

# Vimvest Securities, LLC

## Firm Brochure - Form ADV Part 2A

*This brochure provides information about the qualifications and business practices of Vimvest Securities, LLC. If you have any questions about the contents of this brochure, please contact us at (941) 925-2121 or by email at: [phillip@cdadvisorygroup.com](mailto:phillip@cdadvisorygroup.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.*

*Additional information about Vimvest Securities, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Vimvest Securities, LLC's CRD number is: 285309.*

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*Registration does not imply a certain level of skill or training.*

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## **Item 2: Material Changes**

There are no material changes in this brochure from the last annual updating amendment of Vimvest Securities, LLC on 03/29/2017. Material changes relate to Vimvest Securities, LLC policies, practices or conflicts of interests only.

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## **Item 4: Advisory Business**

### **A. Description of the Advisory Firm**

Vimvest Securities, LLC (hereinafter “VSL”) is a Limited Liability Company. The firm was formed in June 2016, and the principal owners are Phillip Dickson, Stuart Dickson, Margaret Hixon and Justin Bailey.

### **B. Types of Advisory Services**

#### ***Robo-Advisory Portfolio Management Services***

VSL provides “robo-advisory” portfolio management services via an online interface. This entails the use of algorithm-based portfolio management advice, rather than in-person investment advice. These automated investment solutions are customized to each client and based on individual characteristics, such as the client’s age, risk tolerance, income, and current assets, among others.

#### ***Subadvisor Services***

VSL may also act as a subadvisor to advisers unaffiliated with VSL. These third-party advisers would outsource portfolio management services to VSL. This relationship will be memorialized in each contract between VSL and the third-party adviser.

#### ***Services Limited to Specific Types of Investments***

VSL generally limits its investment advice to fixed income securities, equities, ETFs and non-U.S. securities, although VSL primarily recommends modern portfolio theory and efficient frontier. We build our portfolios based on the three factor model. to a majority of its clients. VSL may use other securities as well to help diversify a portfolio when applicable.

### **C. Client Tailored Services and Client Imposed Restrictions**

VSL offers the same suite of services to all of its clients. However, specific client investment strategies and their implementation are dependent upon the client Investment Policy Statement which outlines each client’s current situation (income, tax levels, and risk tolerance levels). Clients may not impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs.

### **D. Wrap Fee Programs**

VSL participates in wrap fee programs, which are investment programs where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and other administrative fees. VSL manages the investments in the wrap fee program. Fees paid under the wrap fee program will be given to VSL as a management fee.

### **E. Assets Under Management**

VSL has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$0	\$0	December 2017

## **Item 5: Fees and Compensation**

### **A. Fee Schedule**

#### ***Robo-Advisory Portfolio Management Services Fees***

VSL provides robo-advisory portfolio management services via an online interface.

Total Assets Under Management	Annual Fees
\$100,000+	0.25%

Vimvest will charge a fee of \$1 per month to clients who are in the tranche of \$ 99,999 or less.

The advisory fee is calculated using the value of the assets on the last business day of the prior billing period.

The final fee schedule is attached as Exhibit II of the Investment Advisory Contract. Clients may terminate the agreement without penalty for a full refund of VSL's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract immediately upon written notice.

### ***Subadviser Services Fees***

VSL may also act as a subadviser to unaffiliated third-party advisers and VSL would receive a share of the fees collected from the third-party adviser's client. The fees charged will not exceed any limit imposed by any regulatory agency. The notice of termination requirement and payment of fees for subadviser services will depend on the specific third-party investment adviser engaging VSL as subadviser. This relationship will be memorialized in each contract between VSL and each third-party adviser. The fees will not exceed any limit imposed by any regulatory agency.

## **B. Payment of Fees**

### ***Payment of Portfolio Management Fees***

Asset-based portfolio management fees of 0.25% or the \$1 per month fees are withdrawn directly from the client's accounts with client's authorization, via the on line application process, on a quarterly basis. Fees are paid in advance.

### ***Payment of Subadviser Fees***

Subadviser fees may be withdrawn from clients' accounts or clients may be invoiced for such fees, as disclosed in each contract between VSL and the applicable third-party adviser.

## **C. Client Responsibility For Third Party Fees**

VSL will wrap third party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). VSL will charge clients one fee, and pay all transaction fees using the fee collected from the client.

## **D. Prepayment of Fees**

VSL collects fees in advance. Refunds for fees paid in advance will be returned within fourteen days to the client via check, or return deposit back into the client's account.

For all asset-based fees paid in advance, the fee refunded will be equal to the balance of the fees collected in advance minus the daily rate\* times the number of days elapsed in the billing period up to and including the day of termination. (\*The daily rate is calculated by dividing the annual asset-based fee rate by 365.)

## **E. Outside Compensation For the Sale of Securities to Clients**

Neither VSL nor its supervised persons accept any compensation for the sale of investment products, including asset-based sales charges or service fees from the sale of mutual funds.



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

VSL does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

## **Item 7: Types of Clients**

VSL generally provides advisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Charitable Organizations
- ❖ Other Investment Advisers

There is a \$1 account minimum for any of VSL's services.

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

### **A. Methods of Analysis and Investment Strategies**

#### ***Methods of Analysis***

VSL's methods of analysis include Fundamental analysis, Modern portfolio theory.

**Fundamental analysis** involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

**Modern portfolio theory** is a theory of investment that attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, each by carefully choosing the proportions of various asset.

#### ***Investment Strategies***

VSL uses long term trading.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **B. Material Risks Involved**

### *Methods of Analysis*

**Fundamental analysis** concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

**Modern portfolio theory** assumes that investors are risk averse, meaning that given two portfolios that offer the same expected return, investors will prefer the less risky one. Thus, an investor will take on increased risk only if compensated by higher expected returns. Conversely, an investor who wants higher expected returns must accept more risk. The exact trade-off will be the same for all investors, but different investors will evaluate the trade-off differently based on individual risk aversion characteristics. The implication is that a rational investor will not invest in a portfolio if a second portfolio exists with a more favorable risk-expected return profile – i.e., if for that level of risk an alternative portfolio exists which has better expected returns.

### *Investment Strategies*

**Long term trading** is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **C. Risks of Specific Securities Utilized**

Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below are not guaranteed or insured by the FDIC or any other government agency.

**Equity** investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.

**Fixed income** investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and

structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best known type of fixed income security. In general, the fixed income market is volatile and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.

**Exchange Traded Funds (ETFs):** An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance.

**Non-U.S. securities-** present certain risks such as currency fluctuation, political and economic change, social unrest, changes in government regulation, differences in accounting and the lesser degree of accurate public information available.

**Past performance is not indicative of future results. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **Item 9: Disciplinary Information**

### **A. Criminal or Civil Actions**

There are no criminal or civil actions to report.

### **B. Administrative Proceedings**

There are no administrative proceedings to report.

### **C. Self-regulatory Organization (SRO) Proceedings**

There are no self-regulatory organization proceedings to report.

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

### **A. Registration as a Broker/Dealer or Broker/Dealer Representative**

Neither VSL nor its representatives are registered as, or have pending applications to become, a broker/dealer or a representative of a broker/dealer.

**B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor**

Neither VSL nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

**C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

Phillip Bruce Dickson is an investment adviser representative with another investment advisory firm, Vimvest Advisors, and from time to time, may offer clients advice or products from those activities and clients should be aware that these services may involve a conflict of interest. VSL always acts in the best interest of the client and clients are in no way required to use the services of any representative of VSL in connection with such individual's activities outside of VSL.

Phillip Bruce Dickson is a licensed insurance agent with Vimvest Advisors, and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. VSL always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to utilize the services of any representative of VSL in connection with such individual's activities outside of VSL.

Stuart Kenneth Dickson is an investment adviser representative with another investment advisory firm, HD Money, and from time to time, may offer clients advice or products from those activities and clients should be aware that these services may involve a conflict of interest. VSL always acts in the best interest of the client and clients are in no way required to use the services of any representative of VSL in connection with such individual's activities outside of VSL.

Stuart Kenneth Dickson is a licensed insurance agent with Vimvest Advisors, and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. VSL always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to utilize the services of any representative of VSL in connection with such individual's activities outside of VSL.

Stuart Dickson and Phillip Dickson are owners of an investment advisory firm Vimvest Securities LLC. From time to time, he may offer clients advice or products from those activities and clients should be aware that these services may involve a conflict of interest. HDM always acts in the best interest of the client and clients are in no way required to use the services of any representative of HDM in connection with such individual's activities outside of HDM.

Mark Joseph Kennedy operates an investment company or another pooled investment vehicle. From time to time, he will offer clients advice or products from this activity. Vimvest Securities, LLC always acts in the best interest of the client.

Mark Joseph Kennedy is the owner of a consulting firm. From time to time, he may offer clients advice or products from those activities and clients should be aware that these services may involve a conflict of interest. Vimvest Securities, LLC always acts in the best interest of the client and clients always have the right to decide whether or not to utilize the services of any representative of Vimvest Securities, LLC in such individual's outside capacities.

#### **D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections**

VSL does not utilize nor select third-party investment advisers. All assets are managed by VSL management.

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

#### **A. Code of Ethics**

VSL has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. VSL's Code of Ethics is available free upon request to any client or prospective client.

#### **B. Recommendations Involving Material Financial Interests**

VSL does not recommend that clients buy or sell any security in which a related person to VSL or VSL has a material financial interest.

### **C. Investing Personal Money in the Same Securities as Clients**

From time to time, representatives of VSL may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of VSL to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. VSL will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

### **D. Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, representatives of VSL may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of VSL to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, VSL will never engage in trading that operates to the client's disadvantage if representatives of VSL buy or sell securities at or around the same time as clients.

## **Item 12: Brokerage Practices**

### **A. Factors Used to Select Custodians and/or Broker/Dealers**

Custodians/broker-dealers will be recommended based on VSL's duty to seek "best execution," which is the obligation to seek execution of securities transactions for a client on the most favorable terms for the client under the circumstances. Clients will not necessarily pay the lowest commission or commission equivalent, and VSL may also consider the market expertise and research access provided by the broker-dealer/custodian, including but not limited to access to written research, oral communication with analysts, admittance to research conferences and other resources provided by the brokers that may aid in VSL's research efforts. VSL will never charge a premium or commission on transactions, beyond the actual cost imposed by the broker-dealer/custodian.

VSL will require clients to use Apex. Member FINRA/SIPC.

#### ***1. Research and Other Soft-Dollar Benefits***

While VSL has no formal soft dollars program in which soft dollars are used to pay for third party services, VSL may receive research, products, or other services from custodians and broker-dealers in connection with client securities transactions ("soft dollar benefits"). VSL may enter into soft-dollar arrangements consistent with (and

not outside of) the safe harbor contained in Section 28(e) of the Securities Exchange Act of 1934, as amended. There can be no assurance that any particular client will benefit from soft dollar research, whether or not the client's transactions paid for it, and VSL does not seek to allocate benefits to client accounts proportionate to any soft dollar credits generated by the accounts. VSL benefits by not having to produce or pay for the research, products or services, and VSL will have an incentive to recommend a broker-dealer based on receiving research or services. Clients should be aware that VSL's acceptance of soft dollar benefits may result in higher commissions charged to the client.

As disclosed above, VSL participates in Apex's institutional advisor program and VSL may recommend Apex to clients for custody and brokerage services. There is no direct link between VSL's participation in the Program and the investment advice it gives to its clients, although VSL receives economic benefits through its participation in the Program that are typically not available to Apex 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 VSL 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 VSL's fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; The benefits received by VSL or its personnel through participation in the Program do not depend on the amount of brokerage transactions directed to Apex. As part of its fiduciary duties to clients, VSL endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by VSL or its related persons in and of itself creates a conflict of interest and may indirectly influence the VSL's choice of Apex for custody and brokerage services.

## ***2. Brokerage for Client Referrals***

VSL receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

## ***3. Clients Directing Which Broker/Dealer/Custodian to Use***

VSL will require clients to use a specific broker-dealer to execute transactions. Not all advisers require clients to use a particular broker-dealer.

## **B. Aggregating (Block) Trading for Multiple Client Accounts**

If VSL buys or sells the same securities on behalf of more than one client, then it may (but would be under no obligation to) aggregate or bunch such securities in a single transaction for multiple clients in order to seek more favorable prices, lower brokerage commissions, or more efficient execution. In such case, VSL would place an aggregate



order with the broker on behalf of all such clients in order to ensure fairness for all clients; provided, however, that trades would be reviewed periodically to ensure that accounts are not systematically disadvantaged by this policy. VSL would determine the appropriate number of shares and select the appropriate brokers consistent with its duty to seek best execution, except for those accounts with specific brokerage direction (if any).

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

### **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

All client accounts for VSL's advisory services provided on an ongoing basis are reviewed at least quarterly by Phillip Dickson, Co-CEO, with regard to clients' respective investment policies and risk tolerance levels. All accounts at VSL are assigned to this reviewer.

### **B. Factors That Will Trigger a Non-Periodic Review of Client Accounts**

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

### **C. Content and Frequency of Regular Reports Provided to Clients**

Each client of VSL's advisory services provided on an ongoing basis will receive a quarterly report detailing the client's account, including assets held, asset value, and calculation of fees. This written report will come from the custodian.

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

### **A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)**

VSL receives compensation via its arrangement with its underlying subadvisers. VSL will also receive soft dollar benefits discussed in Item 12 above, though there is no direct link between VSL's participation in the Apex Program and the investment advice it gives to its clients.

### **B. Compensation to Non – Advisory Personnel for Client Referrals**



VSL does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

### **Item 15: Custody**

When advisory fees are deducted directly from client accounts at client's custodian, VSL will be deemed to have limited custody of client's assets and must have authorization from the client to do so. Client authorization is obtained in the automated application process on line. Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy.

### **Item 16: Investment Discretion**

VSL provides discretionary investment advisory services to clients. The Investment Advisory Contract established with each client sets forth the discretionary authority for trading. Where investment discretion has been granted, VSL generally manages the client's account and makes investment decisions without consultation with the client as to when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, what securities to buy or sell, or the price per share.

### **Item 17: Voting Client Securities (Proxy Voting)**

VSL will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

### **Item 18: Financial Information**

#### **A. Balance Sheet**

VSL neither requires nor solicits prepayment of more than \$1,200 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet with this brochure.

#### **B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients**

Neither VSL nor its management has any financial condition that is likely to reasonably impair VSL's ability to meet contractual commitments to clients.

### **C. Bankruptcy Petitions in Previous Ten Years**

VSL has not been the subject of a bankruptcy petition in the last ten years.