

# **Symphony Wealth Management, LLC.**

## **Brochure**

**Dated: March 1, 2019**

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This brochure ("Brochure") provides information about the qualifications and business practices of Symphony Wealth Management, LLC. (hereinafter "SWM" or "firm" or "we"). If you have any questions about the contents of this Brochure please contact us at 813-318-1526 or [tdaniel6@tampabay.rr.com](mailto:tdaniel6@tampabay.rr.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority.

Additional information about Symphony Wealth Management is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number for SWM is 283794.

Symphony Wealth Management, LLC is a Registered Investment Advisor. Registration of an investment adviser does not imply a certain level of skill or training. It is used strictly to reference the fact that we are "Registered" as an "Investment Advisor" with certain regulatory agencies that may have regulatory jurisdiction over our business practices.

SWM will provide you with a new Brochure free of charge, upon request by contacting Kevin C. Daniels, at 813-318-1526 or [tdaniel6@tampabay.rr.com](mailto:tdaniel6@tampabay.rr.com). Additionally, our brochure is available on the SEC's website, [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2. Summary of Material Changes**

On July 21, 2010, the U. S. Securities and Exchange Commission (the "SEC") unanimously adopted changes to Form ADV, Part II. All fifty states have also adopted the new format, with some additional state-specific disclosures mandated. The new Part 2, also known as the "Brochure" has 18 separate items that our firm must address (19 for state-registered advisers), each of which requires disclosure on a distinct topic, and answers must be presented in the order of the items in the form, using the headings in the form. Our goal is to provide you with easy-to-understand "plain-English disclosure," using an easy-to-read format and definite, concrete, everyday words.

Our current (updated) Form ADV Part 2 will be available to our existing and prospective clients 24 hours a day through the Investment Adviser Public Disclosure website. Additionally, we will annually and within 120 days of the end of our fiscal year, provide you with either: (i) a copy of our Form ADV, Part 2 that includes or is accompanied by a summary of material changes; or (ii) a summary of material changes that includes an offer to provide a copy of the current Form ADV, Part 2. We urge you to carefully review all subsequent summaries of material changes, as they will contain important information about any significant changes to our advisory services, fee structure, business practices, conflicts of interest, and disciplinary history.

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

Symphony Wealth Management is a limited liability company formed in the State of Florida on January 1, 2015. Our principal place of business is located in Tampa, Florida. As discussed below, SWM offers to its clients (individuals, business entities, trusts, estates, and family offices) investment advisory services. As of September 30, 2016, SWM manages a total of \$23,114,524.03 in client assets on a discretionary basis.

##### ***Investment Management Services***

SWM may provide discretionary investment management services to clients on a fee basis. SWM'S annual investment management fee shall vary (up to 1.00% of the total assets under SWM's management) and be based on various objective and subjective factors. Through our asset allocation model, the firm manages individually tailored investment portfolios for clients. SWM conducts ongoing investment research and issues model updates and investment guidance based on market forces and each client's particular circumstances.

For each client, a personal investment policy or individual investment plan is created and a portfolio based on that policy or plan is managed by SWM. During the data-gathering process, SWM will typically determine the client's individual objectives, time horizons, risk tolerance, net worth, net income, age, tax situation, liquidity needs, and other pertinent information, as necessary. Once the analysis is completed, SWM develops an investment strategy with the potential client that addresses specific investment styles and the allocation of the client's assets.

Our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company and may include advice regarding no-load or load-waived mutual funds and exchange-traded funds ("ETFs"). As-needed or as-request, client portfolio holdings may also include exchange-listed and over-the-counter securities, corporate debt securities, Master Limited Partnerships ("MLPs"), United States governmental securities, certificates of deposit, warrants, commercial paper, and municipal securities.

##### ***Estate Planning and Consulting Services***

SWM does not currently provide investment related planning or consulting services such as financial planning. No associate of SWM serves as an attorney or accountant and no portion of the direct services provided by SWM should be considered as such. When requested by a client, SWM may recommend the services of other professionals for implementation purposes (i.e. attorneys, accountants, insurance agents, etc.). The client shall be under no obligation to engage any recommended professional service and shall retain absolute discretion over all such implementation decisions and is free to accept or reject any recommendations by SWM for such services.

##### ***Private Investment Funds***

SWM may provide investment advice regarding unaffiliated private investment funds. SWM may recommend to clients investment in private placement offerings and/or limited investment partnerships, such as, hedge funds and other pooled investment partnerships. SWM's role relative to private investment funds shall be limited to the initial and on-going due-diligence and investment monitoring services. If a client chooses to become an investor in a private fund, the amount of assets invested in the fund(s) shall be included as part of the clients' calculated assets under management for the purposes of measuring SWM's investment advisory fee.

Because these types of investments involve certain additional degrees of risk including, but not limited to, potential loss of principal, liquidity constraints, transparency in market value and pricing. Such investments will only be considered when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

##### ***Use of Third-Party Managers***

Generally, SWM will not make recommendations for direct investment with independent third-party managers.

## **SWM does not participate in a Wrap Fee program**

### *Investment Policy Statement ("IPS") Development or Review*

SWM will meet with each client in person to determine or review the client's investment needs and goals. For clients without an existing IPS, we will prepare a written IPS stating their needs and goals and encompassing a policy under which these goals are to be achieved. The IPS will also list the criteria for the selection of investment vehicles and the procedures and timing interval for monitoring investment performance.

### *Client Imposed Restrictions*

Advisory service programs can be tailored to the needs of individual clients. A risk tolerance profile is completed that includes the client's investment objectives, risk tolerance, time horizon, financial situation and other factors that is then used to construct a managed portfolio appropriate for that specific client.

Each client has the ability to impose reasonable restrictions on the management of the client's account, including the designation of particular securities or types of securities that should not be purchased for the account, or that should be sold if held in the account. If the client's instructions are unreasonable or SWM believes the instructions are inappropriate for the client, SWM will notify the client that, unless the instructions are modified, it not accept the client's account or may cancel a client's existing account. A client will not be able to provide instructions that prohibit or restrict the investment advisor of an open-end or closed-end mutual fund or exchange-traded funds, with respect to the purchase or sale of specific securities or types of securities within the mutual fund. Account restrictions must be made in writing by the client and provided to the investment advisor representative.

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

SWM offers to its clients (individuals, business entities, trusts, estates, and family offices) investment advisory services.

SWM shall price its services based on various objective and subjective factors. As a result, SWM clients could pay diverse fees based upon the market value of their assets, the complexity of the engagement, and the level and scope of the overall investment advisory and/or consulting services offered. As a result of these factors, the services to be provided by SWM to any particular client could be available from other advisors at lower fees. All clients and prospective clients should be guided accordingly.

#### **Investment Management Services**

SWM may provide discretionary investment management services to clients on a fee basis. SWM's annual investment management fee shall vary (up to 1.00% of the total assets under SWM's management) and be based on various objective and subjective factors including, but not limited to, the amount of assets placed under SWM's direct management, the complexity of the engagement, and the level and scope of the overall investment advisory services.

SWM's investment advisory fee shall be pro-rated and paid quarterly, in arrears. There is an account minimum of \$1,000,000, which may be waived by SWM based on the needs of the client and the complexity of the situation. SWM, in its sole discretion, may charge a lesser investment management fee based upon certain criteria (e.g. anticipated future earning capacity, anticipated future assets, related accounts, account composition, etc.). These fees are negotiable. Fees are paid quarterly, in arrears, and clients may terminate their account with thirty days written notice. Refunds will be given on a prorated basis, based on the number of days remaining in a quarter at the point of termination. Clients may terminate their accounts without penalty, for full refund, within 5 business days of signing the advisory contract.

SWM shall deduct advisory fees from the clients' custodial account. Specific fee arrangements and calculation methods are set forth in the client's advisory agreement with SWM. SWM client agreements AND the

clients' custodial account agreement may authorize the custodian to debit the client's account for the amount of SWM's investment advisory fee and to directly remit that fee to SWM in accordance with regulatory compliance procedures. In the limited circumstance where SWM bills a client directly, payment is due upon receipt of invoice. SWM shall deduct fees and/or bill clients quarterly, in arrears, based on the market value of the assets throughout the quarter. The account value used for the calculation of fees is the net equity value. This means the actual value of the account and does not include any equity value that may be enhanced by the usage of margin. Client may purchase securities that are deemed "ineligible" for billing purposes due to the nature of their inherent fee structure or per investment advisory agreement. The value of any ineligible securities is not included in the value used for the calculation of investment advisory fees.

Unless the client directs otherwise or circumstances require, SWM shall generally recommend that a qualified custodian will serve as the custodian for client investment management assets. Broker dealers charge transaction fees for effecting certain securities transactions and other activity within a custodial account (Note: transaction fees are charged for certain no-load mutual funds, transaction fees are charged for equity and fixed income transactions). In addition to SWM investment management fees, clients may also incur charges imposed at the fund-level for purchases of mutual funds and exchange traded funds. A detailed list of all activity fees will be provided to each client prior to any related activity, and on a regular and on-going basis as required by regulation.

The Investment Advisory Agreement between SWM and the client will continue in effect until terminated by either party by written notice in accordance with the terms of the agreement. Upon termination, SWM shall not apply any further fees from the date of termination.

#### Fees in General

#### Investment Supervisory Services

Fees for these services will be based on the aggregate percentage of assets under management ("AUM") for a household as follows:

AUM	ANNUAL FEE
\$1,000,000 - \$5,000,000	1 %
\$5,000,000 – and up	.50%

Fees and account minimums for all services are negotiable based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, competitive considerations, etc.). Discounts not generally available to our advisory clients may be offered to family members of SWM employees. We may group certain related client accounts for the purposes of determining the account size and/or annualized fee. At SWM's sole discretion, clients selecting multiple services may have some fees reduced and/or waived.

#### Account Termination

Termination and refund terms and conditions are outlined in each client's advisory agreement with SWM.

#### Mutual Fund and ETF Fees and Expenses

All fees paid to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. A client could invest in a mutual fund or an ETF directly, without the services of our firm. In that case, the client would not receive the services provided by us which are designed, among other things, to assist the client in determining which mutual fund or funds or ETFs are most appropriate for each client's financial condition.

and objectives. Accordingly, the client should review both the fees charged by the funds and ETFs and the fees charged by us to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

SWM **DOES NOT** accept compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds,

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

We do not charge any fees based on a share of capital gains on or capital appreciation of the assets of a client.

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

SWM clients shall generally include individuals, business entities, trusts, estates, and family offices. There is an account minimum of \$1,000,000, which may be waived by SWM based on the needs of the client and the complexity of the situation.

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

SWM shall develop an investment management process around the client. The SWM shall meet with each client and develop a thorough understanding of the client's financial situation; the client's financial goals, immediate needs, longer-term lifestyle and desires, philanthropic wishes and legacy needs, in conjunction with timeframes and risk tolerance.

Asset allocation is the cornerstone of the client's investment plan. Rather than focusing on security selection, the SWM shall identify an appropriate ratio of securities, fixed income, cash, and other investments suitable to meet the client's investment goals and risk tolerance.

When researching appropriate investments, SWM may utilize a Fundamental method of analysis. The SWM shall perform analysis on historical and present data, with a goal of making financial forecasts. SWM client portfolios shall be designed based on the principles of modern portfolio theory. The focus of modern portfolio theory is to maximize portfolio expected return for a given amount of portfolio risk. The SWM manages risk by allocating portions of client portfolios to strategies and classes that have historically demonstrated low levels of correlation with one another. Historically, portfolios assembled with investments with low levels of correlation are expected to have lower standard deviations.

As conditions evolve over time, SWM shall report on the progress of each client's investment portfolio and continuously revisit the wealth management strategy to ensure that we are meeting the client's goals and expectations.

SWM shall primarily allocate client investments among various mutual funds, exchange traded funds and alternative investments on a discretionary basis in accordance with the client's stated investment objectives.

**Investing in securities involves risk of loss that clients should be prepared to bear.**

**A risk of asset allocation** is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

**Mutual Fund and/or ETF Analysis:** The SWM shall look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest successfully over a period of time and in different economic conditions. The SWM shall also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in other fund in the client's portfolio. Lastly, the SWM shall monitor the funds or ETFs in an

attempt to determine if they are continuing to follow their stated investment strategy.

**A risk of mutual fund and/or ETF analysis** is that, as with all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the fund or ETF less suitable of the client's portfolio.

Long-term purchases: Typically, SWM shall advise clients on investments with the idea of holding them in the clients' account for a year or longer. They may do this because they believe the securities to be currently undervalued. They may do this because they want exposure to a particular asset class over time, regardless of the current projection for this class.

**A risk in a long-term purchase strategy** is that, by holding the security for this length of time, we may not take advantages of short-term gains that could be profitable to a client. Moreover, if our expectations prove incorrect, a security may decline sharply in value before we make the decision to sell.

Short-term purchases: On rare occasion, and at the specific direction of a client, SWM may also purchase securities for clients with the expectation of selling them within a relatively short time (typically a year or less). They may do this in an attempt to take advantage of conditions that they believe will soon result in a price swing in the securities they purchase.

**A risk in a short-term purchase strategy** is that, should the anticipated price swing not materialize, we are left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss. In addition, this strategy involves more frequent trading than does a longer-term strategy, and will result in increased transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

**Risks for all forms of analysis: SWM's method of research, analysis and investment strategies** do not present any significant or outsized risks. However, every method of analysis carries its own inherent risk. Our securities analysis method relies on the assumption that the securities and other investments that we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, provide accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information. C

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

Neither our firm nor any of our management persons have been subject to any material legal or disciplinary events.

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

Neither SWM, nor its representatives or associates are registered (or have a pending registration) as a broker or dealer or with another registered investment advisor.

Neither SWM, nor its representatives or associates are registered (or have a pending registration) as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative for any of the aforementioned types of entities.

Neither SWM, nor its representatives or associates are registered (or have a pending registration) as a licensed insurance agent.

**SWM's Chief Compliance Officer, Kevin C. Daniels remains available to address any questions that a client or prospective client may have regarding the above relationship.**

SWM does not receive, directly or indirectly, compensation from mutual funds or ETFs that it recommends or selects for its clients.

We require that our supervised persons seek prior approval of any outside employment activity so that we may ensure that any conflicts of interests in such activities are properly addressed;

We periodically monitor these outside business activities to verify that any conflicts of interest continue to be properly addressed by our firm; and

We educate our supervised persons regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

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

We have adopted a Code of Ethics (the “Code of Ethics”) which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws. The Code of Ethics includes policies and procedures governing personal trading by our access persons. The Code of Ethics provides for oversight, enforcement and recordkeeping. A copy of the Code of Ethics is available to our advisory clients and prospective clients upon request to the Chief Compliance Officer, at our principal office address.

Neither our firm, nor individuals associated with our firm, may buy or sell for their personal accounts securities identical to those recommended to, or purchased for, customers. This practice results in a potential conflict of interest, as there may be an incentive to manipulate the timing of such purchases to obtain a better price or more favorable allocation in rare cases of limited availability. To supervise for these potential conflicts of interest, SWM maintains a personal securities transaction policy to monitor the personal securities transactions and holdings for each associate. The personal securities policy requires each associate to maintain all related accounts within the firm’s custodial platform and subject to real-time review by the SWM Chief Compliance Officer.

SWM shall **not** recommend, buy or sell for clients’ accounts any securities in which SWM associate maintains a material financial interest.

***Item 12. Brokerage Practices***

Our firm plans to participate in a qualified custodial program. Although these programs have unique features, generally, as a result of participating in them, our firm receives benefits that are not available to other retail investors. These benefits may include a trading platform, receipt of duplicate client confirmations and bundled duplicate statements, access to a dedicated trading desk serving program participants exclusively; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts, ability to have investment advisory fees deducted directly from a client’s account, receipt of research and compliance publications and access to certain mutual funds which generally require significantly higher minimum initial investments or are generally available only to institutional investors. Prior to engaging SWM to provide investment management services, the client will be required to enter into a formal Investment Advisory Agreement with SWM setting forth the terms and conditions under which SWM shall manage the clients’ assets, and a separate custodial/ clearing agreement with the custodian.

The qualified custodian may also provide SWM with other services intended to help SWM manage and further develop its business enterprise, including assistance in the following areas: consulting, marketing, presentations, IT, business succession, and recruiting. Except as otherwise provided, the responsibilities of any qualified custodian may be limited to executing transactions pursuant to the direction of SWM. The client has the sole responsibility for the selection of SWM and agrees that SWM is solely responsible for the management of the client’s portfolio

SWM **DOES NOT** recommend, request or require that a *client* direct the execution of transactions through a specified broker-dealer.



We do not have any formal or informal soft-dollar arrangements and do not receive any soft-dollar benefits. We reserve the right to decline acceptance of any client account for which the client directs the use of a broker-dealer if we believe that this choice would hinder our firm's fiduciary duty to the client and/or its ability to service the account.

In certain circumstances, SWM may create model portfolios, or rebalance existing portfolios that effect transactions within multiple client accounts. In such circumstances, and only when it is advantageous to the client(s), SWM may utilize block trading functionality which provides the ability to aggregate accounts within a securities transaction and then, upon execution, allocate the appropriate shares to clients' accounts at the same average price for all participating clients.

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

Model portfolios are monitored by SWM on an ongoing basis and rebalanced as needed. Models portfolios are reviewed in the context of the investment objectives and guidelines of each model.

SWM will continuously monitor the underlying securities within client accounts as well as any selected mutual funds and/or ETFs and perform at least semi-annual formal account reviews. Accounts are reviewed for consistency with client investment strategy, asset allocation, risk tolerance and performance relative to the appropriate benchmark. More frequent reviews may be triggered by changes in an account holder's personal, tax or financial status. Firm-wide investment strategy shifts and significant political and macroeconomic events may also trigger reviews.

Account statements are provided no less frequently than quarterly by the client's selected custodian. Account statements identify account positions, balances, and transaction details. Unless otherwise contracted for, SWM will not provide any additional reporting. However, upon a client's request, a quarterly account appraisal or an annual year-end statement (written or electronic) may be created for a client.

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

Our supervised persons may not receive additional compensation as described in Item 5 of this Brochure. Please refer to Item 5 and Item 10 of this Brochure for a detailed explanation of affiliated activities by our supervised persons.

At this time, SWM does not accept or pay referral fees for client related activity.

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

Custody is defined as any legal or actual ability by our firm to access client funds or securities. Since all client funds and securities are maintained with a qualified custodian, we don't take physical possession of client assets. We urge all of our management clients to carefully review and compare any statements received from us to those they receive from their custodian. Should you notice any discrepancies, please notify us and/or your custodian as soon as possible. To the extent that SWM provides the client with periodic account information or reports, we strongly urge the client to compare any information, statement or report from SWM with the account statements received from the custodian.

**Please Note:** the account custodian does not verify the accuracy of the fee calculation for Investment Advisory services.

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

For clients granting us discretionary authority to determine which securities and the amounts of securities that are to be bought or sold for their account(s), we require that such authority be granted in writing, typically in the executed investment management agreement. With respect to the use of third-party managers, our firm does not manage these client portfolios, or this portion of these client assets, in the traditional sense. Rather, we

monitor the managers. As such, the client may grant us the authority to hire and fire the selected registered investment adviser(s) directly.

Discretionary investment authority granted to us may be delegated by us to selected third-party managers without prior client consent.

Should the client wish to impose reasonable limitations on this discretionary authority, such limitations shall be included in this written authority statement. Clients may change/amend these limitations as desired. Such amendments must be submitted to us by the client in writing and are subject to approval.

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

Clients maintain exclusive responsibility for (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted and, (2) making all election decisions relative to any mergers, acquisitions, tender offers, bankruptcy proceedings, or other type of event pertaining to the clients' assets. SWM or the client shall properly instruct each custodian of such assets to forward to the client copies of all proxies and shareholder communications relating to the clients' assets.

***Item 18. Financial Information***

Under no circumstances will we earn fees in excess of \$500 more than six months or more in advance of services rendered, and therefore we have no obligation to disclose our firm financials as part of this Brochure. Our firm has no financial condition that impairs our ability to meet our contractual obligations to you, and has never been the subject of a bankruptcy proceeding

**The Symphony Wealth Management Chief Compliance Officer, Kevin C. Daniels, remains available to address any questions that a client or prospective client may have regarding the above Brochure.**

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