

**Item 1 Part 2A Appendix 1 of Form ADV: *Wrap Fee Program Brochure***

**Severin Investments, LLC**

211 North Broadway  
Suite 2925  
St. Louis, MO 63102

Telephone: 314-983-2707  
Email: [info@severininvestments.com](mailto:info@severininvestments.com)  
Web Address: [www.severininvestments.com](http://www.severininvestments.com)

**Severin Investments Wrap Fee Program**

February 25, 2022

This wrap fee program brochure provides information about the qualifications and business practices of Severin Investments, LLC. If you have any questions about the contents of this brochure, please contact us at 314-983-2707 or [info@severininvestments.com](mailto:info@severininvestments.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.

Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Additional information about Severin Investments, LLC also 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. Our firm's CRD number is 166567.



**Item 2 Material Changes**

There are no material changes at this time.



**Item 3 Table of Contents**

Item 1	Part 2A Appendix 1 of Form ADV: <i>Wrap Fee Program Brochure</i> .....	1
Item 2	Material Changes .....	2
Item 3	Table of Contents.....	3
Item 4	Services Fees and Compensation .....	4
Item 5	Account Requirements and Types of Clients .....	10
Item 6	Portfolio Manager Selection and Evaluation .....	11
Item 7	Client Information Provided to Portfolio Managers .....	12
Item 8	Client Contact With Portfolio Managers .....	13
Item 9	Additional Information.....	13



## **Item 4 Services Fees and Compensation**

### **SERVICES**

Severin Investments, LLC is an SEC-registered investment adviser with its principal place of business located in Missouri. Severin Investments, LLC (hereinafter "Severin" or "we" or "firm") began conducting business in 2013. We are 100% owned by one individual, Jeffrey Severin, President.

We sponsor the Severin Investments Wrap Fee (the "Program"), a wrap fee program. A wrap fee program is an advisory program under which a specified fee or fees not based directly on transactions in the client's account is charged for advisory services, which may include portfolio management or advice concerning the selection of investments and the execution of client transactions.

This Wrap Fee Program Brochure is limited to describing the services, fees, and other necessary information clients should consider prior to becoming a client within the Program. For a complete description of the other services and fees offered by our firm, clients should refer to our Form ADV Part 2A: Firm Brochure.

You may obtain a copy of our Firm Brochure by contacting us at Severin Investments, LLC, 211 N Broadway, Suite 2925, St. Louis, MO 63102 or at (314.983.2707) or via email at [info@severininvestments.com](mailto:info@severininvestments.com).

### **MODEL PORTFOLIO MANAGEMENT PROGRAM**

Through the Program, clients are provided with portfolio management services using model asset allocation portfolios. Each model portfolio is designed to meet a particular investment goal. For description of the models offered by our firm, clients should refer to our Form ADV Part 2A: Firm Brochure.

We meet with our prospective Clients either in person or via telephone to determine whether our services described in this Brochure will meet your needs and expectations. It is our goal to understand who you are and your investment needs by documenting:

1. Your personal information (personal and family goals, objectives and needs; employment status; net worth, tax bracket)
2. Your tolerance to risk
3. Time horizons
4. Investment restrictions

If our services and your needs align, we will enter into an agreement with you which describes the services, fees and related information that governs the portfolio management services described here.

We then document the information gathered on you and your personal obligations. The result of this activity is a personal Investment Policy Statement ("IPS"). This IPS is the key to our providing portfolio management services to you. The IPS documents, specifically, your:

1. Investment goals
2. Investment objectives
3. Investment restrictions (if any)
4. Risk tolerance
5. Time horizon,
6. Other information

The IPS is correlated to our investment models that we maintain which guide our investment decisions across various investment objectives and risk tolerances. The result is a customized security portfolio which focuses on strategic asset allocation matched to your needs and objectives.

We provide all our management services on an investment discretionary basis, only. The investment discretionary authority we have is defined in the written advisory agreement we have with you.



Investment discretion means we have the authority to determine the securities to purchase, sell or hold for your account, the amount of the securities to purchase, sell or hold and the timing of these transactions. Clients may impose reasonable restrictions on our discretionary portfolio management services.

### **Types of Securities:**

For an account which exceed \$100,000 our preference is to manage your account assets on an active basis through the utilization of individual stocks and / or bonds, supplemented with mutual funds or exchange traded funds (ETFs) as may be necessary or appropriate. Each portfolio includes a mix of the following asset classes:

- Domestic equity, including Real Estate Investment Trusts (or REITs)
- Fixed income securities
- American Depositary Receipts (ADRs, which are shares of foreign issuers registered and traded on US exchanges)
- Commodity ETFs
- Emerging market and international ETFs

### **Services to Account Relationships Under \$100,000**

For accounts at \$100,000 or under, we will manage your account assets on an active basis; however, the portfolio holdings and investment models we use are limited to ETFs or mutual funds, only. Your IPS drives customization to the appropriate models based upon your individual needs and objectives.

ETFs included in these various models include:

- Equity (domestic and foreign exposure)
- Cash alternatives
- Fixed income (domestic and foreign exposure); and,
- REIT (real estate investment trusts – which we consider to be an equity asset)
- Commodity

Because some types of investments involve certain additional degrees of risk, they will only be implemented when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

To ensure that our initial determination of an appropriate portfolio remains suitable and that the account continues to be managed in a manner consistent with the client's financial circumstances, we will:

1. at least annually, contact each participating client to determine whether there have been any changes in the client's financial situation or investment objectives, and whether the client wishes to impose investment restrictions or modify existing restrictions;
2. be reasonably available to consult with the client; and
3. maintain client suitability information in each client's file.



## Fees

Clients pay an asset-based fee that covers the services provided by Severin Investments, LLC. The maximum annual fee rate for our services in the Program is 2.8%. Subject to this maximum, the fee is a schedule of rates applicable to different breakpoints. This means that the total or aggregated assets under Adviser's management (per account) dictate the fee schedule you are charged. The total fee is calculated by applying different rates to different portions of your total assets managed by Severin. Institutional retirement plans are subject to a flat fee rather than a tiered fee. This fee is determined by a bidding process and is subject to negotiation.

The fee schedule below is our maximum fee schedule. This maximum fee is higher than you may receive elsewhere. However, most advisory fees only include financial advice. Our maximum fee encompasses financial advice, active portfolio management, and ticket charges. Both asset breakpoints and the fee applied at each tier may be negotiable. Your specific fee is documented in the Portfolio Management Agreement we have with you.

<b>Fee Schedule Assets Managed:</b>	<b>Tiered Fee is:</b>
First \$500,000	2.80%
Next \$500,000	2.50%
Next \$4,000,000	1.40%
Over \$5 million	Negotiable

\*IRA Accounts custodied at LPL with assets of \$250,000 or less will be charged a \$40 annual fee by LPL.

Adviser imposes a minimum annual fee of \$1,500 per household unless otherwise negotiated.

## How are Fees Charged?

### Fees pro-rated:

The length of the billing cycle depends on the custodian that is used for the account. Accounts custodied at LPL Financial are billed in advance on a quarterly billing cycle, which may or may not be calendar quarters. Accounts custodied at TD Ameritrade and Interactive Broker are billed in advance on a monthly billing cycle.

For account(s) opened during a billing cycle, portfolio management fees are pro-rated contingent on the number of days the account was open during the billing cycle that our services were provided. This pro-rated fee amount is then added to the next full cycle's fee. Fees for full or partial billing cycles are charged based upon the average of the daily balance of the account during the full billing cycle (or partial billing cycle in the case of a new account). Fees for partial billing cycles are added to the next billing cycle's fee for accounts custodied at LPL, so it appears as one line item on the statement. For accounts custodied at TD Ameritrade or Interactive Broker, the fee for the partial billing cycle and full billing cycle are charged separately and are shown as two separate line items on the statement.

Refunds are also pro-rated based on the number of days the account was open during the billing cycle.

### Fee Payment:

Fees will be debited from the account in accordance with the client authorization in the Portfolio Management Agreement.

In paying fees for portfolio management services, we request you authorize us, in the Portfolio Management Agreement we have with you, the direct debiting of our fees:

Fees are Direct Debit: Our advisory fees, as described above, initially and every fee cycle thereafter, are



debited (deducted) from your custodial account(s). This authorization will be both in the Portfolio Management Agreement we have with you and in the account application you enter into with your custodian.

Your custodian will send you a statement at least quarterly which is mailed directly to you (or made available electronically) which shows:

- ☐ All transactions in your account
  - o Positions
  - o Income
  - o Debits and credits into or out of the account, including the amount of the advisory fee paid to SI for the period

Even though the debit request is calculated on the daily account values as calculated by a third party (Black Diamond or the custodian), we encourage you to confirm the fee calculation and its accuracy as processed by your custodian.

### Termination

The advisory agreement for SI's portfolio management services may be terminated by either party upon delivery of written notice to the other. Upon termination, SI will cease providing investment advice and all transactions placed prior to termination will be allowed to settle. Pre-paid and unearned fees will be refunded by check or credit back to the account within 60 days of termination.

**What services are covered by the Program fees?** The Program fees pay for our firm's advisory services to clients under the Program, administrative expenses of the Program, custody charges for clients' assets custodied at Interactive Broker, TD Ameritrade, Inc. ("TD Ameritrade"), and LPL Financial LLC ("LPL") and brokerage services for Program accounts to the extent trades are conducted through TD Ameritrade, Interactive Broker, or LPL.

In placing transactions for your account(s), Severin (and not our clients) *is charged a fee, if applicable, for each transaction we place. We accrue the fees monthly and pay them quarterly.* This means that Severin is paying commission or charges imposed by TD Ameritrade, Interactive Broker, and LPL on your behalf.

**What services are not covered by the Program fees?** The Program fees do not cover brokerage to the extent trades are conducted through brokers or dealers other than TD Ameritrade, Interactive Broker, or LPL and custody charges if client assets are custodied anywhere other than TD Ameritrade, Interactive Broker or LPL. The Program fees do not include expenses of mutual funds and electronically traded funds such as fund management fees charged to each fund's investors.

**Other Fees and Expenses.** Clients may incur charges for other account services provided not directly related to the execution and clearing of transactions.

**Additional Information about Program fees.** Under the Program, the participant receives investment advisory services, the execution of securities brokerage transactions, custody and reporting services for a single specified Program Fee. Clients are cautioned that depending on the level of fees charged by the executing broker-dealer, and the amount of portfolio activity in the clients' account, the value of the services provided under this Program may exceed the total cost of such services had they been provided separately. In addition, the Program Fee may be higher or lower than that charged by other sponsors of comparable wrap fee programs. In addition, a disparity in wrap fees may exist between the wrap fees charged to other clients.

### **GENERAL INFORMATION**

**Mutual Fund Fees:** All fees paid to Severin for investment management services are separate and distinct from the fees and expenses charged by mutual funds and/or 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. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without our services.



In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

**Exchange-Traded Funds.** Shares of ETFs held in client accounts are bought and sold on an exchange and not, like mutual funds, directly from the fund itself. The price of ETF shares fluctuates in accordance with changes in the net asset value (NAV) per share, as well as in response to market supply and demand. Accordingly, ETF shares may trade at a price which differs from NAV per share of the ETF.

Therefore, in evaluating our investment management services, please take into consideration not only Severin's advisory fee, but also the fees and expenses of the underlying securities that we purchase on your behalf. You may contact us at any time to discuss these additional expenses or costs, as they may apply to you.

**Grandfathering of Minimum Account Requirements:** Pre-existing advisory clients are subject to Severin Investments, LLC's minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, our firm's minimum account requirements will differ among clients.

**Services offered to Family or Friends:** Our services are available to family members or friends of our employees at no fee or at fee schedules that are lower than disclosed above.

**ERISA Accounts:** Severin is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"), respectively. As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, Severin Investments, LLC may only charge fees for investment advice about products for which our firm and/or our related persons do not receive any commissions or 12b-1 fees, or conversely, investment advice about products for which our firm and/or our related persons receive commissions or 12b-1 fees, however, only when such fees are used to offset Severin Investments, LLC's advisory fees.

**Advisory Fees in General:** Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

**Limited Prepayment of Fees:** Under no circumstances do we require or solicit payment of fees in excess of \$1,200 more than six months in advance of services rendered.

## **Delivery of Brochure**

We typically provide all prospective clients this Brochure prior to the agreement. If we provide this Disclosure Document at the time you entered into these agreements with us; you have the right to terminate the agreement without penalty within 5 business days of the date you execute the agreement with us.

## **Item 5 Account Requirements and Types of Clients**

### Minimum Account Requirements

There is a minimum of \$100,000 required to open an account for participation in this wrap fee program and a minimum annual fee of \$1,500. However, the portfolio manager reserves the right of discretion in this instance.

The Program's portfolio managers do impose minimum investment requirements for client participation.

As a condition for program participation, clients are required to direct us to custody their assets with and to place trades through Interactive Broker, TD Ameritrade, or LPL (program brokers). The program brokers are unaffiliated FINRA-member broker-dealers and the clearing firm and custodian that we use for brokerage accounts. Severin has negotiated an arrangement with the program brokers to provide



custodial and brokerage services as part of the Severin Program. As such, we reserve the right to decline acceptance of any client account for which the client directs the use of a broker dealer/custodian other than the program brokers.

#### Types Of Clients

Severin Investments, LLC provides advisory services in the Severin Investments Wrap Fee Program, where appropriate, to:

- Individuals
- Institutional Retirement Plans
- High Net Worth Individuals
- Trusts and Estates,  
Charitable Organizations and Other Entities

### **Item 6 Portfolio Manager Selection and Evaluation**

#### **PORTFOLIO MANAGER SELECTION**

As previously disclosed, all participating clients' assets are managed by advisory personnel of our firm. These individuals must possess, minimally, a college degree and/or appropriate business experience and all required licenses. Please refer to Item 4 for detailed disclosures regarding the portfolio management services we provide to program clients.

#### **AFFILIATED PORTFOLIO MANAGERS**

As previously disclosed, all client assets in this program are managed by our portfolio managers. Please refer to Item 4 for a detailed description of Severin Investments Wrap Fee's services and fees.

#### **PORTFOLIO PERFORMANCE REPORTING**

##### Performance-Based Fees

We do not charge advisory fees on a share of the capital appreciation of the funds or securities in a Client Account (performance-based fees).

### **METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

Investment advice is provided by Severin's "Investment Strategy Committee." The Committee analyzes securities we may use for Client's accounts based upon two methodologies:

1. **Fundamental Analysis.** Defined as a method of evaluating a security that considers future, intrinsic value by reviewing related economic, financial and other factors. We consider as many data points as we can that might affect the security's value.
2. **Technical Analysis.** Defined as an analysis discipline used for forecasting the direction of stock / market prices through the study of past market data, primarily price and volume. Many believe technical analysis is a key component of active portfolio management; we believe that the utilization of both fundamental and technical analysis provides Severin with our best understanding of our conclusions and assumptions.

##### Risks for all forms of analysis

Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing 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.

### Investment Strategies

In concert with our analysis methodology, we utilize a number of tools to conduct our research/analysis for our investment strategies. We use the strategies in managing client accounts, provided that such strategies are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons. The tools we use in the development of these strategies include, but are not limited to:

- Standard and Poors
- Market data
  - Liquidity debt ratios
  - 52-week average forecasts
- Internal research; and
- Charting software to best align portfolio decisions with risk / reward objectives

We also may determine to overweight or underweight a certain market sector, or market capitalization of a security based on our assessment of the various data points.

We utilize our model portfolios as a guide to build efficient portfolios for each client, based upon their IPS and the resulting correlation between needs and each model.

Asset allocation also attempts to mitigate portfolio exposure (risk) by covering all equity sectors, and in some cases, asset classes. When using cash or the fixed income asset class, we may include:

- Short, intermediate or long term US Treasury securities
- Credit bonds
- Agencies
- Corporates
- Municipal bonds; and,
- Preferred equity

Through the use of the investment platforms made available to us by the program brokers, we have access to over 8,000 no-load or load-waived mutual funds from more than 450 fund families. We also can purchase, sell or hold:

- Individual stocks
- Bonds
- ETFs
- UITs
- Alternative assets (we access these typically through ETFs)
- Options
- Other

### Risk of Loss:

Investments in securities always carry the potential for the risk of loss. Your decision to invest in securities carries the potential for a loss of your invested assets (your principal amount) or any appreciation of your holdings that have not been realized (those securities that were not sold to lock in the appreciation, i.e., profit). Losses in an investment portfolio are a potential event you should be prepared to bear.



## **VOTING CLIENT SECURITIES**

Severin does not accept the authority or responsibility to vote proxies on behalf of any portfolio management Client. You retain the right to vote your portfolio's proxy materials as you receive them directly from your custodian.

### **Item 7 Client Information Provided to Portfolio Managers**

Individuals affiliated with our firm are responsible for developing an initial financial profile of the prospective client. Prior to opening an account, we assist in determining a participant's profile for the Program by obtaining from the client appropriate information (i.e., investment objectives, risk tolerance, time horizon, and any reasonable restrictions the client wishes to impose upon the management of the account). Initial investment strategy is jointly determined based on an assessment of the information provided by the client.

While we provide the client with periodic reminders, it remains the client's responsibility to advise us of any changes to the information previously provided that might impact the ongoing suitability of any prior determined investment strategies and/or objectives.

Severin will directly contact each Program client at least annually to verify that there has been no change in the client's financial circumstances and/or investment objectives, and determine whether the client wishes to impose any reasonable restrictions on the management of the account(s).

### **Item 8 Client Contact With Portfolio Managers**

As previously described, Severin does not utilize third party managers for the implementation of the Program. Severin investment adviser representatives are reasonably available to consult with clients regarding the status of their account.

### **Item 9 Additional Information**

#### **Disciplinary Information**

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Our firm and our management personnel have no reportable disciplinary events to disclose.

#### **Other Financial Industry Activities and Affiliations**

Management personnel of our firm and our employees, in their individual capacities, are licensed insurance agents. As such, these individuals are able to receive separate, yet customary commission compensation resulting from implementing insurance product transactions on behalf of advisory clients. Clients, however, are not under any obligation to engage these individuals when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client.

Clients should be aware that the receipt of additional compensation by SI and its management persons or employees creates a conflict of interest that may impair the objectivity of our firm and these individuals when making advisory recommendations. Clients are not under any obligation to engage SI's management personnel and employees when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client. SI endeavors at all times to put the interest of its clients first as part of our fiduciary duty as a registered investment adviser; we take the following steps to address this conflict:

- we disclose to clients the existence of all material conflicts of interest, including the potential for our firm and our employees to earn compensation from advisory clients in addition to our firm's advisory fees;
- we disclose to clients that they are not obligated to purchase recommended investment products



from our employees or affiliated companies;

- we collect, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;
- we conduct regular reviews of each client account to verify that all recommendations made to a client are suitable to the client's needs and circumstances;
- we require that our employees 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 employment activities to verify that any conflicts of interest continue to be properly addressed by our firm; and
- we educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

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

Our firm has adopted a 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.

Severin and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.

Severin Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to [info@severininvestments.com](mailto:info@severininvestments.com), or by calling us at 314-983-2707.

Severin and individuals associated with our firm are prohibited from engaging in principal transactions.

Severin and individuals associated with our firm are prohibited from engaging in agency cross transactions.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in certain securities which may also be recommended to a client.

It is the expressed policy of our firm that no person employed by us may purchase or sell any security that is being purchased or sold for a client's advisory account prior to the transaction(s) being implemented for a client's advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts.

We may aggregate our employee trades with client transactions where possible and when compliant with our duty to seek best execution for our clients. In these instances, participating clients will receive an average share price and transaction costs will be shared equally and on a pro-rata basis. In the instances where there is a partial fill of a particular batched order, we will allocate all purchases pro-rata, with each account paying the average price. Our employee accounts will be excluded in the pro-rata allocation.

As these situations represent actual or potential conflicts of interest to our clients, we have established



the following policies and procedures for implementing our firm's Code of Ethics, to ensure our firm complies with its regulatory obligations and provides our clients and potential clients with full and fair disclosure of such conflicts of interest:

1. No principal or employee of our firm may put his or her own interest above the interest of an advisory client.
2. No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.
3. It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account. This prevents such employees from benefiting from transactions placed on behalf of advisory accounts.
4. Our firm requires prior approval for any IPO or private placement investments by related persons of the firm.
5. We maintain a list of all reportable securities holdings for our firm and anyone associated with this advisory practice that has access to advisory recommendations ("access person"). These holdings are reviewed on a regular basis by our firm's Chief Compliance Officer or his/her designee.
6. We have established procedures for the maintenance of all required books and records.
7. All clients are fully informed that related persons may receive separate commission compensation when effecting transactions during the implementation process.
8. Clients can decline to implement any advice rendered, except in situations where our firm is granted discretionary authority.
9. All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
10. We require delivery and acknowledgment of the Code of Ethics by each supervised person of our firm.
11. We have established policies requiring the reporting of Code of Ethics violations to our senior management.
12. Any individual who violates any of the above restrictions may be subject to termination.

#### Review of Accounts

Severin reviews client accounts no less often than quarterly. More frequent reviews may be triggered in the event of changes in management style or fund closures. Account reviews are conducted by Jeffrey Severin, President.

At least annually, we meet with the client (either in person or over the phone) to review and update, as necessary, the client's investment profile. However, should there be any material change in the client's personal and/or financial situation, we should be notified immediately to determine whether any review and/or revision of the client's investment profile is warranted.

All clients receive account statements from their custodian on at least a quarterly basis.

#### Client Referrals and Other Compensation

*Client Referrals:* SI currently has no client referral arrangements.

#### *Solicitors:*

Our firm may pay referral fees to independent persons or firms ("Solicitors") for introducing clients to us. Whenever we pay a referral fee, we require the Solicitor to provide the prospective client with a copy of this document (our Firm Brochure) and a separate disclosure statement that includes the following information:

- ☐ the Solicitor's name and relationship with our firm;
- ☐ the fact that the Solicitor is being paid a referral fee;
- ☐ the amount of the fee; and
- ☐ whether the fee paid to us by the client will be increased above our normal fees to compensate



the Solicitor.

SI's referral agreement complies with Federal Regulations. As set out in 17 CFR Section 275.206(4)-3, and in each state where state law requires, each client is given a copy of the referral agreement prior to or at the time of entering into any advisory contract.

As a matter of firm practice, the advisory fees paid to us by clients referred by solicitors are not increased as a result of any referral.

SI has engaged in a solicitor's arrangement with Wiser Advisor through placement on their third-party website in exchange for referrals/introductions. The website can be found at [www.wiseradvisor.com](http://www.wiseradvisor.com). This referral arrangement is a Cash Solicitor Agreement or Arrangement in compliance with the Cash Solicitation Rule under the Investment Advisers Act of 1940 and equivalent provisions of state law, including the State of Missouri. SI pays a flat fee to Wiser Advisor for listing on the website and the company's review of Jeff Severin and SI, (i.e. due diligence). Then, SI pays Wiser Advisor a one-time, fixed fee per identification of a prospective client.

Wiser Advisor conducts certain services for investment advisers such as SI. When investors seeking a registered investment adviser professional go to Wiser Advisor's website looking for an adviser, SI may be recommended, along with other advisers, to the prospective client based on zip code and Wiser Advisor's review (paid for by SI).

#### **Other Compensation:**

Severin and its associated persons may receive additional non-cash compensation from product sponsors. However, such compensation may not be tied to the sales of any products. Compensation may include such items as gifts valued at less than \$100 annually. It may also include an occasional dinner or ticket to a sporting event, or reimbursement in connection with educational meetings or marketing or advertising initiatives. Product sponsors may also pay for education or training events that may be attended by Severin's employees and associated persons.

#### **Financial Information**

As an advisory firm that has discretionary authority for client accounts, we are required to disclose any financial condition that is reasonably likely to impair our ability to meet our contractual obligations. Severin has no additional financial circumstances to report.

Under no circumstances do we require or solicit payment of fees in excess of \$1,200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

Severin has not been the subject of a bankruptcy petition at any time during the past ten years.