



**Item 1. Cover Page**

**Brochure of**

**VestHQ, LLC**

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dba Harbor**

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This brochure provides information about the qualifications and business practices of VestHQ, LLC dba Vest, dba Harbor ("Vest"). If you have any questions about the contents of this brochure, please contact us at the phone number or email address listed above. 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 Vest also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2            Material Changes**

Vest has the following material changes to report:

- Vest is now also known as Harbor;
- Vest's product and services have significant revision (Item 4);
- Vest's fees and compensation has undergone significant changes (Item 5);
- Vest's investment strategy has been revised (Item 8);
- Vest has made some adjustments to risk factor discussion (Item 8);
- Vest's brokerage practices have some changes (Item 12); and
- Vest's review of accounts has some changes (Item 13).

**Item 3. Table of Contents**

	<b>Page</b>
Item 1. Cover Page .....	1
Item 2. Material Changes .....	2
Item 3. Table of Contents .....	3
Item 4. Advisory Business .....	4
Item 5. Fees and Compensation .....	8
Item 6. Performance-Based Fees and Side-By-Side Management .....	9
Item 7. Types of Clients .....	9
Item 8. Methods of Analysis, Investment Strategies and Risk of Loss .....	9
Item 9. Disciplinary Information .....	17
Item 10. Other Financial Industry Activities and Affiliations .....	17
Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .....	17
Item 12. Brokerage Practices .....	18
Item 13. Review of Accounts .....	18
Item 14. Client Referrals and Other Compensation .....	19
Item 15. Custody .....	20
Item 16. Investment Discretion .....	20
Item 17. Voting Client Securities .....	20
Item 18. Financial Information .....	20
Privacy Policy .....	21

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

##### Description of firm

VestHQ, LLC (“Vest”) is a Delaware limited liability company incorporated in 2017. Our principal owner is Anuraag Tripathi. Vest is registering as an investment advisor with the SEC, operating under the name “Harbor” or “Vest”. Our product is branded as “Harbor” or “Vest”.

Additional information about Vest’s services, structure and officers is provided in Part 1 of Vest’s Form ADV which is available online at <http://www.advisorsinfo.sec.gov>. Please also visit <http://www.vesthq.com> for additional information.

##### Summary of Vest’s Product and Services

Vest is a powerful 401(k) interface for the following three reasons:

1. Completely mobile platform from end to end. This means that employees can sign up 401(k) plans in a few seconds at anywhere, increasing participation rates dramatically;
2. Intelligent workflows integrated into the Vest’s interface. Many of the common 401(k) regulations are coded into Vest’s interface, providing assurance that operations are compliance with plan documents and 401(k) retirement laws; and
3. Leverage cutting edge behavior economics. For example, auto enrollment features derived from the research of the 2017 Nobel winner and national renowned Chicago Booth professor Richard Thaler, gives Vest a competitive advantage over other platforms

When requested by plan administrators, Vest offers financial advice and investment management for retirement plans (“Plans”) and their participants (“Participants”). Through software-based models, Vest provides financial advice to Participants based on the personal information, such as age, salary, and savings rate, each Participant provides through the interface, and on the subsequently determined risk tolerance scale of each individual. Vest’s goal is to help Plan administrators select a diverse set of low-cost investment options to offer in their retirement plan, and to help Participants invest their retirement accounts optimally.

Vest’s investment platform has the capability to provide automatic rebalancing on an annual basis to allocate Participants’ fund, based on their risk tolerance scale and age into appropriate investment categories or customized versions based on each Participant’s choice.

For more information on Vest’s clients, see Item 7. Types of Clients.

##### **Plan Administrators:**

Vest seeks to recommend the lowest cost investment options that will give Participants exposure to a broad mix of asset classes across geographic regions. These will make up the Plans' investment menu.

Vest may provide default investment alternatives, if necessary, for Plan Administrators. These models may either be an off-the-shelf investment product, or a custom portfolio made up of the investments from the Plan's investment menu. Any custom portfolio will be built using Vest's proprietary interface, which takes into account among other things, fees, risks and correlation of investments.

### **Participants:**

Vest's investment portfolio has one goal: to optimize the retirement outcomes for Participants. Vest's 401(k) investment accounts provide a compliment to Participants' other investments, specifically focusing on developing reserves for Participants to lean on during their retirements.

Vest accomplishes this through an automated investment management service, maximizing long-term growth through a dynamic allocation scheme that shifts as Participants age in order to combine optimal risk and growth opportunities. Vest take a look at the latest in investing science, building on Modern Portfolio Theory (MPT) to provide exposure across a variety of sectors.

MPT has weaknesses in dealing with high downside low-probability scenarios, but Participants' investment managers have determined that for normal economic cycles, portfolios designed with MPT in mind provide a strong baseline for the average 401(k) investor.

Using the tools on Vest's platform, Vest assists Participants in building a portfolio of investments, which are suitable given different risk factors. Using proprietary models, Vest offers Participants a globally diversified portfolio as a starting point. Participants can adjust that portfolio based on preferences, and view historic performance and simulated future performance. It is important to note that the historic performance is not necessarily indicative of future performance, and that neither Vest nor anyone else can predict the future returns of investments.

Vest believes that 401(k) investing is fundamentally, very simple, and Vest's investment philosophy centers around two areas:

- Asset Classes
- ETFs

### **Asset Classes:**

In order to create a diverse investment portfolio, Vest chooses to invest in asset classes rather than individual securities. This is how Vest mitigates the portfolio's risk across the entire pool of assets.

By exposing Participants to a wide variety of industries, securities, and geographies, Vest's investment scheme prevents isolated economic trends from wiping out Participants' entire retirement savings. With this in mind, Vest balances its investments across six asset classes.

1. Emerging Markets Equities
2. United States Broad Equities
3. International Broad Equities
4. United States Aggregate Bonds
5. International Aggregate Bonds
6. United States TIPS (Treasury Inflation-Protected Securities)

Vest allocates across these investment classes similar to a target-date fund, gradually de-risking as Participants approach retirement in order to ensure that their retirement balances do not disappear when they need it most. Every year, Vest rebalances Participant accounts, reinvesting gains and losses to ensure Participants are maintaining proper diversification regardless of market performance. By managing this transition, Vest saves Participants money on investment fees, and is able to design its plan around Participants' age and goals, safeguarding their investment well into retirement. Additionally, Vest has the ability to adapt these investments for different economic scenarios. If the economy enters a deflationary period and TIPS lose their value, then Vest can shift the investment allocation away from TIPS deeper into the bond market. If there is an immediate market volatility, Vest will continue to monitor the market, but it will focus on its long-term investment horizon.

Some 401(k) providers invest into more complicated, alternative assets like natural resources, real estates or private equity funds. Vest avoids these assets because these can only be invested in with high expense ratios. By committing to a simpler investment scheme, Vest provides a fully-diversified portfolio while also maintaining overall low investment ratios. Vest provides these low ratios through ETFs.

#### **ETFs:**

Traditionally, investment advisors have recommended investment in actively managed mutual funds. This recommendation essentially amounts to Participants paying advisors for advice on a better adviser, and even then, the advice is not always good. Research has shown that the average active mutual fund underperforms the market, and those that do beat the market in one period are unlikely to perform the same in the next. This systematic failure has led to the boom of index funds, specifically passive index exchange traded funds over the past 20 years, now having over \$3.4 trillion assets under management, as the total investment in mutual funds continues to decrease. Not only are these ETFs higher-performing, they also provide

better liquidity than traditional mutual funds, trading whenever the market is open like stocks, rather than only at the end of the day.

	Average Expense Ratio
Actively Managed Mutual Funds	0.72%
Harbor's ETFs	0.11%
Annual Fee Savings	0.61%

Vest creates a discernible difference in Participants retirement through a low-cost investment scheme. Every fiscal quarter, Vest audits its ETF portfolio to ensure that Vest is continuing to offer the most competitive ETFs in constructing the portfolio. When selecting ETFs, Vest looks at cost, performance, liquidity, and size in looking at which ETFs to choose.

Vest will use a broker-dealer who is a "qualified custodian" as defined by the SEC and as selected by plan administrators. (See Item 12: Brokerage Practices, for more details.)

Vest offers these services on a non-discretionary basis.

#### Tailoring advisory services

Vest does not tailor its advisory services to the individual needs of Participants beyond taking into account their salary, savings, age and the number years to retirement.

#### Wrap fee programs

Vest does not participate in wrap fee programs.

#### Assets Under Management

As a newly formed company, Vest does not currently manage any assets on a discretionary nor on a nondiscretionary basis.

### **Item 5. Fees and Compensation**

#### Feature Fees

Vest charges a fixed dollar rate per participant user per month. Fees are charged on a monthly basis, calculated on a daily basis and deducted on a monthly basis.

Vest reserves the right to, in its sole discretion to negotiate, reduce or waive fees for certain accounts for any period of time determined by Vest. In addition, Vest may reduce or waive its fees for the accounts of some Participants without notice to, or fee adjustment for, other Participants.

#### Fees Relating to Terminations and Withdrawals

A client can terminate the relationship with Vest by emailing [tripathi@vesthq.com](mailto:tripathi@vesthq.com). Services will be terminated as of the close of the calendar quarter in which the email is sent, providing no less than thirty-day notice is given. If less than thirty-day notice is given, the service will terminate at the close of the first month of the next quarter.

#### Expenses

Vest strives to offer the simplest pricing possible; we will not charge Participants any brokerage fees for trades on their account, provided their trading activity (number of buy and sell transactions) in a single month does not breach our fair-usage limits. These limits are in place to restrict Participants from using the Vest platform for executing speculative trades rather than following a long-term investment strategy. Even though Vest will not charge transaction or brokerage fees, the third-party brokers and/or custodians may have their own fees.

#### Other Account Fees

Other than its fees described, neither Vest nor its employees or officers receive or accept any direct or indirect compensation related to investments that are purchased or sold for Participant accounts.

Participants may however pay other fees or expenses to third-parties. The issuers of some of the securities or products purchased in Participant accounts, such as ETFs, or other similar packaged financial products, may charge product fees that affect Participants. Vest does not charge these fees nor does it benefit directly or indirectly from any such fees. An ETF typically includes embedded expenses that may reduce the ETFs net asset value, and therefore directly affect the funds' performance and indirectly affect a Participant's portfolio performance or an index benchmark comparison. Expenses of ETFs may include management fees, custodian fees, brokerage commissions, and legal and accounting fees. ETF expenses may change from time to time at the sole discretion of the ETF issuer.

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

Vest does not charge performance-based fees, and does not manage any additional types of accounts on a side-by-side basis.

### **Item 7. Types of Clients**



Vest is open to all individuals, pension and profit sharing plans, corporation or business entities, trusts, and other legal entities (subject to Vest's approval). There is no minimum account size to maintain a Vest account. There is also no minimum initial deposit.

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

### Investment Strategy

Vest may invest in securities, consisting principally, but not solely, of long and short positions in exchange traded equity securities issued by companies that are traded publicly in the U.S.; mutual fund shares; ETFs; and U.S. government securities.

As described in section 4 Vest formulates and provides investment advice via its powerful interface.

Vest's goals are to help:

- Plan administrators select suitable low-cost investment options and default investments for their retirement plan; and
- Participants select a low-cost, globally diversified target-portfolio that is suitable given their risk tolerance and investment horizon.

Vest is basing its investment recommendations on the investment portfolios generated by its software-based models. These models take into account a number of factors about global equity markets including risk and correlation of investments. These portfolios are then analyzed by methods including historic charting and simulated future performance.

The investment strategies summarized above represent Vest's current intentions, are general in nature and are not exhaustive.

### Risk Factors

Vest conducts its analyses primarily using historic data. It is important to understand that past performance of an investment is no guarantee of its future success.

Vest relies on third parties to provide market statistics and related information. Whilst these data vendors are well reputed and reliable, there may be inaccuracies and discrepancies beyond Vest's control.

Although Vest does not tailor recommendations for clients, Vest relies on information provided by the client to be accurate, for example when specifying their risk tolerance. If the client provides inaccurate information, or is careless when selecting a target-portfolio, Vest's recommendations may be unsuitable.

Vest advises clients using quantitative and qualitative techniques based on proprietary software models using historic data. It is important to understand that past performance of an investment is no guarantee of its future success.

**Investing in securities involves risk of loss that investors should be prepared to bear. Vest cannot guarantee any level of performance or that any client will avoid a loss of assets. Any investment in securities involves the possibility of financial loss that clients should be prepared to bear.**

Below are brief summaries of some of the risks that investors should consider before choosing to invest. Any or all of these risks could materially and adversely affect investment performance or the value of any account. This could cause investors to lose substantial amounts of money. A potential client or investor should discuss with Vest representatives any questions that such person may have before investing.

#### *General Risk*

- Vest's strategy may not achieve its investment objectives. If the strategy is unsuccessful, investors may lose some or all of their investment.
- Vest relies on third parties to provide market statistics, historic performance, and related information. While these data vendors are well reputed and reliable, there may be inaccuracies and discrepancies beyond Vest's control.
- Vest has no operating history to permit prospective clients or investors to attempt to evaluate its likely performance.
- Market may shift over time, making a once successful investment model inaccurate or no longer applicable to current conditions.
- Investing in exchange traded funds (ETFs) presents additional risks than the risks of investing in the underlying investments. For example, an ETF may own a significant proportion of securities that is different from its stated purpose, or the bid and ask spread for its shares may become significant if the ETF becomes thinly traded.
- Investing mutual funds could lose money over short or long periods. The fluctuations of stock process overall may influence the rise or fall of stock prices.
- Vest may not obtain complete or accurate information about an investment and may misinterpret the information that it does receive. Vest also may receive material, non-public information about an issuer that prevents it from trading securities of that issuer for a profit or avoid losses.

- The portfolio may have high turnover and transaction costs than a similar account managed by another investment adviser. These costs reduce capital invested and potential profit or increase loss.
- Vest may engage in hedging, which may reduce profits, increase expenses and cause losses. Price movements in a hedging instrument and the security hedged do not always correlate, resulting in losses on both the hedged security and the hedging instrument.
- In seeking and making desirable investments, Vest will be competing with larger and more experienced risk capital investors. Because of this competition, Vest may not be able to participate in attractive investments if they do not have sufficient capital.
- Counterparties such as brokers, dealers, custodians and administrators with which Vest does business may default on their obligations.

#### *Management Risks*

Vest applies its investment techniques and risk analysis in making investment recommendations to its clients. There is no guarantee that they will produce the desired results. In addition, there is no guarantee that a strategy based on historical information will produce the desired results in the future, and if market dynamics change, the effectiveness of the strategy be limited. Each investment strategy runs the risk that investment techniques will fail to produce the desired results.

#### *Investment Risks*

Investments in securities, including ETFs and the securities that they in turn invest in, involve various risks, including those summarized below. In addition, each ETF has its own investment style, which may involve risks different from those described below. clients and prospective clients should be aware that investing in securities involves risk of loss that clients should be prepared to bear.

#### *Model Risks*

Vest may use quantitative analyses and/or models. Any imperfections, limitations or inaccuracies in its analyses and/or models could affect its ability to implement strategies. By necessity, these tools make simplifying assumptions that may limit their effectiveness. Models that appear to explain prior market data can fail to predict future market events. Further, the date used in models may be inaccurate and /or it make not include the most current information available.

#### *ETF General Risks*

ETFs in which may be held in client accounts involve certain inherent risks generally associated with investments in a portfolio of securities, including the risk that the general level of security prices may decline, thereby adversely affecting the value of each unit of the ETF. Moreover, and ETF may not fully replicate the performance of its benchmark index because of the temporary unavailability of certain index securities in the secondary market or discrepancies between the ETF and the index with respect to the weighting of the securities or the number of securities held. ETFs have their own fees and expenses as set forth in the ETF prospectuses.

ETFs may have exposures to derivative instruments, such as futures contracts, forward contracts, options and swaps. There is a risk that a derivative may not perform as expected. The main risk with derivatives is that some types can amplify a gain or loss, potentially earning or losing substantially more money than the actual cost of the derivative, or that the counterparty may fail to honor its contractual terms, causing a loss for the ETF. Use of these instruments may also involve certain costs and risks such as liquidity risk, interest rate risk, market risk, credit risk, management risk, and the risk that an ETF could not close out a position when it would be most advantageous to do so.

#### *Market/Systematic Risks*

Equity and fixed income markets rise and fall daily. The performance of clients' accounts is tied to these markets. When markets fall, the value of a client's account will fluctuate, which means a client could lose money.

#### *Asset Allocation/Strategy/Diversification Risks*

The asset classes in which an investment strategy seeks investment exposure can perform differently from each other at any given time (as well as over the long term), so the investment strategy will be affected by its allocation among the various asset classes. The asset allocation decisions can result in more portfolio concentration in a certain asset class or classes, which can reduce overall return if the concentrated assets underperform. The more aggressive the investment strategy selected, the more likely the portfolio will contain larger weights in riskier asset classes, such as equities. Depending on market conditions, there may be times where diversified portfolios perform worse than less diversified portfolios.

#### *Investment Strategy Risks*

There are risks associated with the long-term core strategic holdings for any investment strategy. The more aggressive the investment strategy selected, the more likely the portfolio will contain larger weights in riskier asset classes, such as equities.

#### *Trading/Liquidity Risks*

A particular ETF may be difficult to purchase or sell or may become difficult to sell after being purchased in a client' account. Broker may be unable to sell ETFs on behalf of a client at an advantageous time and/or price due to then- existing trading market conditions.

### *Securities Risks*

#### *Equity-Related Risks*

##### *General Risks*

The prices of equity securities, and the value of the ETFs that invest in them, will rise and fall. These price movements may result from factors affecting individual companies, industries, or the securities market as a whole. Individual companies may report poor results or be negatively affected by industry and/or economic trends and developments. The prices of securities issued by such companies may suffer a decline in response. In addition, the equity market tends to move in cycles, which may cause stock prices to fall over short or extended periods of time.

##### *Large- and Mid-Cap Risks*

Stocks of mid-cap companies tend to be more volatile than those of large-cap companies because midcap companies tend to be more susceptible to adverse business or economic events than larger, more established companies. During a period when large and mid-cap U.S. stocks fall behind other types of investments-bonds or small-cap stocks, for instance- the performance of investment strategies focused on large- and/or mid-cap stocks will lag the performance of these other investments.

##### *Small-Cap and International Risks*

Historically, small-cap and international stocks have been riskier than large- and mid-cap U.S. stocks. During a period when small-cap and /or international stocks fall behind other types of investments-U.S. large- and mid-cap stocks, for instance- the performance of investment strategies focused on small-cap or international stocks may lag the performance of these other investments.

##### *Fixed Income-Related Risks*

##### *General Risks*

Bond markets tend to rise and fall daily, and fixed income investments, which generally also include instruments with variable or floating rates, are subject to various risks. As with an investment whose performance is tied to bond markets, the value of a fixed income ETF will fluctuate, which means that you could lose money.

##### *Interest Rate Risks*

When interest rates rise, bond prices usually fall, and with them the value of an ETF holding the bonds. A decline in interest rates generally raises bond prices, and with them potentially the value of an ETF share, but could also hurt the performance of an ETF by lowering its yield. The longer the duration of the investments held by an ETF, the more sensitive to interest rate movements its value is likely to be.

#### *Credit Risks*

A decline in the credit quality of a fixed income investment could cause the value of a fixed income ETF to fall. The ETF could lose value if the issuer or guarantor of a portfolio investment fails to make timely principal or interest payments or otherwise honor its obligations. The emphasis of a fixed income strategy on quality and preservation of capital also could cause an ETF to underperform certain other types of bond investment, particularly those that take greater maturity and credit risks.

#### *High-Yield Risks*

High-yield securities and unrated securities of similar credit quality (sometimes called junk bonds) are subject to great levels of credit and liquidity risks. High-yield securities and the ETFs that invest in them may be considered speculative.

#### *Government Securities Risks*

Many U.S. government securities are not backed by the full faith and credit of the United States government, which means they are neither guaranteed by the U.S. Treasury. Certain issuers of securities, such as the Federal Home Loan Banks, maintain limited lines of credit with the U.S. Treasury. Securities issued by other issuers, such as the Federal Farm Credit Banks Funding Corporation, are supported solely by the credit of the issuer. There can be no assurance that the U.S. Government will provide financial support to securities of its agencies and instrumentalities if it is not obligated to do so under law.

#### *State and Regional Risks*

To the extent that an ETF is invested in securities from a given state or geographic region, its value and performance could be affected by local, states and regional factors, including erosion of the tax base and changes in the economic climate. National governmental actions, such as the elimination of tax exempt status, also could affect performance. In addition, an ETF may be more sensitive to adverse economic, business or political developments if a substantial portion of it is invested in municipal securities that are financing similar projects.

#### *Foreign Risks*

Investments in securities of foreign issuers or securities with credit or liquidity enhancements provided by foreign entities may involve certain risks such as adverse changes in foreign economic, political, regulatory and other conditions; differing accounting, auditing, financial reporting, and legal standards and practices; differing securities market structures; and higher transaction costs. In addition, sovereign risk, or the risk that a government may become unwilling or unable to meet its loan obligations or guarantees, could increase the credit risk of financial institutions connected to that particular country.

### *Foreign Investment-Related Risks*

#### *General Risks*

Investments in securities of foreign issuers may involve certain risks that are greater than those associated with investments in securities of U.S. issuers. These include risks of adverse changes in foreign economic, political, regulatory and other conditions; changes in currency exchange rates or exchange control regulations (including limitations on currency movements and exchanges); differing accounting, auditing, financial reporting, taxes and legal standards and practices; differing securities market structures; and higher transaction costs.

#### *Emerging Market Risks*

These and other risks (e.g., nationalization, expropriation, or other confiscation of assets of foreign issuers) are greater for those ETFs investing in companies tied economically to emerging countries, the economies of which tend to be more volatile than the economies of developed countries.

#### *Frontier Markets Risks*

The risks associated with investing in foreign or emerging markets generally are magnified in frontier markets, also known as “next emerging” markets. Some frontier markets may operate in politically unstable regions of the world and may be subject to additional geopolitical/disruption of markets risks.

#### *Geopolitical/Disruption of Markets Risks*

Geopolitical events may adversely affect global economies and markets and thereby decrease the value of and/or the ease of trading the ETFs invested in those affected markets. Those events as well as other changes in foreign and domestic economic and political conditions could adversely affect the value of the strategy’s investments.

#### *Currency Risks*

Fluctuations in exchange rates may adversely affect the value of a strategy's foreign currency holdings and investments denominated in foreign currencies.

### *Risks Related to Other Asset Classes*

#### *Commodities Risks*

Commodities involve unique risks that may be distinct from those that affect stocks and bonds, including world-wide supply and demand factors, weather conditions, currency movements, and international government policies regarding commodity reserves and choice of currency for commodity pricing.

#### *Hard Asset Risks*

The production and marketing of hard assets, such as precious metals, oil and gas, real estate and/or agricultural commodities may be affected by geopolitical and environmental factors and are cyclical in nature. During periods of economic or financial instability, hard asset securities and other instruments may be subject to broad price fluctuations, reflecting volatility of energy and basic materials prices and possible instability of supply of various hard assets. Hard asset securities, hard asset companies, and other instruments may also experience greater price fluctuations than the relevant hard asset. In periods of rising hard asset prices, such securities or instruments may rise at a faster rate, and conversely, in times of falling hard asset prices, such securities may suffer a greater price decline.

#### *Real Estate Risks*

Real estate-related investments may be adversely affected by factors affecting the real estate industry, which may include changes in interest rates and social and economic trends. Real estate investment trusts ("REITS") may also be subject to the risk of fluctuations in income from underlying real estate assets, poor performance by the REITs managers, prepayments and defaults by borrowers, adverse changes in tax laws, and with respect to U.S. REITs, their failure to qualify for the special tax treatment granted to REITs under the Internal Revenue Code of 1986 and/or to maintain exempt status under the Investment Company Act.

### **Item 9. Disciplinary Information**

Vest has no legal or disciplinary events to disclose that are material to an investor's or prospective investor's evaluation of its advisory business or the integrity of its management.

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



Neither Vest nor its management persons have the types of registrations, relationships or arrangements with others in the securities or investments industries for which this item requires disclosure, and none of them have any applications pending for registrations for which this item requires disclosure.

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

Vest is adopting a Code of Ethics in compliance with Rule 204A-1(a) under the Investment Advisers Act of 1940 that establishes standards of conduct for Vest's supervised persons. The Code of Ethics includes general requirements that Vest's supervised persons must comply with fiduciary obligations to clients and with applicable securities laws, and specific requirements relating to personal trading, insider trading, conflicts of interest and confidentiality of client information. It requires supervised persons to comply with the personal trading restrictions described below and to report their personal securities transactions and holdings periodically to Vest's Compliance Officer, and requires the Compliance Officer to review those reports. It also requires supervised persons to report any violations of the Code of Ethics promptly to the Compliance Officer. Each supervised person of Vest receives a copy of the Code of Ethics and any amendments to it and must acknowledge in writing having received those materials. Annually, each supervised person must certify that he or she complied with the Code of Ethics during the preceding year. Clients and prospective clients may obtain a copy of Vest's Code of Ethics via email: [tripathi@vesthq.com](mailto:tripathi@vesthq.com)

**Item 12. Brokerage Practices**

Based on the selection of plan administrators, Vest enters into relationship with certain broker-dealers and custodians on behalf of its clients. We will only seek to establish brokerage and custodial relationships with broker-dealers who are "qualified custodians" as defined by the SEC. When determining which broker-dealer to choose, we look at the following factors:

- The financial stability and reputation of the broker-dealer; and
- Institutional transaction costs available with low account minimums; and
- The ability to trade the entire universe of financial instruments that Vest would recommend to clients; and
- The quality of the broker-dealer's trading platform and support for our record-keeping requirements; and
- The availability and manageability of an API (Application Programmer Interface) to allow Vest's platform to integrate with theirs; and

- The speed of customer service we believe the broker-dealer will offer for execution of client accounts and correction of errors should they occur.

Vest does not generate soft dollar credits or receive client referrals from a particular broker-dealer. Vest does not have any formal or informal soft-dollar arrangement and does not receive any soft-dollar benefits. Brokers and/or custodians may charge fees in addition to Vest's fees. Vest does not select or recommend broker-dealers for clients' transactions.

Vest may, but is not required to, aggregate orders for a client's account with orders of other clients. Vest may aggregate sale and purchase orders for clients. In such event, the average price of securities purchased or sold in such a transaction may be determined and a client may be charged or credited, the average transaction price. As a result, the price may be less favorable to the client that would be if similar transaction were not being executed concurrently for other accounts.

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

Participants will have access to a secure user-profile on the Vest website, which they can use to view account performance and manage investment allocations. From this secure profile, they will have access to real-time reports containing their account balance and performance to-date, which they can view at any time. In addition to this, they will receive a quarterly report highlighting the performance for the period. All reports are prepared by a third party record-keeping system. On a monthly basis, the Vest investment platform will conduct account reviews to track the consistency of the account with the Participants' benchmark-portfolio, and rebalance the account as necessary.

Plan administrators will also have access to a secure plan-profile on the Vest website, which they can use to manage the Plan (e.g., employer-match percentage). From this secure profile, they will have access to real-time reports containing the balance and performance to-date of the Plan as a whole. The Plan administrators will also receive a separate quarterly report from the custodian. On an annual basis, Vest's investment committee will conduct a review of the Plan's investment menu, to ensure it remains suitable for Participants and is in keeping with the Plan's financial objectives.

Vest's investment tools are intended for Participants to utilize to review their account and better understand and manage their holdings and performance. Vest personnel conduct only limited, non-periodic individual reviews on Participant accounts when flagged by certain investment activity and account settings.

Vest will contact Participants at least once a year via electronic channels to ask them to update their information on the Vest website if there have been any material changes. Participants who have experienced material changes to their financial circumstances or investment

objectives, or which to impose or modify restrictions on the management of their accounts should promptly update their information on the Vest's website.

Participants receive electronically a confirmation of each transaction and an account statement (at least quarterly) detailing positions and activity in their accounts. That statement includes a summary of all transactions made on the Participant's behalf, all contributions and withdrawals made to or from the account, all fees and expenses charged to the account, and the account value at the beginning and end of the period. That statement may be based upon information obtained from third parties.

Vest conducts account reviews on an ongoing basis, with the frequency determined by agreement with the Participant. Participants receive notices, account statements and other investment information directly from the broker-dealer, custodian, recordkeeper or other service providers to the Plan.

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

Vest may engage solicitors to whom it pays cash or a portion of the advisory fees paid by clients referred to it by those solicitors. In such cases, this practice is disclosed in writing to the client, and Vest complies with the other requirements of Rule 206(4)-3 under the Investment Advisers Act of 1940, if applicable.

#### **Item 15. Custody**

The custodian of each individually managed account sends account statements at least quarterly to the Participant. Each Participant should carefully review those statements and compare them with the statements that he or she receives directly from Vest, if any.

#### **Item 16. Investment Discretion**

Vest requires that an account agreement be completed by each Participant who decides to retain Vest as his or her investment advisor. Under the terms of the account agreement, Vest assumes full discretionary trading and investment authority over the Participant's assets held with broker. This means that Vest is given full authority without the need of consultation, under a power of attorney arrangement, to select the timing, size and identity of securities to buy and sell for the Participant.

Vest does not have discretionary authority in regard to any Participant assets unless Vest is engaged as an ERISA 3(38) fiduciary. In this latter capacity, Vest selects the funds to be included in the Plan investment lineup. Vest does not manage the underlying funds that it selects. When performing these duties, Vest does not have custody of any Participant assets.

#### **Item 17. Voting Client Securities**

Vest does not have authority to vote on client securities for Participants.

**Item 18. Financial Information**

Vest does not require or solicit pre-payment of any advisory fees and is therefore not required to include a balance sheet or its most recent fiscal year. Vest does not have any adverse financial condition that is reasonably likely to impair its ability to continuously meet contractual commitments to our clients. Vest is not the subject of any bankruptcy petition, nor has it been the subject of any bankruptcy petition at any time.

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**PRIVACY POLICY**

**VestHQ, LLC.** ("Vest") may collect nonpublic information to process and administer clients' business and to ensure that Vest is satisfying their financial needs. This includes:

- Information provided to Vest, such as on applications, questionnaires, contracts, or other forms.
- Transactions, account balances, account history, and transactions with Vest, affiliates or third parties.
- Information provided by clients and their representatives.

**Security Measures:**

It is the policy of Vest to restrict access to nonpublic information to those employees, agents, representatives or third parties that need to know the information to provide products and services to its clients. This includes:

- Physical safeguards including restricted elevator access to its offices and full-time staffed security desk to check people who arrive at the office.
- Electronic safeguards including firewalls for server database protection, passwords for computer login for on-site computers, and limited access to the off-site computer room.
- Restricting access to client information to those required to have access in order to service client needs.

**Sharing of nonpublic information:**

**Vest** does not share nonpublic information about its clients with anyone except:

- As permitted or required by law.
- Affiliated Vest companies, brokers, banks, agents, employees, and third parties who need to know this information in order to perform services on the client's behalf.
- Other financial institutions with whom Vest has a relationship, which may include banks, attorneys, trustees, third-party administrators, registered broker/dealers, auditors, regulators, and transfer agents, in order to service client accounts.