



# Institute for Wealth Consultants, Inc.

*This brochure provides information about the qualifications and business practices of  
Institute for Wealth Consultants, Inc.*

*If you have any questions about the contents of this brochure, please  
contact us at (303) 572-3500 or by email at: [support@iwainc.com](mailto:support@iwainc.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 for Wealth Consultants, Inc.  
is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).  
Institute for Wealth Advisors, Inc.'s CRD number is: 288502*

**Institute for Wealth Consultants, Inc.  
1776 Lincoln Street, Suite 950  
Denver, Colorado 80203  
(303) 572-3500  
[support@iwainc.com](mailto:support@iwainc.com)**

*Registration does not imply a certain level of skill or training.  
Version Date: 01/31/2019*

## **Material Changes**

Item 1. New address and telephone of the firm is 1776 Lincoln Street, Suite 950, Denver, Colorado 80203. Phone number is (303) 572-3500.

Item 4.E. Amounts Under Management has been updated to reflect the fact that IARs of the Institute for Wealth Consultants, Inc. are often sub-advisors to the client accounts which are not managed through Institute for Wealth Management, LLC model portfolios. IARs can execute transactions through the Institute back office systems. As such, Institute for Wealth Advisors, Inc. also considers assets of those IARs as assets under management. Thus, current AUM has been updated as approximately \$399,554,760 as of 10/31/18.

## Table of Contents

Item 4: Advisory Business.....	1
A. Description of the Advisory Firm	
B. Types of Advisory Services	
Investment Advisory Services	
Selection of Other Advisors	
Services Limited to Specific Types of Investments	
C. Client Tailored Services and Client Imposed Restrictions	
D. Wrap Fee Programs	
E. Amounts Under Management	
Item 5: Fees and Compensation.....	2
A. Fee Schedule	
Investment Supervisory Services Fees	
Selection of Other Advisors Fees	
B. Payment of Fees	
Payment of Investment Supervisory Fees	
C. Clients Are Responsible For Third Party Fees	
D. Prepayment of Fees	
E. Outside Compensation For the Sale of Securities to Clients	
1. This is a Conflict of Interest	
2. Clients Have the Option to Purchase Recommended Products From Other Brokers	
3. Advisory Fees in Addition to Commissions or Markups	
Item 6: Performance-Based Fees and Side-By-Side Management.....	3
Item 7: Types of Clients.....	3
Minimum Account Size	
Item 8: Methods of Analysis, Investment Strategies, and Risk of Investment Loss .....	3
A. Methods of Analysis and Investment Strategies	
Methods of Analysis	
Charting analysis	
Fundamental analysis	
Technical analysis	
Cyclical analysis	
Investment Strategies	
B. Material Risks Involved	
Methods of Analysis	
Fundamental analysis	
Technical analysis	
Cyclical analysis	
Investment Strategies	
C. Risks of Specific Securities Utilized	
Item 9: Disciplinary Information .....	5

Item 10: Other Financial Industry Activities and Affiliations .....	5
A. Registration as a Broker/Dealer or Broker/Dealer Representative	
B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor	
C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests	
D. Selection of Other Advisors or Managers, How This Adviser is Compensated for Those Selections	
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	5
A. Code of Ethics	
B. Recommendations Involving Material Financial Interests	
C. Investing Personal Money in the Same Securities as Clients	
D. Trading Securities At/Around the Same Time as Clients' Securities	
Item 12: Brokerage Practices .....	6
A. Factors Used to Select Custodians and/or Broker/Dealers	
1. Research and Other Soft-Dollar Benefits	
2. Brokerage for Client Referrals	
3. Clients Directing Which Broker/Dealer/Custodian to Use	
B. Aggregating (Block) Trading for Multiple Client Accounts	
Item 13: Reviews of Accounts .....	7
A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews	
B. Factors That Will Trigger a Non-Periodic Review of Client Accounts	
C. Content and Frequency of Regular Reports Provided to Clients	
Item 14: Client Referrals and Other Compensation .....	7
A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)	
B. Compensation to Non – Advisory Personnel for Client Referrals	
Item 15: Custody .....	7
Item 16: Investment Discretion .....	7
Item 17: Voting Client Securities (Proxy Voting).....	7
Item 18: Financial Information .....	8
A. Balance Sheet	
B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients	
C. Bankruptcy Petitions in Previous Ten Years	

## Item 4: Advisory Business

### A. Description of the Advisory Firm

Institute for Wealth Consultants, Inc. ("IWC", "We", "Our" or "the Firm") has been in business since June 23, 2017. Our parent company, Institute for Wealth Holdings, Inc. (f/k/a Cherry, Inc.) is also the parent company for Institute for Wealth Advisors, Inc. ("IWA") and Institute for Wealth Management, LLC, ("IWM") both are also SEC registered investment advisors, and are affiliated companies. Mr. Greg Syler is Chief Compliance Officer (CCO).

### B. Types of Advisory Services

We offer the following services to our investment advisory clients:

#### ***Investment Supervisory Services***

IWC offers investment advisory services based on the individual goals, objectives, time horizon, and risk tolerance of each client. Investment Advisory Services include, but are not limited to, the following:

- Financial Planning
- Investment strategy selection
- Asset class selection and allocation
- Risk tolerance assessment
- Regular portfolio monitoring

#### ***Selection of Investment Managers and Strategies***

We primarily direct clients to IWM for implementation of selected investment management portfolios and strategies. We are compensated via a fee share arrangement with IWM from client accounts we direct to IWM. This relationship is disclosed in each Client Enrollment Kit, containing the agreement between IWM and each of our clients

### C. Client Personalized Services and Client Directed Services

Clients may subscribe to one or more of our services. Specific implementation is dependent upon the client profile which outlines each Client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets. Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. If the restrictions prevent IWC from properly servicing the client account, or if the restrictions would require IWC to deviate from its standard suite of services, IWC reserves the right to end the relationship.

### D. Wrap Fee Programs

IWC IARs currently can participate in a wrap program sponsored by IWM. For more information regarding this relationship, including the differences between how we manage wrap fee accounts versus other accounts, please see IWMs Wrap Fee Program Brochure.

### E. Amounts Under Management

We refer client accounts to IWM which manages the clients' custodial relationship and portfolio management strategies for client assets under management. However, as our IARs are often sub-advisors to the client accounts which are not managed through IWM model portfolios, and can execute transactions through the Institute back office systems, IWC also considers assets of those IARs as assets under management.

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$ 399,554,760	\$ 0	10/31/2018

## Item 5: Fees and Compensation

### A. Fee Schedule

#### *Investment Advisory Services Fees*

All Assets Under Management	Annual Fee: Up To 2.25%
-----------------------------	-------------------------

These fees are negotiable and the final fee schedule is attached as an Exhibit or Addendum of the Investment Advisory Contract. Fees are paid monthly or quarterly in advance, and clients may terminate their contracts with ten days' written notice. Refunds may be given on a prorated basis, based on the number of days remaining in a quarter at the point of termination. Clients may terminate their contracts without penalty, for full refund, within 5 business days of signing the advisory contract. Advisory fees are withdrawn directly from the client's accounts with client written authorization.

#### *Selection of Other Advisors*

IWC may direct clients to the third party money managers. IWC will be compensated via a fee share from these advisors to which it directs those clients.

This relationship will be disclosed in each contract between IWC and each of these third party advisors. The fees shared will not exceed any limit imposed by any regulatory agency. Any variation to the normal fee schedule below will be disclosed to all parties.

	IWC Split:	3 <sup>rd</sup> Party Manager Split:
All Assets Under Management	Up To 1.5%	0.30% to 0.70%

Fees are collected monthly or quarterly in advance, and clients may terminate their agreement by written notice. Refunds may be given on a prorated basis, based on the number of days remaining in a quarter at the point of termination.

### B. Payment of Fees

#### *Payment of Investment Supervisory Fees*

Advisory fees are collected monthly or quarterly in advance in accordance with the client agreement.

### C. Clients Are Responsible For Third Party Fees

Clients are responsible for the payment of all third party fees (i.e. custodian fees, ETF fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged.

Please see Item 12 of this brochure regarding broker/custodian.

### D. Prepayment of Fees

Fees are collected in advance. Fees that are collected in advance will be refunded based on the prorated amount of work completed at the point of termination and the total days during the billing period. Fees will be returned promptly to the client via check, or credited back to their investment account.

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

Representatives of IWC may also be registered representatives of another third party Broker/Dealer

### ***1. Potential Conflict of Interest***

IWC does not, and will not, accept compensation for the sale of securities or other investment products. However, supervised persons who are also registered representatives with a broker-dealer may accept compensation for the sale of securities or other investment products, including asset based sales charges or services fees from the sale of mutual funds to its clients. This may present a conflict of interest and may give the supervised person an incentive to recommend products based on the compensation received rather than on the client's needs.

When recommending the sale of securities or investment products for which a supervised person receives compensation, the supervised person will be required to document the conflict of interest in the client file and inform the client of the conflict of interest.

### ***2. Clients Have the Option to Purchase Recommended Products From Other***

**Brokers** Clients always have the option to purchase IWC recommended products through other brokers or agents that are not affiliated with IWC.

### ***3. Advisory Fees in Addition to Commissions or Markups***

Advisory fees that are charged to clients are not reduced to offset the commissions or markups on securities or investment products recommended to clients.

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

IWC 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**

IWC generally provides management supervisory services to the following Types of Clients:

- ☐ Individuals
- ☐ High-Net-Worth Individuals
- ☐ Corporations or Business Entities

### ***Minimum Account Size***

Account minimum requirements vary between money managers and generally range between \$10,000 and \$100,000.

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

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

IWC's various methods of analysis are performed by its respective money managers and include charting analysis, fundamental analysis, technical analysis, and cyclical analysis.

**Charting analysis** involves the use of patterns in performance charts. Various money managers may use this technique to search for patterns used to help predict favorable conditions for buying and/or selling a security.

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

**Technical analysis** involves the analysis of past market data; primarily price and volume.

**Cyclical analysis** involved the analysis of business cycles to find favorable conditions for buying and/or selling a security.

### ***Investment Strategies***

IWC's various money managers may use long term trading, short term trading, short sales, margin transactions, options writing (including covered options, uncovered options, or spreading strategies).

**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***

**Charting analysis** strategy involves using and comparing various charts to predict long and short term performance or market trends. The risk involved in solely using this method is that only past performance data is considered without using other methods to crosscheck data. Using charting analysis without other methods of analysis would be making the assumption that past performance will be indicative of future performance. This may not be the case.

**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.

**Technical analysis** attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not work long term.

**Cyclical analysis** assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy are two-fold: 1) the markets do not always repeat cyclical patterns and 2) if too many investors begin to implement this strategy, it changes the very cycles they are trying to take advantage of.

### ***Investment Strategies***

Long term trading is designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes. Short term trading, short sales, margin transactions, and options writing generally hold greater risk and clients should be aware that there is a chance of material risk of loss using any of those strategies.

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

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

IWC and its third party money managers generally seek investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international equity markets. However, they may utilize short sales, margin transactions, and options writing. Short sales, margin transactions, and options writing generally hold greater risk of capital loss and clients should be aware that there is a chance of material risk of loss using any of those strategies.

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



## **Item 9: Disciplinary Information**

There are no legal or disciplinary events related to IWC that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

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

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

Representatives of IWC may also be registered representatives of a third party broker dealer firm.

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

Neither IWC nor its representatives are registered as a FCM, CPO, or CTA.

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

Representatives of IWC may also be licensed insurance agents & Registered Representatives of a Broker Dealer. From time to time, they will offer clients advice or products from those activities. Clients should be aware that these insurance and annuity products pay a commission and involve a possible conflict of interest, as commissionable products can conflict with the fiduciary duties of a registered investment adviser. IWC always acts in the best interest of the client.

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

IWC often directs clients to the third party money managers. IWC will be compensated via a fee share from these advisors to which it directs those clients. This relationship will be disclosed in each contract between IWC and each of these third party advisors. The fees shared will not exceed any limit imposed by any regulatory agency. This may create a conflict of interest in that IWC may have an incentive to direct clients to the third party money managers that provide IWC with a larger fee split. IWC will always act in the best interests of the client, including when determining which third party manager to recommend to clients.

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

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

We have 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. A copy of our Code of Ethics is available upon request.

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

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

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

From time to time, representatives of IWC may buy or sell securities for themselves that they also recommend to clients. IWC will always document any transactions that could be construed as conflicts of interest and will always transact client business before their own 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 IWC may buy or sell securities for themselves at or around the same time as clients. IWC believes that smaller lot trades incidental to portfolio allocations or rebalancing will not have a material effect on the market price of a particular security. However, for larger block transactions, representatives will be prohibited from trading non-mutual fund or non-ETF securities 5 days prior to or 5 days after trading the same security for clients.

## **Item 12: Brokerage Practices**

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

Custodians are chosen based on their relatively low transaction fees and access to various investment securities, mutual funds and ETFs. IWC does not charge a premium or commission on transactions, beyond the actual cost imposed by any Custodian.

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

IWC receives no research, product, or service other than execution from a broker-dealer or third-party in connection with client securities transactions ("soft dollar benefits"). IWC may receive research, products, or services other from its broker-dealer or another third-party in connection with client securities transactions ("soft dollar benefits"). There is no minimum Client number or dollar number that IWC must meet in order to receive free research from the custodian or broker/dealer. There is no incentive for IWC to direct clients to this particular broker-dealer over other broker-dealers who offer the same services. The first consideration when recommending broker/dealers to clients is best execution.

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

IWC 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***

IWC in some cases allows clients to direct brokerage. IWC may be unable to achieve most favorable execution of client transactions if clients choose to direct brokerage. This may cost Clients money because without the ability to direct brokerage IWC may not be able to aggregate orders to reduce transactions costs resulting in higher brokerage commissions and less favorable prices.

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

IWC, through its Custodian Broker/Dealer Folio, maintains the ability to block trade purchases across accounts. While block trading may benefit clients by purchasing larger blocks in groups, we do not feel that the clients are at a disadvantage due to the best execution practices of our custodian.

## **Item 13: Reviews of Accounts**

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

Client accounts are reviewed at least quarterly by the IAR or RIA of record.

### **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 will receive at least a quarterly written report, via email or secure web access, detailing the client's account which is usually provided by 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)**

IWC does not receive any economic benefit, directly or indirectly from any third party for advice rendered to IWC clients.

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

IWC may compensate qualified solicitors with a portion of the asset under management fee, if provided for in the client agreement.

## **Item 15: Custody**

IWC does not take custody of client funds at any time. Custody of client's accounts is held primarily at the custodian. Clients have online access or, for a fee may receive account statements from the custodian and should carefully review those statements.

## **Item 16: Investment Discretion**

For those client accounts where IWC provides ongoing supervision, IWC maintains limited power of authority over client accounts with respect to securities to be bought and sold and amount of securities to be bought and sold. For those clients where IWC does not provide ongoing supervision, a qualified SEC RIA has assumed discretionary authority. All buying and selling of securities is explained to clients in detail by the RIA or the sub-advisor before an advisory relationship commences.

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

IWC 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**

IWC receives fees for financial planning services, and does not require nor solicit 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 IWC nor its management have any financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients.

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

IWC has never been the subject of a bankruptcy petition.