



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

CRD Number: 117299

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This Brochure provides information about the qualifications and business practices of Investors Portfolio Services LLC. If you have any questions about the contents of this Brochure, please contact us at 253-770-8118 or [Frank.gallo@InvestorsPortfolioServices.com](mailto:Frank.gallo@InvestorsPortfolioServices.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Investors Portfolio Services LLC is an SEC Registered Investment Advisor. Registration of an Investment Advisor does not imply any level of skill or training. The oral and written communications of an Advisor provide you with information which you may use to determine to hire or retain an Advisor.

Additional information about Investors Portfolio Services LLC (CRD 117299) is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Material Changes**

### **Annual Update**

The Material Changes section of this brochure will be updated annually or when material changes occur since the previous release of the Firm Brochure.

### **Material Changes since the last Update**

This update is in accordance with the required annual update for Investment Advisors. Since the last filing March 2, 2023 the following changes have been made:

- Item 4 has been updated to disclose our most recent calculation for client assets under management.
- Items 4 and 5 to include Sub-Advisor relationship.
- Item 5 and 12 have been updated to reflect a change in custodian.
- Items 4, 5 and 10 have been updated to remove CLS Investments, LLC.
- Item 10 has been updated to remove Fortune Financial Services, Inc. as our Broker/Dealer.

### **Full Brochure Available**

This Firm Brochure being delivered is the complete brochure for the Firm.

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## Item 4 – Advisory Business

### Firm Description

On October 16, 2012, Frank V. Gallo transitioned his investment advisory practice from a sole proprietorship to an LLC by the name of Investors Portfolio Services LLC. (“Advisor”). This was a change in business type and was considered a succession of Frank V. Gallo’s registered investment advisory business. Firm CRD # 117299 remained the same. Frank V. Gallo is the principal owner and an Investment Advisor Representative of Investors Portfolio Services LLC. The Advisor added discretionary account management to its business offerings in 2013. Investors Portfolio Services LLC is a SEC Registered Investment Advisor.

### Types of Advisory Services

#### **ASSET MANAGEMENT SERVICES**

Advisor provides investment supervisory services on a discretionary and non-discretionary basis.

Investment supervisory services include the construction and on-going management of stock, bond, and mutual fund portfolios. Portfolios are constructed in accordance with the client’s desired goals for either growth or income or a combination. Portfolios are monitored on a security by security basis and reported back to the client by means of quarterly consolidated statement of accounts. Individual holdings are monitored on an ongoing basis and are either added or eliminated from the client’s portfolio based on current research and consultation with the client. No publications are provided on a fee or subscription basis for the purpose of providing financial advice.

Advisor meets with each client individually and institutes the appropriate Investment Policy Statement model based on each client’s unique needs and objectives. The investment advisory services and models offered to each client will vary in type and complexity, depending on a client’s individual investment goals and circumstances. Clients are directly involved in this strategy and may request, in writing, that their funds not be invested in certain types of investments.

Generally, services begin with the Advisor gathering information from an individual client regarding financial circumstances, investment objectives and risk tolerance. This information assists the Advisor in determining which services, models and investments are most appropriate to recommend or select on each client’s behalf. It is important to provide accurate and complete responses to the questions asked by the Advisor in gathering financial information, investment objectives and suitability, and that the Advisor is promptly informed of any subsequent changes in information and/or Investment Policy Statement model.

In certain situations, clients may request a restriction on the types of investments purchased on their behalf, based on either general social categories or specific securities. However, doing so may impact the performance of a client’s account and it may differ from accounts without the same restrictions.

Advisor participates in the Model marketplace of Altruist LLC, an SEC registered investment adviser and affiliate of Altruist financial LLC. Advisor may subscribe client account to model portfolios available through Altruist LLC’s Model Marketplace, including Altruist LLC-generated portfolios and Third-Party Portfolios, for use by Advisor to assist it in managing or advising Advisor client accounts. Altruist LLC and its affiliates do not act as investment advisers or fiduciaries to Advisor clients. Advisor is responsible for suitability of all investment decisions and transactions for client accounts subscribed to Model marketplace model portfolios.

When deemed appropriate for the Client, IPS may hire Sub-Advisors to manage all or a portion of the assets in the Client account. IPS has full discretion to hire and fire Sub-Advisors as we deem suitable. Sub-Advisors will maintain the models or investment strategies agreed upon between Sub-Advisor and IPS. Sub-Advisors execute trades on behalf of IPS in Client accounts. IPS will be responsible for the overall direct relationship with the Client. IPS retains the authority to terminate the Sub-Advisor relationship at IPS's discretion.

#### **Discretionary**

When the client provides Advisor discretionary authority the client will sign a limited trading authorization or equivalent. Advisor will have the authority to execute transactions in the account without seeking client approval on each transaction.

#### **Non-Discretionary Service Limitations**

For those clients that determine to engage the Advisor on a non-discretionary investment advisor basis, an individual strategy is designed based on risk tolerance and current market decisions. However, the client **must be willing to accept** that the Advisor cannot affect any account transaction without prior written or verbal consent to any such transaction(s) from the client. Thus, in the event of a market correction during which the client is unavailable, the Advisor will be unable to effect any account transactions (as it would for its discretionary clients) **without first obtaining the client's verbal consent.**

#### **ERISA PLAN SERVICES**

Advisor provides service to qualified retirement plans including 401(k) plans, 403(b) plans, pension and profit-sharing plans, cash balance plans, and deferred compensation plans. Advisor may act as either a 3(21) or 3(38) advisor:

##### **Limited Scope ERISA 3(21) Fiduciary**

Advisor may serve as a limited scope ERISA 3(21) fiduciary that can advise, help and assist plan sponsors with their investment decisions on a non-discretionary basis. As an investment advisor, the Advisor has a fiduciary duty to act in the best interest of the Client. The plan sponsor is still ultimately responsible for the decisions made in their plan, though using Advisor can help the plan sponsor delegate liability by following a diligent process.

Fiduciary Services are:

Provide non-discretionary investment advice to the Client about asset classes and investment alternatives available for the Plan in accordance with the Plan's investment policies and objectives. Client will make the final decision regarding the initial selection, retention, removal, and addition of investment options. Advisor acknowledges that it is a fiduciary as defined in ERISA section 3 (21) (A) (ii).

Assist the Client in the development of an investment policy statement ("IPS"). The IPS establishes the investment policies and objectives for the Plan. Client shall have the ultimate responsibility and authority to establish such policies and objectives and to adopt and amend the IPS.

Provide non-discretionary investment advice to the Plan Sponsor with respect to the selection of a qualified default investment alternative for participants who are automatically enrolled in the Plan or who have otherwise failed to make investment elections. The Client retains the sole responsibility to provide all notices to the Plan participants required under ERISA Section 404(c) (5) and 404(a)-5.

Assist in monitoring investment options by preparing periodic investment reports that document investment performance, consistency of fund management and conformance to the guidelines set forth in the IPS and make recommendations to maintain, remove or replace investment options.

Meet with Client on a periodic basis to discuss the reports and the investment recommendations.

Non-fiduciary Services are:

Assist in the education of Plan participants about general investment information and the investment alternatives available to them under the Plan. Client understands Advisor's assistance in education of the Plan participants shall be consistent with and within the scope of the Department of Labor's definition of investment education (Department of Labor Interpretive Bulletin 96-1). As such, Advisor is not providing fiduciary advice as defined by ERISA 3(21)(A)(ii) to the Plan participants. Advisor will not provide investment advice concerning the prudence of any investment option or combination of investment options for a particular participant or beneficiary under the Plan.

Assist in the group enrollment meetings designed to increase retirement plan participation among the employees and investment and financial understanding by the employees.

Advisor may provide these services or, alternatively, may arrange for the Plan's other providers to offer these services, as agreed upon between Advisor and Client. Advisor has no responsibility to provide services related to the following types of assets ("Excluded Assets"):

- Employer securities;
- Real estate (except for real estate funds or publicly traded REITs);
- Stock brokerage accounts or mutual fund windows;
- Participant loans;
- Non-publicly traded partnership interests;
- Other non-publicly traded securities or property (other than collective trusts and similar vehicles); or
- Other hard-to-value or illiquid securities or property.

Excluded Assets will not be included in calculation of Fees paid to Advisor on the ERISA Agreement. Specific services will be outlined in detail to each plan in the 408(b)2 disclosure.

### **ERISA 3(38) Investment Manager.**

Advisor can also act as an ERISA 3(38) Investment Manager in which it has discretionary management and control of a given retirement plan's assets. Advisor would then become solely responsible and liable for the selection, monitoring and replacement of the plan's investment options.

Fiduciary Services are:

- Advisor has discretionary authority and will make the final decision regarding the initial selection, retention, removal and addition of investment options in accordance with the Plan's investment policies and objectives.
- Assist the Client with the selection of a broad range of investment options consistent with ERISA Section 404(c) and the regulations thereunder.
- Assist the Client in the development of an investment policy statement ("IPS"). The IPS establishes the investment policies and objectives for the Plan.

- Provide discretionary investment advice to the Plan Sponsor with respect to the selection of a qualified default investment alternative for participants who are automatically enrolled in the Plan or who have otherwise failed to make investment elections. The Client retains the sole responsibility to provide all notices to the Plan participants required under ERISA Section 404(c) (5).

Non-fiduciary Services are:

- Assist in the education of Plan participants about general investment information and the investment alternatives available to them under the Plan. Client understands the Advisor's assistance in education of the Plan participants shall be consistent with and within the scope of the Department of Labor's definition of investment education (Department of Labor Interpretive Bulletin 96-1). As such, the Advisor is not providing fiduciary advice as defined by ERISA to the Plan participants. Advisor will not provide investment advice concerning the prudence of any investment option or combination of investment options for a particular participant or beneficiary under the Plan.
- Assist in the group enrollment meetings designed to increase retirement plan participation among the employees and investment and financial understanding by the employees.

Advisor may provide these services or, alternatively, may arrange for the Plan's other providers to offer these services, as agreed upon between Advisor and Client.

Advisor has no responsibility to provide services related to the following types of assets ("Excluded Assets"):

- Employer securities;
- Real estate (except for real estate funds or publicly traded REITs);
- Stock brokerage accounts or mutual fund windows;
- Participant loans;
- Non-publicly traded partnership interests;
- Other non-publicly traded securities or property (other than collective trusts and similar vehicles); or
- Other hard-to-value or illiquid securities or property.

Excluded Assets will not be included in calculation of Fees paid to the Adviser on the ERISA Agreement. Specific services will be outlined in detail to each plan in the 408(b)2 disclosure.

### **FINANCIAL PLANNING AND CONSULTING**

The Advisor, in the course of work for individual clients, may provide financial planning services. For clients seeking financial advice or investment education involving analysis of a particular investment or financial situation, Advisor provides consultation services designed to meet the client's specific financial objectives and needs. The consulting services generally take the form of preparing a financial plan, but may also involve more general consulting. In addition, services may include focused planning arrangements in areas such as retirement planning, estate planning, college planning, cash flow analysis, or analysis with regard to investment of lump sum distributions from employer pension and profit sharing plans. To the extent requested by the client, the Advisor may provide consulting services regarding non-investment related matters, such as estate planning, tax planning, insurance, etc. Neither the Advisor, nor any of its representatives, serves as an attorney or an accountant.



Advisor's planning and consulting fees are negotiable but generally range from \$1500 to \$5,000 on a fixed fee basis and from \$200 to \$500 on an hourly rate basis, depending on the level and scope of the service(s) required and the professional(s) rendering the service(s). Prior to engaging the Advisor to provide planning or consulting services, clients are required to enter into a Consulting Services Agreement with the Advisor setting forth the terms and conditions of the engagement. If requested by the client, the Advisor may recommend the services of other professionals for implementation purposes, including the Advisor's representatives in their individual capacities as licensed insurance agents. The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from the Advisor.

If the client engages any such recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional.

It remains the client's responsibility to promptly notify the Advisor if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising the Advisor's previous recommendations and/or services.

#### **SEMINARS, CLASSES AND WORKSHOPS**

The advisor teaches classes, seminars and workshops several times a year. These classes normally focus on retirement planning, tax consultation, social security benefits and financial planning.

#### **TAX PREPARATION SERVICES**

The advisor may prepare federal and state income taxes for clients. Tax preparation requires the understanding of and implementation of the tax code and familiarity with the forms and requirements of filing. Advisor uses a professional quality tax program, Ultra Tax Software, for the reporting and electronic filing of client's taxes with the Internal Revenue Service. Ultra Tax also calculates all carryover balances and depreciation from one year to the next. It is continually being updated to the most current tax laws, sometimes on a daily basis during the tax season. There are no material conflicts of interest in the preparation of taxes and the advisory business of Investors Portfolio Services LLC.

#### **Client Tailored Services and Client Imposed Restrictions**

The goals and objectives for each Client are documented in our Client files. Investment strategies are created that reflect the stated goals and objectives. Clients may impose restrictions on investing in certain securities or types of securities. Agreements may not be assigned without written Client consent.

#### **Wrap Fee Programs**

Advisor does not sponsor any wrap fee programs.

#### **Client Assets Under Management**

Advisor has the following assets under management:

| Discretionary Amounts: | Non-discretionary Amounts: | Date Calculated:  |
|------------------------|----------------------------|-------------------|
| \$183,479,578          | \$2,445,019                | December 31, 2023 |

## Item 5 – Fees and Compensation

### Method of Compensation and Fee Schedule

#### ASSET MANAGEMENT

If a client determines to engage the Advisor to provide discretionary and/or non-discretionary investment advisory services on a fee basis, the Advisor's annual investment advisory fee shall be:

| <u>Assets:</u> | <u>Annual Fee:</u>                  |
|----------------|-------------------------------------|
| \$1            | \$499,999.99                        |
| \$500,000      | \$749,999.99                        |
| \$750,000      | \$999,999.99                        |
| \$1,000,000    | \$2,999,999.99                      |
| \$3,000,000 +  |                                     |
|                | 1.00 % per year of (Managed Assets) |
|                | 0.90 % per year of (Managed Assets) |
|                | 0.80 % per year of (Managed Assets) |
|                | 0.75 % per year of (Managed Assets) |
|                | 0.50 % per year of (Managed Assets) |

These fees are negotiable and shall be based upon the level and scope of all the overall investment advisory services to be rendered, which is based upon various objective and subjective factors, including but not limited to, the amount of assets placed under the Advisor's management, the level and scope of financial planning and consulting services to be rendered, and the complexity of the engagement. Generally, discretionary investment advisory services fees are billed in a layered format at breakpoints indicated by asset levels and applying the fee only to its specified asset range.

Client provides authorization for Charles Schwab Advisor Services™, a division of Charles Schwab & Co., Inc., Member SIPC (Schwab) or Altruist Financial LLC ("Altruist") to deduct advisory fees from their account when the account is opened.

Mutual Funds held in the accounts at Schwab or Altruist contain expenses in addition to the advisory fees charged by Advisor. These expenses are outlined in the mutual fund prospectus. The Advisor does not receive any of these fees.

Client accounts are billed in arrears at the end of the quarter based on the closing value of the account. Closing dates are the last trading day for the months of March, June, September and December. The fee will be directly debited from the client's account at Schwab or Altruist and remitted to Advisor. If an account is closed during a quarter, the account will be billed on a pro-rated basis for the days that have passed for the current quarter.

Advisor's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus.

The client may terminate this advisory contract within five business days of contract creation without penalty. After the first five days, advisory services may be terminated for any reason with 30 days written notification. Advisor will charge the pro-rated advisory fee for the days that have passed in the current quarter. The Advisor does not charge account closing fees to close accounts. However, Schwab or Altruist may charge account closing fees. Client accounts no longer under management are transferred to a Schwab Retail Division once the relationship with Investors Portfolio Services and the client ends. All trading authority ends when written notification of relationship is received.

Management fees shall not be pro-rated for each capital contribution and/or withdrawal made during the applicable quarter.

When Advisor participates in Altruist LLC's Model Marketplace, Altruist might charge an additional annual fee of up to 18 bps. Altruist LLC's Model Marketplace fees can be passed through to and debited from Clients' accounts.

IPS may also utilize the services of a Sub-Advisor to manage Clients' investment portfolios by executing a Sub-Advisor agreement with other registered investment advisor firms. When using Sub-Advisors, the Client will pay additional fees depending on the account value, investment style and types of securities used. The sub-advisor fees will be disclosed to and acknowledged by the client in IPS' Investment Advisory Agreement. The sub-advisor's fees and the custodian's fees are not included in the fees charged by IPS. Sub-Advisor directly deducts their portion of the fee separately from IPS.

Item 12 further describes the factors that Advisor considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (*e.g.*, commissions).

#### **ERISA PLAN SERVICES**

The annual fees are based on the market value of the Included Assets for plans up to \$5,000,000 will not exceed .50%. For plans over \$5,000,000 in active participants value, they will be eligible for a flat fee based on the following:

- 0-150 participants \$8,000
- 150-200 participants \$10,000
- 200-250 participants \$12,000
- 250+ participants negotiable

The annual fee is negotiable and will be charged as a percentage of the Included Assets. Fees may be charged quarterly or monthly in arrears or in advance based on the assets as calculated by the custodian or record keeper of the Included Assets (without adjustments for anticipated withdrawals by Plan participants or other anticipated or scheduled transfers or distribution of assets). If the services to be provided start any time other than the first day of a quarter or month, the fee will be prorated based on the number of days remaining in the quarter or month. If this Agreement is terminated prior to the end of the billing cycle, Advisor shall be entitled to a prorated fee based on the number of days during the fee period services were provided or Client will be due a prorated refund of fees for days services were not provided in the billing cycle.

The fee schedule, which includes compensation of Advisor for the services is described in detail in Schedule A of the ERISA Plan Agreement. The Plan is obligated to pay the fees, however the Plan Sponsor may elect to pay the fees. Client may elect to be billed directly or have fees deducted from Plan Assets. Advisor does not reasonably expect to receive any additional compensation, directly or indirectly, for its services under this Agreement. If additional compensation is received, Advisor will disclose this compensation, the services rendered, and the payer of compensation. Advisor will offset the compensation against the fees agreed upon under the Agreement.

## **FINANCIAL PLANNING AND CONSULTING**

The advisor, in the course of completing work for individual clients, may provide financial planning services including financial projections, cash flow analysis or analysis of the present or future value of assets, portfolios or defined benefit programs. For these services, Advisor's planning and consulting fees are negotiable but generally range from \$1,500 to \$5,000 on a fixed fee basis and from \$200 to \$500 on an hourly rate basis, depending on the level and scope of the service(s) required and the professional(s) rendering the service(s). Financial planning and consulting fees are charged in arrears. Prior to the planning process the client will be provided an estimated plan fee.

### **Fixed Fee Services**

| <b>Basic Financial Plan*</b>   |  | <b>\$1,500</b> |
|--|--|----------------|
| <b>Includes:</b>   |  |                |
| <ul style="list-style-type: none"><li>• Primary Inputs and Assumptions</li><li>• Net Worth Calculation</li><li>• Asset Worksheet</li><li>• Various "What-if" Scenarios</li><li>• Basic Investment Allocation</li><li>• Retirement Summary</li><li>• Retirement Capital Analysis</li><li>• Monte Carlo Simulation</li><li>• LTC and Insurance Analysis</li><li>• Basic Tax Planning</li></ul> |  |                |
| <b>Advanced Planning*</b>  |  | <b>\$2,500</b> |
| <b>Includes:</b>   |  |                |
| <ul style="list-style-type: none"><li>• Basic Financial Plan Above Plus Items Below</li><li>• Enhanced Tax Planning</li><li>• Tax Return Specific Analysis and Recommendations</li><li>• Detailed Investment Portfolio Analysis</li><li>• Detailed Real Estate Analysis</li></ul>  |  |                |
| <b>Other Additional items for Add on*:</b>   |  |                |
| <b>Includes:</b>   |  |                |
| <ul style="list-style-type: none"><li><input type="checkbox"/> Full Estate Planning Package (will, power of attorney, health directive): \$750</li><li><input type="checkbox"/> Estate Planning Package with Trust: \$1,750</li><li><input type="checkbox"/> Detailed Investment Portfolio Analysis and Exposure Recommendations: \$1,000</li></ul>  |  |                |

\*All enhanced tax advice is run through Holistiplan. This software uses AI to read your tax return and provided recommendations. Investors Portfolio Services will use our professional financial planning knowledge to help focus on appropriate recommendations. We are not tax professionals or a CPA. We provide insights and leverage Holistiplan to provide guidance. We recommend you consult your CPA to confirm the recommendations.

All estate planning will be done using the virtual Lawyer system Wealth.com. Investors Portfolio Services is providing a consulting service as an intermediary between the client and Wealth.com. All legal advice is provided by the Lawyers at Wealth.com and any recommendations are either produced by Wealth.com or run by a Lawyer through the digital portal. Investors Portfolio Services will use the analysis results from the software to provide insight to the client through the financial planning process.

### **SEMINARS, WORKSHOPS AND CLASSES**

The advisor teaches classes, seminars and workshops several times a year. These classes normally focus on retirement planning, tax consultation, social security benefits and financial planning. Payments to the advisors and its Investment Advisor Representatives (IAR) vary and may range from \$0 to approximately 70% of enrollment fee. (i.e. Community Education Program will pay advisor, not individual participant)

### **Client Payment of Fees**

Fees for asset management services are deducted from a designated Client account to facilitate billing. The Client must consent in advance to direct debiting of their investment account.

Fees for financial plans will be billed:

- Check – to be remitted by Client to Advisor
- Electronic Payment via Credit Card (fees will be paid via a third party payment processor in which the client will securely input payment information and pay the advisory fee through a secure portal. Advisor will not have continuous access to the Client's banking information.)

**NOTE: Client will be subject to an additional 3% charge when selecting to use a Credit Card.**

### **Additional Client Fees Charged**

Custodians may charge brokerage commissions, transaction fees, and other related costs on the purchases or sales of mutual funds, equities, bonds, options and exchange-traded funds. Mutual funds, money market funds and exchange-traded funds also charge internal management fees, which are disclosed in the fund's prospectus. Advisor does not receive any compensation from these fees. All of these fees are in addition to the management fee you pay to Advisor. For more details on the brokerage practices, see Item 12 of this brochure.

### **Prepayment of Client Fees**

Advisor does not require any prepayment of fees of more than \$1,200 per Client and six months or more in advance.

Fees for ERISA 3(21) and/or 3(38) services may be billed in advance.

If the Client cancels after five (5) business days, any unearned fees will be refunded to the Client, or any unpaid earned fees will be due to Advisor.

### **External Compensation for the Sale of Securities to Clients**

Investment Advisor Representatives of Advisor receive external compensation from sales of investment related products such as insurance as licensed insurance agents. This represents a conflict of interest because it gives an incentive to recommend products based on the commission received. This conflict is mitigated by disclosures, procedures, and Advisor's fiduciary obligation to place the best interest of the Client first and Clients are not required to purchase any products or services. Clients have the option to purchase these products through another insurance agent of their choosing.

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

### **Sharing of Capital Gains**

Advisor does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

## **Item 7 – Types of Clients**

### **Description**

Advisor provides its advisory services to a variety of different client types, including individuals, trusts, and high net worth clients.

### **Account Minimums**

Currently, the Advisor does not set certain account balance minimums, however we reserve the right to amend or waive these requirements at any time.

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

### **Methods of Analysis**

Advisor may rely on a number of tools to assist in recommending or selecting an investment strategy to clients, including asset allocation and portfolio modeling software that assists with the analysis of investment options when recommending or purchasing investments for your portfolio. Although advisory services are generally designed for long-term investing in which investment positions are maintained for a longer period of time, short-term investment strategies which aim to take advantage of frequent market movements may also be made available to accommodate certain circumstances. Investment returns, particularly over shorter time periods, are highly dependent on the value of securities within an investment portfolio which are impacted by trends in the various investment markets. As a result, our investment advisory services are generally more suited for investors seeking long-term investment objectives or strategies, rather than for short-term trading purposes. Advisor may provide investment advice concerning various types of investments, including equity securities (exchange-listed securities, securities traded over-the-counter, and foreign issuer securities trading as American Depositary Receipts), warrants, commercial paper, corporate debt securities (other than commercial paper), certificates of deposit, municipal securities, investment company securities, variable annuities, variable life insurance, U.S. Government securities, option contracts, fixed insurance, unit investment trusts, exchange traded funds, interests in partnerships, mutual funds, and other investments, depending upon a client's investment objective.

In developing a financial plan for a Client, Advisor's analysis may include cash flow analysis, investment planning, risk management, tax planning and estate planning. Based on the information gathered, a detailed strategy is tailored to the Client's specific situation.

The main sources of information include financial newspapers and magazines, annual reports, prospectuses, and filings with the Securities and Exchange Commission.

### **Investment Strategy**

The investment strategy for a specific Client is based upon the objectives stated by the Client during consultations. The Client may change these objectives at any time by providing written notice to

Advisor. Each Client executes a Client profile form or similar form that documents their objectives and their desired investment strategy.

### **Security Specific Material Risks**

Investing in securities and other investment products involves inherent risks, including the possible loss of the total principal amount invested. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks and should discuss these risks with Advisor:

- *Interest-rate Risk:* Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- *Market Risk:* The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- *Inflation Risk:* When any type of inflation is present, a dollar today will buy more than a dollar next year, because purchasing power is eroding at the rate of inflation.
- *Currency Risk:* Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- *Reinvestment Risk:* This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- *Business Risk:* These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- *Liquidity Risk:* Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- *Financial Risk:* Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.
- *Options Trading:* The risks involved with trading options are that they are very time sensitive investments. An options contract is generally a few months. The buyer of an option could lose his or her entire investment even with a correct prediction about the direction and magnitude of a particular price change if the price change does not occur in the relevant time period (i.e., before the option expires). Additionally, options are less tangible than some other investments. An option is a "book-entry" only investment without a paper certificate of ownership.

The risks associated with utilizing Sub-Advisors include:

- Manager Risk
  - Sub-Advisor fails to execute the stated investment strategy
- Business Risk
  - Sub-Advisor has financial or regulatory problems

The specific risks associated with the portfolios of the Sub-Advisor's which is disclosed in the Sub-Advisor's Form ADV Part 2.

## **Item 9 – Disciplinary Information**

### **Criminal or Civil Actions**

Advisor and its management have not been involved in any criminal or civil action.

### **Administrative Enforcement Proceedings**

Advisor and its management have not been involved in administrative enforcement proceedings.

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

Advisor and its management have not been involved in legal or disciplinary events that are material to a Client's or prospective Client's evaluation of Advisor or the integrity of its management.

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

### **Broker-Dealer or Representative Registration**

Advisor is not registered as a broker-dealer and no affiliated representatives of Advisor are registered representatives of a broker-dealer.

### **Futures or Commodity Registration**

Neither Advisor nor its affiliated representatives are registered or have an application pending to register as a futures commission merchant, commodity pool operator, or a commodity trading advisor.

### **Material Relationships Maintained by this Advisory Business and Conflicts of Interest**

Investment advisor representatives of the Advisor may also be licensed to sell Life, Health, Disability and Long-Term Care insurance. They may receive compensation in this capacity as insurance agents in the form of commissions from any insurance company where a policy is placed.

The advisor may prepare federal and state income taxes for clients. Tax preparation requires the understanding of and implementation of the tax code and familiarity with the forms and requirements of filing. Advisor uses a professional quality tax program, Ultra Tax Software, for the reporting and electronic filing of client's taxes with the Internal Revenue Service. Ultra Tax also calculates all carryover balances and depreciation from one year to the next. It is continually being updated to the most current tax laws, sometimes on a daily basis during the tax season. There are no material conflicts of interest in the preparation of taxes and the advisory business of Investors Portfolio Services. Fees generally range from \$100 to \$400 for this service depending on the complexity of the tax return.

These conflicts are mitigated by the fact that Advisor and its investment advisor representatives have a fiduciary responsibility to place the best interest of the client first and the clients are not required to purchase any products or services. Clients have the option to purchase these products or services through another broker dealer and/or insurance agent of their choosing.



It is important to note that Advisor will not receive any commissions on funds invested through Advisor while client is an advisory client.

### **Recommendations or Selections of Other Investment Advisors and Conflicts of Interest**

IPS may also utilize the services of a Sub-Advisor to manage Clients' investment portfolios. Sub-Advisors will maintain the models or investment strategies agreed upon between Sub-Advisor and IPS. Sub-Advisors execute all trades on behalf of IPS in Client accounts. IPS will be responsible for the overall direct relationship with the Client. IPS retains the authority to terminate the Sub-Advisor relationship at IPS's discretion.

In addition to the authority granted to IPS, Clients will grant IPS full discretionary authority and authorizes IPS to select and appoint one or more independent investment advisors ("Advisors") to provide investment advisory services to Client without prior consultation with or the prior consent of Client. Such Advisors shall have all of the same authority relating to the management of Client's investment accounts as is granted to IPS in the Agreement. In addition, at IPS's discretion, IPS may grant such Advisors full authority to further delegate such discretionary investment authority to additional Advisors. IPS ensures that before selecting other advisors for Client that the other advisors are properly licensed or registered as an investment advisor.

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

### **Code of Ethics Description**

Advisor has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics along with a Policy and Procedures Manual includes provisions relating to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons affiliated with the Advisor must acknowledge the terms of the Code of Ethics and the Policy and Procedures Manual annually, or as amended.

Advisor anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which Advisor has management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which Advisor, its affiliates and/or clients, directly or indirectly, have a position of interest. Advisor's employees and persons associated with Advisor are required to follow Advisor's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Advisor and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for Advisor's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Advisor will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code of Ethics certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of Advisor's clients. Nonetheless, because the Code of Ethics in some circumstances would

permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between Advisor and its clients.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with Advisor's obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally, if applicable, and receive securities at a total average price. Advisor will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the trade order.

Advisor's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Investors Portfolio Services LLC.

### **Investment Recommendations Involving a Material Financial Interest and Conflict of Interest**

Advisor and its affiliated persons do not recommend to Clients securities in which we have a material financial interest.

### **Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest**

Advisor and its affiliated persons may buy or sell securities that are also held by Clients. In order to mitigate conflicts of interest such as trading ahead of Client transactions, affiliated persons are required to disclose all reportable securities transactions as well as provide Advisor with copies of their brokerage statements.

The Chief Compliance Officer of Advisor is Frank Gallo. He reviews all trades of the affiliated persons each quarter. The personal trading reviews ensure that the personal trading of affiliated persons does not affect the markets and that Clients of the firm receive preferential treatment over associated persons' transactions.

### **Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest**

Advisor does not have a material financial interest in any securities being recommended. However, affiliated persons may buy or sell securities at the same time they buy or sell securities for Clients. In order to mitigate conflicts of interest such as front running, affiliated persons are required to disclose all reportable securities transactions as well as provide Advisor with copies of their brokerage statements.

The Chief Compliance Officer of Advisor is Frank Gallo. He reviews all trades of the affiliated persons each quarter. The personal trading reviews ensure that the personal trading of affiliated persons does not affect the markets and that Clients of the firm receive preferential treatment over associated persons' transactions.

## **Item 12 – Brokerage Practices**

### **Factors Used to Select Broker-Dealers for Client Transactions**

Advisor may recommend the use of a particular broker-dealer such as Charles Schwab & Co., Member SIPC, Altruist Financial LLC, a member of FINRA/SIPC or the Advisor may utilize a broker-dealer of the client's choosing. Advisor will select appropriate brokers based on a number of factors including but not

limited to their relatively low transaction fees and reporting ability. Advisor relies on its broker to provide its execution services at the best prices available. Lower fees for comparable services may be available from other sources. Clients pay for any and all custodial fees in addition to the advisory fee charged by Advisor.

Advisor participates in the Charles Schwab Advisor Services™ program and the Altruist Financial LLC custodial program. Charles Schwab & Co., Inc., (“Schwab”) and Altruist Financial LLC (“Altruist”) are independent SEC-registered broker-dealers and are not affiliated with Advisor. Schwab and Altruist offers independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions. Advisor receives some benefits from Schwab and Altruist through its participation in the program.

- *Directed Brokerage*

In circumstances where a client directs Advisor to use a certain broker-dealer, Advisor still has a fiduciary duty to its clients. The following may apply with Directed Brokerage: Advisor’s inability to negotiate commissions, to obtain volume discounts, there may be a disparity in commission charges among clients and conflicts of interest arising from brokerage firm referrals.

At this time, Advisor does not allow directed brokerage.

- *Best Execution*

Investment advisors who manage or supervise client portfolios have a fiduciary obligation of best execution. The determination of what may constitute best execution and price in the execution of a securities transaction by a broker involves a number of considerations and is subjective. Factors affecting brokerage selection include the overall direct net economic result to the portfolios, the efficiency with which the transaction is effected, the ability to effect the transaction where a large block is involved, the operational facilities of the broker-dealer, the value of an ongoing relationship with such broker and the financial strength and stability of the broker. The Advisor does not receive any portion of the trading fees.

- *Soft Dollar Arrangements*

The Securities and Exchange Commission (SEC) has defined “soft dollar” practices as arrangements under which products or services, other than execution of securities transactions, are obtained by an investment advisor from or through a broker-dealer in exchange for the direction by the advisor of client brokerage transactions to the broker-dealer.

The Advisor utilizes the services of custodial broker dealers. Economic benefits are received by the Advisor which would not be received if the Advisor did not give investment advice to clients. These benefits include: a dedicated service team, company research and analysis, specialized software, the ability to conduct “block” client trades, electronic download of trades, balances and positions, duplicate and batched client statements, and the ability to have advisory fees directly deducted from client accounts. The Advisor strives to limit its exposure to conflicts of interest sometimes created by soft dollar arrangements.

### **Aggregating Securities Transactions for Client Accounts**

The Advisor expects to aggregate orders or trades when the same securities are purchased or sold through the same custodian for multiple discretionary accounts. Non-discretionary accounts are not included in an aggregated order for discretionary accounts.

The Advisor must reasonably believe that the aggregated order is consistent with the Advisor's duty to seek best execution and can benefit each client participating in the aggregated order. The average price per share of each aggregated order is allocated to each account that participates in the order. Any trading fee or commission associated with a trade, will be included in the order for each account. No additional fees or commissions are incurred when placing an aggregated order.

Prior to entry of an aggregated order, a written Allocation Statement is generated which identifies the group of client accounts participating in the order. If the aggregated order cannot be executed in full at the same price or time, the securities purchased or sold by the close of each business day must be allocated in a manner that is consistent with the Allocation Statement. This must be done in a way that does not advantage or disadvantage particular client accounts. For example, partial filled orders will be allocated on a pro rata basis based upon the Allocation Statement.

If an order is allocated differently than specified in the Allocation Statement, all client accounts are to receive fair and equitable treatment. A written explanation of the reason for any material change in the allocation must be provided in the trade order and approved in writing by the Advisor's compliance officer no later than noon on the trading day following the day the order was executed. If the change in allocation is the result of a condition that exists or a change in a client's account outside of the Advisor's control, then approval is not required.

Advisory accounts of the investment advisor, employees, and related persons can participate in aggregated orders. They receive the same average price for all transactions that day and pay commissions and other transaction costs, if applicable. The Advisor is not obligated to include any client account in an aggregated trade. Transactions for any client's account will not be aggregated for execution if the practice is prohibited or inconsistent with that client's advisory contracts.

## **Item 13: Review of Accounts**

### **Schedule for Periodic Review of Client Accounts or Financial Plans and Advisory Persons Involved**

**All Accounts:** Account reviews are performed quarterly. Account reviews are performed more frequently when market conditions dictate.

Each client receives reports on each of their individual accounts as provided by either the mutual fund company or the holding company of their account. These reports are provided monthly, quarterly or annually in accordance to the standard practice of the specific mutual fund or holding company.

**Specific Securities:** The Advisor's investment advisor representatives review securities regularly. Specific recommendations are made pertinent to individual portfolios based on changes in market conditions including but not limited to revised estimates, earnings reports, mergers, acquisitions, credit quality reports, and historic price levels.

### **Review of Client Accounts on Non-Periodic Basis**

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

### **Content of Client Provided Reports and Frequency**

Clients receive written account statements no less than quarterly for managed accounts. Account statements are issued by the Advisor's custodians. Client receives confirmations of each transaction in

account from the custodian and an additional statement during any month in which a transaction occurs.

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

### **Economic Benefits Provided to the Advisory Firm from External Sources and Conflicts of Interest**

Investment advisor representatives of Advisor may also recommend the use of Yasmin L. Caldwell, CPA, to prepare tax return for clients. Advisor currently has an agreement to split the compensation of such work 15% to Advisor for the referral, and 85% to Yasmin L. Caldwell, CPA.

The above activities represent a conflict of interest because it gives an incentive to recommend products and services based on the commission and/or fee amount received. However, when referring Clients to any of the above, the Client's best interest will be the main determining factor of Advisor. This conflict is mitigated by the fact that Advisor has a fiduciary responsibility to place the best interest of the client first and the clients are not required to purchase any products or services. Clients have the option to purchase these products or services through another insurance agent, or CPA of their choosing.

### **Advisory Firm Payments for Client Referrals**

Advisor does not compensate for Client referrals.

## **Item 15 – Custody**

### **Account Statements**

All assets are held at qualified custodians, which means the custodians provide account statements directly to Clients at their address of record at least quarterly. Clients are urged to compare the account statements received directly from their custodians to any documentation or reports prepared by Advisor.

Advisor is deemed to have limited custody solely because advisory fees are directly deducted from Client's accounts by the custodian on behalf of Advisor.

Advisor is also deemed to have limited custody due to its Third-Party Standing Letters of Authorization ("SLOA").

Advisor and its qualified custodian meet the following seven (7) conditions in order to avoid maintaining full custody and be subject to the surprise exam requirement:

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

5. Advisor has no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the Client's instruction.
6. Advisor maintains records showing that the third party is not a related party nor located at the same address as Advisor.
7. The Client's qualified custodian sends the Client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. The Advisor may also provide a written periodic report summarizing account activity and performance.

To the extent that the Advisor provides clients with periodic account statements or reports, the client is urged to compare any statement or report provided by the Advisor with the account statements received from the account custodian.

The account custodian does not verify the accuracy of the Advisor's advisory fee calculation.

## **Item 16 – Investment Discretion**

### **Discretionary Authority for Trading**

The Advisor keeps both discretionary and non-discretionary account types. If the client elects to allow for Advisor to have discretionary authority, the Advisor will receive discretionary authority from the client at the onset of an advisory relationship. Discretionary accounts are agreed upon per an Investment Policy Statement which is reviewed and signed by the client at the beginning of the client engagement. Portfolio Investment Policy Statements are reviewed during annual meetings and adjusted as necessary to meet client goals. Further, portfolio decisions are discussed during annual reviews and quarterly conference calls. Advisor accommodates client decisions and clients are permitted to make specific portfolio choices to opt out of holdings they choose not to invest in.

Discretion is provided so the advisor may rebalance the account, review and change mutual fund and ETF holdings, sell covered calls and add to or exit holdings as market conditions dictate. Tax related issues are considered when managing taxable accounts where large capital gains are present.

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

### **Proxy Votes**

As a matter of firm policy and practice, Advisor does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. Advisor may provide advice to clients regarding the clients' voting of proxies.

## **Item 18 – Financial Information**

### **Balance Sheet**

Registered Investment Advisors are required in this Item to provide you with certain financial information or disclosures about Advisor's financial condition. No fees more than \$1,200 will be

collected six months or more in advance. It is the Advisor's general policy to bill accounts in arrears at the end of the quarter based on the closing value of the account.

**Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients**

Advisor has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients.

**Bankruptcy Petitions during the Past Ten Years**

Advisor has not had any bankruptcy petitions in the last ten years.



**Part 2B of Form ADV  
Brochure Supplement**

**Frank V. Gallo**

**CRD Number: 2174876**

**2832 South Meridian Suite 201  
Puyallup, WA 98373**

**253-770-8118**

**Info@InvestorsPortfolioServices.com**

**[www.InvestorsPortfolioServices.com](http://www.InvestorsPortfolioServices.com)**

**March 26, 2024**

This brochure supplement provides information about Frank V. Gallo that supplements the Investors Portfolio Services LLC. Form ADV Part 2A Brochure. You should have received a copy of that brochure. Please contact Frank Gallo, the principal owner, if you did not receive Investors Portfolio Services' brochure or if you have any questions about the contents of this supplement.

Additional information about Frank V. Gallo (CRD# 2174876) is available on the SEC's website at:  
[www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).



## Item 2 – Education Background and Business Experience

Frank V. Gallo

Born: 1963

Educational Background:

- George Fox University; Bachelor of Science – Business/Economics; 1985

He completed the CERTIFIED FINANCIAL PLANNER™ certification examination from the College of Financial Planning in 1997. He obtained the CFP® mark from the CFP® Board of Standards, Inc. in 1999. CERTIFIED FINANCIAL PLANNER™ certification requirements include:

- Completion of a comprehensive college or university curriculum of study in financial planning that is approved by the CFP® Board.
- A minimum of three years' experience in the financial planning process.
- Adherence to a strict code of professional ethical conduct known as the CFP® Board's Code of Ethics and Professional Responsibility.
- Disclosure of any business-related legal proceedings to the CFP® Board.
- Background checks conducted by the CFP® Board.
- 30 hours of continuing education, including 2 hours of ethics practice standards, every 2 years.

Frank holds a Life, Health and Disability Insurance License in Washington State. He originally obtained this license in 1991. This also includes the ability to sell Long Term Care Insurance.

Business Experience:

- Investors Portfolio Services LLC; Managing Member/Investment Advisor Representative/Chief Compliance Officer; 12/2012 – Present
- Frank Gallo, Sole Proprietor; Insurance Agent; 08/2006 – Present
- HG Capital LLC; Owner; 02/2002 – Present
- Joan M Gallo Trust; Trustee; 01/2002 - Present
- Frank Gallo, Sole Proprietor; Tax Preparer; 01/1995 – Present
- Fortune Financial Services, Inc.; Registered Representative; 03/2020 – 01/2024
- FMT Solutions; Speaker/Presenter; 10/2007 – 12/2021
- United Planners' Financial Services of American A Limited Partner; Registered Representative/Investment Advisor Representative; 09/2016 – 02/2020
- National Planning Corporation; Registered Representative/Investment Advisor Representative; 01/2006 – 09/2016

## Item 3 – Disciplinary Information

None to report.

## Item 4 – Other Business Activities

In addition to working as an Investment Advisor Representative with Investors Portfolio Services LLC, (IPS) Frank, in his individual capacity, is a licensed insurance agent, and may recommend the purchase of certain insurance-related products on a commission basis. Clients can engage Frank to purchase insurance products on a commission basis.

**Conflict of Interest.** The recommendation by Frank that a client purchase an insurance commission product presents a conflict of interest, as the receipt of commissions may provide an incentive to recommend insurance products based on commissions to be received, rather than on a particular client's need. No client is under any obligation to purchase any insurance commission products from Frank. Clients are reminded that they may purchase insurance products recommended by Frank through other, non-affiliated insurance agents. Frank, as the principal owner of Investors Portfolio Services LLC, remains available to address any questions that a client or prospective client may have regarding the above conflict of interest.

Frank is an owner in HG Capital, LLC. HG Capital, LLC operates the office building where Frank's office is located. Frank leases space from HG Capital, LLC for his office. Frank allots approximately 8 hours per month to this business outside the normal business day. There are no material conflicts of interest in the ownership of HG Capital, LLC and the advisory business of Investors Portfolio Services LLC.

Frank prepares federal and state income tax returns for some clients of IPS. There are no material conflicts of interest in the preparation of taxes and the advisory business of Investors Portfolio Services.

### **Item 5 – Additional Compensation**

None to report.

### **Item 6 – Supervision**

Investors Portfolio Services LLC provides investment advisory and supervisory services in accordance with their policies and procedures manual. The primary purpose of the policies and procedures is to comply with the supervision requirements of the U.S. Securities and Exchange Commission (SEC). Clients should contact Frank, as the principal owner of Investors Portfolio Services LLC, at (253) 770-8118 if any questions arise regarding these supervision or compliance practices.