Firm’s officers, partners, directors (or other persons occupying a similar status or performing similar functions), employees or any other person who provides investment advice on Bogart Wealth’s behalf and is subject to the Firm’s supervision or control.

#### **FINANCIAL PLANNING AND CONSULTING SERVICES**

Bogart Wealth offers clients a range of financial planning and consulting services which include any or all of the following functions, depending on the client engagement:

- Business Planning
- Tax and Cash Flow Planning
- Trust and Estate Planning
- Insurance Planning
- Retirement Planning
- Education Planning

These services are rendered in conjunction with investment portfolio management as part of a comprehensive wealth management engagement (described in more detail below).

In performing these services, Bogart Wealth is not required to verify any information received from the client or from the client’s other professionals (e.g., attorneys, accountants, etc.) and is expressly authorized to rely on such information. Bogart Wealth may recommend the services of itself, one or more of its Supervised Persons in their individual capacities as licensed insurance agents or registered representatives of a broker-dealer, and/or other professionals to implement its recommendations. Clients are advised that a conflict of interest exists if clients engage Bogart Wealth or its affiliates to provide additional services for compensation. Clients retain absolute discretion over all decisions regarding implementation and are under no obligation to act upon any of the recommendations made by Bogart Wealth under a financial planning or consulting engagement. Clients are advised that it remains their responsibility to promptly notify the Firm of any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising Bogart Wealth’s recommendations and/or services.

#### **WEALTH MANAGEMENT SERVICES**

Bogart Wealth provides clients with wealth management services which include a broad range of comprehensive financial planning and consulting services as well as discretionary and non-discretionary management of investment portfolios. The Firm

specializes in advising clients on the rolling over of retirement account assets and then managing those assets.

Bogart Wealth primarily allocates client assets among various mutual funds, exchange-traded funds (“ETFs”), and individual debt and equity securities in accordance with their stated investment objectives. Where appropriate, the Firm may also provide advice about any type of legacy position or other investment held in client portfolios. Clients may engage Bogart Wealth to manage and/or advise on certain investment products that are not maintained at their primary custodian, such as variable life insurance and annuity contracts and assets held in employer sponsored retirement plans and qualified tuition plans (i.e., 529 plans). In these situations, Bogart Wealth directs or recommends the allocation of client assets among the various investment options available with the product. These assets are generally maintained at the underwriting insurance company or the custodian designated by the product’s provider.

### **SPONSOR AND MANAGER OF WRAP PROGRAM**

Bogart Wealth provides certain investment management services as the sponsor and manager of the Bogart Wealth Wrap Fee Program (the “Wrap Program”), a wrap fee program (i.e., an arrangement where most brokerage commissions and transaction costs are absorbed by the Firm). Accounts managed through the Wrap Program are done so in substantially the same manner as those managed under a non-wrap arrangement. Participants in the Wrap Program may pay a higher aggregate fee than if investment management and brokerage services are purchased separately. Additional information about the Wrap Program is available in Bogart Wealth’s Wrap Brochure, which appears as Part 2A Appendix 1 of the Firm’s Form ADV.

### **MISCELLANEOUS**

**Limitations of Financial Planning and Non-Investment Consulting/Implementation Services.** To the extent requested by a client, Bogart Wealth will generally provide financial planning and related consulting services regarding non-investment related matters, such as estate planning, tax planning, insurance, etc. Bogart Wealth will generally provide such consulting services inclusive of its advisory fee set forth at Item 5 below (exceptions do occur based upon assets under management, special projects, etc. for which Bogart Wealth may charge a separate planning fee as discussed at Item 5 below). **Please Note:** Bogart Wealth **does not** serve as an attorney or accountant, and no portion of our services should be construed as legal or accounting services. Accordingly, Bogart Wealth **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 Bogart Wealth’s representatives, in their separate individual capacities as registered representatives of Purshe Kaplan Sterling Investments, Inc. (“PKS”), an SEC registered and FINRA member broker-dealer, and as licensed insurance agents. 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 Bogart Wealth 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:** The recommendation by Bogart Wealth that a client purchase a securities or insurance commission product from Bogart Wealth’s representatives in their separate individual capacities as representatives of PKS and/or as insurance agents, 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 securities or insurance commission products from Bogart Wealth's representatives. Clients are reminded that they may purchase securities and insurance products recommended by Bogart Wealth through other, non-affiliated broker-dealers and/or insurance agencies. **Bogart Wealth's Chief Compliance Officer, James Bogart, remains available to address any questions that a client or prospective client may have regarding the above conflicts of interest.**

**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 Bogart Wealth recommends that a client roll over their retirement plan assets into an account to be managed by Bogart Wealth, such a recommendation creates a conflict of interest if Bogart Wealth will earn an advisory fee on the rolled over assets. **No client is under any obligation to roll over retirement plan assets to an account managed by Bogart Wealth. Bogart Wealth's Chief Compliance Officer, James Bogart, 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.**

**ERISA / IRC Fiduciary Acknowledgment.** If the client is: (i) a participant or beneficiary of a Plan subject to Title I of the Employee Retirement Income Security Act of 1974 ("ERISA") or described in section 4975(e)(1)(A) of the Internal Revenue Code, with authority to direct the investment of assets in his or her Plan account or to take a distribution; (ii) the beneficial owner of an IRA acting on behalf of the IRA; or (iii) a Retail Fiduciary with respect to a plan subject to Title I of ERISA or described in section 4975(e)(1)(A) of the Internal Revenue Code: then Bogart Wealth represents that it and its representatives are fiduciaries under ERISA or the Internal Revenue Code, or both, with respect to any investment advice provided by Bogart Wealth or its representatives or with respect to any investment recommendations regarding an ERISA Plan or participant or beneficiary account.

**Please Note: Wrap Program Conflict.** As indicated in this Brochure, Bogart Wealth sponsors a wrap program. New clients engage Bogart Wealth's services on a wrap fee basis. Under a wrap program, the client pays one "bundled" fee (*see* Item 5 below) which includes both Bogart Wealth's advisory fee and the transaction fees charged by the account custodian. When managing a client's account on a wrap fee basis, Bogart Wealth shall receive as payment for its investment advisory services, the balance of the wrap fee after all wrap-fee costs (including account transaction fees) have been deducted. **Accordingly,** Bogart Wealth has a **conflict of interest** because it could have an economic incentive to maximize its compensation by seeking to minimize the number of transactions/total costs in the client's account. Participation in the wrap program may cost more or less than purchasing such services separately. The fee that we charge for participation in the wrap program may be higher or lower than those charged by other sponsors of comparable wrap fee programs. **ANY QUESTIONS:** Bogart Wealth's Chief Compliance Officer, James Bogart, remains available to address any questions that a client or prospective client may have regarding the corresponding conflict of interest a wrap fee arrangement may create.

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

**Schwab.** As discussed below at Item 12, when requested to recommend a broker-dealer/custodian for client accounts, Bogart Wealth generally recommends that Charles Schwab & Co., Inc. ("Schwab") serve as the broker-dealer/custodian for client investment management assets. Broker-dealers such as Schwab charge brokerage commissions and/or transaction fees for effecting securities transactions. In addition to Bogart Wealth's investment advisory fee, brokerage commissions and/or transaction fees, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses). If the client has engaged Bogart Wealth on a wrap fee basis (*see above*), the fees charged by Schwab or any broker-dealer/custodian directed by the client, are included in Bogart Wealth's advisory fee referenced in Item 5 below.

**Portfolio Activity.** Bogart Wealth has a fiduciary duty to provide services consistent with the client's best interest. As part of its investment advisory services, Bogart Wealth 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, 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 Bogart Wealth 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 Bogart Wealth will be profitable or equal any specific performance level(s).

**Client Obligations.** In performing our services, Bogart Wealth 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 Bogart Wealth 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 Bogart Wealth) will be profitable or equal any specific performance level(s).

- C. Bogart Wealth tailors its advisory services to meet the needs of its individual clients and seeks to ensure, on a continuous basis, that client portfolios are managed in a manner consistent with those needs and objectives. Bogart Wealth consults with clients on an initial and ongoing basis to assess their specific risk tolerance, time horizon, liquidity constraints and other related factors relevant to the management of their portfolios. Clients are advised to promptly notify Bogart Wealth if there are changes in their financial situation or if they wish to place any limitations on the management of their portfolios. Clients may impose reasonable restrictions or mandates on the management of

their accounts if Bogart Wealth determines, in its sole discretion, the conditions would not materially impact the performance of a management strategy or prove overly burdensome to the Firm's management efforts.

- D. The investment management services described above are offered under a non-wrap arrangement (i.e., where clients directly incur securities brokerage charges and transaction fees) or through a wrap fee program (i.e., where Bogart Wealth covers most securities brokerage charges and transaction fees). Accounts managed through the wrap fee program are done so in substantially the same manner as those managed under a non-wrap arrangement. Additional information about the wrap fee program is available in the Bogart Wealth Wrap Brochure, which appears as Part 2A Appendix 1 of the Firm's Form ADV.
- E. As of December 31, 2017, Bogart Wealth had \$708,611,779 in assets under management, \$485,405,264 of which was managed on a discretionary basis and \$223,206,515 of which was managed on a non-discretionary basis.

## Item 5 Fees and Compensation

- A. For assets managed as part of the Wrap Program (which represents the vast majority of assets managed by the Firm), Bogart Wealth provides wealth management services for an annual fee based on the amount of assets under the Firm's management as described herein. For assets managed outside of the Wrap Program, Bogart Wealth does not currently charge any wealth management fees although clients will be responsible for brokerage commissions, other transaction costs and other fees and expenses related to the management of their assets as described below in more detail. Certain of the Firm's Supervised Persons, in their individual capacities, may also offer securities brokerage services under a separate commission-based arrangement.

Bogart Wealth's Wrap Program is offered on a fee basis, meaning participants pay a single annualized fee based upon assets under management ("Program Fee").

This Program Fee generally varies, depending upon the size and composition of a client's portfolio and the type of services rendered. This Program Fee generally varies between 130 and 50 basis points (1.30%–0.50%) in accordance with the following blended fee schedule:

<b><u>PORTFOLIO VALUE</u></b>	<b><u>BASE FEE</u></b>
Up to \$100,000	1.30%
\$100,001 - \$250,000	1.20%
\$250,001 - \$500,000	1.10%
\$500,001 - \$2,000,000	1.00%
\$2,000,001 - \$5,000,000	0.90%
\$5,000,001 - \$10,000,000	0.75%
Above \$10,000,000	0.50%

Additionally, for asset management services the Firm provides with respect to certain client holdings (e.g., held-away assets, accommodation accounts, alternative investments, etc.), Bogart Wealth may negotiate a fee rate that differs from the range set forth above.

**Please Note – Fee Discretion:** Bogart Wealth may, in its sole discretion, negotiate to charge a lesser fee based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing/legacy client relationship, account retention and pro bono activities.

- B. Clients generally provide Bogart Wealth with the authority to directly debit their accounts for payment of the investment advisory fees. The Financial Institutions that act as the qualified custodian for client accounts, from which the Firm retains the authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to Bogart Wealth.
- C. In addition to Bogart Wealth's fees, clients also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks and other financial institutions (collectively "Financial Institutions"). These additional charges include securities brokerage commissions, transaction fees, custodial fees, margin costs, reporting charges, charges imposed directly by a mutual fund or ETF in a client's account, as disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. The Firm's brokerage practices are described at length in Item 12, below.
- D. The annual fee is prorated and charged quarterly, in advance, based upon the market value of the assets being managed by Bogart Wealth on the last day of the previous billing period. If assets are deposited into or withdrawn from an account after the inception of a billing period, the fee payable with respect to such assets is adjusted to reflect the interim change in portfolio value. For the initial period of an engagement, the fee is calculated on a pro rata basis. In the event the advisory agreement is terminated, the fee for the final billing period is prorated through the effective date of the termination and the outstanding or unearned portion of the fee is charged or refunded to the client, as appropriate.

Clients may make additions to and withdrawals from their account at any time, subject to Bogart Wealth's right to terminate an account. Additions may be in cash or securities provided that the Firm reserves the right to liquidate any transferred securities or decline to accept particular securities into a client's account. Clients may withdraw account assets on notice to Bogart Wealth, subject to the usual and customary securities settlement procedures. However, Bogart Wealth designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. Bogart Wealth consults with its clients about the options and implications of transferring securities as necessary. Clients are advised that when transferred securities are liquidated, they may be subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications.

- E. Clients can engage certain persons associated with Bogart Wealth (but not Bogart Wealth) to render securities brokerage services under a commission arrangement. Clients



are under no obligation to engage such persons and may choose brokers or agents not affiliated with Bogart Wealth. Under this arrangement, clients may implement securities transactions through certain of Bogart Wealth's Supervised Persons in their respective individual capacities as registered representatives of PKS, an SEC registered broker-dealer and member of FINRA/SIPC. PKS may charge brokerage commissions to effect these securities transactions and thereafter, a portion of these commissions may be paid by PKS to such Supervised Persons. Prior to effecting any transactions, clients are required to enter into a new account agreement with PKS. The brokerage commissions charged by PKS may be higher or lower than those charged by other broker-dealers. In addition, certain of Bogart Wealth's Supervised Persons may also receive ongoing 12b-1 fees for mutual fund purchases from the mutual fund company during the period that the client maintains the mutual fund investment.

A conflict of interest exists to the extent that Bogart Wealth recommends the purchase of securities where Bogart Wealth's Supervised Persons receive commissions or other additional compensation as a result of Bogart Wealth's recommendations. Such Supervised Persons may have an incentive to recommend investment products based on the compensation received by such supervised persons rather than on a client's needs. Bogart Wealth has procedures in place to ensure that any recommendations made by such Supervised Persons are in the best interest of clients. For accounts covered by ERISA (and such others that Bogart Wealth, in its sole discretion, deems appropriate), Bogart Wealth provides its investment advisory services on a fee-offset basis. In this scenario, Bogart Wealth offsets its fees by an amount equal to the aggregate commissions and 12b-1 fees earned by Bogart Wealth's Supervised Persons in their individual capacities as registered representatives of PKS.

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

Bogart Wealth does not provide any services for a performance-based fee (i.e., a fee based on a share of capital gains or capital appreciation of a client's assets).

## **Item 7            Types of Clients**

Bogart provides its services to individuals, trusts, estates, and charitable organizations. Bogart does not impose any minimum account size requirements.

Bogart Wealth, in its sole discretion, may charge a lesser investment advisory 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. **ANY QUESTIONS:** Bogart Wealth's Chief Compliance Officer, James Bogart, remains available to address any questions that a client or prospective client may have regarding advisory fees.

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

- A. Bogart Wealth utilizes a combination of fundamental and technical methods of analysis and manages client accounts through model portfolios made up of individual stocks and bonds, as well as mutual funds and ETFs. Client allocation amongst the portfolios is structured based upon the household's risk management profile.

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

B. **Fundamental Analysis**

Fundamental analysis involves an evaluation of an issuer's fundamental financial condition and competitive position. Bogart Wealth generally analyzes the financial condition, capabilities of management, earnings capacity, new products and services, as well as the company's markets and position amongst its industry competitors in order to determine the recommendations made to clients. A substantial risk in relying upon fundamental analysis is that while the overall health and position of a company may be good, market conditions may negatively impact the security.

**Technical Analysis**

Technical analysis involves the examination of past market data rather than specific company information in determining the recommendations made to clients. Technical analysis may involve the use of mathematical based indicators and charts, such as moving averages and price correlations, to identify market patterns and trends which may be based on investor sentiment rather than the fundamentals of the company. A substantial risk in relying upon technical analysis is that spotting historical trends may not help to predict such trends in the future. Even if the trend will eventually reoccur, there is no guarantee that Bogart wealth will be able to accurately predict such a reoccurrence.

C. **Market Risks**

Investing involves risk, including the potential loss of principal, and all investors should be guided accordingly. The profitability of a significant portion of Bogart Wealth's recommendations and/or investment decisions may depend to a great extent upon correctly assessing the future course of price movements of stocks, bonds and other asset classes. There can be no assurance that Bogart Wealth will be able to predict those price movements accurately or capitalize on any such assumption

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

An investment in a mutual fund or ETF involves risk, including the loss of principal. Mutual fund and ETF shareholders are necessarily subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as mutual funds and ETFs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss.

Shares of mutual funds are generally distributed and redeemed on an ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted

is equal to a fund's stated daily per share net asset value ("NAV"), plus any shareholders' fees (e.g., sales loads, purchase fees, redemption fees). The per share NAV of a mutual fund is calculated at the end of each business day although the actual NAV fluctuates with intraday changes to the market value of the fund's holdings. The trading prices of a mutual fund's shares may differ significantly from the NAV during periods of market volatility, which may, among other factors, lead to the mutual fund's shares trading at a premium or discount to actual NAV.

Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least once daily for indexed-based ETFs and more frequently for actively managed ETFs. However, certain inefficiencies may cause the shares to trade at a premium or discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 50,000 shares or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares.

#### **Management Through Similarly Managed "Model" Accounts**

Bogart Wealth manages certain accounts through the use of similarly managed "model" portfolios, whereby the Firm allocates all or a portion of its clients' assets among various mutual funds and/or securities on a discretionary basis using one or more of its proprietary investment strategies. In managing assets through the use of models, the Firm remains in compliance with the safe harbor provisions of Rule 3a-4 of the Investment Company Act of 1940.

The strategy used to manage a model portfolio may involve an above average portfolio turnover that could negatively impact clients' net after tax gains. While the Firm seeks to ensure that clients' assets are managed in a manner consistent with their individual financial situations and investment objectives, securities transactions effected pursuant to a model investment strategy are usually done without regard to a client's individual tax ramifications. Clients should contact the Firm if they experience a change in their financial situation or if they want to impose reasonable restrictions on the management of their accounts.

### **Item 9           Disciplinary Information**

Bogart Wealth has not been involved in any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of management.

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

- A. **Broker Dealer.** As disclosed above in Item 5.E, certain of Bogart Wealth's representatives are registered representatives of PKS, a FINRA member broker-dealer. Clients can choose to engage Bogart Wealth's representatives, in their individual capacities, to effect securities brokerage transactions on a commission basis.

**Conflict of Interest:** The recommendation that a client purchase a commission product from PKS 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 commission products from Bogart Wealth's representatives. **Bogart Wealth's Chief Compliance Officer, James Bogart, remains available to address any questions that a client or prospective client may have regarding the above conflict of interest.**

- B. Neither the Firm, nor its representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.
- C. **Licensed Insurance Agents.** Certain of Bogart Wealth's representatives, in their individual capacities, are licensed insurance agents, and may recommend the purchase of certain insurance-related products on a commission basis. As referenced in Item 4.B above, clients can engage certain of Bogart Wealth's representatives to effect insurance transactions on a commission basis.

**Conflict of Interest:** The recommendation by Bogart Wealth's representatives, that a client purchase a securities or insurance commission product presents a **material conflict of interest**, as the receipt of commissions may provide an incentive to recommend investment products based on commissions received, rather than on a particular client's need. No client is under any obligation to purchase any commission products from Bogart Wealth's representatives. Clients are reminded that they may purchase insurance products recommended by Bogart Wealth through other, non-affiliated insurance agents. **Bogart Wealth's Chief Compliance Officer, James Bogart, remains available to address any questions that a client or prospective may have regarding the above conflicts of interest.**

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

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

- A. Bogart Wealth has adopted a code of ethics ("Code of Ethics") made up of its personal securities transaction and insider trading policies and procedures.

Clients and prospective clients may contact Bogart Wealth to request a copy of its Code of Ethics.

- B. In accordance with applicable regulations, Bogart Wealth maintains and enforces written policies reasonably designed to prevent the unlawful use of material non-public information by Bogart Wealth or any of its Supervised Persons.
- C. When Bogart Wealth is purchasing or considering for purchase any security on behalf of a client, no Covered Person (as defined below) may effect a transaction in that security prior to the completion of the purchase or until a decision has been made not to purchase such security. Similarly, when Bogart Wealth is selling or considering the sale of any security on behalf of a client, no Covered Person may effect a transaction in that security prior to the completion of the sale or until a decision has been made not to sell such security.

- D. Unless specifically defined in Bogart Wealth's procedures (summarized above), neither Bogart Wealth nor any of Bogart Wealth's Associated Persons may effect for himself or herself, for an Associated Person's immediate family (i.e., spouse, minor children, and adults living in the same household as the Associated Person), or for trusts for which the Associated Person serves as a trustee or in which the Associated Person has a beneficial interest (collectively "Covered Persons"), any transactions in a security which is being actively purchased or sold, or is being considered for purchase or sale, on behalf of any of Bogart Wealth's clients.

The foregoing policies and procedures are not applicable to (a) transactions effected in any account over which neither Bogart Wealth nor any of its Supervised Persons (as defined in this Form ADV) has any direct or indirect influence or control; and (b) transactions in securities that are: direct obligations of the government of the United States; bankers' acceptances, bank certificates of deposit, commercial paper, and high quality short-term debt instruments, including repurchase agreements; or shares issued by registered open-end investment companies.

This policy has been established recognizing that some securities being considered for purchase and sale on behalf of Bogart Wealth's clients trade in sufficiently broad markets to permit transactions by clients to be completed without any appreciable impact on the markets of such securities. Under certain limited circumstances, exceptions may be made to the policies stated above. Bogart Wealth will maintain records of these trades, including the reasons for any exceptions.

## **Item 12      Brokerage Practices**

- A. In the event that the client requests that Bogart Wealth recommend a broker-dealer/custodian for execution and/or custodial services, Bogart Wealth generally recommends that investment advisory accounts be maintained at Charles Schwab & Co., Inc. ("Schwab"). Prior to engaging Bogart Wealth to provide investment management services, the client will be required to enter into a formal Investment Advisory Agreement with Bogart Wealth setting forth the terms and conditions under which Bogart Wealth shall advise on the client's assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian.

Factors that Bogart Wealth considers in recommending Schwab (or any other broker-dealer/custodian to clients) include historical relationship with Bogart Wealth, financial strength, reputation, execution capabilities, pricing, research, and service. Although the transaction fees paid by Bogart Wealth's clients shall comply with Bogart Wealth's duty to obtain best execution, a client may pay a transaction fee that is higher than another qualified broker-dealer might charge to effect the same transaction where Bogart Wealth determines, in good faith, that the transaction fee is reasonable. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, transaction rates, and responsiveness. Accordingly, although Bogart Wealth will seek competitive rates, it may not necessarily obtain the lowest possible rates for client account transactions. Unless services are provided in conjunction with a wrap program,

transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, Bogart Wealth's investment advisory fee.

As discussed above, one or more Supervised Persons in their respective individual capacities, are registered representatives of PKS. These Supervised Persons are subject to FINRA Rule 3040, which restricts registered representatives from conducting securities transactions away from their broker-dealer unless PKS provides written consent. Therefore, clients are advised that certain Supervised Persons may be restricted to conducting securities transactions through PKS if they have not secured written consent from PKS to execute securities transactions through a different broker-dealer. Absent such written consent or separation from PKS, these Supervised Persons are prohibited from executing securities transactions through any broker-dealer other than PKS under PKS' internal supervisory policies. Bogart Wealth is cognizant of its duty to obtain best execution and has implemented policies and procedures reasonably designed in such pursuit.

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

1. Non-Soft Dollar Research and Benefits

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

Certain of the above support services and/or products assist Bogart Wealth in managing and administering client accounts. Others do not directly provide such assistance, but rather assist Bogart Wealth to manage and further develop its business enterprise.

Bogart Wealth's clients do not pay more for investment transactions effected and/or assets maintained at Schwab as a result of this arrangement. There is no corresponding commitment made by Bogart Wealth to Schwab, or any other any entity, to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as result of the above arrangement.

**Bogart Wealth's Chief Compliance Officer, James Bogart, remains available to address any questions that a client or prospective client may have regarding the above arrangement and the conflict of interest such arrangement may create.**

2. Bogart Wealth does not receive referrals from broker-dealers.
  3. Bogart Wealth recommends that its clients utilize the brokerage and custodial services provided by Schwab. Bogart Wealth generally does not accept directed brokerage arrangements (when a client requires that account transactions be effected through a specific broker-dealer). In such client directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and Bogart Wealth will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by Bogart Wealth. As a result, a client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. **Please Note:** In the event that the client directs Bogart wealth to effect securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through Bogart Wealth. Higher transaction costs adversely impact account performance. **Please Also Note:** Transactions for directed accounts will generally be executed following the execution of portfolio transactions for non-directed accounts.
- B. Transactions for each client account generally will be effected independently, unless Bogart Wealth decides to purchase or sell the same securities for several clients at approximately the same time. Bogart Wealth may (but is not obligated to) combine or "bunch" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among Bogart Wealth's clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. Bogart Wealth shall not receive any additional compensation or remuneration as a result of such aggregation.

In the event that Bogart Wealth determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which may include: (i) when only a small percentage of the order is executed, shares will be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when such account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares will be reallocated to other accounts (this will be due to unforeseen changes in an account's assets after an order is placed); (iv) with respect to sale allocations, allocations will be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a de minimis allocation in one or more accounts, Bogart Wealth may exclude the account(s) from the allocation; the transactions will be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares will be allocated to one or more accounts on a random basis.

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

- A. Bogart Wealth monitors its clients' investment portfolios on a continuous and ongoing basis, and conducts regular account reviews at least quarterly. Such reviews are conducted by the firm's investment adviser representatives. All investment advisory clients are encouraged to discuss their needs, goals, and objectives with Bogart Wealth and to keep Bogart Wealth informed of any changes thereto. Bogart Wealth contacts ongoing investment advisory clients at least annually to review its previous services and recommendations, and to discuss the impact resulting from any changes in their financial situation and/or investment objective.
- B. The Firm **may** conduct account reviews on an other than periodic basis upon the occurrence of a triggering event, such as a change in client investment objectives and/or financial situation, market corrections and client request.
- C. Clients are provided with transaction confirmation notices and regular summary account statements directly from the Financial Institutions. Investment management clients also receive reports from Bogart Wealth that may include relevant account and/or market-related information, such as an inventory of account holdings and account performance, on a quarterly basis. Clients should compare any supplemental reports they receive from Bogart Wealth with the account statements they receive from the Financial Institutions.

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

- A. As indicated at Item 12 above, Bogart Wealth may receive from Schwab without cost (and/or at a discount), support services and/or products. Bogart Wealth's clients do not pay more for investment transactions effected and/or assets maintained at Schwab as result of this arrangement. There is no corresponding commitment made by Bogart Wealth to Schwab or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangements.

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

- B. Bogart Wealth does not compensate individuals or entities for prospective client introductions.

### **Item 15          Custody**

The Advisory Agreement and/or the separate agreement with any Financial Institution generally authorize Bogart Wealth to debit client accounts for payment of the Firm's fees and to directly remit that those funds to the Firm in accordance with applicable custody rules. The Financial Institutions that act as the qualified custodian for client accounts, from which the Firm retains the authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to Bogart Wealth.



In addition, as discussed in Item 13, Bogart Wealth may also send periodic supplemental reports to clients. Clients should carefully review the statements sent directly by the Financial Institutions and compare them to those received from Bogart Wealth.

**Please Also Note: Custody Situations:** Certain clients have established asset transfer authorizations which permit the qualified custodian to rely upon instructions from Bogart Wealth to transfer client funds or securities to third parties. These arrangements are disclosed at ADV Part 1, Item 9, but in accordance with the guidance provided in the SEC's February 21, 2017 Investment Adviser Association No-Action Letter, the affected accounts **are not** subject to an annual surprise CPA examination.

**Bogart Wealth's Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding custody-related issues.**

## **Item 16 Investment Discretion**

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

- The transaction has been completed;
- The transaction for the Supervised Person is completed as part of a batch trade with clients; or
- A decision has been made not to engage in the transaction for the client.

## **Item 17 Voting Client Securities**

In most circumstances, Bogart Wealth accepts the authority to vote a client's securities (i.e., proxies) on their behalf. When Bogart Wealth accepts such responsibility, it will only cast proxy votes in a manner consistent with the best interest of its clients. Absent special circumstances, which are fully-described in the Firm's Proxy Voting Policies and Procedures, all proxies will be voted consistent with guidelines established and described in Bogart Wealth's Proxy Voting Policies and Procedures, as they may be amended from time-to-time. Clients may contact Bogart Wealth to request information about how the Firm voted proxies for that client's securities or to get a copy of Bogart Wealth's Proxy Voting Policies and Procedures. A brief summary of Bogart Wealth's Proxy Voting Policies and Procedures is as follows:

- Bogart Wealth has formed a Proxy Voting Committee that will be responsible for monitoring corporate actions, making voting decisions in the best interest of clients, and ensuring that proxies are submitted in a timely manner.

- The Proxy Voting Committee will generally vote proxies according to Bogart Wealth's then current Proxy Voting Guidelines. The Proxy Voting Guidelines include many specific examples of voting decisions for the types of proposals that are most frequently presented, including: composition of the board of directors; approval of independent auditors; management and director compensation; anti-takeover mechanisms and related issues; changes to capital structure; corporate and social policy issues; and issues involving mutual funds.
- Although the Proxy Voting Guidelines are followed as a general policy, certain issues are considered on a case-by-case basis based on the relevant facts and circumstances. Since corporate governance issues are diverse and continually evolving, the Firm devotes an appropriate amount of time and resources to monitor these changes.
- Clients cannot direct Bogart Wealth's vote on a particular solicitation but can revoke the Firm's authority to vote proxies.

In situations where there may be a conflict of interest in the voting of proxies due to business or personal relationships that Bogart Wealth maintains with persons having an interest in the outcome of certain votes, the Firm takes appropriate steps to ensure that its proxy voting decisions are made in the best interest of its clients and are not the product of such conflict.

## **Item 18      Financial Information**

- A. The Firm does not require or solicit the prepayment of more than \$1,200 in fees six months or more in advance.
- B. The Firm does not have a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients.
- C. The Firm has not been the subject of a bankruptcy petition at any time during the past ten years.

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