



# ATLANTIC WEALTH PARTNERS

## **Part 2A of Form ADV: Firm Brochure**

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This brochure provides information regarding qualifications and business practices of Atlantic Wealth Partners, L.L.C., ("Atlantic Wealth Partners"). If you have questions about the contents of this brochure, call (561) 632-0566. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any State Securities Authority. Additional information about our firm is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching CRD #289440.

Note: The use of the term "registered investment adviser" and description of our firm and/or our associates as "registered" does not imply a certain level of skill or training. Review this Brochure and Brochure Supplements for detailed information on our process and the firm's advising associates.

## ITEM 2: MATERIAL CHANGES

Open communication and transparency form the foundation of our relationship. Atlantic Wealth Partners provides you complete and accurate information in real time. We encourage all current and prospective clients to read this Firm Brochure and discuss any questions you may have with us. Your feedback ensures we continually get better.

We are required to notify you of all material changes to our Firm Brochure ("Brochure") on at least an annual basis. As a newly Registered Investment Adviser, Atlantic Wealth Partners has no material changes to disclose.

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#### ITEM 4: ADVISORY BUSINESS

Our firm exists to provide individuals and families with customized, comprehensive wealth management, financial planning, and investment advisory services to meet their goals while remaining sensitive to their emotional and financial tolerance to risk, and the time horizon for their investments and related financial goals.

Atlantic Wealth Partners was established as a limited liability company formed under the laws of the State of Florida, in 2017. We have been in business, conducting investment advisory services since that time. Steve Olson is the Sole Manager of Atlantic Wealth Partners, L.L.C. The firm is not affiliated with any financial service companies.

As a fiduciary, it is our legal and moral duty to always act in the client's best interest. This is accomplished by understanding the details and challenges of our clients' financial lives. Together, we:

- a) Identify areas of financial, legal and tax exposure in order to establish and set clear financial objectives.
- b) Collaborate and coordinate with your tax and legal advisors to establish clear, written and unbiased recommendations

Atlantic Wealth Partners works with you to execute implementation and monitor our success.

Each client receives customized financial recommendations and an investment management plan (encompassing managed, held-away and private holdings) geared towards their financial goals and objectives. We build these recommendations around life milestones and needs, including retirement, wealth transfer, business succession planning, charitable planning, income protection and asset protection with a focus on five main areas:

1. Minimizing taxes (Income and Estate)
2. Identifying acceptable levels of risk and counseling to realize risk-adjusted returns in securities portfolio and held away assets (real estate, privately held businesses, deferred compensation plans, etc.)
3. Managing liquidity needs and maximizing cash flow
4. Creating sustainable retirement income
5. Minimizing the burden of probate and death taxes on heirs

Every plan is based on the client's unique strategy; personal situation, willingness, ability and suitability to accept market risk. Plans are formalized with a written Investment Policy Statement to ensure consistent adherence. Ours is a service-oriented practice with open lines of communication. Working with clients to understand their objectives while educating them about our process, facilitates the partnerships we value and our clients deserve.

#### Types of Services Offered

##### - Initial Client Consultations

Initial client consultations for prospective clients seeking our services cost \$500. will be factored into the fees rendered for any proceeding engagement with our firm. Clients that seek to have custom investment portfolios designed without transferring their assets to our firm will be charged an additional \$200. If they choose to proceed and execute a financial plan with our firm they may elect to subscribe to an annual or semi-annual meeting package to update these plans. Hourly rates outside the scope of these meetings are billed at \$200/hour when provided by our firm's Wealth Relationship Managers, and \$350/hour when provided by our firm's CEO, Steve Olson.

The time allotments for financial planning services guaranteed to clients that have executed an agreement that places the client's assets under management with our firm are detailed in the proceeding table. A

supplemental summary of services sheet will be provided to the client alongside the advisory agreement.

Tiered Schedule	Wealth Relationship Manager	Steve Olson, Family Wealth Advisor
Up to \$250,000 in AUM	2 Hours of Planning	Provided By WRM
\$250,001 - \$500,000	3 Hours of Planning	Provided By WRM
\$500,001 – \$1,000,000	4 Hours of Planning	2 Hours of Planning
\$1,000,000+	Services provided by Steve Olson, Family Wealth Adviser	6 Hours of Planning

##### - Personal Financial Management (PFM)

In Personal Financial Management, Atlantic Wealth Partners delivers thoughtful, robust, ongoing investment/asset management and organic financial planning services. Benefit from a long-term relationship, strengthened by regular Information Share Meetings focused on goal-driven strategy and execution.

During the initial and early stage Information Share Meetings, we understand the entirety of your financial situation, existing resources, goals and your tolerances for risk. Atlantic Wealth Partners develops, documents and shares immediate considerations to further your stated goals.

Based on our dialogue and the supporting information, Atlantic Wealth Partners then develops and presents a detailed, individualized investment approach encompassing low-cost mutual funds and ETFs (Exchange Traded Fund) or other public and private securities or investments.

Following the appropriate portfolio establishment, Atlantic Wealth Partners continuously monitors it, providing detailed status updates and reporting. When necessary, Atlantic Wealth Partners rebalances to meet your needs and to seize opportunity in pursuit of your ultimate aims.

##### - Financial Planning, Consulting & Analysis

Atlantic Wealth Partners' standalone personal and business financial planning, consulting and analysis services typically encompass preparation of dynamic, easily understood and actionable recommendations, based on a thorough evaluation of your personal situation and objectives. The customized Action Plan specifies strategic measures for your immediate implementation and execution into your existing financial planning activities.

*Planning and consulting encompass the appropriate combination of:*

- Investment planning
- Retirement planning
- Estate planning
- Charitable planning
- Education planning
- Corporate and Personal tax planning
- Cost segregation studies
- Corporate structure
- Real estate analysis
- Mortgage/Debt analysis
- Insurance analysis
- Credit evaluation

Implementation and execution of recommendations are conducted by you or completed by Atlantic Wealth Partners for an established fee. The Action Plan is typically presented within 30 days of engagement.

##### - Personal CFO Services

For a select group, Olson Wealth Advisors provides comprehensive Chief Financial Officer ("CFO") expertise. Acting as the family's CFO, we monitor ongoing execution and integration of all wealth management activities,

including legal, accounting and tax and investments. When we don't directly manage your investments we provide additional oversight of investment advisors and their activity. Personal CFO services encompass:

- Document management
- Legal & tax strategy interpretation & coordination
- Tax & income plan management
- Retirement plan design
- Wealth transfer plan design
- Charitable plan design
- Asset protection strategy implementation & exposure monitoring
- Beneficiary education
- Investment policy development
- Asset allocation development
  - Investment vehicle selection
  - Investment manager selection & due diligence
  - Investment oversight & performance monitoring
  - Investment management fee negotiation
- Insurance policy management
  - Active policy management
  - Solvency studies
- Direct investment analysis (real estate, business, acquisitions, etc.)
- Leverage management – financing negotiation

#### - PFM with use of Third-Party Money Managers

When appropriate, referrals are made to Preferred Third-party Managers. This enables specific technology, administrative, operations and advisory support services of Preferred Third-party Managers, providing discretionary services via traditional managed accounts and investment models.

Atlantic Wealth Partners allocates all, or a portion of, your assets among the different independent investment sub-managers. We may also utilize an Overlay Management Feature custom asset allocation model. Through the overlay feature, Preferred Third-party Managers implement trade orders and perform any necessary periodic rebalancing of the models.

Your investment advisor performs services as stipulated in the documents governing the third-party managers. Third-party managers have a direct contractual relationship with you. They obtain authorization to perform discretionary investment management services and to manage, invest and reinvest your assets in the strategy designated by Atlantic Wealth Partners.

Where appropriate, the selected third-party manager in conjunction with Atlantic Wealth Partners is authorized without prior consultation to buy, sell, trade or allocate assets in accordance with your designated portfolio.

When providing investment advice and portfolio management services, Atlantic Wealth Partners acts as an investment advisor and fiduciary to and on behalf of you. We are not an agent of any third-party manager.

Atlantic Wealth Partners maintains responsibility for the ongoing professional relationship, including the initial and ongoing suitability determination. We retain the authority and responsibility to provide customized investment advice and strategic services. Atlantic Wealth Partners obtains and furnishes information pertaining to third-party manager selection, account guidelines and applicable restrictions governing third-party managers' performance of applicable overlay services or other services, such as, investment model administration, account administration, billing and reconciliation, account aggregation and reporting.

#### - Tailored Advisory Services

Atlantic Wealth Partners offers personalized investment advisory services developed as a hybrid of our traditional services, and tailored to the unique needs of your personal situation and financial reality. During the first Information Share Meeting, it will become abundantly clear if this is a better option for you.

Our firm does not usually allow clients to impose restrictions on investing in certain securities or types of securities due to the level of difficulty this would entail in managing their account. Exceptions will be made on a case-by-case basis.

#### Participation in Wrap Fee Programs

Atlantic Wealth Partners does not offer or sponsor a wrap fee program.

#### Regulatory Assets Under Management

As of February 2018, our firm manages \$73,000,000 on a discretionary basis.

#### ITEM 5: FEES & COMPENSATION

##### Compensation for Our Advisory Services

##### Personal Financial Management (PFM):

Assets Under Management	Annual Percentage of Assets Charge
First \$500,000	1.5%
Next \$2,000,000	1.25%
Over \$2,500,000	0.5%

Annualized fees are paid quarterly, in advance, using the value of the last day of the previous quarter, unless otherwise agreed upon. For accounts opened during a calendar quarter, the fees due and payable are calculated on a pro-rated basis for the balance of the quarter. Fees are negotiable and adjustments are made for deposits and withdrawals during the quarter. We also offer fixed retainer fees, which are determined by the total value of assets (not net worth) under our advisement. We reserve the right to negotiate advisory fees based on the scope and complexity of the engagement and range up to \$150,000, but will not exceed 1.5% of the assets under management. Fees are prorated and billed either monthly or quarterly. The fixed fee is based on the value of assets as of the previous year, and assessed every 12 months. The fixed fee for the coming year is detailed in writing.

As part of this process, clients should understand:

- a) Atlantic Wealth Partners provides written authorization permitting direct payment of advisory fees from their account(s) maintained by a custodian, independent of our firm unless we agree to direct billing;
- b) Our firm sends quarterly statements showing the fee amount, the value of the assets upon which the fee is based, and the specific manner in which the fee is calculated, as well as disclosing that it is the client's responsibility to verify the accuracy of fee calculation. The custodian does not determine its accuracy;
- c) The account custodian facilitates a statement, at least quarterly, showing all account disbursements, including advisory fees.

##### Financial Coaching (Planning, Consulting, and Analysis):

Our firm charges on an hourly or flat fee basis for Financial Coaching (financial planning, consulting and analysis services). Total estimated fees, as well as the ultimate fee charged, are based on the scope and complexity of the engagement. The maximum hourly fee to be charged does not exceed \$350. The hourly fee for paraplanners and administrative staff will range from \$65 to \$195. Flat fees range from \$1,500 to \$10,000. A one-time fee of \$250 for 529 Plan analysis or custodial account creation will be due upon rendering of services for accounts valued at \$25,000 or less. 529 accounts that are valued at more than \$25,000 will be billed a fee as a percentage of assets under management according to the fee structure of our Personal Financial Management Program. A retainer of 50% of the ultimate financial planning or consulting fee is due at the time of signing. The remainder of the fee is billed directly to the client and due within 30 days of a financial plan or recommendations being delivered or consultation rendered. Our firm does not require a retainer exceeding \$500 when services cannot be rendered within six months.

Clients are charged for any out of pocket expenses, such as postage, copying, etc. Fees incurred are billed at actual cost.

#### Personal CFO Services:

Atlantic Wealth Partners' comprehensive advisory service fees integrate financial planning, financial consulting, and investment advisory services. Annual fixed fees are calculated based on the total value of assets (not net worth) under our advisement, which inherently includes cash and non-liquid assets held for investment. Ultimately fees are based on the scope, complexity, time commitment and necessary resources devoted to administering your investable assets, including real estate, businesses, life insurance, restricted stock, partnerships, annuities, retirement plans, and all other investment assets.

Atlantic Wealth Partners reserves the right to negotiate fees based on the scope and complexity of the engagement. Fees range up to \$200,000 annually, are prorated, and billed quarterly. You are notified of the quarterly fixed fee for the upcoming year, in writing, 60 days prior to the annual service contract renewal.

Fixed fees are presented to clients with supporting documentation of the expected scope and complexity of the engagement. Any number of accounts, business entities, trusts, investment properties, and/or private holdings will be analyzed, reviewed and monitored on an ongoing basis. As such the value of each client's assets, the extent of associated tax implications, and the financial planning and consulting services to be provided will be among the many factors presented to evidence the proposed fixed fee.

#### Personal Financial Management (PFM) with the Use of Third-party Money Managers:

The total annual advisory fee paid to our firm for this service shall not exceed 3.00%. A portion of this fee is paid to our firm as outlined in the Third-party money manager's advisory agreement to be signed by the client. Clients are provided a copy of the chosen Third-party money manager's Form ADV Part 2, all relevant Brochures, a solicitation disclosure statement detailing the fees to be paid to both firms and the Third-party money manager's privacy policy. All fees received from the Third-party money managers and the written, separate disclosures made to clients regarding these fees comply with applicable state statutes and rules.

The billing procedures for this service vary based on the chosen Third-party money manager. The total fee charged, as well as the billing cycle, are detailed in the Third-party money manager's ADV Part 2A and separate advisory agreement to be signed by the client.

#### Other Types of Fees & Expenses

For clarity, all fees paid to Atlantic Wealth Partners for Personal Financial Management services are separate and distinct from the expenses charged by mutual funds, exchange-traded funds, variable annuities, etc. to their shareholders/policy owners, if applicable. These fees and expenses are described in each fund's prospectus. These fees and expenses are generally used to pay management fees for the funds, other fund expenses, account administration (i.e., fund management fees, initial or deferred sales charges, mutual fund sales loads, 12b-1 fees, surrender charges, variable annuity fees, IRA and qualified retirement plan fees, and other fund expenses), mark-ups and mark-downs, spreads paid to market makers, fees for trades executed away from custodian, wire transfer fees and other fees and taxes on brokerage accounts and securities transactions.

A client could invest in these products directly, without the services of Atlantic Wealth Partners, but would not receive the services provided by our firm

which are designed, among other things, to assist the Client in determining which products or services are most appropriate to each Client's financial condition and objectives. Accordingly, clients should review both the fees charged by the fund[s] and the fees charged by Atlantic Wealth Partners to fully understand the total fees assessed and due. Our firm does not receive a portion of these fees.

#### Termination & Refunds

Either party may terminate the advisory agreement signed with our firm Personal Financial Management (PFM) services at any time. Termination notice must be facilitated in writing. Upon notice of termination our firm processes a pro-rata refund of the unearned portion of the advisory fees charged in advance at the beginning of the quarter.

Either party may terminate the advisory agreement signed with our firm for Financial Coaching and Personal CFO services in writing within five (5) days of signing the Advisor's financial planning or consulting agreement. For purposes of calculating refunds, all work performed by us up to the point of termination shall be calculated at the hourly fee currently in effect. Clients receive a pro-rata refund of unearned fees based on the time and effort expended by our firm.

#### Commissionable Securities Sales

Atlantic Wealth Partners and its representatives do not sell securities for a commission.

#### ITEM 6: PERFORMANCE-BASED FEES & SIDE-BY-SIDE MANAGEMENT

Atlantic Wealth Partners does not charge performance-based fees.

#### ITEM 7: TYPES OF CLIENTS & ACCOUNT REQUIREMENTS

Our firm concentrates our services in providing comprehensive counsel to:

- Individuals and high net worth individuals;
- Trusts, estates or charitable organizations;
- Pension and profit sharing plans;
- Corporations, limited liability companies and/or other business types

Requirements for opening and maintaining accounts or otherwise engaging:

- Written financial plans are generally assessed a minimum fee of \$1,500, which may be applied towards the minimum investment management fee
- The minimum investment management fee is \$2,500 per year.

#### ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES & RISK OF LOSS

##### Methods of Analysis

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

Fundamental Analysis: Fundamental Analysis is the analysis of a business's financial statements (usually to analyze the business's assets, liabilities, and earnings), health, and its competitors and markets. When analyzing a stock, futures contract, or currency using fundamental analysis there are two basic approaches one can use: bottom up analysis and top down analysis. The terms are used to distinguish such analysis from other types of investment analysis, such as quantitative and technical. Fundamental analysis is performed on historical and present data, but with the goal of making financial forecasts. There are several possible objectives: (a) to conduct a company stock valuation and predict its probable price evolution; (b) to make a projection on its business performance; (c) to evaluate its management and make internal business decisions; (d) and/or to calculate its credit risk; and (e) to define intrinsic value of the share.

When the objective of the analysis is to determine what stock to buy and at what price, there are two basic methodologies investors rely upon: (a) Fundamental analysis maintains that markets may misprice a security in the

short run but that the "correct" price will eventually be reached. Profits can be made by purchasing the mispriced security and then waiting for the market to recognize its "mistake" and reprice the security, and (b) Technical analysis maintains that all information is reflected already in the price of a security. Technical analysts analyze trends and believe that sentiment changes predate and predict trend changes. Investors' emotional responses to price movements lead to recognizable price chart patterns. Technical analysts also analyze historical trends to predict future price movement. Investors can use one or both of these different but complementary methods for stock picking. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

**Modern Portfolio Theory ("MPT"):** A mathematical framework for assembling a portfolio of assets such that the expected return is maximized for a given level of risk, defined as variance. Its key insight is that an asset's risk and return should not be assessed by itself, but by how it contributes to a portfolio's overall risk and return. MPT 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 that has better expected returns.

The risk, return, and correlation measures used by MPT are based on expected values, which means that they are mathematical statements about the future (the expected value of returns is explicit in the above equations, and implicit in the definitions of variance and covariance). In practice, investors must substitute predictions based on historical measurements of asset return and volatility for these values in the equations. Often such expected values fail to take into account new circumstances that did not exist when the historical data were generated. Mathematical risk measurements are useful only to the degree that they reflect investors' true concerns—there is no point minimizing a variable that nobody cares about in practice. MPT uses the mathematical concept of variance to quantify risk. This might be justified under the assumption of elliptically distributed returns such as normally distributed returns, but for general return distributions other risk measures (like coherent risk measures) might better reflect investors' true preferences.

**Mutual Fund and/or Exchange Traded Fund ("ETF") Analysis:** Analysis of the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. The underlying assets in a mutual fund or ETF are also reviewed in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in the Client's portfolio. The funds or ETFs are monitored in an attempt to determine if they are continuing to follow their stated investment strategy. A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager may not be able to replicate past success. In addition, as our firm does not control the underlying investments in a fund or ETF, managers of different funds held by the Client may purchase the same security, increasing the risk to the Client if that security were to fall in value. There exists risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the Client's portfolio.

**Sector Analysis:** Sector analysis involves identification and analysis of various industries or economic sectors that are likely to exhibit superior performance. Academic studies indicate that the health of a stock's sector is as important as the performance of the individual stock itself. In other words, even the best stock located in a weak sector will often perform poorly because that sector is out of favor. Each industry has differences in terms of its customer base, market share among firms, industry growth, competition, regulation and

business cycles. Learning how the industry operates provides a deeper understanding of a company's financial health. One method of analyzing a company's growth potential is examining whether the amount of customers in the overall market is expected to grow. In some markets, there is zero or negative growth, a factor demanding careful consideration. Additionally, market analysts recommend that investors should monitor sectors that are nearing the bottom of performance rankings for possible signs of an impending turnaround.

**Cyclical Analysis:** Cyclical analysis is the statistical analysis of specific events occurring at a sufficient number of relatively predictable intervals that they can be forecasted into the future. Cyclical analysis asserts that cyclical forces drive price movements in the financial markets. Risks include, cycles inversion or disappearance. There is no expectation that this type of analysis will pinpoint turning points, instead it may be used in conjunction with other methods of analysis.

**Technical Analysis:** Technical analysis is a security analysis methodology for forecasting the direction of prices through the study of past market data, primarily price and volume. A fundamental principle of technical analysis is that a market's price reflects all relevant information, so their analysis looks at the history of a security's trading pattern rather than external drivers such as economic, fundamental and news events. Therefore, price action tends to repeat itself due to investors collectively tending toward patterned behavior – hence technical analysis focuses on identifiable trends and conditions. Technical analysts also widely use market indicators of many sorts, some of which are mathematical transformations of price, often including up and down volume, advance/decline data and other inputs. These indicators are used to help assess whether an asset is trending, and if it is, the probability of its direction and of continuation. Technicians also look for relationships between price/volume indices and market indicators. Technical analysis employs models and trading rules based on price and volume transformations, such as the relative strength index, moving averages, regressions, inter-market and intra-market price correlations, business cycles, stock market cycles or, classically, through recognition of chart patterns. Technical analysis is widely used among traders and financial professionals and is very often used by active day traders, market makers and pit traders. The risk associated with this type of analysis is that analysts use subjective judgment to decide which pattern(s) a particular instrument reflects at a given time and what the interpretation of that pattern should be.

**Third-Party Money Manager Analysis:** This is the analysis of the experience, investment philosophies, and past performance of independent third-party investment managers in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. Monitoring the manager's underlying holdings, strategies, concentrations and leverage as part of our overall periodic risk assessment completes analysis. As part of the due-diligence process, the manager's compliance and business enterprise risks are surveyed and reviewed. A risk of investing with a third-party manager who has been successful in the past is that they may not be able to replicate that success in the future. In addition, as our firm does not control the underlying investments in a third-party manager's portfolio, there is also a risk that a manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as our firm does not control the manager's daily business and compliance operations, our firm may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

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#### Investment Strategies We Use

The investment advice Atlantic Wealth Partners provides is primarily driven by each client's personal investment profile. This profile is based upon numerous factors including the client's investment objectives and goals, personal risk assessment, asset class preferences, investment horizon, liquidity needs, generational requirements, charitable desires, estate planning and tax considerations. An Investment Policy Statement and Asset Allocation Plan appropriate for each client's personal situation is Critical to formulating our clients' investment framework.



We believe:

1) "Value-driven" investment decisions may provide for a margin of safety that results in a lower probability of losing permanent capital, which may ultimately lead to long term wealth accumulation 2) Investment discipline structured around (a) strategic asset allocation focused on clients' long-term objectives and (b) tactical asset allocation that, from time to time, requires us to reduce overpriced assets and purchase underpriced assets, will naturally create a "buy low, sell high" framework to protect capital in down markets and reduce volatility. 5) Allocating meaningful capital to highly qualified managers and ideas is better than over diversifying a portfolio. 6) It is unlikely that a single investment firm can internally employ the "best" talent to trade all types of securities and strategies; therefore, we seek out highly qualified independent third-party managers within each asset class to manage our clients' capital.

Atlantic Wealth Partners' investment manager search, selection, evaluation, and monitoring services assist our clients in the identification of independent third-party managers that are consistent with the determined asset allocation plan for each client. Key factors we consider when evaluating Third-party managers are investment process, investment philosophy, risk management, historical performance, investment strategy and style, fees and operating expenses, fund size, and tax-efficiencies. In evaluating investment managers, we also incorporate both qualitative and quantitative fundamental analysis to validate and confirm a manager's investment style and skill, as well as compare them to other managers of similar style. We utilize various research databases, proprietary models, financial periodicals, prospectuses and filings with the SEC, industry contacts and manager data, among other items, as part of the research process. If we believe that a particular manager is no longer suitable for clients, or that a different manager is more suitable for its clients' needs, then we will contract with a different manager.

In addition, we use the following strategies in managing client accounts, provided that such strategies are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

**Asset Allocation:** The implementation of an investment strategy that attempts to balance risk versus reward by adjusting the percentage of each asset in an investment portfolio according to the investor's risk tolerance, goals and investment time frame. Asset allocation is based on the principle that different assets perform differently in different market and economic conditions. A fundamental justification for asset allocation is the notion that different asset classes offer returns that are not perfectly correlated, hence diversification reduces the overall risk in terms of the variability of returns for a given level of expected return. Although risk is reduced as long as correlations are not perfect, it is typically forecast (wholly or in part) based on statistical relationships (like correlation and variance) that existed over some past period. Expectations for return are often derived in the same way.

An asset class is a group of economic resources sharing similar characteristics, such as riskiness and return. There are many types of assets that may or may not be included in an asset allocation strategy. The "traditional" asset classes are stocks (value, dividend, growth, or sector-specific [or a "blend" of any two or more of the preceding]; large-cap versus mid-cap, small-cap or micro-cap; domestic, foreign [developed], emerging or frontier markets), bonds (fixed income securities more generally: investment-grade or junk [high-yield]; government or corporate; short-term, intermediate, long-term; domestic, foreign, emerging markets), and cash or cash equivalents. Allocation among these three provides a starting point. Usually included are hybrid instruments such as convertible bonds and preferred stocks, counting as a mixture of bonds and stocks. Other alternative assets that may be considered include: commodities: precious metals, nonferrous metals, agriculture, energy, others.; Commercial or residential real estate (also REITs); Collectibles such as art, coins, or stamps; insurance products (annuity, life settlements, catastrophe bonds, personal life insurance products, etc.); derivatives such as long-short or market neutral strategies, options, collateralized debt, and futures; foreign currency; venture capital; private equity; and/or distressed securities.

There are several types of asset allocation strategies based on investment goals, risk tolerance, time frames and diversification. The most common forms of asset allocation are: strategic, dynamic, tactical, and core-satellite.

- **Strategic Asset Allocation:** The primary goal of a strategic asset allocation is to create an asset mix that seeks to provide the optimal balance between expected risk and return for a long-term investment horizon. Generally speaking, strategic asset allocation strategies are agnostic to economic environments, i.e., they do not change their allocation postures relative to changing market or economic conditions.
- **Dynamic Asset Allocation:** Dynamic asset allocation is similar to strategic asset allocation in that portfolios are built by allocating to an asset mix that seeks to provide the optimal balance between expected risk and return for a long-term investment horizon. Like strategic allocation strategies, dynamic strategies largely retain exposure to their original asset classes; however, unlike strategic strategies, dynamic asset allocation portfolios will adjust their postures over time relative to changes in the economic environment.
- **Tactical Asset Allocation:** Tactical asset allocation is a strategy in which an investor takes a more active approach that tries to position a portfolio into those assets, sectors, or individual stocks that show the most potential for perceived gains. While an original asset mix is formulated much like strategic and dynamic portfolio, tactical strategies are often traded more actively and are free to move entirely in and out of their core asset classes
- **Core-Satellite Asset Allocation:** Core-Satellite allocation strategies generally contain a 'core' strategic element making up the most significant portion of the portfolio, while applying a dynamic or tactical 'satellite' strategy that makes up a smaller part of the portfolio. In this way, core-satellite allocation strategies are a hybrid of the strategic and dynamic/tactical allocation strategies mentioned above.

**Exchange Traded Funds ("ETFs"):** An ETF is a type of Investment Company (usually, an open-end fund or unit investment trust) whose primary objective is to achieve the same return as a particular market index. The vast majority of ETFs are designed to track an index, so their performance is close to that of an index mutual fund, but they are not exact duplicates. A tracking error, or the difference between the returns of a fund and the returns of the index, can arise due to differences in composition, management fees, expenses, and handling of dividends. ETFs benefit from continuous pricing; they can be bought and sold on a stock exchange throughout the trading day. Because ETFs trade like stocks, you can place orders just like with individual stocks - such as limit orders, good-until-canceled orders, stop loss orders etc. They can also be sold short. Traditional mutual funds are bought and redeemed based on their net asset values ("NAV") at the end of the day. ETFs are bought and sold at the market prices on the exchanges, which resemble the underlying NAV but are independent of it. However, arbitrageurs will ensure that ETF prices are kept very close to the NAV of the underlying securities. Although an investor can buy as few as one share of an ETF, most buy in board lots. Anything bought in less than a board lot will increase the cost to the investor. Anyone can buy any ETF no matter where in the world it trades. This provides a benefit over mutual funds, which generally can only be bought in the country in which they are registered.

One of the main features of ETFs is their low annual fees, especially when compared to traditional mutual funds. The passive nature of index investing, reduced marketing, and distribution and accounting expenses all contribute to the lower fees. However, individual investors must pay a brokerage commission to purchase and sell ETF shares; for those investors who trade frequently, this can significantly increase the cost of investing in ETFs. That said, with the advent of low-cost brokerage fees, small or frequent purchases of ETFs are becoming more cost efficient.

**Fixed Income:** Fixed income is a type of investing or budgeting style for which real return rates or periodic income is received at regular intervals and at reasonably predictable levels. Fixed-income investors are typically retired individuals who rely on their investments to provide a regular, stable income stream. This demographic tends to invest heavily in fixed-income investments because of the reliable returns they offer. Fixed-income investors who live on set amounts of periodically paid income face the risk of inflation eroding their spending power.

Some examples of fixed-income investments include treasuries, money market instruments, corporate bonds, asset-backed securities, municipal bonds and international bonds. The primary risk associated with fixed-income investments is the borrower defaulting on his payment. Other considerations include exchange rate risk for international bonds and interest rate risk for longer-dated securities. The most common type of fixed-income security is a bond. Bonds are issued by federal governments, local municipalities and major corporations. Fixed-income securities are recommended for investors seeking a diverse portfolio; however, the percentage of the portfolio dedicated to fixed income depends on your own personal investment style. There is also an opportunity to diversify the fixed-income component of a portfolio. Riskier fixed-income products, such as junk bonds and longer-dated products, should comprise a lower percentage of your overall portfolio.

The interest payment on fixed-income securities is considered regular income and is determined based on the creditworthiness of the borrower and current market rates. In general, bonds and fixed-income securities with longer-dated maturities pay a higher rate, also referred to as the coupon rate, because they are considered riskier. The longer the security is on the market, the more time it has to lose its value and/or default. At the end of the bond term, or at bond maturity, the borrower returns the amount borrowed, also referred to as the principal or par value.

**Individual Stocks:** A common stock is a security that represents ownership in a corporation. Holders of common stock exercise control by electing a board of directors and voting on corporate policy. Investing in individual common stocks provides us with more control of what you are invested in and when that investment is made. Having the ability to decide when to buy or sell helps us time the taking of gains or losses. Common stocks, however, bear a greater amount of risk when compared to certificate of deposits, preferred stock and bonds. It is typically more difficult to achieve diversification when investing in individual common stocks. Additionally, common stockholders are on the bottom of the priority ladder for ownership structure; if a company goes bankrupt, the common stockholders do not receive their money until the creditors and preferred shareholders have received their respective share of the leftover assets.

**Long-Term Purchases:** Our firm may buy securities for your account and hold them for a relatively long time (more than a year) in anticipation that the security's value will appreciate over a long horizon. The risk of this strategy is that our firm could miss out on potential short-term gains that could have been profitable to your account, or it's possible that the security's value may decline sharply before our firm makes a decision to sell.

**Mutual Funds:** A mutual fund is a company that pools money from many investors and invests the money in a variety of differing security types based on the objectives of the fund. The portfolio of the fund consists of the combined holdings it owns. Each share represents an investor's proportionate ownership of the fund's holdings and the income those holdings generate. The price that investors pay for mutual fund shares is the fund's per share net asset value ("NAV") plus any shareholder fees that the fund imposes at the time of purchase (such as sales loads). Investors typically cannot ascertain the exact make-up of a fund's portfolio at any given time, nor can they directly influence which securities the fund manager buys and sells or the timing of those trades. With an individual stock, investors can obtain real-time (or close to real-time) pricing information with relative ease by checking financial websites or by calling a broker or your investment adviser. Investors can also monitor how a stock's price changes from hour to hour—or even second to second. By contrast, with a mutual fund, the price at which an investor purchases or

redeems shares will typically depend on the fund's NAV, which is calculated daily after market close.

The benefits of investing through mutual funds include: (a) Mutual funds are professionally managed by an investment adviser who researches, selects, and monitors the performance of the securities purchased by the fund; (b) Mutual funds typically have the benefit of diversification, which is an investing strategy that generally sums up as "Don't put all your eggs in one basket." Spreading investments across a wide range of companies and industry sectors can help lower the risk if a company or sector fails. Some investors find it easier to achieve diversification through ownership of mutual funds rather than through ownership of individual stocks or bonds; (c) Some mutual funds accommodate investors who do not have a lot of money to invest by setting relatively low dollar amounts for initial purchases, subsequent monthly purchases, or both; and (d) At any time, mutual fund investors can readily redeem their shares at the current NAV, less any fees and charges assessed on redemption.

Mutual funds also have features that some investors might view as disadvantages: (a) Investors must pay sales charges, annual fees, and other expenses regardless of how the fund performs. Depending on the timing of their investment, investors may also have to pay taxes on any capital gains distribution they receive. This includes instances where the fund went on to perform poorly after purchasing shares; (b) Investors typically cannot ascertain the exact make-up of a fund's portfolio at any given time, nor can they directly influence which securities the fund manager buys and sells or the timing of those trades; and (c) With an individual stock, investors can obtain real-time (or close to real-time) pricing information with relative ease by checking financial websites or by calling a broker or your investment adviser. Investors can also monitor how a stock's price changes from hour to hour—or even second to second. By contrast, with a mutual fund, the price at which an investor purchases or redeems shares will typically depend on the fund's NAV, which the fund might not calculate until many hours after the investor placed the order. In general, mutual funds must calculate their NAV at least once every business day, typically after the major U.S. exchanges close.

When investors buy and hold an individual stock or bond, the investor must pay income tax each year on the dividends or interest the investor receives. However, the investor will not have to pay any capital gains tax until the investor actually sells and makes a profit. Mutual funds are different. When an investor buys and holds mutual fund shares, the investor will owe income tax on any ordinary dividends in the year the investor receives or reinvests them. Moreover, in addition to owing taxes on any personal capital gains when the investor sells shares, the investor may have to pay taxes each year on the fund's capital gains. That is because the law requires mutual funds to distribute capital gains to shareholders if they sell securities for a profit, and cannot use losses to offset these gains.

**Variable Annuities ("VA"):** A variable annuity is a type of annuity contract that allows for the accumulation of capital on a tax-deferred basis. As opposed to a fixed annuity that offers a guaranteed interest rate and a minimum payment at annuitization, variable annuities offer investors the opportunity to generate higher rates of returns by investing in equity and bond subaccounts. If a variable annuity is annuitized for income, the income payments can vary based on the performance of the subaccounts. Risks associated with VAs may include:

- Taxes and federal penalties for early withdrawal
- Enduring surrender charges for early withdrawal
- Earnings taxed at ordinary income tax rates
- Mortality expense to compensate the insurance company for insurance risks
- Fees and expenses imposed for the subaccounts
- Other features with additional fees and charges
- Investment losses

Risk of Loss



Investing in securities involves risk of loss that clients must be prepared to bear. While the stock market may increase and the account(s) could enjoy a gain, it is also possible that the stock market may decrease and the account(s) could suffer a loss. It is important that clients understand the risks associated with investing in the stock market, are appropriately diversified in investments. Ask all questions. Past performance is no guarantee of future returns. If at any time a client becomes uncomfortable with the chosen asset allocation or specific investments, or if their situation or goals change, it is the responsibility of the client to contact Atlantic Wealth Partners to revisit the investment strategy and execution. Clients are also responsible for providing Atlantic Wealth Partners with all relevant information on their financial condition and risk tolerance and should promptly contact us with any changes. In performing our services, Atlantic Wealth Partners relies on the information provided by the client and is not required to verify this information with the client or any other professional.

**Capital Risk:** Capital risk is one of the most basic, fundamental risks of investing; it is the risk that you may lose 100% of your money. All investments carry some form of risk and the loss of capital is generally a risk for any investment instrument.

**Company Risk:** When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.

**Credit Risk:** Credit risk can be a factor in situations where an investment's performance relies on a borrower's repayment of borrowed funds. With credit risk, an investor can experience a loss or unfavorable performance if a borrower does not repay the borrowed funds as expected or required. Investment holdings that involve forms of indebtedness (i.e. borrowed funds) are subject to credit risk.

**Currency Risk:** Fluctuations in the value of the currency in which your investment is denominated may affect the value of your investment and thus, your investment may be worth more or less in the future. All currency is subject to swings in valuation and thus, regardless of the currency denomination of any particular investment you own, currency risk is a realistic risk measure. That said, currency risk is generally a much larger factor for investment instruments denominated in currencies other than the most widely used currencies (U.S. dollar, British pound, German mark, Euro, Japanese yen, French franc, etc.).

**Defensive Strategy Risk:** Defensive strategies are primarily used in periods of high volatility or economic uncertainty and aimed at reducing exposure to the equity market. Our goal is simply to help our clients achieve their financial goals, regardless of market conditions. If our firm forecasts a prolonged and substantial downturn for the equity markets, it may adopt a defensive strategy for clients' growth allocation by investing substantially in money market securities and/or short term fixed income securities. There can be no guarantee that our firm will accurately forecast any prolonged and substantial downturn in the equity markets, or that the use of defensive techniques would be successful in avoiding losses. The use of defensive strategies could result in a negative outcome for a client. Examples of negative consequences include high turnover, re-entry in the same security at a higher price, loss of growth if the equity markets move up, high tax liability within taxable accounts and higher trading cost.

**Economic Risk:** The prevailing economic environment is important to the health of all businesses. Some companies, however, are more sensitive to changes in the domestic or global economy than others. These types of companies are often referred to as cyclical businesses. Countries in which a large portion of businesses are in cyclical industries are thus also very economically sensitive and carry a higher amount of economic risk. If an investment is issued by a party located in a country that experiences wide

swings from an economic standpoint or in situations where certain elements of an investment instrument are hinged on dealings in such countries, the investment instrument will generally be subject to a higher level of economic risk.

**Equity (Stock) Market Risk:** Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.

**ETF & Mutual Fund Risk:** When investing in an ETF or mutual fund, you will bear additional expenses based on your pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. Clients will also incur brokerage costs when purchasing ETFs.

**Financial Risk:** Financial risk is represented by internal disruptions within an investment or the issuer of an investment that can lead to unfavorable performance of the investment. Examples of financial risk can be found in cases like Enron or many of the dot com companies that were caught up in a period of extraordinary market valuations that were not based on solid financial footings of the companies.

**Fixed Income Securities Risk:** Typically, the values of fixed-income securities change inversely with prevailing interest rates. Therefore, a fundamental risk of fixed-income securities is interest rate risk, which is the risk that their value will generally decline as prevailing interest rates rise, which may cause your account value to likewise decrease, and vice versa. How specific fixed income securities may react to changes in interest rates will depend on the specific characteristics of each security. Fixed-income securities are also subject to credit risk, prepayment risk, valuation risk, and liquidity risk. Credit risk is the chance that a bond issuer will fail to pay interest and principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of a bond to decline.

**Inflation Risk:** Inflation risk involves the concern that in the future, your investment or proceeds from your investment will not be worth what they are today. Throughout time, the prices of resources and end-user products generally increase and thus, the same general goods and products today will likely be more expensive in the future. The longer an investment is held, the greater the chance that the proceeds from that investment will be worth less in the future than what they are today. Said another way, a dollar tomorrow will likely get you less than what it can today.

**Interest Rate Risk:** Certain investments involve the payment of a fixed or variable rate of interest to the investment holder. Once an investor has acquired or has acquired the rights to an investment that pays a particular rate (fixed or variable) of interest, changes in overall interest rates in the market will affect the value of the interest-paying investment(s) they hold. In general, changes in prevailing interest rates in the market will have an inverse relationship to the value of existing, interest paying investments. In other words, as interest rates move up, the value of an instrument paying a particular rate (fixed or variable) of interest will go down. The reverse is generally true as well.

**Legal/Regulatory Risk:** Certain investments or the issuers of investments may be affected by changes in state or federal laws or in the prevailing regulatory framework under which the investment instrument or its issuer is regulated. Changes in the regulatory environment or tax laws can affect the performance of certain investments or issuers of those investments and thus, can have a negative impact on the overall performance of such investments.

**Liquidity Risk:** Certain assets may not be readily converted into cash or may have a very limited market in which they trade. Thus, you may experience the risk that your investment or assets within your investment may not be able to be liquidated quickly, thus, extending the period of time by which you may

receive the proceeds from your investment. Liquidity risk can also result in unfavorable pricing when exiting (i.e. not being able to quickly get out of an investment before the price drops significantly) a particular investment and therefore, can have a negative impact on investment returns.

**Manager Risk:** There is always the possibility that poor security selection will cause your investments to underperform relative to benchmarks or other funds with a similar investment objective.

**Market Risk:** The value of your portfolio may decrease if the value of an individual company or multiple companies in the portfolio decreases or if our belief about a company's intrinsic worth is incorrect. Further, regardless of how well individual companies perform, the value of your portfolio could also decrease if there are deteriorating economic or market conditions. It is important to understand that the value of your investment may fall, sometimes sharply, in response to changes in the market, and you could lose money. Investment risks include price risk as may be observed by a drop in a security's price due to company specific events (e.g. earnings disappointment or downgrade in the rating of a bond) or general market risk (e.g. such as a "bear" market when stock values fall in general). For fixed-income securities, a period of rising interest rates could erode the value of a bond since bond values generally fall as bond yields go up. Past performance is not a guarantee of future returns.

**Past Performance:** Charting and technical analysis are often used interchangeably. Technical analysis generally attempts to forecast an investment's future potential by analyzing its past performance and other related statistics. In particular, technical analysis often times involves an evaluation of historical pricing and volume of a particular security for the purpose of forecasting where future price and volume figures may go. As with any investment analysis method, technical analysis runs the risk of not knowing the future and thus, investors should realize that even the most diligent and thorough technical analysis cannot predict or guarantee the future performance of any particular investment instrument or issuer thereof.

**Strategy Risk:** There is no guarantee that the investment strategies discussed herein will work under all market conditions and each investor should evaluate his/her ability to maintain any investment he/she is considering in light of his/her own investment time horizon. Investments are subject to risk, including possible loss of principal.

#### Description of Material, Significant or Unusual Risks

Our firm generally invests clients' cash balances in money market funds, FDIC Insured Certificates of Deposit, high-grade commercial paper and/or government backed debt instruments. Ultimately, our firm tries to achieve the highest return on client cash balances through relatively low-risk conservative investments. In most cases, at least a partial cash balance will be maintained in a money market account so that our firm may debit advisory fees for our services related to our Comprehensive Portfolio Management service, as applicable.

#### ITEM 9: DISCIPLINARY INFORMATION

There are no legal or disciplinary events that are material to the evaluation of our advisory business or the integrity of our management.

#### ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES & AFFILIATIONS

Representatives of our firm are life insurance agents/brokers. They offer insurance products and receive customary fees as a result of insurance sales and consulting. A conflict of interest may exist as these insurance sales create an incentive to recommend products based on the compensation the adviser and/or our supervised persons may earn. To mitigate this potential conflict, our firm will act in the client's best interests as a fiduciary.

Please see Item 4 above for more information about the selection of Third-party money managers. The compensation paid to our firm by Third-party managers may vary, and thus, creates a conflict of interest in recommending a

manager who shares a larger portion of its advisory fees over another manager. Prior to referring clients to Third-party advisors, our firm will ensure that Third-party advisors are licensed or notice filed with the respective authorities. A potential conflict of interest in utilizing Third-party advisors may be an incentive to us in selecting a particular advisor over another in the form of fees or services. In order to minimize this conflict our firm will make our recommendations/selections in the best interest of our clients and act as a fiduciary.

#### ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS & PERSONAL TRADING

As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. Our fiduciary duty is the underlying principle for our firm's Code of Ethics, which includes procedures for personal securities transaction and insider trading. Our firm requires all representatives to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment with our firm, and at least annually thereafter, all representatives of our firm must acknowledge receipt, understanding and compliance with our firm's Code of Ethics. Our firm and representatives must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively impact or appear to impact our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics. If a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.

Our firm recognizes that the personal investment transactions of our representatives demands the application of a Code of Ethics with high standards and requires that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, our firm also believes that if investment goals are similar for clients and for our representatives, it is logical, and even desirable, that there be common ownership of some securities.

In order to prevent conflicts of interest, our firm has established procedures for transactions effected by our representatives for their personal accounts<sup>1</sup>. In order to monitor compliance with our personal trading policy, our firm has pre-clearance requirements and a quarterly securities transaction reporting system for all of our representatives.

Neither our firm nor a related person recommends, buys or sells for client accounts, securities in which our firm or a related person has a material financial interest without prior disclosure to the client.

Related persons of our firm may buy or sell securities and other investments that are also recommended to clients. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request.

Likewise, related persons of our firm buy or sell securities for themselves at or about the same time they buy or sell the same securities for client accounts. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request. Further, our related persons will refrain from buying or selling the same securities prior to buying or selling for our clients in the same day unless included in a block trade.

#### Compliance with Department of Labor Fiduciary Rule

Our firm provides investment advice to assets affected by the Department of

<sup>1</sup> For purposes of the policy, our associate's personal account generally includes any account (a) in the name of our associate, his/her spouse, his/her minor children or other dependents residing in the same household, (b) for which our associate is a trustee or executor, or (c) which our associate controls, including our client accounts which our associate controls and/or a member of his/her household has a direct or indirect beneficial interest in.

Labor (“DOL”) Fiduciary Rule for a level fee. As such, we abide by the Impartial Conduct Standards as defined by the DOL. To comply with these standards, our firm and our advisors give advice that is in our clients’ best interest, charge no more than reasonable compensation (within the meaning of ERISA Section 408(b)(2) and Internal Revenue Code Section 4975(d)(2)), and make no misleading statements about investment transactions, compensation, conflicts of interest, and any other matters related to investment decisions.

As a level-fee fiduciary, we maintain a non-variable compensation structure that is provided on the basis of a fixed percentage of the value of assets or a set fee that does not vary with the particular investment recommended, as opposed to a commission or other transaction based fee.

#### ITEM 12: BROKERAGE PRACTICES

##### Selecting a Brokerage Firm

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Our firm does not maintain custody of client assets. Client assets must be maintained by a qualified custodian. Our firm seeks to recommend a custodian who will hold client assets and execute transactions on terms that are overall most advantageous when compared to other available providers and their services. The factors considered, among others, are these:

- Timeliness of execution
- Timeliness and accuracy of trade confirmations
- Research services provided
- Ability to provide investment ideas
- Execution facilitation services provided
- Record keeping services provided
- Custody services provided
- Frequency and correction of trading errors
- Ability to access a variety of market venues
- Expertise as it relates to specific securities
- Financial condition
- Business reputation
- Quality of services

With this in consideration, our firm recommends that clients use Charles Schwab & Co., Inc. (“Schwab”), a FINRA-registered broker-dealer, member SIPC, as the qualified custodian. Our firm is independently owned and operated, and not affiliated with Schwab. Schwab will hold client assets in a brokerage account and buy and sell securities when instructed. While our firm recommends that clients use Schwab as custodian/broker, clients will decide whether to do so and open an account with Schwab by entering into an account agreement directly with them. Our firm does not open the account. Even though the account is maintained at Schwab, our firm can still use other brokers to execute trades, as described in the next paragraph. Schwab generally does not charge a separate fee for custody services, but is compensated by charging commissions or other fees to clients on trades that are executed or that settle into the Schwab account. For some accounts, Schwab may charge your account a percentage of the dollar amount of assets in the account in lieu of commissions. Schwab’s commission rates and/or asset-based fees applicable to client accounts were negotiated based on our firm’s commitment to maintain a minimum threshold of assets statement equity in accounts at Schwab. This commitment benefits clients because the overall commission rates and/or asset-based fees paid are lower than they would be if our firm had not made the commitment. In addition to commissions or asset-based fees Schwab charges a flat dollar amount as a “prime broker” or “trade away” fee for each trade that our firm has executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into a Schwab account. These fees are in addition to the commissions or other compensation paid to the executing broker-dealer. Because of this, in order to minimize client trading costs, our firm has Schwab execute most trades for the accounts.

Schwab Advisor Services (formerly called Schwab Institutional) is Schwab’s business serving independent investment advisory firms like our firm. They provide our firm and clients with 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 manage or administer our client accounts while others help manage and grow our business. Schwab’s support services are generally available on an unsolicited basis (our firm does not have to request them) and at no charge as long as our firm keeps a total of at least \$10 million of client assets in accounts at Schwab. If our firm has less than \$10 million in client assets at Schwab, our firm may be charged quarterly service fees. Here is a more detailed description of Schwab’s support services. 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 our firm might not otherwise have access or that would require a significantly higher minimum initial investment by firm clients. Schwab’s services described in this paragraph generally benefit clients and their accounts.

Schwab also makes available other products and services that benefit our firm but may not directly benefit clients or their accounts. These products and services assist in managing and administering our client accounts. They include investment research, both Schwab’s and that of third parties. This research may be used to service all or some substantial number of client accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

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

Schwab also offers other services intended to help 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, Schwab will arrange for third-party vendors to provide the services to our firm. Schwab may also discount or waive fees for some of these services or pay all or a part of a Third-party’s fees. Schwab may also provide our firm with other benefits, such as occasional business entertainment for our personnel.

Irrespective of direct or indirect benefits to our client through Schwab, our firm strives to enhance the client experience, help clients reach their goals and put client interests before that of our firm or associated persons.

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, commission rates, and responsiveness. Although our firm will seek competitive rates, to the benefit of all clients, our firm may not necessarily obtain the lowest possible commission rates for specific client account transactions.

##### Soft Dollars

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Our firm does not receive soft dollars in excess of what is allowed by Section 28(e) of the Securities Exchange Act of 1934. The safe harbor research products and services obtained by our firm will generally be used to service all of our clients but not necessarily all at any one particular time.

## Client Brokerage Commissions

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Schwab does not make client brokerage commissions generated by client transactions available for our firm's use.

## Client Transactions in Return for Soft Dollars

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Our firm does not direct client transactions to a particular broker-dealer in return for soft dollar benefits.

## Brokerage for Client Referrals

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Our firm does not receive brokerage for client referrals.

## Directed Brokerage

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Neither our firm nor any of our firm's representatives have discretionary authority in making the determination of the brokers-dealers and/or custodians with whom orders for the purchase or sale of securities are placed for execution, and the commission rates at which such securities transactions are effected. Our firm routinely recommends that clients direct us to execute through a specified broker-dealer. Our firm recommends the use of Schwab. Each client will be required to establish their account(s) with Schwab if not already done. Please note that not all advisers have this requirement.

## Special Considerations for ERISA Clients

A retirement or ERISA plan client may direct all or part of portfolio transactions for its account through a specific broker or dealer in order to obtain goods or services on behalf of the plan. Such direction is permitted provided that the goods and services provided are reasonable expenses of the plan incurred in the ordinary course of its business for which it otherwise would be obligated and empowered to pay. ERISA prohibits directed brokerage arrangements when the goods or services purchased are not for the exclusive benefit of the plan. Consequently, our firm will request that plan sponsors who direct plan brokerage provide us with a letter documenting that this arrangement will be for the exclusive benefit of the plan.

## Aggregation of Purchase or Sale

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Our firm provides investment management services for various clients. There are occasions on which portfolio transactions may be executed as part of concurrent authorizations to purchase or sell the same security for numerous accounts served by our firm, which involve accounts with similar investment objectives. Although such concurrent authorizations potentially could be either advantageous or disadvantageous to any one or more particular accounts, they are affected only when our firm believes that to do so will be in the best interest of the effected accounts. When such concurrent authorizations occur, the objective is to allocate the executions in a manner, which is deemed equitable to the accounts involved. In any given situation, our firm attempts to allocate trade executions in the most equitable manner possible, taking into consideration client objectives, current asset allocation and availability of funds using price averaging, proration and consistently non-arbitrary methods of allocation.

## ITEM 13: REVIEW OF ACCOUNTS OR FINANCIAL PLANS

Mr. Olson monitors accounts on a regular and continuous basis. Formal client reviews are conducted at least bi-annually or more frequently at the Client's request.

The nature of these reviews is to learn whether client accounts are in line with their investment objectives, appropriately positioned based on market conditions, and investment policies, if applicable.

The Client will receive brokerage statements no less than quarterly from the trustee or custodian. In addition to these statements, our firm will provide quarterly performance reports to Personal Financial Management [PFM] Clients. The client may also establish electronic access to the custodian's website so that the Client may view these reports and their account activity.

Our firm may review client accounts more frequently than described above. Among the factors that may trigger an off-cycle review are major market or economic events, the client's life events, requests by the client, etc.

Financial Planning clients do not receive reviews of their written plans unless they take action to schedule a financial consultation with us. Our firm does not provide ongoing services to financial planning clients, but are willing to meet with such clients upon their request to discuss updates to their plans, changes in their circumstances, etc. Financial Planning clients do not receive written or verbal updated reports regarding their financial plans unless they separately engage our firm for a post-financial plan meeting or update to their initial written financial plan.

## ITEM 14: CLIENT REFERRALS & OTHER COMPENSATION

### Schwab

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

### Referral Fees

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Our firm does not engage paid solicitors for client referrals.

## ITEM 15: CUSTODY

State Securities Bureaus generally take the position that any arrangement under which a registered investment adviser is authorized or permitted to withdraw client funds or securities maintained with a custodian upon the adviser's instruction to the custodian is deemed to have custody of client funds and securities. As such, our firm has adopted the following safeguarding procedures:

- Clients must provide our firm with written authorization permitting direct payment of advisory fees from their account(s) maintained by a custodian who is independent of our firm;
- Our firm sends quarterly statements to the client showing the fee amount, the value of the assets upon which the fee is based, and the specific manner in which the fee is calculated as well as disclosing that it is the client's responsibility to verify the accuracy of fee calculation, and that the custodian does not determine its accuracy; and
- The account custodian sends a statement to the client, at least quarterly, showing all account disbursements, including advisory fees. Clients are urged to compare statements received from our firm with the ones received from the account custodian.

Clients are encouraged to raise any questions with us about the custody, safety or security of their assets and our custodial recommendations.

## ITEM 16: INVESTMENT DISCRETION

Clients have the option of providing our firm with investment discretion on their behalf, pursuant to an executed investment advisory client agreement. By granting investment discretion, our firm is authorized to execute securities transactions, determine which securities are bought and sold, and the total amount to be bought and sold. Should clients grant our firm non-discretionary authority, our firm would be required to obtain the client's permission prior to effecting securities transactions. Limitations may be imposed by the client in the form of specific constraints on any of these areas of discretion with our firm's written acknowledgement.

## ITEM 17: VOTING CLIENT SECURITIES

Our firm does not accept the proxy authority to vote client securities. Clients will receive proxies or other solicitations directly from their custodian or a transfer agent. In the event that proxies are sent to our firm, our firm will forward them to the appropriate client and ask the party who sent them to mail them directly to the client in the future. Clients may call, write or email us to discuss questions they may have about particular proxy votes or other solicitations.

#### ITEM 18: FINANCIAL INFORMATION

Our firm is not required to provide financial information in this Brochure because:

- Our firm does not require the prepayment of more than \$500 in fees when services cannot be rendered within 6 months.
- Our firm does not take custody of client funds or securities.
- Our firm does not have a financial condition or commitment that impairs our ability to meet contractual and fiduciary obligations to clients.

Our firm has never been the subject of a bankruptcy proceeding.

#### ITEM 19: REQUIREMENTS FOR STATE-REGISTERED ADVISERS

##### Executive Officers & Management Persons

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Stephen T. Olson | Birth Year: 1987  
"Steve"

Steve Olson, Founder and Managing Member of Atlantic Wealth Partners, prides himself on a tenacious approach that sees you as a valued partner. This mindset ensures Atlantic Wealth Partners stays in what Olson calls an "action-oriented" posture. Drive the outcome.

An entrepreneurial, aggressive, consummate professional, Steve Olson's Atlantic Wealth Partners, mirrors that same image in spirit and operation. Olson began his business career at what most would consider an early age. He might tell you he began far too late. That's the drive you want in your partner.

Steve Olson's experience spans over a decade of focused financial planning, investment management, and advisory services to wealthy families and institutions throughout Florida. Over the course of his still young career, Steve Olson provides counsel and management on individual assets and portfolios-

encompassing a combination of securities, real estate privately held businesses and other alternative investments - ranging from \$5 million to over \$400 million in value. His extensive skillset extends beyond traditional securities portfolios to privately held businesses, investment real estate and other alternative investments.

Steve Olson takes a comprehensive approach to every engagement. Operating from an ethos of partnership, Olson develops client strategies as if planning for his own family's future needs and security.

*"It's not altruistic to treat my clients' affairs as my own, or my family's. It's the strategy underpinning our business model. The method ensures I do the hard work, that my motives are pure and that my actions are decisive. In our business, those are the only variables I can control."*

~Steve Olson, Managing Member

Olson provides actionable, appropriately motivated counsel and solutions.

Steve Olson is an alumnus of Old Dominion University and the University of South Florida where he studied Finance and Criminology. Steve resides in Jupiter, Florida. A true Floridian at heart, Steve Olson is a waterman. In his free time that's where you'll find him spending time with his children, Stephen (6) and Callie (4).

Please see Item 10 of this Firm Brochure for any other business in which our firm is actively engaged. Our firm does not charge performance based-fees. Our firm and management persons have not been involved in any arbitration awards, found liable in any civil, self-regulatory organization or administrative proceedings or have any relationships with issuers or securities apart from what is disclosed above.

Our firm does not have compensation arrangements connected with advisory services which are in addition to our advisory fees. Our management persons and representatives do not engage in other financial industry activities or affiliations. As a fiduciary, our firm always put our Client's interest above our own. Information regarding participation of interest in client transactions can be found in our Code of Ethics as well as Item 11 of this Brochure. Clients may obtain a copy of our Code of Ethics by contacting Stephen T. Olson, Chief Compliance Officer at (561) 632-0566.