



**Form ADV Part 2A**  
**Wrap Fee Brochure**  
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**March 01, 2024**

This Wrap Fee Program Brochure provides information about the qualifications and business practices of Vision Investment Advisors, LLC ("VIA") that should be considered before becoming a client of VIA's Wrap Fee Program. If you have any questions about the contents of this Brochure, please contact us by e-mail: [info@advicewithvision.com](mailto:info@advicewithvision.com) or by phone: (203) 388-2700. 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.

VIA is an SEC-registered investment advisor. Registration of an investment advisor does not imply any level of skill or training. The oral and written communications of an advisor provide you with information you use in determining whether to hire or retain an advisor.

Additional information about VIA is also available on the SEC's Web site at:  
[www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 2: Material Changes**

Vision Investment Advisors, LLC has had no material changes in its business since its last filing on March 1<sup>st</sup> 2023.

Mr. John Karafa, the Anti-Money Laundering Compliance Officer was appointed to be the Chief Compliance Officer on July 18, 2019 and remains listed on the ADV Part 1A Schedule A.

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## **Item 4. Advisory Business**

### **The VIA Wrap Fee Program**

The VIA Wrap Fee Program (the "wrap fee"), offers clients discretionary investment advisory services based on a client's individual investment objectives and risk tolerances, along with trade execution, brokerage, custodial and administrative services for a single asset-based annual fee, in addition to certain other charges and expenses. Vision may recommend a third-party investment advisor to manage all or a portion of a client's account or an independent Commodity Trading Advisor to manage a portion of a client's account in managed futures. Occasionally, if requested by a client, VIA may provide investment advice on a non-discretionary basis.

VIA is the portfolio manager for each of the four portfolios (collectively, the "portfolios") offered in the VIA's Wrap Fee Program. In addition to advisory services, wrap fee also provides execution of securities transactions and custodial and administrative services through Vision Financial Markets LLC ("VFM"), affiliate of VIA. VFM is a broker/dealer registered with the SEC and is a member of the Financial Industry Regulatory Authority("FINRA").

VIA has been in business since September 2000. Its principal owners are Howard Rothman and Boshnack Family LLC, a Delaware limited liability company.

VIA wrap fee accounts may be (i) may be invested in one of the Portfolios described in the next section; (ii) may be invested in a combination of Portfolios (iii) or may be invested independently of these Portfolios.

### **Advisory Services - Investment Portfolios**

VIA provides discretionary advisory wrap fee services in the Equity, Balanced, Dividend and FixedIncome Portfolios to individual and institutional investors.

These investment methodologies have been developed by Howard Rothman, VIA's Chief Executive Officer. Mr. Rothman makes the ultimate investment selections and recommendations, and personally (though not solely) monitors each client account that receives discretionary investment advice.

A VIA client may establish an account in one or more of its investment portfolios, each of which consists of accounts with similar investment objectives, portfolio construction, market exposure and risk tolerance. These portfolios offer the investor several choices consistent with a fundamental objective of long-term capital appreciation. Each client's portfolio is managed specifically for that client based on the client's individual goals, objectives, restrictions, time horizon, risk tolerance and current market conditions. A client may place reasonable restrictions on the specific securities or types of securities purchased for the account. VIA also may provide discretionary advisory services not based on any of the portfolios.

For trade implementation, each VIA client will open a brokerage account with Vision Financial Markets, LLC, or a third-party brokerage firm. All trades are executed in that brokerage account and client assets are held in custody with that brokerage firm. VIA does not itself execute trades or custody assets. Vision Financial Markets LLC (VFM) shares common ownership and control with VIA.

### **The Equity Portfolio (The E-Portfolio)**

VIA's principal objective in its Equity Portfolio is to seek returns from a diversified group of large• cap U.S. traded equities that it believes have the potential to outperform the S&P 500 Index over time. The Equity Portfolio is primarily composed of a diversified portfolio of large-cap stocks that currently exhibit a high degree of financial strength and potential for growth. The total amount of diversification is a function of the total amount of the individual client's funds invested in the E-Portfolio. An account with a smaller amount invested generally will incorporate fewer stocks and therefore be less diversified.

VIA's research efforts focus on identifying companies that have sustainable gross revenue (topline) and earnings or net income (bottom-line) growth, competitive advantages and strong returns on equity. VIA selects and purchases stocks based upon its research and evaluation of a given company. During this process, we will review a given company's past revenue and earnings growth, current cash flow status, debt factors, financial ratios such as the price-earnings ratio ("PE") and additional ratios and factors we deem to be relevant.

Securities in the Equity Portfolio may represent several sectors of the economy, but generally will not be concentrated in any one sector or constitute more than 15% in any one issuer. Securities are sold when VIA deem the ownership of that company is no longer attractive, or to replace that security with another security that we believe is more attractive. Considerations to sell a security may include deceleration in sales or earnings growth or expected future growth, a high stock price based on PE Ratio or key management changes, among other factors.

VIA also believes that it makes sound economic sense to employ, from time to time, a strategy of writing covered call positions against some or all of the stocks in the Equity Portfolio.

The primary purpose of option writing is to earn additional income through premiums received from the buyers of the call options. By monitoring the volatility, delta and time to expiration, VIA works to optimize the tradeoff between receiving option premium income and the possibility of forgoing future price appreciation on the underlying stock above the written strike price of the option, until the option expires. At the same time, the investor receives a small measure of downside protection, to the extent of the net option premium received, should the price of the stock decline. By adding a covered call position to an existing long stock position, VIA will attempt to enhance the potential overall return in the portfolio.

The goal of a covered call position is for the short option value to decay over time and allow the account holder to realize a gain up to the total net option premium received, should the option position expire worthless. In order to calculate the gain or loss on the overall covered call position, one must measure the profit or loss realized during the period the covered call option position was open against the profit and loss of the open securities position during the same time period.

In addition to covered calls, VIA may, from time to time, purchase out-of-the-money put options to further add to the level of downside protection. The ratio of purchased put options may be less than the number of long shares of stock owned in the account. Please recognize that employing puts to help protect the stocks in an account is likely to temper total returns (due to the premium paid to purchase the put options) but does provide some downside protection against declines in the value of the underlying stocks.

### **The Balanced Portfolio (The B-Portfolio)**

The principal objective of the Balanced Portfolio is to provide income and capital gains from a combination of stocks (common and preferred), bonds, notes, cash, cash equivalents and option premium income. The equity portion of the Balanced Portfolio is managed using the methods employed to manage the Equity Portfolio accounts. Within the fixed income portion, securities are evaluated and selected based upon VIA's interest rate assumptions, the U.S. Treasury yield curve, credit risk and a number of macroeconomic variables that may affect the relative performance of the specific bonds. Fixed income holdings can include preferred stocks, municipal bonds, corporate bonds, U.S. Government Agency debt securities and other debt instruments.

VIA also believes that it makes sound economic sense to employ, from time to time, a strategy of writing covered call positions against some or all of the stocks in the Balanced Portfolio.

The primary purpose of option writing is to earn additional income through premiums received from the buyers of the call options. By monitoring the volatility, delta and time to expiration, VIA seeks to optimize the tradeoff between receiving option premium income and the possibility of forgoing future price appreciation on the underlying stock above the written strike price of the option, until the option expires. At the same time, the investor receives a small measure of downside protection, to the extent of the net option

premium received, should the price of the stock decline. By adding a covered call position to an existing long stock position, VIA attempts to enhance the potential overall return in the portfolio.

The goal of a covered call position is for the short option value to decay over time and allow the account holder to realize a gain, up to the total net option premium received, should the option position expire worthless. In order to calculate the gain or loss on the overall covered call position, one must measure the profit or loss realized during the period the covered call option position was open against the profit and loss of the open securities position during the same time period.

In addition to covered calls, VIA may, from time to time, purchase out-of-the-money put options to further add to the level of downside protection. The ratio of purchased put options may be less than the number of long shares of stock owned in the account. Please recognize that employing puts to help protect the stocks in an account is likely to temper total returns (due to the premium paid to purchase the put options) but does provide some downside protection against declines in value of the underlying stocks.

### **The Dividend Portfolio (The D-Portfolio)**

VIA's principal objective in its equity-based Dividend Portfolio is to provide returns from a diversified group of companies that have an attractive dividend rate, but still maintain many growth characteristics. Accordingly, the Dividend Portfolio is composed of mid-cap and/or large-cap stocks that maintain a targeted minimum dividend yield of at least 1.50% and exhibit a high level of financial strength coupled with a historical above average return on equity. Mid-cap stocks represent companies that have a total market capitalization between \$1 billion and \$5 billion. Mid-cap stocks tend to have a higher risk/reward ratio than large-cap stocks. Large-cap stocks represent companies that have a total market capitalization over more than \$5 billion. Based on market conditions, this portfolio may have less diversification at times and may be more exposed to sector trends than a more diversified portfolio.

VIA employs technical screening methods to forecast revenue and earnings over the next one to two years. Upon identifying a number of issuers, the selection is further narrowed by applying other investment rules and financial ratios (such as PE ratio) to evaluate future price prospects. In addition to financial strength, dividend yield and return on equity, VIA also examines the dividend payout, the debt equity ratio and forward-looking PE ratios. Finally, we look at companies that also have an established history of buying back their stock and raising their dividend payments. Although certain industries tend to offer higher yielding stocks, the additional factors that we employ tend to screen out many less-desirable stocks in certain industries.

VIA also employs, from time to time, a strategy of writing covered call positions against some or all of the stocks in the Dividend Portfolio.

The primary purpose of option writing is to earn additional income through premiums received from the buyers of the call options. By monitoring the volatility, delta and time to expiration, VIA seeks to optimize the tradeoff between receiving option premium income and the possibility of forgoing future price appreciation on the underlying stock above the written strike price of the option, until the option expires. At the same time, the investor receives a small measure of downside protection, to the extent of the net option premium received, should the price of the stock decline. By adding covered call positions to an existing long stock position, VIA attempts to enhance the potential overall return in the portfolio.

The goal of a covered call position is for the short option value to decay over time and allow the account holder to realize a gain, up to the total net option premium received, should the option position expire worthless. In order to calculate the gain or loss on the overall covered call position, one must measure the profit or loss realized during the period the covered call option position was open against the profit and loss of the open securities position during the same time periods.

In addition to covered calls, VIA may, from time to time, purchase out-of-the-money put options to add downside protection. The ratio of purchased put options may be less than the number of long shares of stock owned in the account. Please recognize that employing puts to help protect the account is likely to

temper total returns (due to the premium paid to purchase the put options) but does provide some downside protection against declines in the underlying stocks.

### **The Fixed Income Portfolio (The I-Portfolio)**

On the more conservative end of the spectrum is the Fixed Income Portfolio. A client can choose a taxable Fixed Income Portfolio, which seeks to provide returns from U.S. government agency securities, corporate debt and/or preferred stocks, or a non-taxable Portfolio, which seeks to provide returns from municipal bonds. Fixed income securities are selected using the same methodology as the fixed income segment in the Balanced Portfolio. The fixed income portfolio seeks to produce total returns over complete market cycles that exceed returns that may be expected from random trading and passive management strategies. At the discretion of the manager, the taxable and/or non-taxable fixed income portfolios may consist entirely of one type of security, such as, for example, government agency securities.

### **Assets under Management**

- A. As of December 31, 2023, there are 24 legacy wrap fee accounts with \$ 21,013,508.33 in assets under management. As of December 31, 2023, VIA has total assets of \$106,360,014.27 in total assets under management. Discretionary assets total \$103,697,743.79 and non-discretionary assets total \$2,662,270.48.

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

### **Wrap Fee Program Fees and Compensation**

The specific manner in which fees are charged by VIA is disclosed in a client's written Investment Management Agreement with VIA. Fees are deducted from the client's account on a quarterly basis in arrears. Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Upon termination of any account, any unpaid fees will be due to VIA and payable on a prorated basis. The management fee is deducted from the account before distribution of account assets to the client.

VIA ' compensation an asset-based management fee paid on a quarterly basis. There is no separate charge for brokerage commissions; however, clients normally will be charged any mark-ups or mark-downs on fixed income securities and other fees described above under "*Brokerage*." Clients will also incur a small \$0.25 processing charge per transaction when trades are placed in their accounts. The management fee is payable (in arrears) at the end of each calendar quarter based on the total value of the account (including net unrealized appreciation or depreciation of investments and cash, cash equivalents and accrued interest) on the last trading day of the quarter.

Clients should be aware that VIAs' advisory fees may be higher than those normally charged by other investment advisors for comparable advisory services. There may be other investment advisors who can provide comparable types of advisory services at a lower advisory fee rate.

### **Annual Asset-Based Management Fee**

Representative fee schedules of the annual asset-based management fees (paid quarterly) are listed below. However, the actual fee may be negotiated with an individual client and for a specific tier may be higher or lower than what is shown below, but will not exceed the highest fee listed below. The amount of the fee may vary based on factors at VIA ' discretion, including but not limited to, the amount of the original investment, if the client has accounts with an affiliated firm and if the client has additional accounts with VIA. A client will be advised of the management fee prior to opening an account with VIA.

### **Equity: E-Portfolio**

Assets	Fees
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Up to \$250,000	2.50%
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\$250,001 - \$500,000	2.00%
Over \$500,000	Negotiable



**Balanced: B-Portfolio**

Assets	Fees
Up to \$100,000	2.50%
\$100,001 - \$250,000	2.25%

\$250,001 - \$500,000	2.00%
\$500,001 - \$750,000	1.75%
\$750,001 - \$1,000,000	1.50%
\$1,000,001 - \$3,000,000	1.25%
Over \$3,000,000	Negotiable

**Dividend: D-Portfolio**

Assets	Fees
Up to \$1,000,000	1.00%
Over \$1,000,000	Negotiable

**Fixed Income: I- Portfolio**

Assets	Fees
Up to \$100,000	2.00%
\$100,001 - \$750,000	1.50%
\$750,001 - \$1,000,000	1.25%
\$1,000,001 - \$3,000,000	1.00%
Over \$3,000,000	Negotiable

In addition to the advisory services provided to clients, the wrap fee program also includes execution of securities transactions through VFM, or a third-party broker/dealer. VIA requires that clients establish and maintain a brokerage account at VFM or an approved third party. For accounts opened at

VFM, clients' funds and securities are held at VFM, as custodian, which clears transactions on a fully disclosed basis for itself. For brokerage accounts opened at a third-party broker/dealer, that firm will custody the client's accounts. If the account is an IRA, a qualified custodian will act as custodian.

A client may transfer securities into a wrap fee account on which the client previously has paid a brokerage commission or similar fee for the purchase of those securities. The wrap fee will be applied to these securities even though the client previously has paid a commission or fee. In some cases, a client may have paid VFM compensation for the purchase of the securities. Prior to effecting such a transfer, the client should consider whether it is appropriate and cost effective to make such a transfer and should consult VIA prior to doing so.

Wrap fee does not include: (i) annual account fees or other administrative fees, such as wire fees, charged by VFM; (ii) certain odd-lot differentials, transfer taxes, transaction fees mandated by the Securities Act of 1934, postage and handling fees, and charges imposed by law with regard to transactions in the client's account; and (iii) advisory fees, expenses or sales charges (loads) of mutual funds (including money market funds), closed-end investment companies or other managed investments, if any, held in the client's account.

The client should be aware that the wrap fee does not cover certain costs associated with securities transactions in the over-the-counter market, for example, in fixed income securities, where VFM must approach a dealer or market maker to purchase or sell the security. Such costs include a mark-up, mark-down or spread and odd-lot differentials or transfer taxes imposed by law. These charges and expenses are in addition to the wrap fee payable by the client and usually are payable to VFM.

Where VIA decides to purchase mutual funds in client accounts, it will do so through VFM or the third-party broker/custodian. VIA will not purchase load mutual funds in wrap fee accounts. Mutual funds purchased will be advisor class funds with no 12b-1 fees.

Clients also should be aware that VIA's use of VFM may result in the client receiving less favorable execution on some transactions.

In determining whether to establish a wrap fee account, a client should be aware that the overall cost to the client in wrap fee may be higher or lower than the client might incur by purchasing separately the types of securities available in the wrap fee, as well as advisory and brokerage services. To meaningfully compare the cost of the wrap fee with unbundled services, the client should consider the turnover rate in VIA's investment strategies (described above), trading activity in the account and standard advisory fees and brokerage commissions that would be charged at VFM or at other broker/dealers and investment advisors. Accordingly, the wrap fee may not be suitable for clients whose accounts have less than a certain number of transactions per year or for clients who simply want to purchase individual securities.

### **Performance-Based Fees**

VIA will consider reducing its management fees for qualified clients who choose to pay a "performance fee," which is based on successful performance in the account. The performance fee is typically 20% of "new appreciation" in the account over a one-year period, measured initially from the date the account is opened to the end of the calendar year and, in subsequent years, over the entire year. An IAR managing an account will receive a portion of the performance fees paid by the client. The amount received by a particular IAR is agreed upon prior to the IAR's association with VIA and will differ among IARs.

### **Fee Negotiation**

All fees may be subject to negotiation. When negotiating fees, VIA may consider the following factors, including but not limited to: (i) clients with multiple accounts; (ii) size of the account; (iii) a prior or existing relationship with a VIA's affiliate; and (iv) a client's particular needs or financial characteristics. Due to the fact that fees vary, clients with existing accounts may be charged fees that do not match precisely the

foregoing fee schedules or the fees paid by other clients. Clients will not pay a total fee in excess of 3% except for the Stock Put Writing and Stock Put Credit-Spread Option Programs.

### **Non-Wrap Fee Option**

VIA also offers discretionary advisory services in the Equity, Balanced and Total Portfolios, and the Stock Put Writing Program and Stock Put Credit Spread Option Program, where clients will pay for advisory services and brokerage services separately. Please refer to the first section of VIA's Form ADV Part II for information regarding the fees for the non-wrap program.

### **Conflicts of Interest**

Because VIA may receive more compensation from a client if the client participates in the wrap fee than if the client received advisory services and brokerage services separately, VIA has a financial incentive to recommend the wrap fee to clients over other types of advisory services.

Because of the single fee charged to a wrap fee account, VIA has a conflict of interest in that it may realize a greater profit on a wrap fee account with a relatively low rate of portfolio turnover compared to other types of accounts, assuming the same level of fees.

VIA may give advice to others that may be different from the advice given to wrap fee clients.

### **Item 6. Types of Clients**

VIA caters primarily to affluent individuals and their retirement accounts, family offices and family investment vehicles who seek an approach to capital appreciation by investing in established stocks with demonstrable prospects for growth coupled with a strategic covered call writing program. VIA's investment programs are also suitable for institutional investors such as corporate pension plans, trusts, endowments and charitable organizations with similar investment objectives.

In order for its investment program to achieve a greater level of diversification, VIA recommends that clients deposit at least \$100,000 in their account; however, VIA will accommodate clients who wish to deposit less, but with a potential loss of diversification in the account.

### **Item 7. Portfolio Manager Selection, Evaluation and Risk of Loss**

VIA is the portfolio manager for each portfolio in VIA's Wrap Fee program. VIA provides discretionary advisory services in the Equity, Balanced, Dividend and Fixed Income Portfolios, as described above under "Advisory Services," beginning on page 1. There can be no assurance that the methods described above will be successful or that clients will not suffer losses. Clients should be aware that each investment portfolio involves risk of loss that clients should be prepared to bear. Clients who open margin accounts should be aware that margin involves the use of leverage, and clients may lose more money than they deposit in the margin account.

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## MARGIN DISCLOSURE STATEMENT

Clients who open margin accounts will be provided with the full margin disclosure documents. However, they should be aware of the following:

- They may lose more funds than are deposited in the margin account;
- The client's brokerage firm, whether VFM, or third-party brokerage firm, can liquidate any position to cover a margin deficiency;
- The client's brokerage firm, whether VFM, or third-party brokerage firm, can liquidate positions without first contacting the client;
- Clients are not entitled to choose which securities or other assets in their account(s) are liquidated or sold to meet a margin call;
- VFM or third-party firm can increase its "house" maintenance margin requirements at any time and are not required to provide advanced written notice to clients; and
- Clients are not entitled to an extension of time on a margin call.

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VIA's investments in the equity portion of its portfolios are concentrated in large-cap stocks with market capitalizations generally over \$5 billion. These stocks are listed on exchanges and typically are seasoned companies with a history of earnings displaying particular growth characteristics. VIA may also purchase mid-cap stocks that exhibit similar characteristics and preferred stocks. If a client's circumstances warrant, VIA may also recommend an independent CTA or another investment advisor to manage a portion of the account in managed futures or securities, as applicable, and the client should expect to be charged a fee for this service in addition to the commissions charged by the CTA.

VIA offers advice on equity securities (exchange-listed, over-the-counter and foreign issuers), corporate debt securities, commercial paper, municipal securities, mutual funds, U.S. government securities and option contracts on securities.

VIA focuses primarily on long-term investing with a growth-oriented approach supported by technical analytical methods to determine target prices in its Equity and Balanced Portfolios. Drawing from traditional and electronic information sources such as financial reports, SEC filings, Bloomberg, various rating services and nationally recognized research services such as Value Line, VIA conducts primary research. Heavy emphasis is placed on factors such as (i) revenues and income growth; (ii) dominant industry position; (iii) large-cap status; (iv) return on equity; and (v) companies that favor stock repurchase programs. In addition, Vision pursues enhanced yield and a measure of downside protection through closely monitored covered call option writing.

VIA may use one or more of these investment strategies: (a) long term purchases [securities held at least a year]; (b) short term purchases [securities sold within a year]; (c) margin transactions; and (d) option writing, including covered options, uncovered options or spread strategies.

### Special Considerations

Although the stocks selected in the Portfolios are generally established companies in their industries, there are counterbalancing factors in considering an investment in these portfolios:

- Many of the companies selected for purchase are growth companies or are poised for active growth and may have higher price/earnings ratios than the market as a whole. Such stocks may be more vulnerable to market declines from earnings disappointments or adverse factors that inhibit a company's ability to carry out the plan on which the growth prospects were based.
- Because the companies in the Equity Portfolio typically conduct business globally and have significant operations or product distribution in countries outside the U.S., their earnings can be

impacted by fluctuations in foreign currency rates.

### **Risks of Option Writing Strategies**

There are certain risks associated with the option writing strategies employed in the Equity, Dividend and Balanced Portfolios.

In a rising market, a call option written to protect the portfolio or an individual stock position within the portfolio may reduce upside potential above the strike price of the option. As options expire or experience increased market volatility, it may be more difficult to manage the covered call positions for maximum economic advantage. Likewise, market volatility may drop around the time of the expiration and result in lower premium income attainable when "rolling over" an options position. Option commissions have a much greater impact on smaller accounts than they do on larger accounts.

All clients engaging in options transactions, regardless of the portfolio they select, will receive a copy of the brochure *Characteristics and Risks of Standardized Options* (and any supplements) at or prior to opening an options account. Clients whose accounts are using options strategies, in addition to covered calls, will also receive the margin and uncovered options disclosure forms.

### **Mutual Funds**

In selecting a mutual fund there are key factors and risks to consider:

- Ability to tolerate a fund's investment strategy, risk profile, investment performance and relationship to the overall asset allocation strategy and investment time horizon;
- A fund's fees and expenses can have an impact on its investment returns and are important factors as well; and
- The information and risks for a mutual fund in its respective prospectus.

### **Miscellaneous**

Given that clients may have a variety of investments, each investment selection will pose various risks that must be considered or may be complex to understand. Many of these risks continue even if the client decides to no longer have VIA or their current IAR manage their investment. Here are some material examples:

#### **Call Risk**

A callable provision of a security allows the issuer to call or repay early. If interest rates drop low enough an issuer can save money by calling the security and issuing a new security at lower interest rate. If this happens the interest payments will cease, and clients will receive their principal early.

#### **Complex Products**

Complex products usually include more than one risk from any embedded features. Examples include structured products, equity-indexed annuities, leveraged and inverse exchange-traded funds, principal protected notes, reverse convertibles and commodity future-linked securities.

#### **Counterparty or Credit Risk**

The risk to each party of a contract that the counterparty will not live up to its contractual obligations. Counterparty risk as a risk to both parties and in most financial contracts, counterparty risk is also known as "default risk". This may necessitate having to buy in or sell at a price not otherwise anticipated as part of a strategy.

### **Exotic-Exposure Risk**

Complex strategies that move beyond plain-vanilla stocks and bonds have a host of complex risks and require the ability to understand the risks and bear the losses.

### **Hot-New-Thing Risk or Crowded-Trade Risk**

Markets that "believe the hype" often artificially increase and alternatively decrease the value of the security in the market. As money rushes in the attractiveness of a particular asset will diminish. Some of these new asset classes have limits on liquidity. If the money rushes out the valuations could also be harmed. This can cause the need for additional funding to preserve the position or force liquidation or buy-in.

### **Inflation Risk**

Inflation risk is a particular concern for investors who are planning to live off their bond income, although inflation is a factor everyone should consider. The risk is that inflation will rise and reduce the purchasing power of the income.

### **Interest Rate Risk**

Depending on the economic environment and market conditions -- both of which can be affected significantly by a change in interest rates -- the value of products that have an interest rate sensitivity can be affected (e.g., bonds). However, if you hold a bond until maturity, interest rate risk is a lesser concern.

### **Liquidity Risk**

Liquidity risk is the risk that you might not be able to buy or sell investments quickly for a price that is close to the true underlying value of the asset. Even though a security is liquid when purchased, bad news or other events may cause a sudden change in liquidity and even the freeze of trading a security.

### **Shutdown Risk**

If a fund is liquidated and shareholders are paid in cash or in kind the client should expect to realize capital gains or losses, transaction costs, uneven tracking, legal costs or various other possibilities during the liquidation process which will go to the shareholders as of a record date.

### **Tax Risk**

Determining long and short-term tax implications is something the client must be sure to understand and consult with a tax professional as necessary. For example, where an investment has the possibility of a cash flow consequence that substantially impacts the client's ability to pay tax liabilities.

### **Spread Risk**

Spread, which is the difference between the bid and offer prices of security, can vary from one penny to many dollars and may change substantially over an investor's holding period. When spread widens during the holding period, it will be costlier to close out a position than anticipated.

## **Item 8. Performance Based Fees and Side-By-Side Management**

VIA may consider reducing its advisory fees for qualified clients who choose to pay a performance fee. The fact that some client accounts could (but do not currently) pay performance fees while others do not could create a conflict for VIA. VIA would have an incentive to favor client accounts paying a performance fee by placing more profitable trades in those accounts. VIA would address this conflict by allocating its trades equally among all client accounts in a given portfolio without regard to whether such account pays any performance compensation.

## **Item 9. Proxy Voting**

VIA does not vote any proxies for securities or exercise voting rights pertaining to investments in a client's account (including, without limitation to, matters relating to conversions, exchanges, mergers, stock splits, rights, offerings, recapitalizations and reorganizations). VIA will also not act for clients in any legal proceedings, including bankruptcies or class actions, involving securities held or previously held by a client's account. It is the client's responsibility to vote any proxies for securities, exercise voting rights, or take any legal actions pertaining to investments in his or her account.

The clients' broker/dealer, and not VIA, is responsible for timely transmission of any proxy material to the client. The client's broker/dealer will mail proxies or other communications pertaining to investments in the client's account directly to the client either electronically or by regular mail. For clients whose brokerage accounts are with VFM, VIA may retain a third-party vendor to mail all notices pertaining to proxies. Clients whose brokerage accounts are with a third-party broker will obtain proxy notifications as arranged by that firm.

Clients should contact their broker/dealer or custodian if they do not receive proxies or other mailings pertaining to investments in the account.

## **Item 10. Client Information Provided to Portfolio Managers**

VIA acts as both the sponsor of the VIA's Wrap Fee Program and the portfolio manager for the Portfolios that are offered in these programs.

## **Item 11. Client Contact with Portfolio Managers**

There are no restrictions on client ability to contact VIA in its capacity as the portfolio manager for the Portfolios offered in the Wrap fee.

## **Item 12. Additional Information**

### **Disciplinary Information**

VIA is required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of it or the integrity of its management.

#### **A. Criminal or Civil Actions**

Vision Investment Advisors, LLC has no material information applicable to this section. Vision Advisor's affiliates during the course of their ordinary business operations encounter various customer disputes that may result in arbitration, none of which at this time is believed to have any material impact to VIA's operations or financial condition.

#### **B. Administrative Enforcement Proceedings**

Vision Investment Advisors, LLC has no material information applicable to this section.

#### **C. Self-Regulatory Organization Enforcement Proceedings**

Information is readily available on VIA's affiliates and its IARs as associated persons at [www.brokercheck.com](http://www.brokercheck.com) or at [www.nfa.futures.org](http://www.nfa.futures.org).

However, one of its "management persons" (Howard Rothman) consented to a one count complaint and undertaking which was issued by the NFA Business Conduct Committee (BCC), NFA Case No. 11-BCC-003. This alleged that that while he was an associated person and listed principal of a

Future Commission Merchant and Commodity Pool Operator the BCC stated he violated NFA Rule 2-9(A); no fine was imposed upon him.

### **Item 13. Other Financial Industry Activities and Affiliations**

VIA is affiliated, through common ownership, with VFM. VFM are broker/dealers registered with the Securities and Exchange Commission and members of Financial Industry Regulatory Authority ("FINRA"). High Ridge Futures, an NFA registered introducing broker, is also under common ownership and control.

VIA is also a Commodity Trading Advisor (CTA) registered with the Commodity Futures Trading Commission and a member of the National Futures Association. Clients who are considering investing with VIA as a CTA must be provided with the current *Disclosure Document of Vision Investment Advisors, LLC as a Commodity Trading Advisor* prior to opening a CTA account and must sign an acknowledgement form that they have received the document. The disclosure document describes some of the risks of futures trading along with VIA's conflicts of interest from engaging in this activity.

Assets invested with VIA in its capacity as an RIA are held in custody with VIA. Assets invested with VIA as a CTA and NFA member are held at ADM Investor Services Inc.

All of the management persons of VIA are engaged in other endeavors and business ventures. Certain management persons are Registered Representatives of VFM and/or Associated Persons with High Ridge Futures.

More specifically:

Howard M. Rothman, born in 1961, is the CEO, Chief Investment Officer and trading principal of Vision Investment Advisors, LLC. He has held this position since September 20, 2000. In this role, he has provided securities, options and fixed income managed account to high net-worth clients. Over the past 30 years, Rothman has been involved in executive management in the stock, stock option, and futures brokerage industry. Currently, he is a principal of High Ridge Futures, LLC, a registered introducing broker. Rothman has been a principal since the initial registration of the firm on October 30, 2014 and an Associated Person and an NFA member since November 28, 2014. Rothman is the Financial Principal, known as the "FINOP," of Vision Financial Markets, LLC, a self-clearing securities broker-dealer. As a securities principal, Rothman holds the following qualifications: General Securities Representative (Series 7); General Securities Principal (Series 24); Financial and Operations Principal "FINOP" (Series 27); Registered Options Principal "ROP" (Series 4); and Uniform Investment Advisor (Series 66). Rothman has been registered since July 1999 with both Vision Financial Markets, LLC and Vision Brokerage Services. He is a 1983 Public Accounting graduate of New York University's Stern School of Business. He began his college education at Fordham University, Bronx, New York.

Robert Boshnack currently has no administrative responsibilities with VIA and is not involved in the day-to-day activities of VIA. Mr. Boshnack has functioned as President of Whitehall Investment Management Inc., a registered Futures Introducing Broker, since November 1984. He is currently a managing member of High Ridge Futures LLC, an affiliated independent introducing futures broker.

John M. Karafa is the Chief Compliance Officer for VIA and has been associated with VIA since August 2014. Mr. Karafa is also the Chief Compliance Officer for Vision Financial Markets LLC. He is also the Anti Money Laundering Compliance Officer for Vision Investment Advisors LLC, Vision Financial Markets LLC and is a Vice President at High Ridge Futures LLC. Prior to August 2019, he was the VP of Trading for Vision's affiliated entities. Before joining Vision, Mr. Karafa was a Head Trader at Source Capital Group, Inc. Mr. Karafa currently holds FINRA Series 3, 4, 7, 24, 53, 57, 63, and 66 licenses along with his life insurance and variable licenses. Mr. Karafa is a Certified Anti-Money Laundering Specialist (CAMS) and he holds a bachelor's



degree in Management from Fairfield University.

Additional information may be available in the brochure supplements for each IAR of VIA upon request.

VIA, through its discretionary authority, will, in the absence of a direction to the contrary by a client, establish brokerage accounts for its advisory clients at VFM or with a third-party firm approved by VIA (See Appendix 1). VFM is a SEC registered broker/dealers and FINRA Member Firms. VIA will buy and sell orders for its advisory accounts through, VFM, or a third-party firm. VIA may also use third-party trading platforms and the client assets in those account would be held directly at that firm.

VIA may recommend an independent CTA to a client for management of a portion of the client's account in managed futures. VIA typically receives a fee or generates execution charges on investments that it recommends be placed with CTAs. The costs associated with investing with each CTA are determined on a case-by-case basis and are disclosed to the client in writing prior to investment.

### **Conflicts of Interest**

VIA's IARs are fiduciaries who are required to act in the best interest of its client at all times. Conflicts of interests can and do arise and VIA will attempt to resolve them in ways that will not unfairly harm its clients. Examples of potential conflicts include where VIA or its affiliates:

- Could make a gain or avoid a loss at a client's expense;
- Have an interest in the outcome of a decision or service which is not the same as the client's;
- Have incentives to favor one client over another;
- Have incentives to favor a service provider that is not the best solution for the client; and
- Are not entirely impartial in making this appraisal in view of each other.

In cases where VIA has interests that conflict with clients, VIA manages them by disclosing the conflicts (e.g., the terms and conditions under which it operates or its motivations) and by mitigating them by acting in the clients' best interest. It may suggest to clients that they should make an alternative selection or make an informed choice to accept the terms under such conditions. The following are some of those conflicts of interest, and others are noted elsewhere in this document.

Howard Rothman, the Chief Executive Officer, and Managing Member of VIA, and Robert Boshnack, Principal of VIA, are also the principals of VFM and High Ridge Futures LLC ("affiliates"). As owners of these affiliates, Messrs. Rothman and Boshnack have a financial interest in all revenue received by its affiliates from transactions generated in the accounts of clients when managed by VIA. Messrs. Rothman and Boshnack do not earn commissions directly from the transactions conducted through affiliates. Registered Representatives of affiliates can charge commissions for transactions or receive a portion of Vision Advisor's fee for referring the client to VIA but will not charge both. See Item 14 *"Client Referrals and Other Compensation"* for more information. VIA and IARs share compensation received from the clients.

There are financial incentives to select an investment or third-party manager that results in the highest compensation. VIA has an incentive to engage in a higher volume or higher paying investment than would be the case in the absence of such a relationship. VIA and affiliates monitor IAR activity for client accounts. Clients may negotiate with other brokers to effect transactions.

IARs are required to disclose any affiliations with broker/dealers and investment advisors as well as any outside business activity. This information is disclosed to clients in the IAR's personal brochure, which is provided to clients prior to the execution of an investment management agreement. Other IARs may dedicate their time solely to advisory activities.

VIA affiliate fees and expenses are competitive but may be higher than otherwise available elsewhere. Clients must consent by written agreement to the terms of services, which are negotiable on a case-by-case basis.

Affiliates may utilize third-parties for executing transactions, which may result in the client receiving less favorable execution on some transactions. VIA and affiliates conduct best execution reviews for this purpose. Clients may obtain execution from other brokers.

VIA and IARs may recommend third-party managers to manage a portion of the client's assets. A client may pay higher fees when investing through an IAR rather than directly with VIA or a third-party manager. Clients can contract directly with third parties or VIA.

VIA or an IAR may give different advice on the same securities to different clients based upon on the client's specific goals and objectives. Therefore, it may purchase securities for one client while, at the same time, selling the same securities for another client based upon each client's goals and objectives.

There are no restrictions on a client's ability to contact VIA in its capacity as the investment advisor or the IAR managing a client's account. Clients who have questions should contact VIA.

### **Secured Demand Note Account Holders**

Vision Investment Advisors currently manages the collateral accounts of persons who have entered into secured demand notes with VFM pursuant to secured demand note agreements between those persons and VFM. As noted above, Vision Investment Advisors is affiliated through common ownership with VFM. Mr. Rothman, owner and President of VFM, may have an incentive to establish such accounts for Vision Investment Advisors and/or manage such accounts for VFM's benefit. There is a potential conflict of interest between VFM's interest as the pledgee of the collateral underlying the secured demand notes, including VFM's right to sell the collateral under certain circumstances, and Vision Investment Advisor's interest as adviser to the collateral accounts. However, all secured demand note agreements are executed pursuant to discussions with VFM, and Vision Investment Advisors does not recommend or solicit clients to enter into secured demand note arrangements or related collateral accounts. If a client enters into a secured demand note agreement with VFM after discussions with VFM, Vision Investment Advisors will manage the resulting collateral account. All collateral accounts are managed by Vision Investment Advisors under a standard advisory agreement. Clients investing in Secured Demand Notes may receive differing rates or durations as agreed upon with Vision.

### **Item 14. Code of Ethics, Participation in Client Transactions and Personal Trading**

VIA has adopted a Code of Ethics that is designed to detect and prevent conflicts of interest. The Code of Ethics contains various trading restrictions. Access persons under the Code also are required to report any violations of the Code to VIA's Chief Compliance Officer, report on a quarterly and annual basis their personal securities transactions and holdings and comply with all applicable Federal securities laws. The Chief Compliance Officer or designee is required to review and monitor reports of personal securities transactions. Clients and prospective clients may obtain a copy of VIA's Code of Ethics at any time on request.

VIA may recommend and purchase in the various portfolios offered to clients, securities of issuers that are also purchased, sold or held by VIA and its officers, directors, associates, employees and affiliates and their pension or retirement plans. Certain proprietary accounts and VFM's pension and profit-sharing plan may pay lower advisory fees and commissions than paid by clients. Because the investment objectives and personal circumstances of those persons may differ from those of their clients, the timing of such transactions may not coincide with the timing of the portfolio transactions for clients. In addition, VIA and its principals, associates, employees, affiliates and their retirement accounts may purchase or sell securities that they do not recommend to or include in client portfolios because such securities do not meet the investment guidelines established for client portfolios. In such instances, VIA is not obligated to offer clients the opportunity to invest or purchase such securities. VIA is nonetheless mindful of its fiduciary duties and will not deprive clients of, or appropriate to its own advantage, investment opportunities that are suitable for client accounts. Because of the liquidity of the markets for the type of securities purchased in its Equity, Balanced, Dividend and Fixed Income Portfolios, VIA does not anticipate the potential for conflicts in the personal securities transactions of its principals or employees. As a precaution, however, VIA will place proprietary orders on the same side of a transaction on the same day for the same security simultaneously

with orders placed for client accounts. Where there is a difference in execution prices, VIA will give its clients the better prices or fill all orders on the average pricing method.

### **Item 15. Review of Accounts**

Accounts are reviewed on a regular basis. When market conditions, economic events or individual issuers prompt immediate review, accounts are reviewed more frequently and may be subject to daily monitoring. This is an ongoing process of analysis to ensure that client objectives are being met and tactical adjustments are made to respond to changing market conditions.

Clients receive statements directly from the custodian, VFM, an affiliate of VIA, which carries the accounts as a registered broker/dealer. Wrap fee clients receive monthly reports from the custodian whenever there is activity in the account, and quarterly regardless of account activity, reflecting cash and securities positions' market value at the end of the month and the change in value from the previous period. In addition, clients receive confirmations directly from the custodian anytime a trade is done in the account. When the account is an IRA, then a custodian such as Sterling Trust Company or other qualified custodian will be the IRA custodian, but the statements will still come from VFM.

VIA has a Web site related to its advisory services, [www.advicewithvision.com](http://www.advicewithvision.com), which is available to its clients. Clients whose accounts are maintained at Vision Financial Markets LLC may access their brokerage accounts and obtain market information at [www.visionfinancialmarkets.com](http://www.visionfinancialmarkets.com).

### **Item 16. Financial Information**

VIA is required in this section to provide you with certain financial information or disclosures about its financial condition. VIA has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients.