



## **IAM Advisory LLC**

### **Form ADV Part 2A – Disclosure Brochure**

**Effective: January 22, 2024**

This Form ADV Part 2A (“Disclosure Brochure”) provides information about the qualifications and business practices of IAM Advisory LLC (“IAM” or the “Advisor”). If you have any questions about the content of this Disclosure Brochure, please contact the Advisor at 610-258-3269.

IAM is a registered investment advisor with the U.S. Securities and Exchange Commission (“SEC”). The information in this Disclosure Brochure has not been approved or verified by the SEC or by any state securities authority. Registration of an investment advisor does not imply any specific level of skill or training. This Disclosure Brochure provides information about IAM to assist you in determining whether to retain the Advisor.

Additional information about IAM and its Advisory Persons is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor’s firm name or CRD# 305492.

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## Item 2 – Material Changes

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Form ADV 2 is divided into two parts: *Part 2A (the "Disclosure Brochure")* and *Part 2B (the "Brochure Supplement")*. The Disclosure Brochure provides information about a variety of topics relating to an Advisor's business practices and conflicts of interest. The Brochure Supplement provides information about the Advisory Persons of IAM. For convenience, the Advisor has combined these documents into a single disclosure document.

IAM believes that communication and transparency are the foundation of its relationship with clients and will continually strive to provide you with complete and accurate information at all times. IAM encourages all current and prospective clients to read this Disclosure Brochure and discuss any questions you may have with the Advisor.

### Material Changes

There have been no material changes to this Disclosure Brochure since the last filing and distribution to Clients.

### Future Changes

From time to time, the Advisor may amend this Disclosure Brochure to reflect changes in business practices, changes in regulations or routine annual updates as required by the securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to you annually and if a material change occurs.

At any time, you may view the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor's firm name or CRD# 305492. You may also request a copy of this Disclosure Brochure at any time by contacting the Advisor at 610-258-3269.

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## Item 4 – Advisory Services

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### A. Firm Information

IAM Advisory LLC (“IAM” or the “Advisor”) is a registered investment advisor with U.S. Securities and Exchange Commission (“SEC”). The Advisor is organized as a Limited Liability Company (“LLC”) under the laws of the Commonwealth of Pennsylvania. IAM was founded in December 2019 and is owned and operated by Joseph C. Parsons (Managing Member and President) and Holly P. Jinks (Managing Member, Chief Operating Officer and Chief Compliance Officer). This Disclosure Brochure provides information regarding the qualifications, business practices, and the advisory services provided by IAM.

### B. Advisory Services Offered

IAM offers investment advisory services to individuals, high net worth individuals, trusts, estates, businesses, and retirement plans (each referred to as a “Client”).

The Advisor serves as a fiduciary to Clients, as defined under the applicable laws and regulations. As a fiduciary, the Advisor upholds a duty of loyalty, fairness and good faith towards each Client and seeks to mitigate potential conflicts of interest. IAM's fiduciary commitment is further described in the Advisor's Code of Ethics. For more information regarding the Code of Ethics, please see Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.

#### Wealth Management Services

IAM provides customized wealth management solutions for its Clients which is a combination of comprehensive financial planning and ongoing discretionary investment management of Client portfolios. The Advisor may also offer financial planning as a stand-alone service.

*Investment Management Services* – IAM provides customized investment advisory solutions for its Clients as part of its wealth management services. This is achieved through continuous personal Client contact and interaction while providing discretionary investment management and related advisory services. IAM works closely with each Client to identify their investment goals and objectives as well as risk tolerance and financial situation in order to create a portfolio strategy. IAM will then construct an investment portfolio, consisting of low-cost, diversified mutual funds and/or exchange-traded funds (“ETFs”) and individual debt and equity securities to achieve the Client's investment goals. The Advisor may retain certain types of investments based on a Client's legacy investments based on portfolio fit and/or tax considerations.

IAM's investment strategies are primarily long-term focused, but the Advisor may buy, sell or re-allocate positions that have been held for less than one year to meet the objectives of the Client or due to market conditions. IAM will construct, implement and monitor the portfolio to ensure it meets the goals, objectives, circumstances, and risk tolerance agreed to by the Client. Each Client will have the opportunity to place reasonable restrictions on the types of investments to be held in their respective portfolio, subject to acceptance by the Advisor.

IAM evaluates and selects investments for inclusion in Client portfolios only after applying its internal due diligence process. IAM may recommend, on occasion, redistributing investment allocations to diversify the portfolio. IAM may recommend specific positions to increase sector or asset class weightings. The Advisor may recommend employing cash positions as a possible hedge against market movement. IAM may recommend selling positions for reasons that include, but are not limited to, harvesting capital gains or losses, business or sector risk exposure to a specific security or class of securities, overvaluation or overweighting of the position[s] in the portfolio, change in risk tolerance of the Client, generating cash to meet Client needs, or any risk deemed unacceptable for the Client's risk tolerance.

When deemed to be in the Client's best interest, IAM may recommend that a Client rollover its retirement plan account into an account managed by the Advisor. In such instances, the Advisor will serve as an investment fiduciary as that term is defined under The Employee Retirement Income Security Act of 1974 (“ERISA”). Such a recommendation creates a conflict of interest if the Advisor will earn a new (or increase its current) advisory fee as a result of the rollover. No client is under any obligation to roll over retirement plan assets to an account managed by the Advisor.

At no time will IAM accept or maintain custody of a Client's funds or securities, except for the limited authority as outlined in Item 15 – Custody. All Client assets will be managed within the designated account[s] at the Custodian, pursuant to the terms of the advisory agreement. Please see Item 12 – Brokerage Practices.

*Financial Planning Services* – IAM will typically provide a variety of financial planning and consulting services to Clients either as a component of wealth management or pursuant to a written financial planning agreement. Services are offered in several areas of a Client's financial situation, depending on their goals and objectives. Generally, such financial planning services involve preparing a formal financial plan or rendering a specific financial consultation based on the Client's financial goals and objectives. This planning or consulting may encompass one or more areas of need, including but not limited to, business planning, cash flow forecasting, trust and estate planning, financial reporting, investment consulting, insurance planning, retirement planning, risk management, charitable giving, education planning, distribution planning, tax planning, manager due diligence and other areas of a Client's financial situation.

A financial plan developed for, or financial consultation rendered to the Client will usually include general recommendations for a course of activity or specific actions to be taken by the Client. For example, recommendations may be made that the Client start or revise their investment programs, commence or alter retirement savings, establish education savings and/or charitable giving programs.

IAM may also refer Clients to an accountant, attorney or other specialists, as appropriate for their unique situation. For certain financial planning engagements, the Advisor will provide a written summary of the Client's financial situation, observations, and recommendations. For consulting or ad-hoc engagements, the Advisor may not provide a written summary. Plans or consultations are typically completed within six (6) months of contract date, assuming all information and documents requested are provided promptly.

Financial planning and consulting recommendations pose a conflict between the interests of the Advisor and the interests of the Client. For example, the Advisor has an incentive to recommend that Clients engage the Advisor for investment management services or to increase the level of investment assets with the Advisor, as it would increase the amount of advisory fees paid to the Advisor. Clients are not obligated to implement any recommendations made by the Advisor or maintain an ongoing relationship with the Advisor. If the Client elects to act on any of the recommendations made by the Advisor, the Client is under no obligation to implement the transaction through the Advisor.

#### Retirement Plan Advisory Services

IAM provides retirement plan advisory services on behalf of the retirement plans (each a "Plan") and the company (the "Plan Sponsor"). The Advisor's retirement plan advisory services are designed to assist the Plan Sponsor in meeting its fiduciary obligations to the Plan and its Plan Participants. Each engagement is customized to the needs of the Plan and Plan Sponsor. Services available include:

- Plan Participant Enrollment
- Participant Education Tracking
- Annual Plan Review
- Performance Reporting
- Ongoing Investment Management (ERISA 3(38))
- Ongoing Investment Recommendations (ERISA 3(21))

These services are provided by IAM serving in the capacity as a fiduciary under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). In accordance with ERISA Section 408(b)(2), the Plan Sponsor is provided with a written description of IAM's fiduciary status, the specific services to be rendered and all direct and indirect compensation the Advisor reasonably expects under the engagement.

### C. Client Account Management

Prior to engaging IAM to provide investment advisory services, each Client is required to enter into one or more agreements with the Advisor that define the terms, conditions, authority and responsibilities of the Advisor and the Client. These services may include:

- Establishing an Investment Strategy – IAM, in connection with the Client, will develop a strategy that seeks to achieve the Client's goals and objectives.
- Asset Allocation – IAM will develop a strategic asset allocation that is targeted to meet the investment objectives, time horizon, financial situation and tolerance for risk for each Client.
- Portfolio Construction – IAM will develop a portfolio for the Client that is intended to meet the stated goals and objectives of the Client.
- Investment Management and Supervision – IAM will provide investment management and ongoing oversight of the Client's investment portfolio.

### D. Wrap Fee Programs

IAM does not manage or place Client assets into a wrap fee program. Investment management services are provided directly by IAM.

### E. Assets Under Management

As of December 31, 2023, IAM manages \$572,439,714 in Client assets, all of which are managed on a discretionary basis. Clients may request more current information at any time by contacting the Advisor.

## Item 5 – Fees and Compensation

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The following paragraphs detail the fee structure and compensation methodology for services provided by the Advisor. Each Client engaging the Advisor for services described herein shall be required to enter into one or more written agreements with the Advisor.

### A. Fees for Advisory Services

#### Wealth Management Services

Wealth management fees are paid monthly, at the end of each month pursuant to the terms of the wealth management agreement. Wealth management fees are based on the average daily balance of assets under management during the month. Wealth management fees range from 0.50% to 2.00% annually based on several factors, including: the scope and complexity of the services to be provided; the level of assets to be managed; and the overall relationship with the Advisor. Relationships with multiple objectives, specific reporting requirements, portfolio restrictions and other complexities may be charged a higher fee. Wealth management services are subject to a minimum annual fee of \$250 which will be assessed at the end of every calendar year and prorated from the adoption of Client wealth management agreement to the end of the first year.

The wealth management fee in the first month of service is prorated from the inception date of the account[s] to the end of the first month. Fees may be negotiable at the sole discretion of the Advisor. The Client's fees will take into consideration the aggregate assets under management with the Advisor. All securities held in accounts managed by IAM will be independently valued by the Custodian. The Advisor will conduct periodic reviews of the Custodian's valuations.

The Advisor's fee is exclusive of, and in addition to any applicable securities transaction and custody fees, and other related costs and expenses described in Item 5.C below, which may be incurred by the Client. However, the Advisor shall not receive any portion of these commissions, fees, and costs.

#### Financial Planning Services

IAM offers stand-alone financial planning services either on an hourly or fixed fee basis. Hourly fees range from \$100 to \$500 per hour. Fixed fees range from \$250 to \$7,500 per engagement. Fees may be negotiable based on the nature

and complexity of the services to be provided and the overall relationship with the Advisor. An estimate for total hours and/or total costs will be provided to the Client prior to engaging for these services.

#### Retirement Plan Advisory Services

Fees for retirement plan advisory services are charged either an annual asset-based fee of up to 1.50% based on the market value of assets under management or an annual fixed fee. Retirement plan advisory fees are billed monthly or quarterly in arrears. Fees may be negotiable depending on the size and complexity of the Plan.

### **B. Fee Billing**

#### Wealth management Services

Wealth management fees are calculated by the Advisor or its delegate and deducted from the Client's account[s] at the Custodian. The Advisor shall send an invoice to the Custodian indicating the amount of the fees to be deducted from the Client's account[s] at the respective month end date. The amount due is calculated by applying the monthly rate (annual rate divided by 12) to the average daily balance of assets under management during the month. Clients will be provided with a statement, at least quarterly, from the Custodian reflecting deduction of the wealth management fee. Clients provide written authorization permitting advisory fees to be deducted by IAM to be paid directly from their account[s] held by the Custodian as part of the wealth management agreement and separate account forms provided by the Custodian.

#### Financial Planning Services

Financial planning fees may be invoiced up to fifty percent (50%) of the expected total fee upon execution of the financial planning agreement. The balance shall be invoiced upon completion of the agreed upon deliverable[s].

#### Retirement Plan Advisory Services

Retirement plan advisory fees may be directly invoiced to the Plan Sponsor or deducted from the assets of the Plan, depending on the terms of the retirement plan advisory agreement.

### **C. Other Fees and Expenses**

Clients may incur certain fees or charges imposed by third parties, other than IAM, in connection with investments made on behalf of the Client's account[s]. The Client is responsible for all custody and securities execution fees charged by the Custodian, as applicable. The Advisor's recommended Custodian does not charge securities transaction fees for ETF and equity trades in a Client's account, provided that the account meets the terms and conditions of the Custodian's brokerage requirements. However, the Custodian typically charges for mutual funds and other types of investments. The fees charged by IAM are separate and distinct from these custody and execution fees.

In addition, all fees paid to IAM for investment advisory services are separate and distinct from the expenses charged by mutual funds and ETFs to their shareholders, if applicable. These fees and expenses are described in each fund's prospectus. These fees and expenses will generally be used to pay management fees for the funds, other fund expenses, account administration (e.g., custody, brokerage and account reporting), and a possible distribution fee. A Client may be able to invest in these products directly, without the services of IAM, but would not receive the services provided by IAM which are designed, among other things, to assist the Client in determining which products or services are most appropriate for each Client's financial situation and objectives. Accordingly, the Client should review both the fees charged by the fund[s] and the fees charged by IAM to fully understand the total fees to be paid. Please refer to Item 12 – Brokerage Practices for additional information.

### **D. Advance Payment of Fees and Termination**

#### Wealth management Services

IAM is compensated for its wealth management services at the end of the month after services are rendered. Either party may terminate the wealth management agreement, at any time, by providing advance written notice to the other party. The Client may also terminate the wealth management agreement within five (5) business days of signing the Advisor's agreement at no cost to the Client. After the five-day period, the Client will incur charges for bona fide advisory services rendered to the point of termination and such fees will be due and payable by the Client. The Client's wealth management agreement with the Advisor is non-transferable without the Client's prior consent.



### Financial Planning Services

IAM may require an advance deposit as described above. Either party may terminate the financial planning agreement, at any time, by providing advance written notice to the other party. The Client may also terminate the financial planning agreement within five (5) business days of signing the Advisor's agreement at no cost to the Client. After the five-day period, the Client will incur charges for bona fide advisory services rendered to the point of termination and such fees will be due and payable by the Client. Upon termination, the Client shall be billed for actual hours logged on the planning project times the contractual hourly rate or in the case of a fixed fee engagement, the percentage of the engagement scope completed by the Advisor. The Client's financial planning agreement with the Advisor is non-transferable without the Client's prior consent.

### Retirement Plan Advisory Services

IAM may be compensated at the end of the month or quarter after retirement plan advisory services are rendered. Either party may terminate the retirement plan advisory agreement, at any time, by providing advance written notice to the other party. The Client may also terminate the retirement plan advisory agreement within five (5) business days of signing the Advisor's agreement at no cost to the Client. After the five-day period, the Client will incur charges for bona fide advisory services rendered to the point of termination and such fees will be due and payable by the Client. The Client's retirement plan advisory agreement with the Advisor is non-transferable without the Client's prior consent.

## **E. Compensation for Sales of Securities**

IAM does not buy or sell securities to earn commissions and does not receive any compensation for securities transactions in any Client account, other than the investment advisory fees noted above.

Certain Advisory Persons are also licensed as independent insurance professionals. As an independent insurance professional, an Advisory Person will earn commission-based compensation for selling insurance products, including insurance products sold to Clients. Insurance commissions earned by an Advisory Person is separate and in addition to advisory fees. This practice presents a conflict of interest because an Advisory Person providing investment advice on behalf of the Advisor who is also an insurance agent has an incentive to recommend insurance products to you for the purpose of generating commissions rather than solely based on Client needs. However, Clients are under no obligation, contractually or otherwise, to purchase insurance products through any Advisory Person affiliated with the Advisor.

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

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IAM does not charge performance-based fees for its investment advisory services. The fees charged by IAM are as described in Item 5 above and are not based upon the capital appreciation of the funds or securities held by any Client.

IAM does not manage any proprietary investment funds or limited partnerships (for example, a mutual fund or a hedge fund) and has no financial incentive to recommend any particular investment options to its Clients.

## **Item 7 – Types of Clients**

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IAM offers investment advisory services to individuals, high net worth individuals, trusts, estates, businesses, and retirement plans. The amount of each type of Client is available on IAM's Form ADV Part 1A. These amounts may change over time and are updated at least annually by the Advisor. IAM generally does not impose a minimum relationship size.

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

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### **A. Methods of Analysis**

IAM utilizes a disciplined process to develop specific asset allocation strategies for its clients. Assets are generally allocated among one or more of the firm's tactical or strategic portfolios.



IAM is a firm subscriber to the use of strategic asset allocation as a means of building realistic estimates for projected returns, standard deviations and correlations among major asset classes. The Advisor's goal is to create allocations that will require fewer changes over time especially with respect to the major asset allocations. IAM generally utilizes a mix of individual equities, ETFs and mutual funds to build its strategies.

The Advisor employs a combination of returns-based statistical analysis, as well as qualitative analysis, of various investment management firms to develop its approved list of mutual funds, ETFs and equities. Some of the key performance factors IAM focuses on include overall style metrics and consistency, risk reward track records, the manager's ability to effectively capture market performance, their ability to generate excess return over the appropriate benchmarks and their ability to limit overall tracking error versus the appropriate benchmarks. IAM also considers qualitative factors including the depth and breadth of the management team as well as the management tenure. IAM prefers team oriented firms that have significant management and research depth along with a highly disciplined investment process.

While IAM does subscribe to strategic asset allocation, at the same time, the Advisor believes in incorporating a tactical asset allocation overlay to reflect cyclical and secular forces in the global economy. There are a number of economic indicators which IAM closely watches to help it formulate its tactical investment strategy with respect to its allocations. IAM follows a wide array of economic and company statistics to develop a macro view of the economy as well as a bottoms-up micro economic view of individual industry conditions. In addition to its fundamental analysis, IAM also utilizes several technical analysis systems to help determine market trends. This analysis is also factored into its tactical investment strategies.

*Fundamental analysis* utilizes economic and business indicators as investment selection criteria. These criteria consist generally of ratios and trends that may indicate the overall strength and financial viability of the entity being analyzed. Assets are deemed suitable if they meet certain criteria to indicate that they are a strong investment with a value discounted by the market. While this type of analysis helps the Advisor in evaluating a potential investment, it does not guarantee that the investment will increase in value. Assets meeting the investment criteria utilized in the fundamental analysis may lose value and may have negative investment performance. The Advisor monitors these economic indicators to determine if adjustments to strategic allocations are appropriate. More details on the Advisor's review process are included below in Item 13 – Review of Accounts.

*Technical analysis* involves the analysis of past market data rather than specific company data in determining the recommendations made to clients. Technical analysis may involve the use of charts to identify market patterns and trends, which may be based on investor sentiment rather than the fundamentals of the company. The primary risk in using technical analysis is that spotting historical trends may not help to predict such trends in the future. Even if the trend will eventually reoccur, there is no guarantee that IAM will be able to accurately predict such a reoccurrence.

The Advisor follows a rebalancing methodology on a percentage variance and calendar year basis in an effort to control the overall risk profile of each allocation. In general, the Advisor seeks to impose a simple percentage variance of twenty five percent (25%) or greater in any one asset class as a trigger for rebalancing in an attempt to effectively control risk without incurring substantial trading costs. In limited circumstances, though, the Advisor may override the rebalancing trigger and maintain the asset allocation. All portfolio and investment manager performance is tracked and analyzed monthly.

In addition, while most Clients are either in the Advisor's tactical or strategic strategies as set forth above, a small group of the Advisory Persons may use a different strategy that focuses on individual equities, and other investments. In these circumstances, the strategies used by these Advisory Persons will be done in accordance with the Client's investment objectives.

As noted above, IAM generally employs a long-term investment strategy for its Clients, as consistent with their financial goals. IAM will typically hold all or a portion of a security for more than a year, but may hold for shorter periods for the purpose of rebalancing a portfolio or meeting the cash needs of Clients. At times, IAM may also buy and sell positions that are more short-term in nature, depending on the goals of the Client and/or the fundamentals of the security, sector or asset class.

## **B. Risk of Loss**

Investing in securities involves certain investment risks. Securities may fluctuate in value or lose value. Clients should be prepared to bear the potential risk of loss. IAM will assist Clients in determining an appropriate strategy based on their tolerance for risk and other factors noted above. However, there is no guarantee that a Client will meet their investment goals.

While the methods of analysis help the Advisor in evaluating a potential investment, it does not guarantee that the investment will increase in value. Assets meeting the investment criteria utilized in these methods of analysis may lose value and may have negative investment performance. The Advisor monitors these economic indicators to determine if adjustments to strategic allocations are appropriate. More details on the Advisor's review process are included below in Item 13 – Review of Accounts.

Each Client engagement will entail a review of the Client's investment goals, financial situation, time horizon, tolerance for risk and other factors to develop an appropriate strategy for managing a Client's account. Client participation in this process, including full and accurate disclosure of requested information, is essential for the analysis of a Client's account[s]. The Advisor shall rely on the financial and other information provided by the Client or their designees without the duty or obligation to validate the accuracy and completeness of the provided information. It is the responsibility of the Client to inform the Advisor of any changes in financial condition, goals or other factors that may affect this analysis.

The risks associated with a particular strategy are provided to each Client in advance of investing Client accounts. The Advisor will work with each Client to determine their tolerance for risk as part of the portfolio construction process. Following are some of the risks associated with the Advisor's investment strategies:

### Market Risks

The value of a Client's holdings may fluctuate in response to events specific to companies or markets, as well as economic, political, or social events in the U.S. and abroad. This risk is linked to the performance of the overall financial markets.

### ETF Risks

The performance of ETFs is subject to market risk, including the possible loss of principal. The price of the ETFs will fluctuate with the price of the underlying securities that make up the funds. In addition, ETFs have a trading risk based on the loss of cost efficiency if the ETFs are traded actively and a liquidity risk if the ETFs has a large bid-ask spread and low trading volume. The price of an ETF fluctuates based upon the market movements and may dissociate from the index being tracked by the ETF or the price of the underlying investments. An ETF purchased or sold at one point in the day may have a different price than the same ETF purchased or sold a short time later.

### Bond Risks

Bonds are subject to specific risks, including the following: (1) interest rate risks, i.e. the risk that bond prices will fall if interest rates rise, and vice versa, the risk depends on two things, the bond's time to maturity, and the coupon rate of the bond. (2) reinvestment risk, i.e. the risk that any profit gained must be reinvested at a lower rate than was previously being earned, (3) inflation risk, i.e. the risk that the cost of living and inflation increase at a rate that exceeds the income investment thereby decreasing the investor's rate of return, (4) credit default risk, i.e. the risk associated with purchasing a debt instrument which includes the possibility of the company defaulting on its repayment obligation, (5) rating downgrades, i.e. the risk associated with a rating agency's downgrade of the company's rating which impacts the investor's confidence in the company's ability to repay its debt and (6) Liquidity Risks, i.e. the risk that a bond may not be sold as quickly as there is no readily available market for the bond.

### Mutual Fund Risks

The performance of mutual funds is subject to market risk, including the possible loss of principal. The price of the mutual funds will fluctuate with the value of the underlying securities that make up the funds. The price of a mutual fund is typically set daily therefore a mutual fund purchased at one point in the day will typically have the same price as a mutual fund purchased later that same day.

**Past performance is not a guarantee of future returns. Investing in securities and other investments involve a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with the Advisor.**

## **Item 9 – Disciplinary Information**

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**There are no legal, regulatory or disciplinary events involving IAM or its management persons.** IAM values the trust Clients place in the Advisor. The Advisor encourages Clients to perform the requisite due diligence on any advisor or service provider that the Client engages. The backgrounds of the Advisor or Advisory Persons are available on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor's firm name or CRD# 305492.

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

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### Insurance Agency Affiliations

As noted in Item 5, certain Advisory Persons are also licensed insurance professionals. Implementations of insurance recommendations are separate and apart from one's role with IAM. As an insurance professional, an Advisory Person receives customary commissions and other related revenues from the various insurance companies whose products are sold. Advisory Persons are not required to offer the products of any particular insurance company. Commissions generated by insurance sales do not offset regular advisory fees. This creates a conflict of interest in recommending certain products of the insurance companies. Clients are under no obligation to implement any recommendations made by an Advisory Person or the Advisor.

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

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### **A. Code of Ethics**

IAM has implemented a Code of Ethics (the "Code") that defines the Advisor's fiduciary commitment to each Client. This Code applies to all persons associated with IAM ("Supervised Persons"). The Code was developed to provide general ethical guidelines and specific instructions regarding the Advisor's duties to each Client. IAM and its Supervised Persons owe a duty of loyalty, fairness and good faith towards each Client. It is the obligation of IAM's Supervised Persons to adhere not only to the specific provisions of the Code, but also to the general principles that guide the Code. The Code covers a range of topics that address employee ethics and conflicts of interest. To request a copy of the Code, please contact the Advisor at 610-258-3269.

### **B. Personal Trading with Material Interest**

IAM allows Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. IAM does not act as principal in any transactions. In addition, the Advisor does not act as the general partner of a fund, or advise an investment company. IAM does not have a material interest in any securities traded in Client accounts.

### **C. Personal Trading in Same Securities as Clients**

IAM allows Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Owning the same securities that are recommended (purchase or sell) to Clients presents a conflict of interest that, as fiduciaries, must be disclosed to Clients and mitigated through policies and procedures. As noted above, the Advisor has adopted the Code to address insider trading (material non-public information controls); gifts and entertainment; outside business activities and personal securities reporting. When trading for personal accounts, Supervised Persons have a conflict of interest if trading in the same securities. The fiduciary duty to act in the best interest of its Clients can be violated if personal trades are made with more advantageous terms than Client trades, or by trading based on material non-public information. This risk is mitigated by IAM requiring reporting of personal securities trades by its Supervised Persons for review by the Chief Compliance Officer ("CCO") or delegate. The Advisor has also adopted written policies and procedures to detect the misuse of material, non-public information.

#### D. Personal Trading at Same Time as Client

While IAM allows Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients, such trades are typically aggregated with Client orders or traded afterwards. **At no time will IAM, or any Supervised Person of IAM, transact in any security to the detriment of any Client.**

### Item 12 – Brokerage Practices

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#### A. Recommendation of Custodian[s]

IAM does not have discretionary authority to select the broker-dealer/custodian for custody and execution services. The Client will engage the broker-dealer/custodian (herein the "Custodian") to safeguard Client assets and authorize IAM to direct trades to the Custodian as agreed upon in the investment advisory agreement. Further, IAM does not have the discretionary authority to negotiate commissions on behalf of Clients on a trade-by-trade basis.

Where IAM does not exercise discretion over the selection of the Custodian, it may recommend the Custodian to Clients for custody and execution services. Clients are not obligated to use the Custodian recommended by the Advisor and will not incur any extra fee or cost associated with using a custodian not recommended by IAM. However, the Advisor may be limited in the services it can provide if the recommended Custodian is not engaged. IAM may recommend the Custodian based on criteria such as, but not limited to, reasonableness of commissions charged to the Client, services made available to the Client, and its reputation and/or the location of the Custodian's offices.

IAM will generally recommend that Clients establish their account[s] at Fidelity Investments, Inc. ("Fidelity"), a FINRA-registered broker-dealer and member SIPC. Fidelity will serve as the Client's "qualified custodian". IAM maintains an institutional relationship with Fidelity, whereby the Advisor receives economic benefits from Fidelity. Please see Item 14 below.

Following are additional details regarding the brokerage practices of the Advisor:

**1. Soft Dollars** - Soft dollars are revenue programs offered by broker-dealers/custodians whereby an advisor enters into an agreement to place security trades with a broker-dealer/custodian in exchange for research and other services. **IAM does not participate in soft dollar programs sponsored or offered by any broker-dealer/custodian. However, the Advisor receives certain economic benefits from the Custodian. Please see Item 14 below.**

**2. Brokerage Referrals** - IAM does not receive any compensation from any third party in connection with the recommendation for establishing an account.

**3. Directed Brokerage** - All Clients are serviced on a "directed brokerage basis", where IAM will place trades within the established account[s] at the Custodian designated by the Client. Further, all Client accounts are traded within their respective account[s]. The Advisor will not engage in any principal transactions (i.e., trade of any security from or to the Advisor's own account) or cross transactions with other Client accounts (i.e., purchase of a security into one Client account from another Client's account[s]). IAM will not be obligated to select competitive bids on securities transactions and does not have an obligation to seek the lowest available transaction costs. These costs are determined by the Custodian.

#### B. Aggregating and Allocating Trades

The primary objective in placing orders for the purchase and sale of securities for Client accounts is to obtain the most favorable net results taking into account such factors as 1) price, 2) size of the order, 3) difficulty of execution, 4) confidentiality and 5) skill required of the Custodian. IAM will execute its transactions through the Custodian as authorized by the Client. IAM may aggregate orders in a block trade or trades when securities are purchased or sold through the Custodian for multiple (discretionary) accounts in the same trading day. If a block trade cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated in a manner that is consistent with the initial pre-allocation or other written statement. This must be done in a way that does not consistently advantage or disadvantage any particular Clients' accounts.

## **Item 13 – Review of Accounts**

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### **A. Frequency of Reviews**

Securities in Client accounts are monitored on a regular and continuous basis by Advisory Persons of IAM. Formal reviews are generally conducted at least annually or more frequently depending on the needs of the Client.

### **B. Causes for Reviews**

In addition to the investment monitoring noted in Item 13.A., each Client account shall be reviewed at least annually. Reviews may be conducted more frequently at the Client's request. Accounts may be reviewed as a result of major changes in economic conditions, known changes in the Client's financial situation, and/or large deposits or withdrawals in the Client's account[s]. The Client is encouraged to notify IAM if changes occur in the Client's personal financial situation that might adversely affect the Client's investment plan. Additional reviews may be triggered by material market, economic or political events.

### **C. Review Reports**

The Client will receive brokerage statements no less than quarterly from the Custodian. These brokerage statements are sent directly from the Custodian to the Client. The Client may also establish electronic access to the Custodian's website so that the Client may view these reports and their account activity. Client brokerage statements will include all positions, transactions and fees relating to the Client's account[s]. The Advisor may also provide Clients with periodic reports regarding their holdings, allocations, and performance through the Advisor's portal.

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

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### **A. Compensation Received by IAM**

IAM is a fee-based advisory firm, that is compensated solely by its Clients and not from any investment product. IAM does not receive commissions or other compensation from product sponsors, broker-dealers or any un-related third party. IAM may refer Clients to various unaffiliated, non-advisory professionals (e.g. attorneys, accountants, estate planners) to provide certain financial services necessary to meet the goals of its Clients. Likewise, IAM may receive non-compensated referrals of new Clients from various third-parties.

#### Participation in Institutional Advisor Platform

IAM has established an institutional relationship with Fidelity to assist the Advisor in managing Client account[s]. Access to the Fidelity platform is provided at no charge to the Advisor. The Advisor receives access to software and related support without cost because the Advisor renders investment management services to Clients that maintain assets at Fidelity. The software and related systems support may benefit the Advisor, but not its Clients directly. In fulfilling its duties to its Clients, the Advisor endeavors at all times to put the interests of its Clients first. Clients should be aware, however, that the receipt of economic benefits from a Custodian creates a conflict of interest since these benefits may influence the Advisor's recommendation of this Custodian over one that does not furnish similar software, systems support, or services.

Additionally, Fidelity has agreed to pay for certain services rendered by third parties for which the Advisor would otherwise have to pay. This amount is covered once the value of Client assets in accounts at Fidelity reaches a certain size. Clients do not pay more for assets maintained at Fidelity as a result of these arrangements. However, the Advisor does benefit from the arrangement because the cost of these services would otherwise be borne directly by the Advisor.

### **B. Client Referrals from Promoters**

IAM does not compensate, either directly or indirectly, any affiliated or unaffiliated parties ("Promoters") for Client referrals.

## **Item 15 – Custody**

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IAM does not accept or maintain custody of any Client accounts, except for the authorized deduction of the Advisor's fees. All Clients must place their assets with a "qualified custodian". Clients are required to engage the Custodian to retain their funds and securities and direct IAM to utilize that Custodian for the Client's security transactions. Clients should review statements provided by the Custodian and compare to any reports provided by IAM to ensure accuracy, as the Custodian does not perform this review. For more information about custodians and brokerage practices, see Item 12 – Brokerage Practices.

If the Client gives the Advisor authority to move money from one account to another account, the Advisor may have custody of those assets. In order to avoid additional regulatory requirements, the Custodian and the Advisor have adopted safeguards to ensure that the money movements are completed in accordance with the Client's instructions.

## **Item 16 – Investment Discretion**

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IAM generally has discretion over the selection and amount of securities to be bought or sold in Client accounts without obtaining prior consent or approval from the Client. However, these purchases or sales may be subject to specified investment objectives, guidelines, or limitations previously set forth by the Client and agreed to by IAM. Discretionary authority will only be authorized upon full disclosure to the Client. The granting of such authority will be evidenced by the Client's execution of an investment advisory agreement containing all applicable limitations to such authority. All discretionary trades made by IAM will be in accordance with each Client's investment objectives and goals.

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

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IAM does not accept proxy-voting responsibility for any Client. Clients will receive proxy statements directly from the Custodian. The Advisor will assist in answering questions relating to proxies, however, the Client retains the sole responsibility for proxy decisions and voting.

## **Item 18 – Financial Information**

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Neither IAM, nor its management, have any adverse financial situations that would reasonably impair the ability of IAM to meet all obligations to its Clients. Neither IAM, nor any of its Advisory Persons, have been subject to a bankruptcy or financial compromise. IAM is not required to deliver a balance sheet along with this Disclosure Brochure as the Advisor does not collect advance fees of \$1,200 or more for services to be performed six months or more in the future.