

**Form ADV Part 2A: *Firm Brochure***

**Item 1 – Cover Page**

**International Private Wealth Advisors LLC**

3160 Camino Del Rio South, Ste 313

San Diego, California 92108

Phone: 858-384-5700

Fax: 858-332-1809

[www.ipwadvisors.com](http://www.ipwadvisors.com)

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This disclosure brochure provides information about the qualifications and business practices of International Private Wealth Advisors LLC (also referred to as we, us and International Private Wealth Advisors throughout this disclosure brochure). If you have any questions about the contents of this disclosure brochure, please contact Todd Lunsford at 714-390-0823 or [tlunsford@ipwadvisors.com](mailto:tlunsford@ipwadvisors.com). The information in this disclosure brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about International Private Wealth Advisors is also available on the Internet at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can view our firm's information on this website by searching for International Private Wealth Advisors LLC or our firm's CRD# 323032.

\*Registration as an investment adviser does not imply a certain level of skill or training.

## Item 2 – Material Changes

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 Advisory Persons of International Private Wealth Advisors.

International Private Wealth Advisors 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. International Private Wealth Advisors 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 our 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# 323032. You may also request a copy of this Disclosure Brochure at any time, by contacting the Advisor at (858) 384-5700.

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#### **Item 4 – Advisory Business**

International Private Wealth Advisors is an investment adviser registered with the United States Securities and Exchange Commission (“SEC”) and is a limited liability company (LLC) formed under the laws of the State of California.

International Private Wealth Advisors was founded in June 2022, and is owned entirely by Louis Barajas and Daniel Guillen through Barajas & Guillen Group, LLC, which is a holding company for International Private Wealth Advisors and its affiliated companies.

- Louis Barajas is a Managing Member of International Private Wealth Advisors. Louis Barajas owns 50% of International Private Wealth Advisors through Barajas & Guillen Group, LLC.
- Daniel Guillen is a Managing Member of International Private Wealth Advisors. Daniel Guillen owns 50% of International Private Wealth Advisors Barajas & Guillen Group, LLC.
- International Private Wealth Advisors filed its initial application to become registered as an investment adviser in the Fall of 2022.

#### **Introduction**

The investment advisory services of International Private Wealth Advisors are provided to you through an appropriately licensed individual who is an investment adviser representative of International Private Wealth Advisors (referred to as your investment adviser representative throughout this brochure). For all investment advisory services provided by International Private Wealth Advisors, you should be aware that a conflict of interest exists between our interests and your interests. You are under no obligation to act on our recommendations and, if you do, are under no obligation to effect any transaction through us.

#### **Description of Advisory Services**

The following are descriptions of the primary advisory services of International Private Wealth Advisors. Please understand that a written agreement, which details the exact terms of the service, must be signed by you and International Private Wealth Advisors before we can provide you the services described below.

**Asset Management Services** – International Private Wealth Advisors offers asset management services, which involves International Private Wealth Advisors providing you with continuous and ongoing supervision over your specified accounts.

You must appoint our firm as your investment adviser of record on specified accounts (collectively, the “Account”). The Account consists only of separate account(s) held by qualified custodian(s) under your name. The qualified custodians maintain physical custody of all funds and securities of the Account, and you retain all rights of ownership (e.g., right to withdraw securities or cash, exercise or delegate proxy voting and receive transaction confirmations) of the Account.

The Account is managed by us based on your financial situation, investment objectives and risk tolerance. We actively monitor the Account and provide advice regarding buying, selling, reinvesting or holding securities, cash or other investments of the Account.

We will need to obtain certain information from you to determine your financial situation and investment objectives. You will be responsible for notifying us of any updates regarding your financial situation, risk tolerance or investment objective and whether you wish to impose or modify existing investment restrictions; however, we will contact you at least annually to discuss any changes or updates regarding your financial situation, risk tolerance or investment objectives. We are always reasonably available to consult with you relative to the status of your Account. You have the ability to impose reasonable restrictions on the management of your accounts, including the ability to instruct us not to purchase certain securities.

It is important that you understand that we manage investments for other clients and may give them advice or take actions for them or for our personal accounts that is different from the advice we provide to you or actions taken for you. We are not obligated to buy, sell or recommend to you any security or other investment that we may buy, sell or recommend for any other clients or for our own accounts.

Conflicts may arise in the allocation of investment opportunities among accounts that we manage. We strive to allocate investment opportunities believed to be appropriate for your account(s) and other accounts advised by our firm among such accounts equitably and consistent with the best interests of all accounts involved. However, there can be no assurance that a particular investment opportunity that comes to our attention will be allocated in any particular manner. If we obtain material, non-public information about a security or its issuer that we may not lawfully use or disclose, we have absolutely no obligation to disclose the information to any client or use it for any client's benefit.

#### *Discretionary Authority to Select Unaffiliated Sub-Advisers*

We will have discretionary authority to select for your Accounts one or more specific sub-adviser(s) (individually "Sub-Adviser" and collectively "Sub-Advisers") to manage the Account or a portion of the assets of the Account. The decision to select a Sub-Adviser is always based on each client's individual needs.

When a Sub-Adviser is selected by our firm, the Sub-Adviser will have discretionary authority on your Account to place trades and make changes to the Account or the portion of your Account the Sub-Adviser is authorized to manage.

We will conduct due diligence of any recommended Sub-Adviser and monitor the performance of the Sub-Adviser with respect to the Sub-Advisor's management of the designated assets of Account relative to appropriate peers and/or benchmarks.

We will be available to answer questions clients have regarding any portion of client's Account managed by a Sub-Adviser and will act as the communication conduit between Client and the Sub-Adviser. The recommendation of Sub-Advisers, or other products and funds, is done on a discretionary basis with the specific terms outlined in your Advisory Agreement. When a client authorizes us to have the ability to select Sub-Advisers or other products and funds on a discretionary basis, we will have the authority to select and terminate Sub-Advisers, products or funds without the client's specific approval.

A complete description of the Sub-Adviser's services, practices and fees will be disclosed in the Sub-Adviser's Form ADV Part 2A that will be provided to client.

### Turnkey Asset Management Platforms

To help with investment, administrative and operational functions, we have formed arrangements with two separate, third-party SEC-registered investment adviser firms that provide “turnkey asset management platforms”.

AE Wealth Management, LLC and Axxcess Wealth Management, LLC each provide sub-adviser, back-office and operational services to assist us with the management of accounts through our Asset Management Services.

Therefore, we will recommend to clients the use of either AE Wealth Management, LLC or Axxcess Wealth Management, LLC to help manage Account(s) or a portion of the assets of Account(s).

The recommendation of AE Wealth Management, LLC and Axxcess Wealth Management, LLC is made on a non-discretionary basis. Your agreement with International Private Wealth Advisors will include the authorization to utilize AE Wealth Management, LLC and Axxcess Wealth Management, LLC.

AE Wealth Management, LLC and Axxcess Wealth Management, LLC provide International Private Wealth Advisors with investment management and “back-office” (i.e. administrative and operational services) functions that include but are not limited to technology platforms to support data reconciliation, performance reporting, fee calculation and billing, research, client database maintenance, quarterly performance evaluations, models, trading platforms, and other functions related to the administrative tasks of managing client accounts. They also make available and provide access to sub-advisers available on their respective platforms.

For clients that on the AE Wealth Management, LLC platform, accounts are held at National Financial Services through the Fidelity Institutional Wealth Program (collectively referred to as Fidelity). Fidelity will serve as the qualified custodian for accounts. Clients must appoint International Private Wealth Advisors and AE Wealth Management, as a sub-adviser, as their investment advisors of record on the account.

For clients that on the Axxcess Wealth Management, LLC platform, accounts are held at Charles Schwab & Company, Inc, who serve as the qualified custodian for accounts. Clients must appoint International Private Wealth Advisors and Axxcess Wealth Management, LLC, as a sub-adviser, as their investment advisors of record on the account.

The qualified custodians maintain physical custody of all funds and securities of the account, and you retain all rights of ownership (e.g., right to withdraw securities or cash, exercise or delegate proxy voting and receive transaction confirmations) of the account. See *Item 12 – Brokerage Practices* and *Item 15 – Custody* for more information.

A complete description of AE Wealth Management, LLC and Axxcess Wealth Management, LLC respective services, practices and fees are provided in their respective Form ADV Part 2A brochure, a copy of which will be provided to you if they are utilized to assist in the management of your Account.

### Administrative Services Provided by Orion Advisor Services, LLC

To help manage accounts through the AE Wealth Management and the Axxcess Wealth Management, LLC platforms, we pay for and utilize Orion Advisor Services, LLC (referred to as “Orion”) technology platforms to support data reconciliation, performance reporting, fee calculation and billing, client database maintenance, quarterly performance evaluations, and other functions related to the administrative tasks of managing client accounts. Due to this arrangement, Orion will have access to client accounts, but Orion will not serve as an investment advisor to our clients.

**Retirement Plan Services** - International Private Wealth Advisors offers retirement plan services to retirement plan sponsors and to individual participants in retirement plans. For a corporate sponsor of a retirement plan, our retirement plan services can include, but are not limited to, the following services:

### Fiduciary Consulting Services

International Private Wealth Advisors provides the following Fiduciary Retirement Plan Consulting Services:

- Non-Discretionary Investment Advice. International Private Wealth Advisors will provide you with general, non-discretionary investment advice by recommending a third-party investment adviser to serve as the primary investment adviser for your plan. As 3(38) investment managers, the third-party investment adviser will provide investment advice related to asset classes and investment options consistent with your Plan's investment policy statement. The third-party investment adviser will also be available to help prepare or update the Plan's Investment Policy Statement.
- Investment Due Diligence Review. International Private Wealth Advisors will provide you with periodic due diligence reviews of the Plan's reports, investment options and recommendations.

For Fiduciary Consulting Services, all recommendations of investment options and portfolios will be submitted to you for your ultimate approval or rejection. For retirement plan Fiduciary Consulting Services, the retirement plan sponsor client or the plan participant who elects to implement any recommendations made by us is solely responsible for implementing all transactions.

Fiduciary Consulting Services are not management services, and International Private Wealth Advisors does not serve as administrator or trustee of the plan. International Private Wealth Advisors does not act as custodian for any client account or have access to client funds or securities (with the exception of, some accounts, having written authorization from the client to deduct our fees).

International Private Wealth Advisors acknowledges that in performing the Fiduciary Consulting Services listed above that it is acting as a "fiduciary" as such term is defined under Section 3(21)(A)(ii) of Employee Retirement Income Security Act of 1974 ("ERISA") for purposes of providing non-discretionary investment advice only. International Private Wealth Advisors will act in a manner consistent with the requirements of a fiduciary under ERISA if, based upon the facts and circumstances, such services cause International Private Wealth Advisors to be a fiduciary as a matter of law.

However, in providing the Fiduciary Consulting Services, International Private Wealth Advisors (a) has no responsibility and will not (i) exercise any discretionary authority or discretionary control respecting management of Client's retirement plan, (ii) exercise any authority or control respecting management or disposition of assets of Client's retirement plan, or (iii) have any discretionary authority or discretionary responsibility in the administration of Client's retirement plan or the interpretation of Client's retirement plan documents, (b) is not an "investment manager" as defined in Section 3(38) of ERISA and does not have the power to manage, acquire or dispose of any plan assets, and (c) is not the "Administrator" of Client's retirement plan as defined in ERISA.

### Non-Fiduciary Services

Although an investment adviser is considered a fiduciary under the Investment Advisers Act of 1940 and required to meet the fiduciary duties as defined by the Advisers Act, the services listed here as non-fiduciary should not be considered fiduciary services for the purposes of ERISA since Advisor is not acting as a fiduciary to the Plan as the term "fiduciary" is defined in Section 3(21)(A)(ii) of ERISA. The exact suite of services provided to a client will be listed and detailed in the Qualified Retirement Plan Agreement.

International Private Wealth Advisors provides clients with the following Non-Fiduciary Retirement Plan Consulting Services:

- Participant Education. International Private Wealth Advisors will provide education services to Plan participants about general investment principles and the investment alternatives available under the Plan. International Private Wealth Advisors' assistance in participant investment education will be consistent with and within the scope of DOL Interpretive Bulletin 96-1. Education presentations will not take into account the individual circumstances of each participant and individual recommendations will not be provided unless otherwise agreed upon. Plan participants are responsible for implementing transactions in their own accounts.
- Participant Enrollment. International Private Wealth Advisors will assist you with group enrollment meetings designed to increase retirement plan participation among employees and investment and financial understanding by the employees.
- Qualified Plan Development. International Private Wealth Advisors will assist you with the establishment of a qualified plan by working with you and a selected Third-Party Administrator. If you have not already selected a Third-Party Administrator, we shall assist you with the review and selection of a Third-Party Administrator for the Plan.
- Due Diligence Review. International Private Wealth Advisors will provide you with periodic due diligence reviews of your Plan's fees and expenses and your Plan's service providers.
- Fiduciary File Set-up. International Private Wealth Advisors will help you establish a "fiduciary file" for the Plan which contains trust documents, custodial/brokerage statements, investment performance reports, services agreements with investment management vendors, the investment policy statement, investment committee minutes, asset allocation/asset liability studies, due diligence fields on funds/money managers and monitoring procedures for funds and/or money managers.
- Benchmarking. International Private Wealth Advisors will provide you benchmarking services and will provide analysis concerning the operations of the Plan.

Securities and other types of investments all bear different types and levels of risk. Those risks are typically discussed with clients in defining the investment policies and objectives that will guide investment decisions for their qualified plan accounts. Upon request, as part of our retirement plan services, we can discuss those investments and investment strategies that we believe may tend to reduce these risks for a particular client's circumstances and plan participants.

Clients and plan participants must realize that obtaining higher rates of return on investments entails accepting higher levels of risk. Based upon discussions with the client, we will attempt to identify the balance of risks and rewards that is appropriate and comfortable for the client and other employees. It is still the clients' responsibility to ask questions if the client does not fully understand the risks associated with any investment. All plan participants are strongly encouraged to read prospectuses, when applicable, and ask questions prior to investing.

We strive to render our best judgment for clients. Still, International Private Wealth Advisors cannot assure that investments will be profitable or assure that no losses will occur in their portfolios. Past performance is an important consideration with respect to any investment or investment advisor, but it is not necessarily an accurate predictor of future performance.

International Private Wealth Advisors will disclose, to the extent required by ERISA Regulation Section 2550.408b-2(c), to you any change to the information that we are required to disclose under ERISA Regulation Section 2550.408b-2(c)(1)(iv) as soon as practicable, but no later than sixty (60) days from the



date on which we are informed of the change (unless such disclosure is precluded due to extraordinary circumstances beyond our control, in which case the information will be disclosed as soon as practicable).

In accordance with ERISA Regulation Section 2550.408b-2(c)(vi)(A), we will disclose within thirty (30) days following receipt of a written request from the responsible plan fiduciary or Plan Administrator (unless such disclosure is precluded due to extraordinary circumstances beyond our control, in which case the information will be disclosed as soon as practicable) all information related to the Qualified Retirement Plan Agreement and any compensation or fees received in connection with the Agreement that is required for the Plan to comply with the reporting and disclosure requirements of Title 1 of ERISA and the regulations, forms and schedules issued thereunder.

If we make an unintentional error or omission in disclosing the information required under ERISA Regulation Section 2550.408b-2(c)(1)(iv) or (vi), we will disclose to you the correct information as soon as practicable, but no later than thirty (30) days from the date on which we learn of such error or omission.

**Planning & Consulting Services** - Our planning and consulting services do not involve implementing any transaction on your behalf or the active and ongoing monitoring or management of your investments or accounts. You have the sole responsibility for determining whether to implement our planning and consulting recommendations. To the extent that you would like to implement any of our investment recommendations through International Private Wealth Advisors or retain International Private Wealth Advisors to actively monitor and manage your investments, you must execute a separate written agreement with International Private Wealth Advisors for our Asset Management Services, as described above.

#### Financial Planning Services

International Private Wealth Advisors offers financial planning services, which involve preparing a financial plan covering specific or multiple topics. We provide wholistic written financial plans, which typically address the following topics:

- Investment Planning,
- Retirement Planning,
- Risk Management,
- Tax Planning,
- Estate Planning,
- Budgeting/Cash Flow Analysis, and
- College/Education Planning,

When providing financial planning services, the role of your investment adviser representative is to find ways to help you understand your overall financial situation and help you set financial objectives.

We also provide modular financial plans which only cover those specific areas of concern mutually agreed upon by you and us. A modular written financial plan is limited or segmented and does not involve the creation of a financial plan. You should be aware that there are important issues that may not be taken into consideration when your investment adviser representative develops his or her analysis and recommendations under a modular written financial plan. Financial plans prepared by us do not include specific recommendations of individual securities.

#### Estate Planning Services

We also provide estate planning and consulting services for clients that don't need a full financial plan. Estate planning is the preparation of tasks that serve to manage an individual's asset base in the event of their incapacitation or death. The planning includes the bequest of assets to heirs and the settlement of estate taxes.

This service is focused solely on the estate planning needs of the client to assist with general information as it applies to reviews of existing plans, gathering information needed to provide outside firms in the creation of documents, and updating existing plans for clients.

Depending on the client needs and desires for estate planning document review, preparation, or updates we will recommend clients utilize EncorEstate Plans (<https://encorestateplans.com/>), a third-party scrivener service, or estate planning attorneys.

Please know that International Private Wealth Advisors is not a law firm and does not provide legal advice. We urge all clients to work closely with appropriate legal counsel, experienced in estate law, to assist with the drafting and creation of a legal estate plan. Clients are not required or obligated to utilize the services of EncorEstate Plans or any other third-party we recommend. You can work with the law firm of your choice.

### **Provides Advice on Types of Investments**

International Private Wealth Advisors provides investment advice on the following types of investments:

- Mutual Funds
- Exchange Traded Funds (ETFs)
- Exchange-listed Securities
- Securities Traded Over-the-Counter
- Corporate Debt Securities
- Commercial Paper
- Certificates of Deposit
- Municipal Securities
- US Government Securities
- Interests in Partnerships Investing in Real Estate
- Interests in Partnerships Investing in Oil and Gas Interests
- Hedge Funds

Although we generally provide advice only on the products previously listed, we reserve the right to offer advice on any investment product that may be suitable for each client's specific circumstances, needs, goals and objectives.

It is not our typical investment strategy to attempt to time the market, but we may increase cash holdings modestly as deemed appropriate based on your risk tolerance and our expectations of market behavior. We may modify our investment strategy to accommodate special situations such as low basis stock, stock options, legacy holdings, inheritances, closely held businesses, collectibles, or special tax situations.

(Please refer to *Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss* for more information.)

### **Tailor Advisory Services to Individual Needs of Clients**

International Private Wealth Advisors' advisory services are always provided based on your individual needs. This means, for example, that when we provide asset management services, you are given the ability to impose restrictions on the accounts we manage for you, including specific investment selections and sectors. Our financial planning and consulting services are always provided based on your individual needs. We work with you on a one-on-one basis through interviews and questionnaires to determine your investment objectives and suitability information.

We will not enter into an investment adviser relationship with a prospective client whose investment objectives may be considered incompatible with our investment philosophy or strategies or where the prospective client seeks to impose unduly restrictive investment guidelines.

### **Retirement Plan Rollover Recommendations**

When International Private Wealth Advisors provides investment advice about your retirement plan account or individual retirement account ("IRA") including whether to maintain investments and/or proceeds in the retirement plan account, roll over such investment/proceeds from the retirement plan account to a IRA or make a distribution from the retirement plan account, we acknowledge that International Private Wealth Advisors is a "**fiduciary**" within the meaning of Title I of the Employee Retirement Income Security Act ("ERISA") and/or the Internal Revenue Code ("IRC") as applicable, which are laws governing retirement accounts. The way International Private Wealth Advisors makes money creates conflicts with your interests so International Private Wealth Advisors operates under a special rule that requires International Private Wealth Advisors to act in your best interest and not put our interest ahead of you.

Under this special rule's provisions, International Private Wealth Advisors must as a fiduciary to a retirement plan account or IRA under ERISA/IRC:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put the financial interests of International Private Wealth Advisors ahead of you when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that International Private Wealth Advisors gives advice that is in your best interest;
- Charge no more than is reasonable for the services of International Private Wealth Advisors; and
- Give Client basic information about conflicts of interest.

To the extent we recommend you roll over your account from a current retirement plan account to an individual retirement account managed by International Private Wealth Advisors, please know that International Private Wealth Advisors and our investment adviser representatives have a conflict of interest.

We can earn increased investment advisory fees by recommending that you roll over your account at the retirement plan to an IRA managed by International Private Wealth Advisors. We will earn fewer investment advisory fees if you do not roll over the funds in the retirement plan to an IRA managed by International Private Wealth Advisors.

Thus, our investment adviser representatives have an economic incentive to recommend a rollover of funds from a retirement plan to an IRA which is a conflict of interest because our recommendation that you open an IRA account to be managed by our firm can be based on our economic incentive and not based exclusively on whether or not moving the IRA to our management program is in your overall best interest.

We have taken steps to manage this conflict of interest. we have adopted an impartial conduct standard whereby our investment adviser representatives will (i) provide investment advice to a retirement plan participant regarding a rollover of funds from the retirement plan in accordance with the fiduciary status described below, (ii) not recommend investments which result in International Private Wealth Advisors

receiving unreasonable compensation related to the rollover of funds from the retirement plan to an IRA, and (iii) fully disclose compensation received by International Private Wealth Advisors and our supervised persons and any material conflicts of interest related to recommending the rollover of funds from the retirement plan to an IRA and refrain from making any materially misleading statements regarding such rollover.

When providing advice to a retirement plan account or IRA, our investment advisor representatives will act with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims, based on the investment objectives, risk, tolerance, financial circumstances, and a client's needs, without regard to the financial or other interests of International Private Wealth Advisors or our affiliated personnel.

#### **Client Assets Managed by International Private Wealth Advisors**

As of December 31, 2023, International Private Wealth Advisors manages \$176,915,664 in Client assets, of which \$167,504,606 are managed on a discretionary basis and \$9,411,058 on a non-discretionary basis. Clients may request more current information at any time by contacting the Advisor.

### **Item 5 – Fees and Compensation**

In addition to the information provided in *Item 4 – Advisory Business*, this section provides additional details regarding our firm's services along with descriptions of each service's fees and compensation arrangements. The exact fees and other terms will be outlined in the agreement between you and International Private Wealth Advisors.

International Private Wealth Advisors believes that its fees reasonable in relation to (1) the services provided and (2) the fees charged by other investment advisers offering similar services/programs. However, our annual investment advisory fee may be higher than that charged by other investment advisers offering similar services/programs.

#### **Asset Management Services**

##### **Asset Based Fees**

Fees charged for our asset management services are charged based on a percentage of assets under management and calculated based on the fair market value of your account as of the last business day of the previous billing period.

- Our annual fee for asset management services ranges between 0.50% and 1.35%.

Fees are negotiable based on the investment adviser representative providing the services, the complexity of the client's situation, the potential for additional account deposits, the relationship of the client with the investment adviser representative, and the total amount of assets under management for the client.

Fees charged to accounts on the AE Wealth Management, LLC platform are billed in arrears (at the end of the billing period) on a monthly basis and calculated based on the fair market value of your account as of the last business day of the billing period. Fees are prorated (based on the number of days service is provided during the initial billing period) for your account opened at any time other than the beginning of the billing period. If asset management services are commenced in the middle of the billing period, then the prorated fee for that billing period will be billed in arrears at the end of that billing period.

Fees charged to accounts on the Axxcess Wealth Management, LLC platform are billed in advance (at the start of the billing period) on a quarterly calendar basis. Fees are prorated (based on the number of days service is provided during the initial billing period) for your account opened at any time other than the beginning of the billing period. If asset management services are commenced in the middle of a billing period, the prorated fee for the initial billing period is billed in arrears at the same time as the next full billing period's fee is billed.

Fees will be deducted from your account by the platform provider, AE Wealth Management, LLC or Axxcess Wealth Management, LLC.

#### Termination

Asset management services continue in effect until terminated. You may terminate the services by providing International Private Wealth Advisors with notice. International Private Wealth Advisors may terminate the services by providing you with written notice effective 30 days after you receive the written notice.

Prepaid, unearned fees for accounts on the Axxcess Wealth Management, LLC platform will be promptly refunded by International Private Wealth Advisors to you. Fee refunds will be determined on a pro rata basis using the number of days services are actually provided during the final period.

For the AE Wealth Management, LLC platform, where fees are billed in arrears, International Private Wealth Advisors will prorate the final fee payment based on the number of days services are provided during the final period. The amount of client assets on the termination date will be used to determine the final fee payment.

The investment advisory fees will be deducted from your account and paid directly to our firm by the qualified custodian(s) of your account. You will authorize the qualified custodian(s) of your account to deduct fees from your account and pay such fees directly to our firm.

You should review your account statements received from the qualified custodian(s) and verify that appropriate investment advisory fees are being deducted. The qualified custodian(s) will not verify the accuracy of the investment advisory fees deducted.

#### Other Fees and Expenses

The platform provider, AE Wealth Management, LLC or Axxcess Wealth Management, LLC, will assess an annual fee of 10 to 25 basis points of the assets under management (0.10% - 0.25%). This fee is in addition to the fee charged by our firm.

When we elect to use Sub-Adviser(s) to manage all or a portion of your Account, Sub-Adviser(s) will charge an investment advisory fee ranging between .10% and .50% of the client's assets under management which will be in addition to and separate from our annual fee. Sub-Adviser fees will be deducted from your account by the platform provider (AE Wealth Management, LLC or Axxcess Wealth Management, LLC) and paid directly to the Sub-Adviser. International Private Wealth Advisors is not responsible for the collection of Sub-Adviser fees. The exact fee charged by a Sub-Adviser will be in accordance with the Sub-Adviser's current fee policies and arrangements. Clients need to refer to the Sub-Adviser's Form ADV Part 2 firm brochure for full details.

Brokerage expenses and/or transaction fees charged by the qualified custodian are billed directly to you by the qualified custodian. International Private Wealth Advisors does not receive any portion of such commissions or fees from you or the qualified custodian. In addition, you will incur certain charges imposed by third parties other than International Private Wealth Advisors in connection with investments made through your account including, but not limited to, mutual fund sales loads, 12b-1 fees and

surrender charges, variable annuity fees and surrender charges, IRA and qualified retirement plan fees, and charges imposed by the qualified custodian(s) of your account. Management fees charged by International Private Wealth Advisors are separate and distinct from the fees and expenses charged by investment company securities that may be recommended to you. A description of these fees and expenses are available in each investment company security's prospectus.

### ***Performance Based Fees***

Under certain situations, International Private Wealth Advisors charges performance-based fees to investors who meet the definition of "qualified client". Under these arrangements, clients are **not** charged a fee based on the assets under management within their account and in accordance with the fee schedule and parameters detailed above.

Instead, the client will be charged a fee contingent upon the performance within the client's account(s). The performance-based fee will be tied to the capital appreciation (i.e., capital gains) within the account as evaluated at the end of each calendar quarter. The performance-based fee will be payable quarterly, in arrears. The performance-based fee will generally not exceed 20% of the capital appreciation attained within the client's account.

In order for our firm to receive a performance-based fee, we must achieve capital appreciation within the account. Moreover, we will charge performance-based fees in adherence with a high-water mark (i.e., no performance-based fee will be earned unless the Account's performance exceeds the previously achieved high water mark where performance-based fees were charged).

The high-water mark will be used in order to prevent a scenario whereby we could receive a performance-based fee merely for recouping prior losses. Any contribution of funds or securities to the Account will increase the high-water mark by a corresponding amount, and any distributions of funds or securities from the Account will lower the high-water mark by a corresponding amount.

To be considered a qualified client, the client must have at least \$1,100,000 under management with our firm immediately after entering into an advisory contract or we must have reasonable belief that the client has a net worth of more than \$2,200,000 (not including primary residence) at the time the investment advisory agreement is executed.

The exact fee and fee arrangements may vary or be different than that described above based on the complexity of client's situation, number of accounts managed, total assets under management and other factors specific to the client. The exact fee arrangements for each client will be specified in that client's advisory services agreement with International Private Wealth Advisors.

See *Item 6 – Performance-Based Fees and Side-by-Side Management* for more information.

### **Retirement Plan Services**

For retirement plan sponsor clients, International Private Wealth Advisors will charge an annual fee that is calculated as a percentage of the value of plan assets.

- Our annual fee does not exceed 1.00% annually and is negotiable based upon the complexity of the plan, the size of the plan assets and the actual services requested.

Fees charged by 3(38) investment managers recommended by International Private Wealth Advisors are assessed and charged separately from our annual fee.

Depending upon the capabilities and requirements of the plan's record keeper or custodian, we can collect our fees in arrears or in advance and they will be billed monthly or quarterly. In some cases, plan sponsors instruct the plan's record keeper or custodian to automatically deduct our plan-level fees from

the plan account(s); however, plan sponsors can also request that we send invoices directly to the plan sponsor or the record keeper/custodian.

If clients elect to have the fee automatically deducted from an existing account, they are required to provide the custodian with written authorization to deduct the fees from the account and pay the fees to International Private Wealth Advisors. We will provide the custodian with a fee notification statement.

Plans receiving Retirement Plan Services may pay more than or less than a client might otherwise pay if purchasing the Retirement Plan Services separately or through another service provider. There are several factors that determine whether the costs would be more or less, including, but not limited to, the size of the plan, the specific investments made by the plan, the number of or locations of plan participants, the services being offered by another service provider, and the actual costs of Retirement Plan Services purchased elsewhere. Considering the specific Retirement Plan Services we offer; our fees may be more or less than those of other similar service providers.

In determining the value of the plan account for purposes of calculating any asset-based fees, we will rely upon the valuation of assets provided by the plan sponsor or the plan's custodian or record keeper without independent verification. Unless we agree otherwise, no adjustments or refunds will be made in respect of any period for: (i) appreciation or depreciation in the value of the plan account during that period, or (ii) any partial withdrawal of assets from the account during that period. All plan-level asset-based fees shall be based on the total value of the assets in the account as defined by the Agreement without regard to any debit balance.

Retirement Plan Services can be terminated upon providing International Private Wealth Advisors with notice. We may terminate the services upon providing you with written notice effective upon 30 days after you receive the written notice. If services are terminated within five business days of signing the client agreement, services are terminated without penalty. Any prepaid but unearned fees are promptly refunded to the client at the effective date of termination.

International Private Wealth Advisors does not reasonably expect to receive any other compensation, direct or indirect, for its Services. If we receive any other compensation for such services, we will (i) offset that compensation against our stated fees, and (ii) will disclose the amount of such compensation, the services rendered for such compensation and the payer of such compensation to you.

### ***Planning & Consulting Services***

#### ***Financial Planning Services***

International Private Wealth Advisors provides Financial Planning Services under a fixed fee arrangement. A mutually agreed upon fixed fee is charged for Financial Planning Services under this arrangement.

There is a range in the amount of the fixed fee charged by International Private Wealth Advisors for Financial Planning Services. The minimum fixed fee is generally \$5,000, and the maximum fixed fee is generally no more than \$25,000. The amount of the fixed fee for your engagement is specified in your financial planning agreement with International Private Wealth Advisors.

At our sole discretion, you may be required to pay in advance of the fixed fee at the time you execute an agreement with International Private Wealth Advisors; however, at no time will International Private Wealth Advisors require payment of more than \$1,200 in fees more than six months in advance. Upon completion and delivery of the financial plan, the fixed fee is considered earned by International Private Wealth Advisors and any unpaid amount is immediately due.

Financial Planning Services terminate thirty (30) days following the delivery of the written financial plan or either you or International Private Wealth Advisors providing the other party with written notice.

If you terminate Financial Planning Services after entering into an agreement with us, you will be responsible for immediate payment of any financial planning services performed by International Private Wealth Advisors prior to the receipt by International Private Wealth Advisors of your notice of termination. For Financial Planning Services performed by International Private Wealth Advisors under a fixed fee arrangement, you will pay International Private Wealth Advisors a pro-rated fixed fee equivalent to the percentage of work completed by International Private Wealth Advisors as determined by International Private Wealth Advisors. In the event that there is a remaining balance of any fees paid in advance after the deduction of fees from the final invoice, those remaining proceeds will be refunded by International Private Wealth Advisors to you.

#### Estate Planning Services

International Private Wealth Advisors provides Estate Planning Services under a fixed fee arrangement. We charge a minimum fixed fee of \$1,350 for single clients. We charge a minimum fixed fee of \$1,750 for married clients. An additional fee of \$250 will be charged to clients for each house deed (also called a property deed).

The amount of the fixed fee for your engagement is specified in your consulting agreement with International Private Wealth Advisors.

Upon completion and delivery of the plan, the fixed fee is considered earned by International Private Wealth Advisors and is immediately due.

Estate Planning Services terminate thirty (30) days following the delivery of the written plan or either you or International Private Wealth Advisors providing the other party with written notice.

If you terminate Estate Planning Services after entering into an agreement with us, you will be responsible for immediate payment of any services performed by International Private Wealth Advisors prior to the receipt by International Private Wealth Advisors of your notice of termination. For Estate Planning Services performed by International Private Wealth Advisors, you will pay International Private Wealth Advisors a pro-rated fixed fee equivalent to the percentage of work completed by International Private Wealth Advisors as determined by International Private Wealth Advisors. Payment is due upon presentment of the invoice detailing the amount of fees due and explanation for how the fee was determined.

#### Other Fees Terms and Conditions

You can pay the fees owed for planning and consulting services by submitting payment directly (for example, by check) or having the fee deducted from an existing investment account.

If you elect to pay by automatic deduction from an existing investment account, you will provide written authorization to International Private Wealth Advisors for such charge.

You should notify International Private Wealth Advisors within ten (10) days of receipt of an invoice if you have questions about or dispute any billing entry.

To the extent International Private Wealth Advisors recommends an outside professional (i.e., estate planning provider, attorney, or accountant) and you personally engage such an outside professional, you will be responsible for the payment of the fees for the services of such an outside professional, and International Private Wealth Advisors will not be required to reimburse you for such payments.



Fees for the services of an outside professional (i.e. estate planning provider, attorney or accountant) will be in addition to and separate from the fees charged by International Private Wealth Advisors, and you will be responsible for the payment of the fees for the services of such an outside professional. In no event will the services of an outside professional be engaged without your express approval.

All fees paid to International Private Wealth Advisors for services are separate and distinct from the commissions, fees and expenses charged by insurance companies associated with any disability insurance, life insurance and annuities subsequently acquired by you. If you sell or liquidate certain existing securities positions to acquire any insurance or annuity, you may also pay a commission and/or deferred sales charges in addition to the financial planning and consulting fees paid to International Private Wealth Advisors and any commissions, fees and expenses charged by the insurance company for subsequently acquired insurance and/or annuities.

All fees paid to International Private Wealth Advisors for planning and consulting services are separate and distinct from the commissions charged by a broker-dealer or asset management fees charged by an investment adviser to implement such recommendations.

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

As described above in *Item 5 – Fees and Compensation*, International Private Wealth Advisors charges certain clients a performance fee, which is based upon a share of capital gains or capital appreciation of the assets of such client. We also provide services and are compensated on asset-based fees, which are based on the total amount of assets owned by the client.

There are conflicts of interest International Private Wealth Advisors faces by managing performance-based accounts at the same time as managing asset based, non-performance-based accounts. For example, the nature of a performance fee poses an opportunity for International Private Wealth Advisors to earn more compensation than under a stand-alone asset-based fee.

Consequently, International Private Wealth Advisors may favor performance fee accounts over those accounts where we receive only an asset-based fee. One way International Private Wealth Advisors may favor performance fee accounts is that we may devote more time and attention to performance fee accounts than to accounts under an asset based fee arrangement.

There are other conflicts associated with performance fees that are not as common under an asset-based fee arrangement. The nature of performance fees can encourage unnecessary speculation with client assets in order to earn or increase the amount of the fee. The result of riskier investments can have a positive effect in that results could equal higher returns when compared to an asset-based fee account. On the other hand, riskier investments historically have a higher chance of losing value. Also, since in a performance fee arrangement an investment adviser is compensated based on capital gains or capital appreciation, these arrangements could give an investment adviser an incentive to time transactions in a client's account on the basis of fee considerations rather than on what is in the best interest of the client.

Performance fees can cause an investment adviser to engage in transactions or strategies which will increase the amount of the performance fees, but which may not increase the overall performance of the client's account. For example, an account may lose value during a year and no performance fee will be earned. In the following year, International Private Wealth Advisors may receive a performance fee for simply recouping losses from the previous year. International Private Wealth Advisors controls for this conflict of interest by using the high-water mark fee calculation method described in the preceding paragraph. A performance fee may also encourage International Private Wealth Advisors to make riskier

and more speculative investments. International Private Wealth Advisors does not represent that the amount of the performance fees or the manner of calculating the performance fees is consistent with other performance related fees charged by other investment advisers under the same or similar circumstances. The performance fees charged by International Private Wealth Advisors may be higher than the performance fees charged by other investment advisers for the same or similar services.

International Private Wealth Advisors has established policies and procedures to address the various conflicts of interest associated with charging a performance fee:

- International Private Wealth Advisors devotes equal time to the management of performance fee accounts and asset-based fee accounts.
- Only clients that are able to assume additional risk are solicited to engage in a performance fee arrangement. International Private Wealth Advisors provides such clients full disclosure of the additional risks associated with a performance fee arrangement.
- Client accounts eligible to be charged a performance-based fee must reach a pre-determined and agreed upon high-water mark before the performance-based fee is charged.

Performance based fee arrangements of International Private Wealth Advisors will comply with Section 205(e) of the Investment Advisers Act of 1940. According to Section 205(e) (see Rule 205-3 thereunder), only natural individual clients meeting the SEC's definition of "qualified clients" may enter into agreements providing for performance-based compensation to International Private Wealth Advisors. A natural person or company must meet the following conditions to be considered a qualified client:

- Have at least \$1,100,000 under management with International Private Wealth Advisors at the time the client enters into an agreement with International Private Wealth Advisors; **or**
- Provide documentation to International Private Wealth Advisors so that International Private Wealth Advisors will reasonably believe the client has either a net worth of \$2,200,000 or is a qualified purchaser under Section 2(a)(51)(A) of the Investment Company Act.

### **Item 7 – Types of Clients**

International Private Wealth Advisors generally provides investment advice to the following types of clients:

- Individuals
- High net worth individuals
- Trusts, estates, or charitable organizations
- Corporations or business entities other than those listed above

You are required to execute a written agreement with International Private Wealth Advisors specifying the particular advisory services in order to establish a client arrangement with International Private Wealth Advisors.

### **Minimum Investment Amounts Required**

There are no minimum investment amounts or conditions required for establishing an account managed by International Private Wealth Advisors. However, all clients are required to execute an agreement for services in order to establish a client arrangement with International Private Wealth Advisors.

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

### **Methods of Analysis**

International Private Wealth Advisors uses the following methods of analysis in formulating investment advice:

Charting - This is a set of techniques used in technical analysis in which charts are used to plot price movements, volume, settlement prices, open interest, and other indicators, in order to anticipate future price movements. Users of these techniques, called chartists, believe that past trends in these indicators can be used to extrapolate future trends.

Charting is likely the most subjective analysis of all investment methods since it relies on proper interpretation of chart patterns. The risk of reliance upon chart patterns is that the next day's data can always negate the conclusions reached from prior days' patterns. Also, reliance upon chart patterns bears the risk of a certain pattern being negated by a larger, more encompassing pattern that has not shown itself yet.

Fundamental – This is a method of evaluating a security by attempting to measure its intrinsic value by examining related economic, financial and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of a company). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short). Fundamental analysis is considered to be the opposite of technical analysis. Fundamental analysis is about using real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security.

The risk associated with fundamental analysis is that it is somewhat subjective. While a quantitative approach is possible, fundamental analysis usually entails a qualitative assessment of how market forces interact with one another in their impact on the investment in question. It is possible for those market forces to point in different directions, thus necessitating an interpretation of which forces will be dominant. This interpretation may be wrong, and could therefore lead to an unfavorable investment decision.

Technical – This is a method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity. Technical analysts believe that the historical performance of stocks and markets are indications of future performance.

Technical analysis is even more subjective than fundamental analysis in that it relies on proper interpretation of a given security's price and trading volume data. A decision might be made based on a historical move in a certain direction that was accompanied by heavy volume; however, that heavy volume may only be heavy relative to past volume for the security in question, but not compared to the future trading volume. Therefore, there is the risk of a trading decision being made incorrectly since future trading volume is an unknown. Technical analysis is

also done through observation of various market sentiment readings, many of which are quantitative. Market sentiment gauges the relative degree of bullishness and bearishness in a given security, and a contrarian investor utilizes such sentiment advantageously. When most traders are bullish, then there are very few traders left in a position to buy the security in question, so it becomes advantageous to sell it ahead of the crowd. When most traders are bearish, then there are very few traders left in a position to sell the security in question, so it becomes advantageous to buy it ahead of the crowd. The risk in utilization of such sentiment technical measures is that a very bullish reading can always become more bullish, resulting in lost opportunity if the money manager chooses to act upon the bullish signal by selling out of a position. The reverse is also true in that a bearish reading of sentiment can always become more bearish, which may result in a premature purchase of a security.

### **Investment Strategies**

International Private Wealth Advisors uses the following investment strategies when managing client assets and/or providing investment advice:

Long term purchases. Investments held at least a year.

Short term purchases. Investments sold within a year.

Value-Investing. We primarily follow a value-investing strategy that attempts to acquire at reasonable valuations publicly traded businesses that can deliver sustainable excess returns. We focus on a long-only strategy. Long term strategies are designed to identify and select investments to be held for multiple years. We will also invest in value oriented special situations with shorter expected holding periods.

Value Investing can be described as a strategy of selecting stocks that trade for less than their intrinsic values. Value investors typically seek stocks of companies that they believe the market has undervalued. They believe the market overreacts to good and bad news, resulting in stock price movements that do not correspond with the company's long-term fundamentals. The result is an opportunity for value investors to profit by buying when the price is deflated. Often, value investors select stocks with lower-than-average price-to-book or price-to-earnings ratios and/or high dividend yields. The risks associated with value-investing include incorrectly analyzing and overestimating the intrinsic value of a business, concentration risk, under performance relative to major benchmarks, macro-economic risks, investing in value traps i.e. businesses that remain perpetually undervalued, and lost purchasing power on cash holdings in the case of inflation.

Tactical asset allocation. Allows for a range of percentages in each asset class (such as Stocks = 40-50%). The ranges establish minimum and maximum acceptable percentages that permit the investor to take advantage of market conditions within these parameters. Thus, a minor form of market timing is possible, since the investor can move to the higher end of the range when stocks are expected to do better and to the lower end when the economic outlook is bleak.

Strategic asset allocation. Calls for setting target allocations and then periodically rebalancing the portfolio back to those targets as investment returns skew the original asset allocation percentages. The concept is akin to a "buy and hold" strategy, rather than an active trading approach. Of course, the strategic asset allocation targets may change over time as the client's goals and needs change and as the time horizon for major events such as retirement and college funding grow shorter.

### **Primarily Recommend One Type of Security**

We do not primarily recommend one type of security to clients. Instead, we recommend any product that may be suitable for each client relative to that client's specific circumstances and needs.

### **Risk of Loss**

Past performance is not indicative of future results. Therefore, you should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, and bonds, etc.) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. You should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, our firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. There are certain additional risks associated with investing in securities through our investment management program, as described below:

- **Market Risk** – Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.
- **Equity (stock) market risk** – Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.
- **Company Risk**. When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.
- **Fixed Income Risk**. When investing in bonds, there is the risk that the issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- **Options Risk**. Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.
- **ETF and Mutual Fund Risk** – When investing in an ETF or mutual fund, you will bear additional expenses based on your pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. You will also incur brokerage costs when purchasing ETFs.

- **Management Risk** – Your investment with our firm varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.

### **Item 9 – Disciplinary Information**

*Item 9* is not applicable to this Disclosure Brochure because there are no legal or disciplinary events that are material to a client's or prospective client's evaluation of our business or integrity.

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

International Private Wealth Advisors is **not** and does **not** have a related person that is a broker/dealer, municipal securities dealer, government securities dealer or broker, an investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund), a futures commission merchant, commodity pool operator, or commodity trading advisor, a banking or thrift institution, a lawyer or law firm, a pension consultant, a real estate broker or dealer, and a sponsor or syndicator of limited partnerships.

#### **Barajas & Guillen Group, LLC**

The parent company of International Private Wealth Advisor, Barajas & Guillen Group, LLC, is in the business of providing non-investment related business consulting services. Such services are provided to founders and majority shareholders of companies who are preparing to exit their companies through a transition or third-party sale. Our services can best be described as acting as a business consultant or "quarterback" to help clients align their exit transition team (which can include but is not limited to attorneys, business appraisers and other wealth managers) with a goal to efficiently attain maximum value for their company. We help guide the value creation process for a company's growth.

Clients of International Private Wealth Advisors in need of business planning and exit planning will be referred Barajas & Guillen Group, LLC. Because of our affiliation, clients should understand that we have a conflict of interest to recommend Barajas & Guillen Group, LLC over other companies provided the same or similar service providers. International Private Wealth Advisors receives no compensation or referral fees for recommending clients to Barajas & Guillen Group, LLC.

You are not required or obligated to use Barajas & Guillen Group, LLC and instead can work with any business consulting service of your choosing. There are other firms that may be more appropriate for your business planning needs and other firms that charge lower fees for such services. You are encouraged to conduct your due diligence before decided to work with Barajas & Guillen Group, LLC or any other service provider recommended by our firm.

To the extent that you personally engage Barajas & Guillen Group, LLC, you will be responsible for the payment of the fees for their services and International Private Wealth Advisors will not be required to reimburse you for such payments. Fees for the services of Barajas & Guillen Group, LLC will be in addition to and separate from the fees charged by International Private Wealth Advisor and you will be responsible for the payment of the fees for the services of Barajas & Guillen Group, LLC. In no event will the services of Barajas & Guillen Group, LLC be engaged without your express approval.

### **Insurance Services through Private Wealth Insurance Solutions, LLC**

You may work with our advisory personnel in their separate capacity as insurance agents through our affiliated company, Private Wealth Insurance Solutions, LLC. When acting in their separate capacity as insurance agents, our advisory personnel can sell, for commissions, life insurance, annuities, and other insurance products. As such, our advisory personnel in their separate capacity as insurance agents may suggest that you implement recommendations by purchasing life insurance, annuities, or other insurance products. They spend approximately 15 - 20% of their time on insurance sales and services.

Private Wealth Insurance Solutions, LLC utilize the services of Advisors Excel, a third-party insurance marketing organization ("IMO") to select the appropriate product. The IMO may also offer special incentive compensation while our investment adviser representatives act in their separate capacity as insurance agents if they meet certain overall sales goals by placing annuities and/or other insurance products through the IMO. A client could perceive that the receipt of commissions and additional incentive compensation itself creates a conflict of interest and may affect our independent judgment. However, this conflict is mitigated by the fact that we have a fiduciary responsibility to place the best interest of the client first and clients are not required to purchase any insurance products through us in our separate capacity as insurance agents. The purpose of the IMO is to assist us to find the insurance company that best fits the client's situation.

Advisors Excel is a related company of AE Wealth Management. Advisors Excel provides affiliate members such as our insurance firm, Private Wealth Insurance Solutions, LLC with marketing assistance and business development tools to acquire new clients, technology with the goal of improving the client experience and our firm's efficiency, back office and operations support to assist in the processing of our insurance (through Advisors Excel) and investment advisory services (through AE Wealth Management) for clients, and business succession planning for our firm. Although some of these services may directly benefit a client, other services obtained by us from Advisors Excel such as marketing assistance and business development may not benefit an existing client.

There is a conflict of interest when we use the services of AE Wealth Management because we are influenced to use AE Wealth Management based upon our relationship with, the services provided by and support of Advisors Excel.

### **US-LATAM Tax Group, LLC**

Louis Barajas is the majority owner of US-LATAM Tax Group, LLC, an affiliated company with International Private Wealth Advisors. Because of our affiliation, clients should understand that we have a conflict of interest to recommend US-LATAM Tax Group, LLC over other accounting and tax planning service providers. However, we are currently not actively recommending US-LATAM Tax Group, LLC to new clients of International Private Wealth Advisors. Instead, you can work with any accounting firm or other tax preparation service of your choosing.

### **Sub-Advisers and Third-Party Investment Adviser Firms**

International Private Wealth Advisors has formed relationships with and recommends AE Wealth Management, LLC and Axxcess Wealth Management, LLC as platform providers for our Asset Management Services. Through those platforms, we are able to select independent, investment advisers to serve as sub-advisors to help with the management of client accounts. Please refer to the prior disclosures in *Items 4 and 5* for full details.

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

### **Code of Ethics Summary**

According to the *Investment Advisers Act of 1940*, an investment adviser is considered a fiduciary and has a fiduciary duty to all clients. International Private Wealth Advisors has established a Code of Ethics to comply with the requirements of Section 204(A)-1 of the *Investment Advisers Act of 1940* that reflects its fiduciary obligations and those of its supervised persons. The Code of Ethics also requires compliance with federal securities laws. The Code of Ethics covers all individuals that are classified as “supervised persons”. All employees, officers, directors and investment adviser representatives are classified as supervised persons. International Private Wealth Advisors requires its supervised persons to consistently act in your best interest in all advisory activities. International Private Wealth Advisors imposes certain requirements on its affiliates and supervised persons to ensure that they meet the firm’s fiduciary responsibilities to you. The standard of conduct required is higher than ordinarily required and encountered in commercial business.

This section is intended to provide a summary description of the Code of Ethics of International Private Wealth Advisors. If you wish to review the Code of Ethics in its entirety, you should send us a written request and upon receipt of your request, we will promptly provide a copy of the Code of Ethics to you.

### **Affiliate and Employee Personal Securities Transactions Disclosure**

International Private Wealth Advisors or supervised persons of the firm buy and sell for their personal accounts, investment products identical to those recommended to clients. This creates a conflict of interest. It is the express policy of International Private Wealth Advisors that all persons associated in any manner with our firm must place clients’ interests ahead of their own when implementing personal investments. As is required by our internal procedures manual, International Private Wealth Advisors and its supervised persons will not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of employment or association with our firm unless the information is also available to the investing public upon reasonable inquiry. We are now and will continue to be in compliance with applicable state and federal rules and regulations. To mitigate conflicts of interest that can occur when access persons manage their personal accounts at the same time International Private Wealth Advisors manages client accounts, we have developed written supervisory procedures that include personal investment and trading policies for our representatives, employees and their immediate family members (collectively, supervised persons). Any supervised person not observing our policies is subject to sanctions up to and including termination.

## **Item 12 – Brokerage Practices**

International Private Wealth Advisors does not have discretionary authority to select the broker-dealer/custodian for custodial and execution services. However, we will recommend and, in some cases, require the use of three particular custodians-brokerage platforms.

We do not receive client referrals from any broker/dealers.

Although we recommend, and in some cases require, particular broker/dealers, clients may be allowed to select the broker-dealer that will be used for their accounts presuming we are able to be listed as investment adviser of record on the client’s accounts and can properly integrate the brokerage platform



into our programs and services. Clients directing the use of a particular broker/dealer or other custodian must understand that we may not be able to obtain the best prices and execution for the transaction. Under a client-directed brokerage arrangement, clients may receive less favorable prices than would otherwise be the case if the client had not designated a particular broker/dealer or custodian. Directed brokerage account trades are generally placed by International Private Wealth Advisors after effecting trades for other clients of International Private Wealth Advisors. In the event that a client directs International Private Wealth Advisors to use a particular broker or dealer, International Private Wealth Advisors may not be authorized to negotiate commissions and may be unable to obtain volume discounts or best execution. In addition, under these circumstances a disparity in commission charges may exist between the commissions charged to clients who direct International Private Wealth Advisors to use a particular broker or dealer versus clients who do not direct the use of a particular broker or dealer.

For clients on the AE Wealth Management, LLC platform, accounts are held at National Financial Services through the Fidelity Institutional Wealth Program (collectively referred to as Fidelity). Fidelity will serve as the qualified custodian for accounts. Clients must appoint International Private Wealth Advisors and AE Wealth Management, as a sub-adviser, as their investment advisors of record on the account.

For clients on the Axxcess Wealth Management, LLC platform, accounts are held at Charles Schwab & Company, Inc, who serve as the qualified custodian for accounts. Clients must appoint International Private Wealth Advisors and Axxcess Wealth Management, LLC, as a sub-adviser, as their investment advisors of record on the account.

### **Fidelity**

National Financial Services, LLC is a Fidelity affiliated company and SEC-registered broker/dealer member FINRA/SIPC. The use of Fidelity is based on our participation in the Fidelity Institutional Wealth Services program. As a result, client accounts are provided access to their institutional trading and custody services, typically not available to retail investors. The services from Fidelity include brokerage, custody, research and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. Fidelity also makes available to International Private Wealth Advisors other products and services that we benefit from but may not benefit your accounts. Some of these other products and services assist us in managing and administering client accounts. These include software and other technology that:

- Provide access to client account data (such as trade confirmation and account statements)
- Facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts)
- Provide research, pricing information and other market data
- Facilitate payment of our fees from client accounts
- Assist with back-office functions, recordkeeping and client reporting.

Many of these services generally may be used to service all or a substantial number of our accounts. Fidelity also makes available other services intended to help us manage and further develop our business. These services may include:

- Consulting, publications and conferences on practice management
- Information technology
- Business succession
- Regulatory compliance
- Marketing.

In addition, Fidelity may make available, arrange and/or pay for these types of services rendered to International Private Wealth Advisors by independent third-parties providing these services to us. As a

fiduciary, we endeavor to act in your best interest. Our requirement that you maintain your assets in accounts at Fidelity may be based in part on the benefit to us of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by Fidelity. This creates a potential conflict of interest.

**Charles Schwab & Company, Inc.**

Schwab Institutional and Schwab Advisor Services are divisions of Charles Schwab & Co., Inc (“Schwab”), a FINRA-registered broker-dealer, Member SIPC, which is used to maintain custody of clients’ assets and to effect trades for their accounts.

International Private Wealth Advisors is independently owned and operated and not affiliated with Schwab. Schwab provides International Private Wealth Advisors with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the advisor’s clients’ assets are maintained at Schwab Institutional. These services are not contingent upon International Private Wealth Advisors committing to Schwab any specific amount of business (assets in custody or trading commissions). Schwab’s brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require significantly higher minimum initial investment.

Schwab Institutional also makes available to International Private Wealth Advisors other products and services that benefit International Private Wealth Advisors but may not directly benefit clients’ accounts. Many of these products and services may be used to service all or some substantial number of International Private Wealth Advisors’ accounts, including accounts not maintained Schwab.

Schwab’s products and services that assist International Private Wealth Advisors in managing and administering clients’ accounts include software and other technology that (i) provides access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of International Private Wealth Advisors’ fees from some of its accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Schwab Institutional also offers other services intended to help International Private Wealth Advisors manage and further develop its business enterprise. These services may include: (i) compliance, legal and business consulting; (ii) publications and conferences on practice management and business succession; and (iii) access to employee benefits providers, human capital consultants and insurance providers. Schwab Institutional may discount or waive fees it would otherwise charge for some of these services or pay all or part of the fees of a third-party providing these services to International Private Wealth Advisors. Schwab Institutional may also provide other benefits such as educational events or occasional business entertainment of International Private Wealth Advisors personnel. While as a fiduciary, International Private Wealth Advisors endeavors to act in its clients’ best interests, International Private Wealth Advisors’ recommendation that clients maintain their assets in accounts at Schwab may take into account availability of some of the foregoing products and services and other arrangements not solely on the nature of cost or quality of custody and brokerage services provided by Schwab, which may create a conflict of interest.

**Block Trading Policy**

We may elect to purchase or sell the same securities for several clients at approximately the same time. This process is referred to as aggregating orders, batch trading or block trading and is used by our firm when International Private Wealth Advisors believes such action may prove advantageous to clients. If

and when we aggregate client orders, allocating securities among client accounts is done on a fair and equitable basis. Typically, the process of aggregating client orders is done in order to achieve better execution, to negotiate more favorable commission rates or to allocate orders among clients on a more equitable basis in order to avoid differences in prices and transaction fees or other transaction costs that might be obtained when orders are placed independently.

International Private Wealth Advisors uses the average price allocation method for transaction allocation.

Under this procedure International Private Wealth Advisors will calculate the average price and transaction charges for each transaction included in a block order and assign the average price and transaction charge to each allocated transaction executed for the client's account.

If and when we determine to aggregate client orders for the purchase or sale of securities, including securities in which International Private Wealth Advisors or our associated persons may invest, we will do so in accordance with the parameters set forth in the SEC No-Action Letter, *SMC Capital, Inc.* Neither we nor our associated persons receive any additional compensation as a result of block trades.

### **Item 13 – Review of Accounts**

#### **Account Reviews and Reviewers**

Managed accounts are reviewed periodically. While the calendar is the main triggering factor, reviews can also be conducted at your request. Account reviews will include investment strategy and objectives review and making a change if strategy and objectives have changed. Reviews are conducted by Daniel Guillen and Louis Barajas, Managing Members and Investment Adviser Representatives, with reviews performed in accordance with your investment goals and objectives.

#### **Statements and Reports**

For our asset management services, you are provided with transaction confirmation notices and regular quarterly account statements in writing directly from the qualified custodian.

Financial planning clients do not receive any report other than the written plan originally contracted for and provided by International Private Wealth Advisors.

You are encouraged to always compare any reports or statements provided by us or a sub-adviser against the account statements delivered from the qualified custodian. When you have questions about your account statement, you should contact our firm and the qualified custodian preparing the statement.

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

International Private Wealth Advisors has entered into agreements with outside, third-parties (Referring Parties) to refer clients to International Private Wealth Advisors.

If a referred client enters into an investment advisory agreement with International Private Wealth Advisors, a referral fee is paid to the referring party, which is based upon a percentage of the client advisory fees that are generated. The referral agreements between any referring party and International Private Wealth Advisors will not result in any charges to clients in addition to the normal level of advisory fees charged.

When a client is referred to us by a referring party, the referring party provides the client with full disclosure including the (1) material terms of the compensation arrangement, (2) a description of the compensation provided or to be provided, and (3) a description of any material conflicts of interest on the part of the Referring Party resulting from our relationship with the Referring Party.

Other than the receipt of the investment advisory fees detailed in Item 5 of this brochure and the receipt of compensation from other business activities detailed in Item 10 of this brochure, we receive no other compensation in connection with investment advisory services.

### **Item 15 – Custody**

International Private Wealth Advisors is deemed to have custody of client funds and securities whenever International Private Wealth Advisors is given the authority to have fees deducted directly from client accounts.

We have established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address and the manner in which the funds or securities are maintained.

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

Finally, account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. Clients should carefully review those statements and are urged to compare the statements against reports received from International Private Wealth Advisors. When clients have questions about their account statements, they should contact International Private Wealth Advisors or the qualified custodian preparing the statement.

### **Item 16 – Investment Discretion**

When providing asset management services, International Private Wealth Advisors maintains trading authorization over your Account and can provide management services on a **discretionary** basis. When discretionary authority is granted, we will have the authority to determine the type of securities and the amount of securities that can be bought or sold for your portfolio without obtaining your consent for each transaction. However, it is the policy of International Private Wealth Advisors to consult with you prior to making significant changes in the account even when discretionary trading authority is granted.

If you decide to grant trading authorization on a **non-discretionary** basis, we will be required to contact you prior to implementing changes in your account. Therefore, you will be contacted and required to accept or reject our investment recommendations including:

- The security being recommended
- The number of shares or units
- Whether to buy or sell

Once the above factors are agreed upon, we will be responsible for making decisions regarding the timing of buying or selling an investment and the price at which the investment is bought or sold. If your accounts are managed on a non-discretionary basis, you need to know that if we are not able to reach you or you are slow to respond to our request, it can have an adverse impact on the timing of trade implementations and we may not achieve the optimal trading price.

You will have the ability to place reasonable restrictions on the types of investments that may be purchased in your Account. You may also place reasonable limitations on the discretionary power granted to International Private Wealth Advisors so long as the limitations are specifically set forth or included as an attachment to the client agreement.

You will grant International Private Wealth Advisors discretionary authority (without first consulting with you) to establish and/or terminate a relationship with one or more Sub-Advisers for purposes of managing your Account or a portion of your Account determined by International Private Wealth Advisors. You will also grant the Sub-Adviser selected by International Private Wealth Advisors with the discretionary authority (in the sole discretion of the Sub-Adviser without first consulting with you) to make all decisions to buy, sell or hold securities, cash or other investments for such portion of the Account managed by the Sub-Adviser. You will also grant the Sub-Adviser selected by International Private Wealth Advisors with the power and authority to carry out these decisions by giving instructions, on your behalf, to brokers and dealers and the qualified custodian(s) of the Account.

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

International Private Wealth Advisors does not vote proxies on behalf of Clients. We have determined that taking on the responsibilities for voting client securities does not add enough value to the services provided to you to justify the additional compliance and regulatory costs associated with voting client securities. Therefore, it is your responsibility to vote all proxies for securities held in Account.

You will receive proxies directly from the qualified custodian or transfer agent; we will not provide you with the proxies. You are encouraged to read through the information provided with the proxy-voting documents and make a determination based on the information provided.

With respect to any of your assets managed by Sub-Advisers, we do not perform proxy-voting services on your behalf. You will need to refer to each Sub-Adviser's disclosure brochure to determine whether the Sub-Adviser will vote proxies on your behalf. You may request a complete copy of a Sub-Adviser's proxy voting policies and procedures as well as information on how your proxies were voted by contacting International Private Wealth Advisors at the address or phone number indicated on Page 1 of this disclosure document.

### **Item 18 – Financial Information**

This *Item 18* is not applicable to this brochure. International Private Wealth Advisors does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for the most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, International Private Wealth Advisors has not been the subject of a bankruptcy petition at any time.

### **Customer Privacy Policy Notice**

The information contained in this section is also detailed in the *Privacy Requirements* section of International Private Wealth Advisors' *Compliance Policies and Procedures Manual*. This statement is provided to all clients in accordance with the rules and regulations of the *Gramm-Leach-Bliley Act of 1999* and the SEC's *Regulation S-P*.

As an SEC-registered investment adviser, International Private Wealth Advisors LLC and its investment adviser representatives will gather and develop personal information regarding our clients. This information will be gathered and developed by us for the following purposes:

1. To determine the client's financial goals and objectives
2. To determine the level of advisory services needed and desired by the client
3. To provide the client with specific recommendations regarding advisory services
4. To provide the client with specific recommendations regarding financial products
5. To provide ongoing support and recommendations regarding financial products held in the client's account

Client information that International Private Wealth Advisors LLC will collect may include, but not be limited to the following:

- Information received from clients on financial inventories through consultations with its representatives. This information may include personal and household information such as income, spending habits, investment objectives, financial goals, statements of account and other records concerning the clients' financial conditions and assets, together with information concerning employee benefits and retirement plan interests, wills, trusts, mortgages and tax returns.
- Information developed as part of financial plans, analyses or investment advisory services.
- Information concerning investment advisory account transactions, such as wrap account transactions.
- Information about clients' financial products and services transactions with International Private Wealth Advisors LLC

All information provided by clients to International Private Wealth Advisors LLC (including our investment advisor representatives and administrative personnel), and information and advice furnished by International Private Wealth Advisors LLC to you, is treated as confidential and not disclosed to affiliated or unaffiliated third parties, except as (1) permitted by you with written authorization, (2) shared in a manner necessary to facilitate the advisory services provided by International Private Wealth Advisors LLC or (3) as required by any rule, regulation or law of any regulatory or self-regulatory organization to which International Private Wealth Advisors LLC or our investment advisor representatives may be subject. For example: you may ask International Private Wealth Advisors LLC to provide information to your other services providers, such as your accountant, and we are pleased to be of assistance when you direct us to share information. Regulatory and self-regulatory bodies generally conduct routine audits of investment advisers to review books and records, and in the process may review client information. Additionally, your account custodians and their personnel will have access to and review client data for their internal purposes.

When a client account is closed, International Private Wealth Advisors LLC will continue to keep all client information confidential in accordance with the principles stated in its privacy policy.

A copy of the Privacy Policy Notice will be delivered to all clients in writing by at least one of the following methods:

- By hand delivering a copy to the client
- Mailing a copy to the client's address on record
- If business is conducted electronically, a notice may be posted on an electronic site as long as the

client acknowledges receipt of the Privacy Policy Notice prior to the client obtaining any services or products from International Private Wealth Advisors LLC

A copy of the Privacy Policy Notice will be provided to the client no later than the time a client establishes a relationship with International Private Wealth Advisors LLC, unless this situation would cause a delay in the client obtaining services and the client agrees to accept the notice at a later date. When this situation applies, a copy of the Privacy Policy Statement will be delivered to the client within a reasonable time period following the transaction.

Any time a change is made to the Privacy Policy, the statement to clients will be revised. The revised statement will be given to all affected clients prior to any disclosure of information. In addition, International Private Wealth Advisors LLC will provide a copy of its Privacy Policy Statement to all current and existing clients at least annually.