

**Firm Brochure**  
(Part 2A of Form ADV)



**APEXIMUM FINANCIAL LP**

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**April 25, 2024**

This brochure provides information about the qualifications and business practices of Apexium Financial LP. If you have any questions about the contents of this brochure, please contact David Pilaitis at: (267) 479-0145, or by email at: [dpilaitis@apexiumfin.com](mailto:dpilaitis@apexiumfin.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “**SEC**”), or by any state securities authority. Additional information about the Firm is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Apexium is an investment adviser registered with the SEC. Registration with the SEC does not imply a certain level of skill or training.

## Item 2 - Material Changes

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This ADV 2A brochure has been updated to reflect the following material changes:

- Item 1 – Cover Page: Updated to disclose the firm’s new primary place of business address.
- Item 4 – Advisory Business: Updated Assets Under Management to \$2,638,020,125.69 as of 12/31/2023.
- Item 4 – Advisory Business: Updated principal place of business from Rye, NY to Dallas, TX. Please note, the firm had a temporary business address located at 3090 Nowitzki Way, Suite 300, Dallas, TX 75219, but as of the date of this Brochure, and moving forward, the firm’s principal address shall be 1920 McKinney Ave., Suite 700, Dallas, TX 75201.
- Item 4 – Advisory Business: Addition of new Investment Adviser Representative, Arnold Civins.
- Item 9 – Disciplinary Information: Updated to provide disclosures pertaining to SEC administrative order.
- Item 12 – Brokerage Practices: Apexium has updated the disclosures related to Firm’s best execution practices and has removed references to aggregated or block trading practices since Apexium will execute transactions for each individual client as deemed necessary upon review of their individual accounts.
- Item 12 - Brokerage Practices: Updated to reflect the Firm no longer recommends Pershing as a custodian for client accounts.
- Item 14 – Client Referrals and Other Compensation: Updated to remove disclosures concerning use of solicitors as the firm no longer utilizes the services of a solicitor. The above amendment reflects all of the material changes that have been made to this brochure since the last amendment in March 2023.

The above amendment reflects all of the material changes that have been made to this brochure since the last annual amendment in March 2023.

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## Item 4 - Advisory Business

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Apexium Financial LP (“**Apexium**,” the “**Firm**,” “**we**” or “**us**”) is an investment adviser with its principal place of business located in Dallas, TX, USA. The Firm was launched in January 2016 and is registered with the Securities and Exchange Commission (the “**SEC**”) as an investment adviser. Apexium is dedicated to providing independent, objective and comprehensive financial services to a select group of private clients and institutions. The principal owners of the Firm are Robert Brown, Cory Chmelka, and Matthew Marcello.

Apexium is a full-service wealth management firm offering clients a range of services that includes investment management (both discretionary and non-discretionary), financial planning, consulting, and services as trustee. Apexium tailors its advisory services to the individual needs of clients. Customarily, we will arrange for an initial meeting, which may be by telephone, to determine the extent to which investment management and financial planning may be beneficial to the client. We consult with clients on an ongoing basis to determine risk tolerance, time horizon and other factors that may impact the clients’ investment needs. We seek to help clients find suitable investments for their goals, objectives, and risk tolerance.

### *Assets Under Management*

As of December 31, 2023, we managed client assets with a value of approximately \$2,638,020,126 of which \$1,890,563,982 was managed on a discretionary basis, and \$747,456,144 on a non-discretionary basis.

### *Investment Advisory Services*

We provide personal financial planning, reporting, consulting, and investment advisory services to individuals, defined contribution plans, trusts, estates, charitable organizations, corporations and business entities. We employ a variety of investment strategies when constructing a client’s portfolio. We generally offer our investment management and advisory services for a fee based on assets under management or advisement. In certain cases, we provide financial planning, reporting and/or consulting services for an additional fee, which can be a percentage of assets under advisement, based on the client’s net worth or a flat or hourly rate.

Typically, when providing investment advisory services, we have full discretion to select securities to buy and sell for a client’s account. However, from time-to-time clients impose written and reasonable restrictions, limitations, or other requirements with respect to their individual accounts. Client accounts are tailored to address the specific goals, objectives, and constraints of each client. Apexium considers a range of factors that can impact the investment management process, including risk tolerance, investment time horizon, current and future cash needs, and such other circumstances deemed relevant.

We meet (in person if possible, otherwise via telephone conference) with clients in order to understand their current financial situation, existing resources, financial goals, and tolerance for risk. Based on what we learn, we propose an investment approach to the client that we consider suitable to the client’s circumstances. Each client’s individual investment strategy is tailored (if and as applicable) to their specific needs.

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We also provide our clients with access to third-party investment managers (each a “**Third-Party Investment Manager**”), including one investment manager that is affiliated with, but operationally independent of, Apexium (*See Item 10 – Other Financial Industry Activities and Affiliations*). This service provides clients access to a wide range of investment opportunities and asset classes, including international equities, emerging market equities, global fixed income, high-yield fixed income, private equity, commodities, options-based strategies, hedge funds, and real assets. By combining third-party managers with our extensive in-house resources, we seek to optimize our customized portfolio management capabilities for clients. A Third-Party Investment Manager will have discretionary authority for the day-to-day management of the assets that are allocated to it by Apexium or the client. The Third-Party Investment Manager will continue in such capacity until such arrangement is terminated or modified by Apexium.

Certain Third-Party Investment Managers will impose more restrictive account requirements and billing practices that differ from Apexium. In such instances, we can, but are not obligated, to alter our corresponding account requirements and/or billing practices to accommodate those of the Third-Party Investment Manager. Typically client fees for Third-Party Investment Managers are separate from, and in addition to, fees assessed by Apexium.

Clients are advised to promptly notify Apexium if there are changes in their financial situation or investment objectives or if they wish to impose any additional reasonable restrictions upon our investment management services.

Prior to engaging Apexium to provide investment management services, a client is required to enter into a written investment management agreement with Apexium setting forth the terms and conditions of the engagement (the “**Investment Management Agreement**”), as well as a separate custodial/clearing agreement with the broker-dealer/custodian chosen by the client for its accounts (*See Item 12 – Brokerage Practices*). A single Investment Management Agreement may cover a number of accounts owned by a single client or a group of related clients (such as a family).

The terms and conditions under which the client engages a Third-Party Investment Manager will be set forth in one of the following: a separate written sub-advisory agreement between the Third-Party Investment Manager and Apexium; a separate written advisory agreement between the Third-Party Investment Manager and the client; or in a platform agreement that permits us to make allocations to certain Third-Party Investment Managers without separate sub-advisory agreements between Apexium and each such Third-Party Investment Manager. Where we make an allocation to or a recommendation of a Third-Party Investment Manager, we continue to provide investment advisory services to the applicable client with respect to such assets by providing ongoing monitoring and review of account performance, asset allocation and client investment objectives.

*Discretionary Services.* In a discretionary investment management arrangement, the client places assets in a separate account and Apexium has full discretion to invest such assets or allocate such assets to one or more Third-Party Investment Managers, subject to any guidelines, limitations or special instructions that are expressly set forth in the client’s Investment Management Agreement.

*Non-Discretionary Services.* In a non-discretionary investment management arrangement, the client places assets in a separate account and Apexium recommends investments of such assets to the client or recommends that the client allocate some or all of such assets to one or more Third-Party Investment Managers, in each case in accordance with the investment objectives of the client. The

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final decision on investments or on Third-Party Investment Manager allocations in this type of arrangement rests with the client and the client always maintains asset control. We implement the investment decisions of the client under a limited authority from the client. Providing investment advice on a non-discretionary basis can negatively impact a client account if we are unable to contact the client during sudden negative market conditions.

We also render non-discretionary investment management services to clients regarding variable life/annuity products, individual employer-sponsored retirement plans, charitable organizations and/or 529 plans or other products. In so doing, we either direct or recommend the allocation of client assets among the various investment options that are available with the product. Client assets are maintained at the specific insurance company or custodian designated by the product.

***Financial Planning and Consulting Services***

Unless a client is also receiving investment management services, our financial planning services are offered on a “one-time” basis that provide a broad range of comprehensive financial planning and consulting services, addressing a multitude of investment and non-investment related matters which may include, but are not limited to, the following:

- Asset protection strategies
- Charitable giving
- Philanthropic planning
- Education funding
- Insurance coverage
- Risk management
- Retirement planning
- Tax strategies
- Estate planning
- Succession planning

If a client is not already a party to an Investment Management Agreement with Apexium, prior to engaging Apexium to provide financial planning and/or consulting services the client will be required to enter into a financial planning agreement with Apexium setting forth the terms and conditions of the engagement and the scope of the services to be provided (the “**Financial Planning Agreement**”).

***Defined Contribution Plan Consulting Services***

Apexium also offers advisory and consulting services to retirement plans and plan sponsors. When acting as a fiduciary, as defined in Section 3(21) of the Employee Retirement Income Security Act of 1974 (“**ERISA**”), we provide general investment advice regarding asset classes and investment options. Our retirement plan services may include some or all of the following:

- Assist plan sponsors with the ongoing administration of the plan by working with the plan sponsor and a selected third-party administrator. If the plan sponsor has not already selected a third-party administrator, we will assist the plan sponsor with the selection of a third-party administrator for the plan.

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- Provide plan sponsors with recommendations of investment options consistent with ERISA section 404(c).
- Provide investment advice to plan sponsors about asset classes and investment alternatives available for the plan in accordance with the plan's investment policies and objectives. In consulting engagements, plan sponsors will have the final decision-making authority regarding the selection, retention, removal and addition of investment options.
- Monitor investment options by preparing periodic investment reports that document investment performance and consistency of fund management and make recommendations to maintain or remove and replace investment options.
- Provide education services to plan participants about general investment principles and the investment alternatives available under the plan. Educational presentations, provided periodically and based upon clients' needs and requests, will not consider the individual circumstances of each participant and individual recommendations will not be provided.
- Assist in individual and/or group enrollment meetings designed to increase retirement plan participation among employees and investment and financial understanding by the employees.
- Upon request, provide one-on-one advice to plan participants regarding their investment options under a plan. Plan participants are responsible for implementing transactions in their own accounts.

We do not serve as administrator or trustee of a plan. We do not act as custodian for any client account or have access to client funds or securities.

***General***

Neither Apexium nor the client may assign an Investment Management Agreement or a Financial Planning Agreement without the prior consent of the other party. Transactions that do not result in a change of actual control or management of Apexium will not be considered an assignment. To the extent that client consent is required, we may obtain that consent by forwarding a "negative consent" letter to the client and if the client does not notify us of an objection within a specified time period, the client will be deemed to have consented to the assignment.

A client may terminate an Investment Management Agreement or a Financial Planning Agreement at any time by notifying us in writing and, if paying in arrears, paying the rate for the time spent on the engagement prior to the effective date of termination. We may terminate an Investment Management Agreement or a Financial Planning Agreement at any time by notifying the client in writing. If the client made an advance payment, our fee will be prorated through the effective date of termination and the balance refunded to the client.

A copy of this brochure and any applicable brochure supplements will be provided to each client prior to, or contemporaneously with, the execution of an Investment Management Agreement or a Financial Planning Agreement.

The value and usefulness of our investment advisory services will depend upon the accuracy and completeness, and timeliness of delivery, of the information that each client provides and upon the active participation in the relationship with us. Clients are therefore required to provide such complete and accurate information and documents as we believe are necessary in order for us to provide our services. Clients are responsible for promptly informing us of updates or changes to

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financial status or circumstances (including restrictions on the clients' accounts), so that we can make any necessary changes to the management of or advice we provide with respect to the accounts. We are not required to verify any information obtained from a client (or from the client's attorney, accountant or other professional).

We recommend our own services and those of related persons and Supervised Persons (in their individual capacities as registered representatives of a broker-dealer), and/or other professionals, to implement certain of our recommendations. Clients are advised that a conflict of interest exists if we recommend our own services or those of our related persons or Supervised Persons. We address this conflict of interest by ensuring that clients are aware that a related person is affiliated with Apexium (either through the service provider's name or by notice to the client). Our Supervised Persons may also have responsibilities as employees or other representatives of affiliated businesses, such as Apexium Insurance Services. Our Supervised Persons will make clear to clients where they are not acting on behalf of Apexium but are acting on behalf of an affiliate of Apexium.

In the case of a non-discretionary, financial planning or consulting engagement, a client is under no obligation to act upon any of the recommendations we make or to engage the services of any recommended professional, including Apexium itself or our affiliated companies. The client retains absolute discretion over all such implementation decisions in such instance and is free to accept or reject any of our non-discretionary recommendations and advice.

## Item 5 – Fees and Compensation

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Apexium is an independent, financial planning and investment management firm. We receive compensation only from our clients, and not from any fund manager or vendor. We base our fees on a percentage of assets under management, hourly charges or fixed fees.

### *Investment Management Fees*

Our current basic annual fee schedule for investment management services is as follows:

Fee schedule - BASE FEE

First \$1,000,000	1.00%
Next \$4,000,000	0.90%
Next \$5,000,000	0.80%
Above \$10,000,000	0.50%

We may, in our sole discretion, waive our minimum fee and/or charge a lesser investment management fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with clients, etc.).

Clients with assets below the minimum account size may pay a higher percentage rate on their annual fees than the fees paid by clients with greater assets under management. See **Item 7 – Types of Clients** for account minimums and correlating fees.



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Investment management clients will also be charged an annual fee of up to \$100 per account, as set forth in the Investment Management Agreement, for technology service and/or supplemental reports (subject to a maximum fee for a household with multiple accounts). This fee will be billed on a monthly basis in arrears in equal installments over a twelve (12) month period.

The specific manner in which we charge fees is established in each client's Investment Management Agreement. The Investment Management Agreement between Apexium and the client will continue in effect unless terminated by either party by written notice in accordance with the terms and conditions of the Investment Management Agreement. Our investment management fee will be prorated through the date of termination.

The investment management fees charged by Third-Party Investment Managers are exclusive of, and in addition to, our ongoing investment advisory fees. There may be other third-party investment managers that may also be suitable for a client, and such investment managers may charge higher or lower fees than do the Third-Party Investment Managers we select for a client.

***Financial Planning and Consulting Fees***

We charge a fixed fee and/or hourly fee for financial planning and consulting services. These fees generally range from \$1,000 to \$15,000 on a fixed fee basis and/or \$250.00 to \$750.00 on an hourly basis. These fees are largely determined by the level and scope of the services and the professional engaged to render them. If the client engages us for additional investment management services, we may offset all or a portion of our fees for those services based upon the amount to be paid for the financial planning and/or consulting services (or vice versa).

Generally, we require one-half of the financial planning or consulting fee (estimated hourly or fixed) to be paid upon entering the Financial Planning Agreement. The balance is generally due upon delivery of the financial plan or completion of the agreed upon services.

***Defined Contribution Plan Fees***

For defined contribution plan consulting services we charge a fixed negotiated percentage of plan assets under advisement, generally billable in arrears.

***Billing***

Investment management fees are deducted monthly, in arrears, meaning that we debit client accounts directly based on the value of the client account, including cash and cash equivalents, as well as realized and unrealized gains and losses, at the end of each month. Fees are usually deducted from a designated client account to facilitate billing. The client must consent in writing in advance to direct debiting of their investment account.

***Fees for Management During Partial Months of Service***

For the initial period of investment management services, the fees are calculated on a *pro rata* basis. The Investment Management Agreement between Apexium and the client will continue in effect until terminated by either party pursuant to the terms of the agreement. Our fees are prorated through the date of termination and any remaining balance is charged or refunded to the client, as appropriate.

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Clients may make additions to and withdrawals from their account at any time. Additions may be in cash or securities provided that we reserve the right to liquidate any transferred securities or decline to accept particular securities into a client's account. Clients may withdraw account assets on notice to Apexium, subject to the usual and customary securities settlement procedures. However, we design our portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. We may consult with clients about the options and ramifications of transferring securities. However, clients are advised that when transferred securities are liquidated, they are subject to transaction fees, fees assessed at the mutual fund level (*i.e.*, contingent deferred sales charge) and/or tax ramifications.

If assets are deposited into or withdrawn from an account after the inception of a month, the fee payable with respect to such assets will be adjusted or prorated based on the number of days remaining in the billing period.

***Other Fees and Expenses***

Our advisory fees are exclusive of and in addition to various other fees and expenses that may be borne by a client, where applicable to the client, including without limitation brokerage commissions, transaction fees, mutual fund sales loads, 12b-1 fees and surrender charges, individual retirement account ("**IRA**") and qualified retirement plan fees, and other related costs and expenses (in each case, to the extent applicable to the client's investments and allocations). Clients may also incur certain other charges imposed by custodians, brokers and other third-parties, such as interest charges, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Clients are responsible for the payment of these costs and expenses.

A "registered investment company" means an investment company that is registered with the Securities and Exchange Commission under the Investment Company Act of 1940. Examples of registered investment companies are mutual funds, exchange traded funds ("**ETFs**"), and unit investment trusts. Registered investment companies pay managers to manage the assets of such investment vehicles, and the expenses of the vehicles, including said management fees, are deducted from the vehicle assets, are chargeable against the net asset value of shares owned by the Client, and are therefore borne separately and exclusively by the Client. A description of the types of fees and expenses charged by a particular investment are described in the prospectus or contract, as applicable, of the particular investment. Third-Party Investment Managers and private funds also charge internal management fees and in certain cases performance compensation, in addition to fund or account expenses, which are disclosed in a fund's prospectus or offering documents or a Third-Party Investment Manager's Form ADV, as applicable. Apexium will not receive any portion of these commissions, fees, or costs. Apexium will not receive any portion of these commissions, fees, or costs (except indirectly with respect to one Third-Party Investment Manager, as described in **Item 10 – Other Financial Industry Activities and Affiliations**). The fees and expenses described above may not be the lowest available.

***Commissions or Sales Charges for Certain Recommended Transactions***

For certain types of transactions, clients may engage Supervised Persons of Apexium (but not Apexium) to render securities brokerage services under a commission arrangement. Clients are under no obligation to engage such persons and may choose brokers or agents not affiliated with

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Apexium for such transactions. Under these arrangements, clients may implement securities transactions, most commonly for variable annuity and life products, through certain of our Supervised Persons in their respective individual capacities as registered representatives of one or more SEC registered broker-dealers and members of the Financial Industry Regulatory Authority (“**FINRA**”). These broker-dealers generally charges brokerage commissions to effect these securities transactions and thereafter, a portion of these commissions are usually paid by the broker-dealer to such Supervised Persons. Prior to effecting any such transactions clients must enter into a new account agreement with the broker-dealer. The brokerage commissions charged by the broker-dealer may be higher or lower than those charged by other broker-dealers. Clients are advised that Apexium also recommends no-load funds.

A conflict of interest exists to the extent that we recommend the purchase of securities where certain of our Supervised Persons receive commissions or other additional compensation, as this provides an incentive for us to recommend such investments. We have policies and procedures in place that require that documentation be maintained regarding why any such transactions recommended by Supervised Persons are in the best interest of the relevant clients.

***Past Due Accounts and Termination of Agreement***

We reserve the right to stop work on any account that is more than ninety (90) days overdue in payment of fees. In addition, we reserve the right to terminate any financial planning engagement where a client has willfully concealed or has refused to provide pertinent information about financial situations when necessary and appropriate, in our judgment, to providing proper financial advice. Any unused portion of fees collected in advance will be refunded within sixty (60) days.

**Item 6 - Performance-Based Fees and Side-by-Side Management**

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We do not use a performance-based fee structure and our fees are not based on a share of the capital gains or capital appreciation of managed securities.

**Item 7 - Types of Clients**

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Apexium generally provides investment advice to individuals, defined contribution plans, trusts, estates, charitable organizations, corporations and business entities. Client relationships vary in scope and length of service. We have clients located throughout the United States, expatriates and U.S. citizens living abroad.

As a condition for starting and maintaining a relationship, we generally impose a minimum portfolio size of \$500,000. We may, in our sole discretion, accept clients with smaller portfolios based upon certain criteria including anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention and *pro bono* activities. We only accept clients with less than the minimum portfolio size if, in our sole opinion, the smaller portfolio size will not cause a substantial increase of investment risk beyond the client's identified risk tolerance. We can aggregate the portfolios of family members to meet the minimum portfolio size.

Depending upon circumstances, we may sign an hourly agreement with a client if assets have diminished significantly below the minimum threshold. Other exceptions will apply to employees of Apexium and their relatives, or relatives of existing clients.

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

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

Security analysis methods may include charting, fundamental analysis, technical analysis, and cyclical analysis.

Apexium's main sources of information include financial newspapers and magazines, inspections of corporate activities, research materials prepared by others, corporate rating services, annual reports, prospectuses, filings with the SEC, and company press releases. Other sources of information we may use include Morningstar mutual fund, ETF, third-party manager and stock information, Charles Schwab & Company's ("**Schwab**") research service, and the internet.

### ***Investment Strategies***

The investment strategy for a specific client is based upon the objectives stated by the client during consultations with Apexium. The client may change these objectives at any time. Each client completes a client profile or similar form that documents their objectives and their desired investment strategy.

### ***Third-Party Investment Managers***

Apexium may recommend one or more Third-Party Investment Managers to help clients meet their investment objectives. The Third-Party Investment Managers that Apexium selects, and monitors, are responsible for the analysis, selection and execution of the investment transactions with respect to client assets allocated to them. Third-Party Investment Managers establish their own specific asset management account minimums, billing and other requirements. A complete description of an applicable Third-Party Investment Manager's account minimums will be disclosed in the Third-Party Investment Manager's disclosure brochure which will be provided to a client prior to or at the time an agreement for services is executed and the account with the Third-Party Investment Manager is established.

### ***Risk of Loss***

All investment programs have certain risks that are borne by the investor. No guarantees can be made that a client's financial goals or objectives will be achieved. Further, no guarantees of performance can be offered. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

- Mutual Funds and ETFs: The mutual funds and ETFs in which we invest client assets or that we recommend to clients principally own securities, and therefore also have the risk of loss that is inherent in investing in securities. The extent of the risk of ownership of fund shares generally depends on the type and number of securities held by the fund. A fund's risks include declining value of the securities held by the fund, capital loss in

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geographically focused funds because of unfavorable fluctuation in currency exchange rates, differences in generally accepted accounting principles, or economic or political instability. Risks of ETFs include adverse developments in the specific industry or sector that an ETF tracks, tracking error, which is the difference between the return of an ETF and the return of its benchmark and trading at a premium or discount, meaning the difference between the ETF's market price and net asset value. Mutual funds and ETFs also are subject to the individual risks described in their prospectus.

Although many mutual funds and ETFs may provide diversification, risks can be significantly increased if a mutual fund or ETF is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage to a significant degree, or concentrates in a particular type of security. More information about the risks of any particular market sector can be reviewed in the prospectus for each fund.

The additional risks below include risks relating to particular securities whether held directly by a client or by a mutual fund or ETF in which the client invests.

- Market Risk: The price of a mutual fund or ETF security, or other equity security or bond, may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions, on a national or international scale, may trigger market events.
- Issuer Risk: The value of a security can go up or down more than the market as a whole and can perform differently from the value of the market as a whole, often due to disappointing earnings reports by the issuer, unsuccessful products or services, loss of major customers, major litigation against the issuer or changes in government regulations affecting the issuer or the competitive environment
- Business Risk: A company's risk is composed of financial risk, which is linked to debt, and business risk, which is often linked to economic climate. If a company is entirely financed by equity, it would pose almost no financial risk, but it would be susceptible to business risk or changes in the overall economic climate.
- Interest-rate Risk: Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- Inflation Risk: When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- Currency Risk: Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- Reinvestment Risk: This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.

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- Liquidity Risk: Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- Financial Risk: Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.
- Leverage Risk: Certain derivative instruments provide the economic effect of financial leverage by creating additional investment exposure, as well as the potential for greater loss. If leverage is used in a client account through purchasing derivative instruments, the client's account has the risk of losing more than its original investment. The asset value of the client account employing leverage will be more volatile and sensitive to market movements. Leverage may involve the creation of a liability that requires the client account to pay interest.
- Options Risk: Options are complex securities that involve a number of risks and are not suitable for everyone. Option trading can be speculative in nature and carry substantial risk of loss. Options are derivatives and may be subject to greater fluctuations in value than an investment in the underlying securities. A put option gives the purchaser of the option, upon payment of a premium, the right to sell, and the writer of the option the obligation to buy, the underlying security, index, currency or other instrument at a specified exercise price. A call option, upon payment of a premium, gives the purchaser of the option the right to buy, and the seller the obligation to sell, the underlying instrument at a specified exercise price. There are significant differences between securities and options that could result in an imperfect correlation between these markets, causing a given transaction not to achieve its objectives. Options may also be illiquid, and a client account may have difficulty closing out its position prior to expiration. Options involve risk and are not suitable for all investors. For more information read "*Characteristics and Risks of Standardized Options*," a publication of the Options Clearing Corporation, which can be found at: <https://www.theocc.com/about/publications/character-risks.jsp> and with the primary document found at: <https://www.theocc.com/components/docs/riskstoc.pdf>.
- Protective Put Option Risk: When a put option on a security or index is purchased in a client account, it may lose the entire premium paid if the underlying security or index does not decrease in value.
- Protective Put Spread Risk: When a client account purchases a protective put spread on a security or index, it may lose the entire premium paid if the underlying security or index does not decrease in value. The put spread also will not protect the entire loss of the security, but only in the amount equal to the value of the long put options less the value of the short put options.
- Option Spread Writing Risk: By writing call spreads (or put spreads) in return for the receipt of premiums, a client account will give up some of the opportunity to benefit from potential increases (or decreases) in the value of the underlying securities above (or below the exercise prices) of the written options. The premiums received from

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the options may not be sufficient to offset any losses sustained from the volatility of the underlying securities over time.

- Writing Covered Call Option Risk: By writing covered call options in return for the receipt of premiums, a client account will give up the opportunity to benefit from potential increases in the value of the underlying securities above the exercise prices of the written options but will continue to bear the risk of declines in the value of such securities. The premiums received from the options may not be sufficient to offset any losses sustained from the volatility of the underlying securities over time. If trading is suspended, a client account may be unable to write options at times that may be desirable or advantageous to the client account to do so.
- Correlation Risk: For certain strategies, due to the equity portfolio being different from the underlying of the option strategy, the size and price movement of the equity portfolio will differ from that of the underlying of the option strategy. This is correlation risk associated with using a broad-based ETF or index to hedge an equity portfolio. The equity portfolio may go down more than the underlying of the option strategy, and the underlying of the option strategy may go up more than the equity portfolio. If either of these occur, results will be lower than expected.
- Third Party Risk: It is not uncommon for companies to maintain myriad third-party relationships in an effort to reduce costs, increase efficiency and focus more intently on core competencies. However, while businesses seek to gain a competitive and operational advantage through these relationships, they are also exposing themselves to an increasing level of risk. At the same time, however, it is becoming increasingly difficult for businesses to maintain the necessary controls for mitigating the risks associated with these relationships. Failure to manage these risks can expose a business to regulatory action, financial loss, litigation, and reputational damage, and may even impair the institution's ability to establish new or service existing customer relationships.
- Technology Risk: The computer systems, networks and devices we use, and that are used by investment managers of mutual funds and ETFs in which a client may invest, Third-Party Investment Managers and service providers, to carry out routine business operations employ a variety of protections designed to prevent damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches. Despite the various protections utilized, systems, networks, or devices potentially can be breached or can fail. A client could be negatively impacted as a result of a cybersecurity breach or other technology failure.

Similar cybersecurity breaches or technology failures could negatively impact issuers of securities in which a client, mutual fund or ETF invests, governmental and other regulatory authorities, exchanges and other financial market operators, banks, brokers, dealers, and other financial institutions, and other parties. In addition, substantial costs may be incurred by these entities in order to prevent any cybersecurity breaches or technology failures in the future.

For those clients choosing to invest in alternative investments, such securities come with additional substantial risks as they are speculative in nature. They may not be registered or regulated under any

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applicable securities laws, should be considered illiquid investments, are not freely transferable, may be highly leveraged, may be volatile, and may involve higher fees and expenses than other types of investments. Alternative investments may not be immediately redeemable. Alternative investments such as hedge funds only permit redemptions at specified time periods and with specified advance notice. As a result, the client may be required to hold alternative investments in its account after termination of its Investment Management Agreement with Apexium. Investing in private securities presents risk of substantial, if not total, loss that a client should be prepared to sustain without material impact to the investor's wealth or economic standing.

## **Item 9 - Disciplinary Information**

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We are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Apexium or the integrity of our management.

On September 28, 2023, the SEC published an administrative order of settlement between it and the Firm, in which the Firm neither admitted or denied the findings (the "Order"), related to the Firm's failure to manage a conflict of interest related to recommendations in a manner consistent with its representations in its firm brochures from 2018 through 2020. The Order also found that the Firm failed to adopt reasonably designed policies and procedures related to the conduct, and failed to conduct an annual compliance review for 2018 and 2019. The Firm consented to the entry of the settled administrative order finding violations of Sections 206(2) and 206(4) of the Investment Advisers Act of 1940, as amended (the "Advisers Act") and Rule 206(4)-7 thereunder, and agreed to a cease-and-desist order against future violations of these provisions, a censure, and a \$150,000 penalty. Our financial professionals do not have any legal or disciplinary history.

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

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Apexium is not involved in any other financial industry activities besides its investment advisory activities described in **Item 4 – Advisory Business**. We do not sell any proprietary products or funds.

### ***Related Investment Adviser***

We may recommend that all or a portion of the assets in a client account be managed by Soundwatch Capital, LLC ("Soundwatch"), a Third-Party Investment Manager that is under common control with Apexium. For its services as an Investment Manager to separately managed accounts, Soundwatch charges an advisory fee which will be paid from the assets, and that are in addition to the advisory fees payable to us. Further, Soundwatch serves as an adviser to a registered investment company that Apexium will at times utilize for client assets. Soundwatch receives a fee for serving as an adviser to the investment company, which is paid directly by the investment company. The payment of Soundwatch's advisory fee and/or fees received by the investment company will benefit the beneficial owners of Soundwatch, certain of whom, as of the date hereof, are also owners of Apexium. This arrangement: (i) will result in higher financial remuneration to such persons than they would otherwise receive if they did not recommend the management of the assets by Soundwatch, which is a conflict of interest; (ii) if we recommended only unaffiliated Investment Managers, the owners of Apexium would not benefit financially from the management



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by those Investment Managers because in such case we would only receive the advisory fees provided for in the Investment Management Agreement; and (iii) other Investment Managers could be found that charge lower fees than Soundwatch, although the services, including but not limited to investments, strategy, and performance, provided by such Investment Managers may not be identical. We seek to mitigate this conflict of interest through disclosures made in the Investment Management Agreement and the Form ADV, receiving the client's written acknowledgment in the Investment Management Agreement, and making recommendations to Soundwatch only when we reasonably believe that Soundwatch is in the best interest of the client and consistent with the client's investment needs, goals, objectives, and risk tolerance as documented in the client profile.

***Registered Representatives of Broker Dealer***

As described in **Item 5 – Fees and Compensation**, certain of our Supervised Persons are also registered representative of broker-dealers and provide clients with securities brokerage services under separate commission-based arrangements between the client and the broker-dealer. The Supervised Persons receive no salary or benefits from such broker-dealers, but typically receive commissions or fees in connection with transactions related to variable annuities and life products, and other sales of securities.

***Receipt of Insurance Commission by Supervised Persons***

Certain of our Supervised Persons, in their individual capacities, are also licensed insurance agents with various insurance companies, and in such capacity may recommend, on a fully disclosed commission basis, the purchase of certain insurance products. While Apexium itself does not sell such insurance products to its clients, we permit our Supervised Persons, in their individual capacities as licensed insurance agents, to sell insurance products to our clients on behalf of such insurance companies.

A conflict of interest exists to the extent that our Supervised Persons recommend the purchase of insurance products, through Apexium Insurance Services, LP, where Apexium Supervised Persons receive insurance commissions or other additional compensation.

***Related Insurance Company***

Apexium is under common control with Apexium Insurance Services, LP ("**Apexium Insurance**"), a firm providing clients with insurance-based products. Certain Supervised Persons of Apexium also have an ownership interest in Apexium Insurance. The general partner of Apexium Insurance is Apexium Holdings LLC, which is also the general partner of Apexium.

In some instances, we refer our clients to Apexium Insurance for insurance products and Apexium Insurance's clients are referred to us for investment advisory services, depending on the client needs. There are no fee or commission arrangements between Apexium and Apexium Insurance.

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

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Apexium has adopted a Code of Ethics that describes our high standard of business conduct, and fiduciary duty to our clients. The Code of Ethics applies to all employees of Apexium and any other person who has access to nonpublic information regarding clients' purchases or sales of securities, or who recommends securities to clients or has access to such recommendations. Our Code of Ethics also includes our policies and procedures regarding personal securities transactions. In general, all securities transactions by persons covered by our Code of Ethics require prior written approval, subject to certain exceptions for certain types of transaction and certain types of securities. All supervised persons at Apexium must acknowledge the terms of the Code of Ethics annually, and otherwise when amended.

We anticipate that, in appropriate circumstances, consistent with clients' investment objectives, we will cause accounts over which we have management authority to effect and will recommend to investment advisory clients or prospective clients the purchase or sale of securities in which we, our affiliates and/or clients, directly or indirectly, have a position of interest. Subject to compliance with our Code of Ethics and applicable laws, officers, directors and employees of Apexium and its affiliates may in certain cases be permitted to trade for their own accounts in securities which are recommended to and/or purchased for Apexium's clients, subject to the prior approval of the CCO. Our Code of Ethics is designed to ensure that the personal securities transactions, activities and interests of the employees of Apexium will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts in an appropriate manner. Under the Code of Ethics, certain classes of securities or transactions have been designated as exempt securities or transactions, based upon a determination that these would not materially interfere with the best interest of our clients. In addition, the Code of Ethics requires pre-clearance of certain transactions, and may restrict certain trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. The Code also captures personal trading activity, to the extent it occurs, of non-firm managed accounts of all covered persons and any other account in which they are deemed to have a beneficial interest. Employee trading is monitored under the Code of Ethics to address potential conflicts of interest among Apexium, the persons covered by the Code of Ethics and our clients.

Apexium's clients or prospective clients may request a copy of the Firm's Code of Ethics by contacting the CCO at [dpilaitis@apexiumfin.com](mailto:dpilaitis@apexiumfin.com) or calling (267) 479-0145.

It is our policy that the Firm will not affect any principal or agency cross securities transactions for client accounts. We will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the

transaction who is a natural person client of a related broker/dealer. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

## Item 12 - Brokerage Practices

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Although Apexium is generally given authority to select the broker-dealer to be used for client transactions under discretionary arrangements, we generally consider it to be in the client's best interest to place transactions with the custodian selected by the client for its accounts (for which we may provide one or more recommendations). As a result, it should be understood that we will generally not be able to negotiate commissions among various brokers or obtain volume discounts. In addition, a disparity in commission charges may exist between the commissions charged to the client and those charged to other clients

Specific custodian recommendations are made to clients based on their need for such services. Unless the client directs otherwise, we generally recommend that investment management accounts be maintained at Schwab or Fidelity Investments (collectively, the "**Brokers**"). Factors which we consider in recommending the Brokers (or any other broker-dealer/custodian) to clients include the Broker's respective financial strength, reputation, execution, pricing, reporting, research, service and execution of orders at reasonable commission rates. Our established relationships with the Brokers allow us to obtain many no-load mutual funds without transaction charges and other no-load and load waived funds at nominal transaction charges.

Apexium reserves the right to decline acceptance of any client account for which the client directs the use of a particular broker if we believe that this choice would hinder our fiduciary duty to the client and/or our ability to service the account.

The brokerage commissions and/or transaction fees charged by the Brokers are exclusive of, and in addition to, our investment management fee. Although the commissions and/or transaction fees paid by our clients will be consistent with our duty to obtain best execution (as described below), a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where we determine, in good faith, that the commission is reasonable in relation to the value of the brokerage, custodial and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services (including the comprehensiveness, frequency, quality and value of research or other services provided), the broker's execution capability, commission rates, responsiveness and quality of service. Accordingly, although Apexium will seek competitive rates, it may not necessarily obtain the lowest possible commission rates on any particular transaction.

Apexium is not affiliated with the Brokers and we do not receive fees, commissions or other compensation from any of these arrangements. Although we have access to research and other materials prepared by the Brokers.

### ***Best Execution***

Apexium acknowledges its duty to seek best execution of trades for client accounts. All client accounts are currently held in custody at the Brokers. It is possible that trades for accounts held at

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one Broker may be executed at different times and different prices than trades for accounts at the other Broker, or even trades for other client accounts executed at other broker-dealers.

We believe that the Brokers will provide “best execution.” In seeking best execution, the determinative factor is not the lowest possible commission cost but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer’s services including the value of research provided, execution capability, commission rates, trade away fees charged by the Broker for transactions executed at a broker-dealer other than the custodian (which will be in addition to the commission charged by the executing broker), and responsiveness. Accordingly, although Apexium will seek competitive commission rates, it may not necessarily obtain the lowest possible commission rates for account transactions.

Transactions for each client account generally will be effected independently. On limited occasions where we decide to purchase or sell the same securities for several clients at approximately the same time, we may (but we are not obligated to) combine or “batch” such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among our clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among our clients in proportion to the purchase and sale orders placed for each client account on any given day.

Clients may direct Apexium in writing to use a particular broker-dealer to execute some or all transactions for their account(s), in which case, Apexium may agree to such direction (although it is not required to do so). If a client directs brokerage, then the client will be required to acknowledge in writing that the client’s direction with respect to the use of brokers supersedes any authority granted to Apexium to select brokers; this direction may result in higher commissions, which may result in a disparity between directed accounts and other client accounts of the Firm and trades for the client and other directed accounts may be executed after trades for client accounts utilizing recommended brokers, which may result in less favorable prices, particularly for illiquid securities or during volatile market conditions.

### ***Custodian***

Each client must have its own custodian. Apexium recommends that clients utilize one of the Brokers as their custodian. Apexium receives no benefit of any kind from these custodians (except for certain indirect benefits described herein), nor does it require any account be maintained at these custodians.

The client will enter into a separate custodial/clearing agreement with its selected custodian. The custodian’s custodial/clearing agreement authorizes the custodian to debit the account for the amount of Apexium’s fee and to directly remit that fee to us.

The custodial/clearing agreement will also give clients the choice as to how they wish to be charged for custodial services. Generally, clients can choose either a fee-based model, in which they pay an asset-based fee to the custodian for unlimited trading, or they can choose a commission-based model and pay the custodian for each trade or transaction. The appropriate custodial fee arrangement depends on the type of account and the anticipated trading frequency. We help clients review and select custody payment options. It is often beneficial for a client with multiple accounts to use a combination of fee-based pricing and commission-based pricing. We do not receive

remuneration from the custodian in either format. The fees and/or commissions are debited directly by the custodian and are retained by the custodian.

### ***Commissions or Sales Charges for Recommendations of Securities***

As discussed above, certain Supervised Persons in their respective individual capacities, are registered representatives of one or more broker-dealers. These Supervised Persons are subject to FINRA Rule 3040 which restricts registered representatives from conducting securities transactions away from their broker-dealer unless the broker-dealer provides written consent. Therefore, clients are advised that certain Supervised Persons may be restricted to conducting securities transactions through their broker-dealers unless they first secure written consent to execute securities transactions through a different broker-dealer. Absent such written consent or separation, these Supervised Persons are prohibited from executing securities transactions through any broker-dealer other than the firm with whom they're registered.

Apexium is aware of its duty to obtain best execution and has implemented policies and procedures reasonably designed to achieve best execution with respect to client transactions.

### ***Software and Support Provided by Financial Institutions***

Apexium may receive from the Brokers, without cost to us, computer software and related systems support, which allow us to better monitor client accounts maintained at such Brokers. We may receive the software and related support without cost because we render investment management services to clients that maintain assets at the Brokers. The software and related systems support may benefit Apexium, but not its clients directly. In fulfilling our duties to our clients, we endeavor at all times to put the interests of our clients first. Clients should be aware, however, that our receipt of these indirect economic benefits from a broker-dealer creates a conflict of interest since these benefits may influence our choice of broker-dealer over another broker-dealer that does not furnish similar software, systems support, or services.

Additionally, Apexium may receive the following services from the Brokers through their institutional divisions: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk that exclusively services the institutional participants, and access to an electronic communication network for client order entry and account information.

## **Item 13 - Review of Accounts**

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### ***Account Reviews***

For those clients to whom we provide investment management services, we monitor those portfolios as part of an ongoing process while regular account reviews are conducted according to client requirements but offered at least annually. Account reviews may be performed more frequently when market conditions or fiduciary responsibility dictate, such as rebalancing client accounts to adjust for market or client investment objective drift. For those clients to whom we provide financial planning and/or consulting services, we conduct reviews on an "as needed" basis. Account reviews are performed by the applicable relationship manager for each client. All investment advisory clients are encouraged to discuss their needs, goals, and objectives with us and

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to keep us informed of any changes thereto. We contact ongoing investment advisory clients at least annually to review our previous services and/or recommendations and to discuss the impact resulting from any changes in the client's financial situation and/or investment objectives.

***Account Statements and Supplemental Reports***

Unless otherwise agreed, clients are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer or custodian for the client accounts. These statements list the account positions, activity in the account over the covered period, and other related information, including any fees deducted from the account. Clients are also sent confirmations following each brokerage account transaction unless confirmations have been waived. Clients are urged to carefully review all account statements. Those clients to whom we provide investment advisory services may engage us to provide them with a supplemental report including relevant account and/or market-related information such as an inventory of account holdings and account performance from time to time.

We charge an additional fee for such reports, as discussed in response to **Item 5 – Fees and Compensation**.

Clients should compare the account statements they receive from their custodian with those they receive from us.

***Financial Planning and/or Consulting Reports***

Those clients to whom we provide financial planning and/or consulting services will receive reports from us summarizing our analysis and conclusions as requested by the client or as we otherwise agree in writing.

***Review Triggers***

Other conditions that may trigger reviews of client accounts are changes in the tax laws, new investment information, and changes in a client's own situation.

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

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***Economic Benefits***

Apexium is required to disclose any relationship or arrangement where it receives an economic benefit from a third party (non-client) for providing advisory services. Any such arrangements are described in this brochure, including certain benefits we may receive from custodians as disclosed in response to **Item 12 – Brokerage Practices**.

## **Item 15 - Custody**

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Custody Rule 206(4)-2 under the Investment Advisers Act of 1940 governs the custody of client funds and securities. The Custody Rule defines "custody" to mean holding, directly or indirectly, client funds or securities, or having any authority to obtain possession of them. The Rule requires

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advisers to maintain custody of client funds and securities with a qualified custodian who shall provide an at least quarterly statement to the client. Our clients' funds and securities are maintained by unrelated qualified custodians. All custodians are responsible for sending account statements at least quarterly.

As previously disclosed in **Item 5 - Fees and Compensation**, Apexium and a client may agree to authorize and arrange for the direct deduction of our fees from a client's accounts. Advisers that have custody only because they have written permission to have fees deducted do not have to claim custody of client assets on form ADV. Most of Apexium's clients have signed fee deduction authorizations instructing the custodian to deduct fees. This deduction will be reflected on the custodian's statement. The financial institutions serving as the custodians that we recommended have agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to Apexium. Clients should carefully review the statements sent directly by the financial institutions serving as custodians and compare them to those received from us. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

In addition, certain of our relationship managers are the named trustees of client accounts with full power of appointment. These trustees (and Apexium) are deemed to have custody of such accounts. We do not, however, have physical custody of client funds and securities. All client assets are held at a qualified custodian, which means the custodians provide account statements directly to clients at their address of record at least quarterly. We engage an independent public accountant who is registered with the Public Company Accounting Oversight Board (PCAOB) to conduct an annual surprise examination of client funds and securities of which we are deemed to have custody under SEC rules.

Additionally, many clients sign ACH authorizations for their custodian to electronically transfer funds from their investment account managed by Apexium, to their personal bank account at another financial institution. The SEC considers an ACH Authorization a Standing Letter of Authorization (SLOA) when the investment adviser has the limited authority to initiate "third party" funds transfers between the bank accounts listed on a client authorized form.

The SEC staff of the Division of Investment Management has determined that under the Investment Advisers Act of 1940 Custody Rule 206(4)-2, an investment adviser has custody of client funds or securities with the limited power under a SLOA as described above. Due to this interpretation, we have concluded that Apexium is deemed to have custody with exemptive relief for clients who have signed a third party ACH authorization form. Pursuant to SEC guidance on custody with exemptive relief, Apexium and your custodian comply with the following:

1. The client provides an instruction to the Qualified Custodian, in writing, that includes the client's signature, the third party's name, and either the third party's address or the third party's account number at a custodian to which the transfer should be directed;
2. The client authorizes the investment adviser, in writing, either on the Qualified Custodian's form or separately, to direct transfers to the third party either on a specified schedule or from time to time;
3. The client's Qualified Custodian performs appropriate verification of the instruction, such as a signature review or other method to verify the client's authorization, and provides a transfer of funds notice to the client promptly after each transfer;

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4. The client has the ability to terminate or change the instruction to the client's Qualified Custodian;
5. The investment adviser has no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the client's instruction;
6. The investment adviser maintains records showing that the third party is not a related party of the investment adviser or located at the same address as the investment adviser; and
7. The client's Qualified Custodian sends the client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

## **Item 16 - Investment Discretion**

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Please see **Item 4 – Advisory Business** for a description of the discretionary investment management services we offer, and limitations clients may impose on this discretion.

## **Item 17 - Voting Client Securities**

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As a matter of firm policy and practice, Apexium does not have authority to, and does not vote proxies on behalf of its advisory clients. Clients, therefore, retain the responsibility for receiving and voting proxies for securities maintained in client portfolios. Clients receive proxies directly from the appropriate financial institutions.

## **Item 18 - Financial Information**

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Apexium has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding. Apexium does not have any financial impairment that will preclude the firm from meeting contractual commitments to clients.

A balance sheet is not required to be provided because Apexium does not serve as a custodian for client funds or securities and does not require prepayment of fees of more than \$1,200 per client, six months or more in advance.