

**Item 1 – Cover Page**

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This brochure provides information about the qualifications and business practices of John C. Foti doing business as Experient Portfolio Management. If you have any questions about the contents of this brochure, please contact John Foti at 661-586-8549 or at [myvisualizer@yahoo.com](mailto:myvisualizer@yahoo.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 Experient Portfolio Management is also available on the Internet at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can view our firm's information on this website by searching for the firm name John C. Foti or Experient Portfolio Management or our firm CRD number 153286.

\*Registration as an investment advisor does not imply a certain level of skill or training.

## **Item 2 – Material Changes**

Since our last annual update was filed in March 2018 the following material changes have been made to this disclosure brochure:

- In March 2019 the firm applied to change its primary regulatory authority from the United States Securities and Exchange Commission to the State of Oregon.
- Item 1 -- The firm changed its office location to 2235 Bayocean Rd. NW, Tillamook, OR 97141.
- Item 4 – Advisory Business. Assets Under Management was reduced from \$x to \$x.
- Item 10 -- Mr. Foti no longer has any role in Autosport Fund Advisors, Inc. and the firm is no longer in operation. Mr. Foti is no longer trustee of Grand Prix Investors Fund and the Fund was closed July 2017.

We will ensure that you receive a summary of material changes, if any, to this and subsequent disclosure brochures within 120 days after our fiscal year ends. Our fiscal year ends on December 31 and you will receive the summary of material changes, if any, no later than April 30 each year. At that time we will also offer a copy of the most current disclosure brochure. We may also provide other ongoing disclosure information about material changes as necessary.

### Item 3 – Table of Contents

Item 1 – Cover Page .....	1
Item 2 – Material Changes .....	2
Item 3 – Table of Contents .....	3
Item 4 – Advisory Business .....	4
General Description of Primary Advisory Services .....	4
Specialization .....	4
Limits Advice to Certain Types of Investments .....	4
Tailor Advisory Services to Individual Needs of Clients .....	5
Client Assets Managed by Experient Portfolio Management .....	5
Item 5 – Fees and Compensation .....	5
Asset Management Services .....	5
Asset Allocation Advice For Variable Annuity & Variable Life Products .....	6
Item 6 – Performance-Based Fees and Side-By-Side Management .....	7
Item 7 – Types of Clients .....	7
Minimum Investment Amounts Required .....	7
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss .....	7
Methods of Analysis .....	7
Charting .....	7
Fundamental. ....	8
Technical. ....	8
Investment Strategies .....	8
Use of Primary Strategy .....	8
Risk of Loss .....	8
Item 9 – Disciplinary Information .....	10
Item 10 – Other Financial Industry Activities and Affiliations .....	10
Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading .....	10
Code of Ethics Summary .....	10
Affiliate and Employee Personal Securities Transactions Disclosure .....	11
Item 12 – Brokerage Practices .....	11
Handling Trade Errors .....	12
Block Trading Policy .....	12
Item 13 – Review of Accounts .....	13
Account Reviews and Reviewers .....	13
Statements and Reports .....	13
Item 14 – Client Referrals and Other Compensation .....	13
Item 15 – Custody .....	14
Item 16 – Investment Discretion .....	14
Item 17 – Voting Client Securities .....	15
Item 18 – Financial Information .....	15
Item 19 - CUSTOMER PRIVACY POLICY NOTICE .....	17
Form ADV Part 2B Brochure Supplement .....	18

#### **Item 4 – Advisory Business**

John C. Foti doing business as Experient Portfolio Management (hereafter referred to as “Experient Portfolio Management”) is an investment advisor registered with the State of Oregon and is a Sole Proprietor that was formed under the laws of the State of California. Mr. Foti has been managing client portfolios for more than thirty years. He sold his long time practice, Capital Benefits Company, in 2006.

- John C. Foti is the sole proprietor of Experient Portfolio Management.
- John C. Foti dba Experient Portfolio Management has been registered as an investment advisor since July 2010.

#### **General Description of Primary Advisory Services**

Experient Portfolio Management’s primary advisory services include custom portfolio management services to brokerage and retirement accounts for individuals and small businesses. In addition, he provides asset allocation advice for variable annuity and variable life insurance products. A more detailed description of Experient Portfolio Management’s advisory services is provided in *Item 5 – Fees and Compensation* so that clients and prospective clients can review the description of services and description of fees in a side-by-side manner.

#### **Specialization**

Experient Portfolio Management’s goal is to exceed the performance of the S&P 500 Index on a quarterly and annualized basis. The key area of our expertise is custom asset and sector allocation. The firm creates and tracks proprietary growth and value model portfolios.

#### **Limits Advice to Certain Types of Investments**

Experient Portfolio Management provides investment advice on the following types of investments:

- Exchange-listed securities (i.e. stocks)
- Securities traded over-the-counter (i.e. stocks)
- Fixed income securities (i.e. bonds)
- Closed-End Funds and Exchange Traded Funds (ETFs)
- Foreign Issues
- Corporate debt securities (other than commercial paper)
- Municipal securities
- Variable life insurance
- Variable annuities
- Mutual fund shares
- United States government securities
- Options contracts on securities

Experient Portfolio Management does not provide advice on warrants, commercial paper, certificates of deposit, options contracts on commodities, futures contracts on tangibles and intangibles, interests in partnerships investing in real estate and oil and gas interests, or hedge funds and other types of private (i.e. non-registered) securities.

When providing portfolio management services, Experient Portfolio Management typically constructs each client's account holdings using individual securities (both stocks and bonds), ETFs, options, cash positions, and short-term cash equivalents to build diversified portfolios. It is not Experient Portfolio Management's typical investment strategy to attempt to time the market but we may increase cash holdings modestly as deemed appropriate, based on your risk tolerance and our expectations of market behavior. We may modify our investment strategy to accommodate special situations such as low basis stock, stock options, legacy holdings, inheritances, closely held businesses, collectibles, or special tax situations. *(Please refer to Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss for more information.)*

### **Tailor Advisory Services to Individual Needs of Clients**

Experient Portfolio Management's services are always provided based on the individual needs of each client. This means, for example, that you are given the ability to impose restrictions on the accounts we manage for you, including specific investment selections and sectors. We work with each client on a one-on-one basis through interviews and questionnaires to determine the client's investment objectives and suitability information.

### **Client Assets Managed by Experient Portfolio Management**

The amount of client assets managed by Experient Portfolio Management totaled \$7,695,900.25 as of December 31, 2018. All of these assets are managed on a discretionary basis and no assets are managed on a non-discretionary basis.

## **Item 5 – Fees and Compensation**

In addition to the information provide in *Item 4 – Advisory Business*, this section provides additional details regarding our firm's services along with descriptions of each service's fees and compensation arrangements.

### **Asset Management Services**

Experient Portfolio Management provides portfolio management services through accounts maintained at a qualified custodian. The qualified custodian will maintain custody of all funds and securities. Experient Portfolio Management will not have direct access to client funds and securities.

Experient Portfolio Management offers portfolio management services for a percentage of assets under management. Charges for Experient Portfolio Management's portfolio management services generally will be 1.75% annually. The actual fee charged to each client is negotiable based on factors such as the client's financial situation and circumstances, the amount of assets under management, and the complexity of the services provided. The exact fee for services will be agreed upon and disclosed in the agreement for services prior to services being provided.

Fees will be billed monthly in arrears based on the value of the account at the end of each calendar month. Fees will be prorated based on the number of days that services are provided when the account is established or terminated at anytime other than the beginning of a calendar quarter. Fees are generally

deducted directly from your account. You must provide the custodian with written authorization to have fees deducted from the account and paid to Experient Portfolio Management. At the discretion of Experient Portfolio Management, you may pay fees directly to the firm. If you pay fees directly, payment is due upon receipt of the billing statement from Experient Portfolio Management.

The custodian will send client statements, at least quarterly, showing all disbursements for the account including the amount of the advisory fee, if deducted directly from the account. Experient Portfolio Management provides performance and position reports on a quarterly or as-needed basis. You should compare all reports received from Experient Portfolio Management against quarterly account statements received from the custodian. Any discrepancies between reports received from Experient Portfolio Management and the statements received from the custodian should be immediately reported to Experient Portfolio Management and/or the custodian.

Brokerage commissions and/or transaction ticket fees charged by the custodian will be billed directly to you. Experient Portfolio Management will not receive any portion of such commissions or fees from the custodian or client. In addition, clients may incur certain charges imposed by third parties other than Experient Portfolio Management in connection with investments made through the account, including but not limited to, mutual fund sales loads, 12(b)-1 fees and surrender charges, variable annuity fees and surrender charges, and IRA and qualified retirement plan fees. Management fees charged by Experient Portfolio Management are separate and distinct from the fees and expenses charged by investment company securities that may be recommended to you. A description of these fees and expenses are available in each investment company security's prospectus.

Either party may terminate the agreement by providing notice to the other party. Termination will be effective upon receipt of notification. If services are terminated within five (5) business days of executing the agreement, services will be terminated without penalty. If services are terminated after the initial five day period, any fees due will be prorated.

### **Asset Allocation Advice For Variable Annuity & Variable Life Products**

Experient Portfolio Management provides asset allocation services for variable annuity and variable life accounts held by the client at the variable product sponsor. The variable product sponsor maintains custody of all variable annuity or variable life policies. Experient Portfolio Management will not have direct access to your variable annuity or variable life investments.

Experient Portfolio Management offers asset allocation services for variable annuity and variable life products for a percentage of assets receiving allocation advice. Charges for the firm's asset allocation services will generally be 1.25% annually. The actual fee charged to you is negotiable based on factors such as your financial situation and circumstances, the amount of assets under management, and the complexity of the services provided. The exact fee for services will be agreed upon and disclosed in the agreement for services prior to services being provided.

Fees will be billed quarterly in arrears based on the value of the account at the end of each calendar quarter. Fees will be prorated based on the number of days that services are provided when the account is established or terminated at anytime other than the beginning of a calendar quarter. Fees are billed to you by Experient Portfolio Management and payment is due upon the client's receipt of the billing statement from Experient Portfolio Management.

The variable annuity product sponsor will send client statements, at least quarterly, showing all disbursements for the account. Experient Portfolio Management provides performance and position reports on a quarterly or as-needed basis. You should compare all reports received from Experient Portfolio Management against quarterly account statements received from the custodian. Any discrepancies between reports received from Experient Portfolio Management and the statements received from the custodian should be immediately reported to Experient Portfolio Management and/or the custodian.

Asset allocation fees charged by Experient Portfolio Management are separate and distinct from the fees and expenses charged by the variable product sponsor and any sub-accounts or other investment options available within the variable product that may be recommended to you. A description of these fees and expenses are available in each variable product prospectus.

Either party may terminate the agreement by providing notice to the other party. Termination will be effective upon receipt of notification. If services are terminated within five (5) business days of executing the agreement, services will be terminated without penalty. If services are terminated after the initial five day period, any fees due will be prorated.

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

Item 6 is not applicable to this Disclosure Brochure because Experient Portfolio Management **does not charge or accept performance-based fees**, which can be defined as fees based on a share of capital gains on or capital appreciation of the assets held within a client's account.

#### **Item 7 – Types of Clients**

Experient Portfolio Management generally provides investment advice to the following types of clients:

- Individuals
- High-Net Worth Individuals

#### **Minimum Investment Amounts Required**

There are no minimum investment amounts or conditions required for establishing an account managed by Experient Portfolio Management. However, all clients are required to execute an agreement for services in order to establish a client arrangement with Experient Portfolio Management.

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

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

Experient Portfolio Management uses the following methods of analysis in formulating investment advice:

Charting. The set of techniques used in technical analysis in which charts are used to plot price movements, volume, settlement prices, open interest, and other indicators, in order to anticipate

future price movements. Users of these techniques, called chartists, believe that past trends in these indicators can be used to extrapolate future trends.

Fundamental. A method of evaluating a security by attempting to measure its intrinsic value by examining related economic, financial and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of companies). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short). This method of security analysis is considered to be the opposite of technical analysis. Fundamental analysis is about using real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for nearly any type of security.

Technical. This is a method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity. Technical analysts believe that the historical performance of stocks and markets are indications of future performance.

### **Investment Strategies**

Experient Portfolio Management uses the following investment strategies when managing client assets and/or providing investment advice:

Long term purchases. Investments held at least a year.

Short term purchases. Investments sold within a year.

Margin transactions. When an investor buys a stock on margin, the investor pays for part of the purchase and borrows the rest from a brokerage firm. For example, an investor may buy \$5,000 worth of stock in a margin account by paying for \$2,500 and borrowing \$2,500 from a brokerage firm. Clients cannot borrow stock from Experient Portfolio Management.

Option writing including covered options, uncovered options, or spreading strategies. Options are contracts giving the purchaser the right to buy or sell a security, such as stocks, at a fixed price within a specific period of time.

### **Use of Primary Strategy**

Experient Portfolio Management's primary strategy involves frequent trading of securities. The frequent trading of securities may have a positive or negative impact on investment performance. Performance from active trading can be lowered due to an increase in brokerage and other transaction costs.

### **Risk of Loss**



Past performance is not indicative of future results. Therefore, you should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, and bonds) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. You should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, our firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. There are certain additional risks associated when investing in securities through our investment management program.

- Market Risk – Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic 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.
- 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.
- Fixed Income Risk. When investing in bonds, there is the risk that issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- Options Risk. Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.
- ETF and Mutual Fund Risk – When investing in a 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.

- **Management Risk** – Your investment with our firm varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.

### **Item 9 – Disciplinary Information**

Item 9 is not applicable to this Disclosure Brochure because there are no legal or disciplinary events that are material to a client's or prospective client's evaluation of our business or integrity.

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

Experient Portfolio Management is **not** and does **not** have a related company that is a (1) broker/dealer, municipal securities dealer, government securities dealer or broker, (2) futures commission merchant, commodity pool operator, or commodity trading advisor, (3) banking or thrift institution, (4) accountant or accounting firm, (5) lawyer or law firm, (6) insurance company or agency, (7) pension consultant, (8) real estate broker or dealer, or (9) sponsor or syndicator of limited partnerships.

**Other Financial Industry Activities or Affiliations.** You may work with Mr. Foti in his separate capacity as an insurance agent. When acting in his separate capacity as an insurance agent, he may sell, for commissions, life insurance and annuities to you. As such, in his capacity as an insurance agent, he may suggest that you implement recommendations of the Advisor by purchasing life insurance and annuities. This receipt of commissions creates an incentive for him to recommend those products for which he will receive a commission in his separate capacity as an insurance agent. Consequently, the advice rendered to you could be biased. You are under no obligation to implement any insurance or annuity transaction through Mr. Foti.

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

#### **Code of Ethics Summary**

An investment adviser is considered a fiduciary and has a fiduciary duty to all clients. Experient Portfolio Management has established a Code of Ethics to comply with the requirements of the securities laws and regulations that reflects its fiduciary obligations and those of its supervised persons. The Code of Ethics also requires compliance with federal securities laws. Experient Portfolio Management's Code of Ethics covers all individuals that are classified as "supervised persons." All employees, officers, directors and investment adviser representatives are classified as supervised persons. Experient Portfolio Management requires its supervised persons to consistently act in your best interest in all advisory activities. Experient Portfolio Management imposes certain requirements on its affiliates and supervised persons to ensure that they meet the firm's fiduciary responsibilities to you. The standard of conduct required is higher than ordinarily required and encountered in commercial business.

This section is intended to provide a summary description of the Code of Ethics of Experient Portfolio Management. If you wish to review the Code of Ethics in its entirety, you should send us a written request and upon receipt of your request, we will promptly provide a copy of the Code of Ethics to you.

### **Affiliate and Employee Personal Securities Transactions Disclosure**

Experient Portfolio Management or associated persons of the firm may buy or sell for their personal accounts, investment products identical to those recommended to clients. This creates a conflict of interest. It is the express policy of Experient Portfolio Management that all persons associated in any manner with our firm must place clients' interests ahead of their own when implementing personal investments. Experient Portfolio Management and its associated persons will not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of employment or association with our firm unless the information is also available to the investing public upon reasonable inquiry.

We are now and will continue to be in compliance with applicable state and federal rules and regulations. To prevent conflicts of interest, we have developed written supervisory procedures that include personal investment and trading policies for our representatives, employees and their immediate family members (collectively, associated persons):

- Associated persons cannot prefer their own interests to that of the client.
- Associated persons cannot purchase or sell any security for their personal accounts prior to implementing transactions for client accounts.
- Associated persons cannot buy or sell securities for their personal accounts when those decisions are based on information obtained as a result of their employment, unless that information is also available to the investing public upon reasonable inquiry.
- Associated persons are prohibited from purchasing or selling securities of companies in which any client is deemed an "insider."
- Associated persons are discouraged from conducting frequent personal trading.
- Associated persons are generally prohibited from serving as board members of publicly traded companies unless an exception has been granted by the Chief Compliance Officer of Experient Portfolio Management.

Any associated person not observing our policies is subject to sanctions up to and including termination.

### **Item 12 – Brokerage Practices**

Experient Portfolio Management recommends that clients establish brokerage accounts with Trade PMR to maintain custody of clients' assets and to effect trades for their accounts. Experient Portfolio Management is independently owned and operated and not affiliated with Trade PMR. Trade PMR provides Experient Portfolio Management with access to institutional trading and custodial services. Custodial services include brokerage, custody, research, and access to mutual funds and other investments.

Trade PMR also makes available to Experient Portfolio Management other products and services that benefit Experient Portfolio Management but may not benefit the client accounts of Experient Portfolio Management. Some of these other products and services assist Experient Portfolio Management in managing and administering client accounts. These include software and other technology that provide

access to client account data (such as trade confirmation and account statements); facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts); provide research, pricing information and other market data; facilitate payment of Experient Portfolio Management's fees from client accounts; and assist with back-office functions; recordkeeping and client reporting. Many of these services may generally be used to service all or a substantial number of Experient Portfolio Management's accounts, including accounts not maintained at Trade PMR. Trade PMR also makes available to Experient Portfolio Management other services intended to help Experient Portfolio Management manage and further develop its business enterprise. These services may include consulting, publications, and conferences on practice management, information technology, business succession, regulatory compliance, and marketing. In addition, Trade PMR may make available, arrange and/or pay for these types of services rendered to Experient Portfolio Management by an independent third party providing these services to Experient Portfolio Management. While as a fiduciary, Experient Portfolio Management endeavors to act in its clients' best interests, and Experient Portfolio Management's recommendation that clients maintain their assets in accounts at Trade PMR may be based in part on the benefit to Experient Portfolio Management of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by Trade PMR, which may create a potential conflict of interest.

Experient Portfolio Management does not require that clients use any specific broker/dealer or custodian for their managed accounts. At Experient Portfolio Management's discretion, the firm may provide services to clients who direct Experient Portfolio Management to use a broker/dealer or custodian other than Trade PMR for their managed accounts. However, when clients direct the use of a specific broker/dealer or custodian, they may receive less favorable prices than would otherwise be the case if clients had not designated a particular broker/dealer or custodian.

### **Handling Trade Errors**

Experient Portfolio Management has implemented procedures designed to prevent trade errors; however, trade errors in client accounts cannot always be avoided. Consistent with its fiduciary duty, it is the policy of Experient Portfolio Management to correct trade errors in a manner that is in the best interest of the client. In cases where the client causes the trade error, the client will be responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, the client may not be able to receive any gains generated as a result of the error correction. In all situations where the client does not cause the trade error, the client will be made whole and any loss resulting from the trade error will be absorbed by Experient Portfolio Management if the error was caused by the firm. If the error is caused by the broker-dealer, the broker-dealer will be responsible for handling the trade error. If an investment gain results from the correcting trade, the gain will remain in the client's account unless the same error involved other client account(s) that should also receive the gains and it is not permissible for all clients to retain the gain. Experient Portfolio Management may also confer with clients to determine if the client should forego the gain (e.g., due to tax reasons).

Experient Portfolio Management will never benefit or profit from trade errors.

### **Block Trading Policy**

Transactions implemented by Experient Portfolio Management for client accounts are generally effected independently, unless Experient Portfolio Management decides to purchase or sell the same securities for several clients at approximately the same time. This process is referred to as aggregating orders, batch

trading or block trading and is used by Experient Portfolio Management when Experient Portfolio Management believes such action may prove advantageous to clients. When Experient Portfolio Management aggregates client orders, the allocation of securities among client accounts will be done on a fair and equitable basis. Typically, the process of aggregating client orders is done in order to achieve better execution, to negotiate more favorable commission rates or to allocate orders among clients on a more equitable basis in order to avoid differences in prices and transaction fees or other transaction costs that might be obtained when orders are placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among Experient Portfolio Management's clients in proportion to the purchase and sale orders placed for each client account on any given day. When Experient Portfolio Management determines to aggregate client orders for the purchase or sale of securities, including securities in which the associated person of Experient Portfolio Management may invest, Experient Portfolio Management will do so in accordance with the parameters set forth in the SEC No-Action Letter, *SMC Capital, Inc.* It should be noted, Experient Portfolio Management does not receive any additional compensation or remuneration as a result of aggregation.

### **Item 13 – Review of Accounts**

#### **Account Reviews and Reviewers**

The calendar is the main triggering factor for account reviews, although more frequent reviews may be triggered by changes in the client's circumstances, client request, or unusual market and/or economic activity. Absent specific client instruction, accounts are reviewed for continued suitability, accuracy of holdings and to ensure the portfolios continue to work toward each client's goals and objectives. John Foti is responsible for day to day rebalancing, reallocation and ongoing trading services for the client accounts.

#### **Statements and Reports**

The custodian will provide account statements. Experient Portfolio Management will provide performance and position reports to clients on a quarterly or as needed basis.

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

Rule 206(4)-3 of the *Advisers Act* ("Rule 206(4)-3") sets forth certain conditions that govern the ability of an investment adviser to make cash payments for the solicitation of clients. Prior to entering into an agreement with a solicitor, Experient will conduct a full due diligence investigation into the solicitor and their business practices to ensure that all the requirements of Rule 206(4)-3 are met. John Foti is responsible for conducting and documenting the initial and annual due diligence review of each solicitor. In order to ensure that Experient has fully satisfied its investigation responsibilities, the initial investigation of a solicitor will, at a minimum, include the following:

John Foti will conduct an annual review to examine any material changes the solicitor has made to its business practices since the last due diligence review. At least annually, John Foti will contact all solicitors to confirm each solicitor is delivering, at the time of solicitation to all prospects, the solicitor disclosure statement, Form ADV Part 2A and the Form ADV Part 2B Brochure Supplement(s) for any supervised person(s) of the adviser who will formulate the investment advice for the client and will have

direct contact with the client, and any supervised person(s) of the adviser who has discretionary authority over the client's assets.

### Item 15 – Custody

Custody, as it applies to investment advisors, has been defined by regulators as having access or control over client funds and/or securities. In other words, custody is not limited to physically holding client funds and securities. If an investment advisor has the ability to access or control client funds or securities, the investment advisor is deemed to have custody and must ensure proper procedures are implemented.

Experient Portfolio Management is deemed to have custody of client funds and securities whenever Experient Portfolio Management is given the authority to have fees deducted directly from client accounts. However, this is the only form of custody Experient Portfolio Management will ever maintain. It should be noted that authorization to trade in client accounts is not deemed by regulators to be custody.

For accounts in which Experient Portfolio Management is deemed to have custody, the firm has established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address and the manner in which the funds or securities are maintained. Finally, account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. Clients should carefully review those statements and are urged to compare the statements against reports received from Experient Portfolio Management. When clients have questions about their account statements, they should contact Experient Portfolio Management or the qualified custodian preparing the statement.

### Item 16 – Investment Discretion

Through its asset management services and upon receiving written authorization from a client, Experient Portfolio Management will maintain trading authorization over client accounts. Upon receiving written authorization from the client, Experient Portfolio Management may implement trades on a **discretionary** basis. When discretionary authority is granted, Experient Portfolio Management will have the authority to determine the type of securities and the amount of securities that can be bought or sold for the client's portfolio without obtaining the client's consent for each transaction. However, it is the policy of Experient Portfolio Management to consult with the client prior to making significant changes in the account even when discretionary trading authority is granted by the client.

If you decide to grant trading authorization on a **non-discretionary** basis, we will be required to contact you prior to implementing changes in your account. Therefore, you will be contacted and required to accept or reject our investment recommendations including:

- The security being recommended
- The number of shares or units
- Whether to buy or sell

Once the above factors are agreed upon, Experient Portfolio Management will be responsible for making decisions regarding the timing of buying or selling an investment and the price at which the investment is bought or sold. If your accounts are managed on a non-discretionary basis, you need to know that if you are not able to be reached or are slow to respond to our request, it can have an adverse impact on the timing of trade implementation and we may not achieve the optimal trading price.

All clients have the ability to place reasonable restrictions on the types of investments that may be purchased in an account. Clients may also place reasonable limitations on the discretionary power granted to our firm so long as the limitations are specifically set forth or included as an attachment to the client agreement.

### **Item 17 – Voting Client Securities**

Experient Portfolio Management does not perform proxy-voting services on a client's behalf. Clients are instructed to read through the information provided with the proxy-voting documents and to make a determination based on the information provided. Clients have the ultimate responsibility for making all proxy-voting decisions.

### **Item 18 – Financial Information**

Item 18 is not applicable to this brochure. Experient Portfolio Management does not require or solicit prepayment of more than \$1200 in fees per client, six months or more in advance. Therefore, Experient Portfolio Management is not required to include a balance sheet for our most recent fiscal year. Experient Portfolio Management is not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, Experient Portfolio Management has not been the subject of a bankruptcy petition at any time (*Please refer to Information Required by Part 2B of Form ADV: Brochure Supplement for more information*).

### **Item 19 – Requirements for State-Registered Advisers**

#### **Executive Officer and Management Personnel**

**John C. Foti**

**Born:** 1953, **CRD #** 1420133

#### ***Post-Secondary Educational Background:***

From December 1976 to Present, Mr. Foti has successfully completed various financial services industry courses and programs including: Estate Taxation, Series 7 License Training, Series 65 License Training, Life & Disability License Training, Variable Annuity Contracts training & Licensing, Estate Protection, Income Taxation, Investments, Understanding Financial Statements, Options Trading, Stock & Bond Analysis, Buy/Sell Agreements, Business Continuation Plans, Qualified Plans, Split Dollar Life Ins., Keyman Planning, Deferred Compensation Plans, IRA Keogh & 401k, LTC planning and licensing, Financial Planning for the Elderly, Employee Benefit Plans, Retirement Analysis, Charitable Giving, Charitable, Lead & Family Trusts.

Mr. Foti has more than 32 years of experience as a financial planner.

Mr. Foti has no formal education after high school, other than the specialized financial planning courses listed above.

***Business Background:***

- John Foti DBA Experient Portfolio Management, Sole Proprietorship, Owner, May 2008- Present
- Autosport Fund Advisors, Owner, June 2008 – March 2018
- Grand Prix Investors Trust, Trustee, June 2008 – March 2018
- John Foti DBA Capital Benefits Co., Owner, Sept 1990-Feb 2006 (sold this DBA in Feb 2006)
- National Planning Corp., Registered Representative & Investment Advisor Representative, 1990-July 2010 (Used DBA Experient Portfolio Management for activities as Registered Representative and as Investment Adviser Representative of National Planning Corp.)

Mr. Foti has spent the last 32 years advising clients on wealth creation and wealth preservation including individual specific Estate and Retirement Planning. The last 24 years include hands-on, day-to-day management of clients' individual and retirement investment accounts. These duties included stock and bond selection, industry sector weightings, asset class allocation, and timing of buying and selling. Mr. Foti is a multi-year qualifier of the Million Dollar Roundtable and Court of the Table. He was twice the President of the Antelope Valley Chapter of NAIFA, the National Association of Insurance & Financial Advisors.

**Other Business Activities**

Please see Item 10 of this Disclosure Brochure (John C. Foti dba Experient Portfolio Management Form ADV Part 2A Disclosure Brochure) for details regarding other business activities of John C. Foti.

**No Performance Based Fees**

As previously disclosed in *Item 6*, John C. Foti does not charge or accept performance-based fees.

**No Arbitrations**

John C. Foti has not been the subject of any client arbitrations or similar legal disputes.



## CUSTOMER PRIVACY POLICY NOTICE

Regulation S-P, Privacy of Consumer Financial Information, requires financial institutions, including Experient Portfolio Management, to provide notice to current clients and prospective clients about their policies and practices concerning the collection and use of customer, non-public information. This privacy policy notice is given to all prospective clients of Experient Portfolio Management upon entering into a contract with Experient Portfolio Management and annually thereafter.

**Privacy Disclosure Statement.** A primary goal of Experient Portfolio Management is to protect the privacy of its clients. Experient Portfolio Management does not sell the personal information of clients to anyone.

To conduct regular business, Experient Portfolio Management may collect nonpublic personal information from clients. This information is provided by clients to Experient Portfolio Management on applications and other forms provided by clients to Experient Portfolio Management as well as transactions with the firm, our affiliates, or others.

Experient Portfolio Management may enter into contracts with outside third parties so that Experient Portfolio Management can assist its clients in servicing their accounts. In order to do this, Experient Portfolio Management will disclose personal information to companies that help Experient Portfolio Management process transactions for client accounts (for example, executing client trades through a broker/dealer). However, Experient Portfolio Management does not share or disclose any nonpublic customer information except as allowed or required by law. In addition to sharing information in order to provide financial services to clients, Experient Portfolio Management may be required to disclose personal information to cooperate with regulators or law enforcement authorities, to resolve customer disputes, or for risk control.

**Information Safeguarding.** Experient Portfolio Management has implemented strict policies and procedures aimed at protecting the sensitive nature of client information. Experient Portfolio Management restricts access to client information to only those members of Experient Portfolio Management that must provide products and services to clients in order to service client accounts. Experient Portfolio Management has implemented physical, electronic, and procedural safeguards aimed at meeting Experient Portfolio Management's duty to protect nonpublic client information.

If you have any questions concerning Experient Portfolio Management's customer privacy policy or concerns about your personal information please contact John Foti.

## Form ADV Part 2B Brochure Supplement

### Item 1 – Cover Page

John C. Foti  
**Experient Portfolio Management**  
2235 Bayocean Rd NW  
Tillamook, OR. 97141

Mailing Address:  
P.O. Box 668  
Tillamook OR. 97141

Ph: 661-586-8549

This brochure supplement provides information about John Foti that supplements this Disclosure Brochure. Please contact John C. Foti if you have any questions about the contents of this supplement.

Additional information about John Foti is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

### Item 2 – Educational Background and Business Experience

#### **John Foti**

**Born:**1953, **CRD#** 1420133

#### ***Educational Background:***

From December 1976 to Present, Mr. Foti has successfully completed various financial services industry courses and programs including: Estate Taxation, Series 7 License Training, Series 65 License Training, Life & Disability License Training, Variable Annuity Contracts training & Licensing, Estate Protection, Income Taxation, Investments, Understanding Financial Statements, Options Trading, Stock & Bond Analysis, Buy/Sell Agreements, Business Continuation Plans, Qualified Plans, Split Dollar Life Ins., Keyman Planning, Deferred Compensation Plans, IRA Keogh & 401k, LTC planning and licensing, Financial Planning for the Elderly, Employee Benefit Plans, Retirement Analysis, Charitable Giving, Charitable, Lead & Family Trusts.

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### **Item 3 – Disciplinary Information**

John C. Foti has never been subject to a legal or disciplinary event.

### **Item 4 – Other Business Activities**

Please see Item 10 of this Disclosure Brochure (John C. Foti dba Experient Portfolio Management Form ADV Part 2A Disclosure Brochure) for details regarding other business activities of John C. Foti.

### **Item 5 – Additional Compensation**

Other than the fees detailed in Item 5 of this Disclosure Brochure, John C. Foti receives no other compensation related to advisory services provided to clients.

### **Item 6 – Supervision**

John C. Foti is the Chief Compliance Officer of Experient Portfolio Management. John C. Foti is responsible for developing, overseeing and enforcing the firm's compliance programs that have been established to monitor and supervise the activities and services provided by the firm and its representatives.

### **Item 7 – Requirements for State-Registered Advisers**

John C. Foti has not been involved in an arbitration award and has not been found liable in an arbitration claim alleging damages in excess of \$2,500. He has not been involved in any award or found liable in any civil, self-regulatory organization, or administrative proceeding. Additionally, he has not been the subject of a bankruptcy petition.