

# **Financial Innovations, LLC**

**6111 Peachtree Dunwoody Road, Suite F101  
Atlanta, Georgia 30328**

**Telephone: (404) 458-0065  
Facsimile: (404) 393-3063  
[www.financialinnovations.biz](http://www.financialinnovations.biz)**

**March 26, 2024**

## **FORM ADV PART 2A BROCHURE**

This brochure provides information about the qualifications and business practices of Financial Innovations, LLC. If you have any questions about the contents of this brochure, please contact us at (404) 458-0065. 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.

Additional information about Financial Innovations, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for Financial Innovations, LLC is 142769.

Financial Innovations, LLC is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

## Item 2 Summary of Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

We have made the following material changes to our Disclosure Brochure since the last annual updating amendment dated March 30, 2023:

- We have amended **Item 4** to specifically address retirement plan rollovers or transfers that are covered under a new Department of Labor ("DOL") rule and related Exemption 2020-02 ("PTE 2020-02"). Please see **Item 4 Advisory Business** below for details;
- We have amended **Items 4** and **5** to reflect that the name and sponsor of the Triad Wealth Management Platform – Advisor Managed Portfolios Program has changed to VISION2020 Wealth Management Platform – Advisor Managed Portfolios Program ("Advisor Managed Portfolios"). Please see **Item 4 Advisory Business** and **Item 5 Fees and Compensation** below for details;
- We have amended **Item 5** to reflect that our portfolio services fee schedule has changed from \$0 to \$1,000,000 at 1.500%, \$1,000,001 to \$5,000,000 at 1.125%, and over \$5,000,000 at 1.080% to \$0 to \$500,000 at 1.500%, \$500,001 to \$5,000,000 at 1.000%, and over \$5,000,000 at 0.080%. We have also amended **Item 5** to reflect a change to Advisor Managed Portfolio account fees from an annual minimum service fee of \$35 for all accounts to an annual fee of \$35 for retirement accounts, and an annual inactive account fee of \$50 for non-retirement accounts, based on trading activity. Please see **Item 5 Fees and Compensation** below for details;
- We have amended **Item 10** to reflect that the name of the parent company of Triad Advisors, LLC has changed from Advisor Group Holdings, Inc. to Osaic Wealth, Inc. Please see **Item 10 Other Financial Industry Activities and Affiliations** below for details.

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## Item 4     **Advisory Business**

Financial Innovations, LLC is a registered investment adviser based in Atlanta, Georgia. Our firm is organized as a limited liability company under the laws of the State of Georgia. We have been providing investment advisory services since 2005. Our sole owner is Laura K. Schilling. Currently, we offer the following investment advisory services, which are personalized to each individual client:

- Portfolio Management Services
- Financial Planning Services
- Advisory Services to Retirement Plans and Plan Participants

As used in this brochure, the words "the Firm", "we", "our" and "us" refer to Financial Innovations, LLC and the words "you", "your" and "client" refer to you as either a client or prospective client of our firm. Also, you may see the term "Associated Person" throughout this Brochure. As used in this Brochure, our Associated Persons are our firm's owner(s), employees, and all individuals providing investment advice on behalf of our firm.

We are a fee-based independent financial adviser that provides wealth management services by incorporating financial planning, investment portfolio management and other aggregated financial services. The combination of industry experience and comprehensive research allows our firm to provide quality advisory services to our clients. Our integrated suite of services may be offered to clients on an all-inclusive or individual basis. Please refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs.

### **Portfolio Management Services**

We offer non-discretionary portfolio management services. Our investment advice is tailored to meet our clients' needs and investment objectives. If you enter into non-discretionary arrangements with our firm, we must obtain your approval prior to executing any transactions on behalf of your account. You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

If you retain our firm for portfolio management services, we will meet with you to determine your investment objectives, risk tolerance, and other relevant information (the "suitability information") at the beginning of our advisory relationship. We will use the suitability information we gather from our initial meeting to develop a strategy that enables our firm to give you continuous and focused investment advice and/or to make investments on your behalf. As part of our portfolio management services, we will customize an investment portfolio for you in accordance with your risk tolerance and investing objectives. Once we construct an investment portfolio for you, we will monitor your portfolio's performance on an ongoing basis and will rebalance the portfolio as required by changes in market conditions and in your financial circumstances.

At our discretion should you retain us for portfolio management services we may offer a complimentary written financial plan. Please see Financial Planning Services below for more information.

### ***VISION2020 Wealth Management Platform – Advisor Managed Portfolios Program***

The VISION2020 Wealth Management Platform – Advisor Managed Portfolios Program ("Advisor Managed Portfolios") (formerly named Triad Wealth Management Platform – Advisor Managed

Portfolios) provides comprehensive investment management of your assets through the application of asset allocation planning software as well as the provision of execution, clearing and custodial services through National Financial Services, Inc. ("NFS").

Advisor Managed Portfolios provides risk tolerance assessment, efficient frontier plotting, fund profiling and performance data, and portfolio optimization and re-balancing tools. Utilizing these tools and discussions that you and your Advisory Representative have together regarding, among other things, your personal investment objectives and goals, time horizon, risk tolerance, account restrictions, needs, personal circumstances and overall financial situation, we construct a portfolio of investments for you. Your Advisory Representative has the option to allocate your portfolio amongst a mix of stocks, bonds, options, exchange-traded funds, mutual funds and other securities ("Program Investments") which are based on your investment goals, objectives, and risk tolerance.

Each portfolio is designed to meet your individual needs, stated goals and objectives. Additionally, you can place reasonable restrictions on the types of investments to be held in the portfolio.

For further Advisor Managed Portfolios details, please see the VISION2020 Wealth Management Platform Advisor Managed Portfolios Wrap Fee Program Brochure. We provide this brochure to you prior to or concurrent with your enrollment in Advisor Managed Portfolios. Please read it thoroughly before investing.

### **Financial Planning Services**

We offer broad-based, modular, and consultative financial planning services to our clients and prospective clients. Financial planning will typically involve providing a variety of advisory services to clients regarding the management of their financial resources based upon an analysis of their individual needs. If you retain our firm for financial planning services, we will meet with you to gather information about your financial circumstances and objectives. We may also use financial planning software to determine your current financial position and to define and quantify your long-term goals and objectives. Once we specify those long-term objectives (both financial and non-financial), we will develop shorter-term, targeted objectives. Once we review and analyze the information you provide to our firm and the data derived from our financial planning software, we will deliver a written plan to you, designed to help you achieve your stated financial goals and objectives.

Our written financial plan services initially involve a complimentary consultation. Thereafter, we provide analysis and recommendations in the six areas of financial planning, which include: (1) financial situation (personal data, cash flow, etc.); (2) income taxes; (3) insurance; (4) investments; (5) retirement planning; and (6) estate planning.

In order to determine a suitable course of action for an individual client, we shall perform a review of the variables that are presented. Such review may include, but would not necessarily be limited to, investment objectives, consideration of the client's overall financial condition, income and tax status, personal and business assets, risk profile, and other factors unique to the client's particular circumstances.

We shall review the client's present financial situation and issue a written analysis and report of recommendations in accordance with the client's goals and objectives. This service may include an initial consultation and subsequent follow-up visits. Unless engaged separately to do so, we will not be responsible for the implementation of the plan. The client assumes full responsibility for the implementation of the plan. The services provided in this regard may include but would not

be limited to the following:

- Preparation of a personal financial statement;
- Creation of a cash flow statement;
- Review current investments and make recommendations thereon;
- Review client's most recent tax returns and provide tax planning advice and/or recommend tax preparation services;
- Review client's life insurance, long-term care, and disability insurance and make recommendations thereon;
- Review client's estate plan and make recommendations thereon;
- Complete a retirement analysis; and
- Provide education planning advice.

Our fees for a written financial plan may be affected by several factors such as the complexity of pertinent circumstances, the responsibility assumed by us, the potential benefit resulting to the client and the perceived probability of certain anticipated complications that may arise. Although not an all-inclusive list, the following factors may impact the fee charged to a client:

- investment objectives;
- consideration of the client's overall financial condition, including current financial holdings;
- net worth;
- income and tax status, personal and business assets;
- marital status;
- number of dependents;
- risk profile;
- previous investment experience; and
- other factors unique to the client's particular circumstances.

It should be noted that the above listed factors are NOT intended to represent prospective examples of ALL factors that may contribute to the ultimate fee determination for any given client; however, any of these factors COULD contribute to such. Further, no single one of these factors should be solely relied upon in a client's fee arrangement determination.

Financial plans are based on your financial situation at the time we present the plan to you, and on the financial information you provide to us. You must promptly notify our firm if your financial situation, goals, objectives, or needs change.

You are under no obligation to act on our financial planning recommendations. Should you choose to act on any of our recommendations, you are not obligated to implement the financial plan through any of our other investment advisory services. Moreover, you may act on our recommendations by placing securities transactions with any brokerage firm.

Due to the time spent on financial plans, there is no refund when terminating your financial planning agreement. However, if the plan is inclusive of a client's asset management service, there will be a pro-rata refund.

### **Advisory Services to Retirement Plans and Plan Participants**

We offer various levels of advisory and consulting services to employee benefit plans ("Plan") and to the participants of such plans ("Participants"). The services are designed to assist plan sponsors in meeting their management and fiduciary obligations to Participants under the

Employee Retirement Income Securities Act ("ERISA"). Pursuant to adopted regulations of the U.S. Department of Labor, we are required to provide the Plan's responsible plan fiduciary (the person who has the authority to engage us as an investment adviser to the Plan) with a written statement of the services we provide to the Plan, the compensation we receive for providing those services, and our status (which is described below).

The services we provide to your Plan are described above, and in the service agreement that you have previously signed. Our compensation for these services mirrors our fees for Portfolio Management Services as described above and also in the service agreement. We do not reasonably expect to receive any other compensation, direct or indirect, for the services we provide to the Plan or Participants, unless the plan sponsor directs us to deduct our fee from the plan or directs the plan record-keeper to issue payment for our fee out of the plan. If we receive any other compensation for such services, we will (i) offset the compensation against our stated fees, and (ii) we will promptly disclose the amount of such compensation, the services rendered for such compensation and the payer of such compensation to you.

Financial Innovations, LLC is registered as an investment adviser under the Investment Advisers Act of 1940 and represents that it is not subject to any disqualification as set forth in Section 411 of ERISA. In performing the Fiduciary Services, it is acting as a fiduciary of the Plan as defined in Section 3(21) under the Employee Retirement Income Security Act ("ERISA") for purposes of providing non-discretionary investment advice only.

### ***IRA Rollover Recommendations***

For the purpose of complying with the DOL's Prohibited Transaction Exemption 2020-02 ("PTE 2020-02"), when applicable, we are providing the following acknowledgment to clients. When the Firm provides investment advice to clients regarding their retirement plan account or individual retirement account, we are a fiduciary within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way the Firm makes money creates some conflicts with client interests. We operate under an exemption that requires the Firm to act in the clients' best interest and not put the Firm's or its employees' interest ahead of the clients. Under this exemption, we must:

- meet a professional standard of care when making investment recommendations (give prudent advice),
- never put the Firm's or its employees' financial interests ahead of the clients when making recommendations (give loyal advice),
- avoid making misleading statements about conflicts of interest, fees, and investments,
- follow policies and procedures designed to ensure that the Firm and its employees give advice that is in the clients' best interest,
- charge no more than is reasonable for services, and
- give the clients basic information about conflicts of interest.

We benefit financially from the rollover of the clients' assets from a retirement account to an account that the Firm manages or provides investment advice, because the assets increase the Firm's assets under management and, in turn, its advisory fees. As a fiduciary, we only recommend a rollover when the Firm and its employees believe it is in the clients' best interest.

### **SEMINARS AND WORKSHOPS**

Financial Innovations, LLC holds seminars and workshops to educate the public on different types of investments and the different services they offer. The seminars are educational in nature and

no specific investment or tax advice is given.

### **Types of Investments**

We primarily offer advice on mutual funds, exchange traded funds ("ETFs"), stocks, corporate bonds, and municipal bonds. Additionally, we may advise you on any type of investment that we deem appropriate based on your stated goals and objectives. We may also provide advice on any type of investment held in your portfolio at the inception of our advisory relationship.

You may request that we refrain from investing in particular securities or certain types of securities. You must provide these restrictions to our firm in writing.

### **Assets Under Management**

As of March 8, 2024, we manage a total of \$362,884,830 in client assets on a non-discretionary basis and \$0 in client assets on a discretionary basis.

## **Item 5 Fees and Compensation**

### **Portfolio Management Services**

You will pay a monthly or quarterly account fee, in advance, based upon the market value of the assets held in your account as of the last business day of the preceding billing period. Your account fees are negotiable, depending on individual client circumstances. You may terminate the portfolio management agreement upon 30-days' written notice to our firm. If you terminate your participation in this program, you will be entitled to a pro-rata refund of any prepaid fees based upon the number of days remaining in the billing period after the date upon which the notice of termination is received.

Our fee for portfolio management is set forth in the following fee schedule:

<b>Assets Under Management</b>	<b>Annual Fee*</b>
\$0 - \$500,000	1.500%
\$500,001 - \$5,000,000	1.000%
Over \$5,000,000	0.080%

This is a breakpoint fee schedule, meaning that the entire account is charged the lowest fee tier obtained. Arrangements with existing clients may be subject to a different fee schedule. \*Our VISION2020 Wealth Management Platform – Advisor Managed Portfolios Program has an annual fee of \$35 for retirement accounts, and an annual inactive account fee of \$50 for non-retirement accounts, based on trading activity.

We will either:

- 1) send you an invoice for the payment of our advisory fee, or
- 2) deduct our fee directly from your account through the qualified custodian holding your funds and securities. We will deduct our advisory fee only when you have given our firm written authorization permitting the fees to be paid directly from your account. Further, the qualified custodian will deliver an account statement to you at least quarterly. You should review custodial statements for accuracy. We will also receive a duplicate copy of this statement from your custodian.



At our discretion, we may combine the account values of family members living in the same household to determine the applicable advisory fee. For example, we may combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts. Combining account values may increase the asset total, which may result in your paying a reduced advisory fee based on the available breakpoints in our fee schedule stated above.

Mutual funds and ETFs invested in the account have their own internal fees ("Fund Fees") which are separate and distinct from the program account fees (for more information on these fees, see the applicable fund prospectus).

Some Fund Fees include 12b-1 fees which are internal distribution fees assessed by the Fund, all or a portion of which are paid to the distributor(s) of the Funds. The Firm and your Advisory Representative do not retain 12b-1 fees paid by the Funds.

In certain instances, there is opportunity to be eligible to purchase certain mutual funds and ETFs without incurring transaction charges subject to certain conditions. For details, please refer to Item 4 (*No Transaction Fee Programs*) of the VISION2020 Wealth Management Platform Advisor Managed Portfolios Wrap Fee Program Brochure.

For complete fee details, including account fee schedule guidelines and a list of transaction charges, please see the VISION2020 Wealth Management Platform Advisor Managed Portfolios Wrap Fee Program Brochure.

Please note that you may be assessed a termination fee of \$125 for retirement accounts and \$150 for non-retirement accounts for outgoing transfers.

### **Financial Planning Fees**

Our fees for financial planning services are either fixed or hourly based.

#### ***Fixed Fees:***

We may charge a fixed fee for our financial planning services. Our fixed fee ranges from \$1,000 to \$20,000 on an annual basis, depending upon the level and scope of the services required. The fixed-fees will be based on the complexity of the service that is anticipated to be necessary for the particular client. Generally, full payment of the fixed fees is due and payable upon delivery of the financial plan. In special circumstances, and at our sole discretion, we may agree to other fee-paying arrangements. Such arrangements will be agreed to in advance of services rendered and will be clearly set forth in the executed agreement for services.

#### ***Hourly Fees:***

We may charge an hourly fee for our financial planning services. Our maximum rate is up to \$750/hour to include increments of fifteen (15) minutes. Our fees are negotiable depending upon the level and scope of the services required. Generally, full payment of hourly fees is due and payable upon delivery of the financial plan. In special circumstances, and at our sole discretion, we may agree to other fee-paying arrangements. Such arrangements will be agreed to in advance of services rendered and will be clearly set forth in the executed agreement for services.

Depending upon the services selected you may have additional fees and expenses.

### **Compensation for the Sale of Securities or Other Investment Products**

Persons providing investment advice on behalf of Financial Innovations, LLC are also registered representatives ("Dually Registered Persons") with Triad Advisors, LLC ("Triad"), a securities broker-dealer, and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. In their capacity as a registered representative, they will receive commission-based compensation in connection with the purchase and sale of securities, including 12b-1 fees for the sale of investment company products. Commission-based compensation earned by these Dually Registered Persons in their capacity as a registered representative of Triad is separate and in addition to Financial Innovations, LLC's advisory fees. This practice presents a conflict of interest because persons providing investment advice on behalf of our firm who are also registered representatives have an incentive to effect securities transactions for the purpose of generating commissions rather than solely based on your needs. In recommending mutual funds, representatives of Financial Innovations, LLC will recommend "no-load" mutual funds which do not pay commissions nor 12b-1 fees to registered representatives. However, you are under no obligation, contractually or otherwise, to purchase securities products through any person affiliated with our firm.

Persons providing investment advice on behalf of our firm are licensed as independent insurance agents. These persons will earn commission-based compensation for selling insurance products, including insurance products they sell to you. Insurance commissions earned by these persons are separate and in addition to our advisory fees. This practice presents a conflict of interest because persons providing investment advice on behalf of our firm who are insurance agents have an incentive to recommend insurance products to you for the purpose of generating commissions rather than solely based on your needs. You are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with our firm.

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

We do not accept performance-based fees or participate in side-by-side management. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Our fees are calculated as described in **Item 5 Fees and Compensation** above and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

## **Item 7 Types of Clients**

We offer investment advisory services to individuals, pension and profit-sharing plans, trusts, estates, charitable organizations, corporations and other business entities.

In general, we require a minimum of \$500,000 to open and maintain an advisory account. At our discretion, we may waive this minimum account size. For example, we may waive the minimum if you appear to have significant potential for increasing your assets under our management. We may also combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts to meet the stated minimum.

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

We may use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

- **Fundamental Analysis** - involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's stock compared to the current market value.
- **Technical Analysis** - involves studying past price patterns and trends in the financial markets to predict the direction of both the overall market and specific stocks.
- **Long Term Purchases** - securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.
- **Short Term Purchases** - securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short term price fluctuations.

Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio. We base each portfolio strategy and composition on the client's goals.

### **Short-Term Trading on a Limited Basis**

We may use short-term trading (in general, selling securities within 30 days' of purchasing the same securities) as an investment strategy when managing your account(s). Short-term trading is not a fundamental part of our overall investment strategy, but we may use this strategy occasionally when we determine that it is suitable given your stated investment objectives and tolerance for risk.

### **Tax Considerations**

Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you continuously consult with a tax professional prior to and throughout the investing of your assets. Moreover, as a result of revised IRS regulations, custodians and broker-dealers began reporting the cost basis of equities acquired in client accounts on January 1, 2011. Your custodian will default to the FIFO (First-In First-Out) accounting method for calculating the cost basis of your investments. You are responsible for contacting your tax advisor to determine if this accounting method is the right choice for you. If your tax advisor believes another accounting method is more advantageous, please provide written notice to our firm immediately and we will alert your account custodian of your individually selected accounting method. Please note that decisions about cost basis accounting methods will need to be made before trades settle, as tax law requires that the cost basis method cannot be changed after settlement.

**Risk of Loss**

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

**Recommendation of Particular Types of Securities**

As disclosed under the "Advisory Business" section in this Brochure, we primarily offer advice on mutual funds, exchange traded funds ("ETFs"), stocks, corporate bonds, and municipal bonds. However, we may recommend other types of investments as appropriate for you since each client has different needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with it.

Municipal securities, while generally thought of as safe, can have significant risks associated with them including, but not limited to: the credit worthiness of the governmental entity that issues the bond; the stability of the revenue stream that is used to pay the interest to the bondholders; when the bond is due to mature; and, whether or not the bond can be "called" prior to maturity. When a bond is called, it may not be possible to replace it with a bond of equal character paying the same amount of interest or yield to maturity.

There are numerous ways of measuring the risk of equity securities (also known simply as "equities" or "stock"). In very broad terms, the value of a stock depends on the financial health of the company issuing it. However, stock prices can be affected by many other factors including, but not limited to: the class of stock (for example, preferred or common); the health of the market sector of the issuing company; and, the overall health of the economy. In general, larger, better established companies ("large cap") tend to be safer than smaller start-up companies ("small cap") but the mere size of an issuer is not, by itself, an indicator of the safety of the investment.

Mutual funds and exchange traded funds are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities or any combination thereof. The fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. While mutual funds and ETFs generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities.

Exchange traded funds differ from mutual funds since they can be bought and sold throughout the day like stock and their price can fluctuate throughout the day. The returns on mutual funds and ETFs can be reduced by the costs to manage the funds. Also, while some mutual funds are "no load" and charge no fee to buy into or sell out of other types of mutual funds do charge such fees which can also reduce returns. Mutual funds can also be "closed end" or "open end". So-called "open end" mutual funds continue to allow in new investors indefinitely which can dilute other investors' interests.

Corporate debt securities (or "bonds") are typically safer investments than equity securities, but

their risk can also vary widely based on: the financial health of the issuer; the risk that the issuer might default; when the bond is set to mature; and, whether or not the bond can be "called" prior to maturity. When a bond is called, it may not be possible to replace it with a bond of equal character paying the same rate of return.

## **Item 9     Disciplinary Information**

Financial Innovations, LLC has been registered and providing investment advisory services since 2005 and Laura K. Schilling has been registered as either an investment adviser representative or registered representative since 2003. Neither the firm nor Ms. Schilling has any disciplinary information.

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

### **Registrations with Broker-Dealer**

Persons providing investment advice on behalf of our firm are also registered representatives of Triad Advisors, LLC ("Triad"), a registered Broker/Dealer, member FINRA and SIPC. Triad is a broker-dealer and subsidiary of Osaic Wealth, Inc. (formerly named Advisor Group Holdings, Inc.) ("Osaic"). Neither Triad nor Osaic is affiliated with our firm. Please refer to **Item 12 Brokerage Practices** for a discussion of the benefits we receive from Triad and the conflicts of interest associated with receipt of such benefits.

Clients may maintain multiple accounts with us, some of which are subject to an investment advisory relationship through us, while other accounts of the same client may operate under a commission-based brokerage relationship through Triad. When acting in an investment advisory capacity we are acting under a fiduciary duty to the client where the standard of care when recommending securities to clients is higher than in the case of a brokerage relationship, where the best interest standard is applicable at the transaction level. Clients are under no obligation to purchase or sell securities through us.

Commissions may be higher or lower at Triad than at other broker-dealers.

Our Dually Registered Persons have a conflict of interest when acting as registered representatives for commission-based accounts with Triad in having clients purchase securities and/or insurance related products through Triad. The higher their production with Triad as a registered representative, the greater the potential for obtaining a higher pay-out on commissions earned. Further, Dually Registered Persons may then be restricted to only offering those products and services that have been reviewed and approved for offering to the public through Triad. The amount of time spent by each Dually Registered Person offering securities products on a commission basis as a registered representative of Triad will vary.

Because of its supervisory relationship with these Dually Registered persons, Triad may have access to certain confidential information (e.g., financial information, investment objectives, transactions and holdings) about our clients, even if the client does not establish any account with Triad. If you would like a copy of the Triad privacy policy, please contact our Chief Compliance Officer, Laura K. Schilling.

Our Associated Persons registered with Triad may offer insurance products and services for

which commissions will be paid. Our Associated Persons are also licensed with various insurance companies which pay their commissions to Triad as an insurance agency. Financial Innovations, and its Associated Persons have a conflict of interest to recommend clients purchase insurance products since commissions will be earned on these sales. Clients are not obligated to purchase insurance products through Triad, or our Associated Persons. The principal business of Financial Innovations is to provide investment management services to its clients, so less than 5% of the Firm's resources are dedicated to insurance business.

### **Arrangements with Affiliated Entities**

Laura K. Schilling, Manager and Chief Compliance Officer of Financial Innovations, LLC is also a licensed CPA and an attorney who practices law. If you require legal services, we may recommend that you use Laura K. Schilling, Esq, CPA, CSA, Estate Innovations, LLC. Our advisory services are separate and distinct from the compensation paid to Laura K. Schilling, Esq, CPA, CSA, Estate Innovations, LLC.

The referral arrangements we have with our affiliated entities present a conflict of interest because we may have a financial incentive to recommend our affiliates' services. While we believe that compensation charged by our affiliates are competitive, such compensation may be higher than fees charged by other firms providing the same or similar services. You are under no obligation to use our affiliates' services and may obtain comparable services and/or lower fees through other firms.

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

### **Description of Our Code of Ethics**

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct. The goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.

Our Code of Ethics is available to you upon request. You may obtain a copy of our Code of Ethics by contacting Laura K. Schilling at (404) 458-0065 and/or [laura@financialinnovations.biz](mailto:laura@financialinnovations.biz).

### **Personal Trading Practices**

Our firm or persons associated with our firm may buy or sell the same securities that we recommend to you or securities in which you are already invested. A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To mitigate this conflict of interest, it is our policy that neither our firm nor our Associated Persons shall have priority over your account in the purchase or sale of securities

These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual

funds.

## **Item 12 Brokerage Practices**

We recommend the brokerage services of Triad Advisors, LLC ("Triad"), a securities broker-dealer and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. National Financial Services ("NFS") acts as custodian on behalf of Triad for our clients' advisory accounts. Financial Innovations, LLC is independently owned and operated, and is not affiliated with Triad, Triad's parent company Osaic, or NFS. We believe that Triad provides quality execution services for you at competitive prices. Price is not the sole factor we consider in evaluating best execution. We also consider the quality of the brokerage services provided by Triad, including the value of research provided, the firm's reputation, execution capabilities, commission rates, and responsiveness to our clients and our firm. In recognition of the value of research services and additional brokerage products and services Triad provides, you may pay higher commissions and/or trading costs than those that may be available elsewhere.

### **Brokerage for Client Referrals**

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

### **Directed Brokerage**

Neither our firm nor any of our firm's Associated Persons have discretionary authority in making the determination of the brokers-dealers and/or custodians with whom orders for the purchase or sale of securities are placed for execution, or the commission rates at which such securities transactions are affected. Not all advisers require their clients to direct brokerage. Our firm routinely recommends that clients direct us to execute through a specified broker-dealer. Our firm recommends the use of Triad. As a result, the client may pay higher commissions or other transaction costs, greater spreads or may receive less favorable net prices, on transactions for the account than would otherwise be the case.

Subject to its duty of best execution, Financial Innovations, LLC may decline a client's request to direct brokerage if, in the Firm's sole discretion, such directed brokerage arrangements would result in additional operational difficulties.

As previously disclosed, persons providing investment advice on behalf of our firm who are registered representatives of Triad will recommend Triad to you for brokerage services. These individuals are subject to applicable rules that restrict them from conducting securities transactions away from Triad unless Triad provides the registered representative with written authorization to do so. These individuals are generally limited to conducting securities transactions through Triad. It may be the case that Triad charges higher transactions costs and/or custodial fees than another broker charges for the same types of services. If transactions are executed through Triad, these individuals (in their separate capacities as registered representatives of Triad) may earn commission-based compensation as result of placing the recommended securities transactions through Triad. This practice presents a conflict of interest because these registered representatives have an incentive to effect securities transactions for the purpose of generating commissions rather than solely based on your needs. You may utilize the broker-dealer of your choice and have no obligation to purchase or sell securities through such broker as, we recommend. However, if you do not use Triad, we may not be able to accept



your account. Please see the **Item 5 Fees and Compensation** section in this Brochure for more information on the compensation received by registered representatives who are affiliated with our firm.

### **Block Trades**

We do not combine multiple orders for shares of the same securities purchased for advisory accounts we manage (the practice of combining multiple orders for shares of the same securities is commonly referred to as "block trading"). Accordingly, you may pay different prices for the same securities transactions than other clients pay. Furthermore, we may not be able to buy and sell the same quantities of securities for you and you may pay higher commissions, fees, and/or transaction costs than other clients.

## **Item 13 Review of Accounts**

Laura K. Schilling, Manager and Chief Compliance Officer of Financial Innovations, LLC, will monitor your accounts on an ongoing basis and will conduct account reviews at least quarterly. Reviews will also be conducted upon your request. Account reviews ensure that the advisory services provided to you are consistent with your stated investment needs and objectives. Additional reviews may be conducted based on various circumstances, including, but not limited to:

- contributions and withdrawals;
- year-end tax planning;
- market moving events;
- security specific events; and/or,
- changes in your risk/return objectives.

We will not provide you with additional or regular written reports in conjunction with account reviews. You will receive trade confirmations and monthly or quarterly statements from your account custodian(s).

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

As disclosed under the **Fees and Compensation** section in this brochure, persons providing investment advice on behalf of our firm are also licensed insurance agents and registered representatives with Triad Advisors, LLC, a securities broker-dealer, and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. For information on the conflicts of interest this presents, and how we address these conflicts, refer to the **Item 4 Advisory Business** and **Item 5 Fees and Compensation** sections of this Brochure.

Refer to the **Item 12 Brokerage Practices** section above for disclosures on research and other benefits we may receive resulting from our relationships with the broker-dealer and the custodian of our clients' accounts.

## **Item 15 Custody**

We directly debit your account(s) for the payment of our advisory fees. This ability to deduct our advisory fees from your accounts causes our firm to exercise limited custody over your funds or



securities. We do not have physical custody of any of your funds and/or securities. Your funds and securities will be held with a qualified custodian. You will receive account statements from the qualified custodian holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate the amount of our advisory fees deducted from your account(s) each billing period. You should carefully review account statements for accuracy.

If you have a question regarding your account statement or if you did not receive a statement from your custodian, please contact Laura K. Schilling at (404) 458-0065.

## **Item 16 Investment Discretion**

If you enter into non-discretionary arrangements with our firm, we will obtain your approval prior to the execution of any transactions for your account(s). You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

## **Item 17 Voting Client Securities**

We will not vote proxies on behalf of your advisory accounts. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights. If you own shares of common stock or mutual funds, you are responsible for exercising your right to vote as a shareholder.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward any electronic solicitation to vote proxies.

## **Item 18 Financial Information**

We are not required to provide financial information to our clients because we do not:

- require the prepayment of more than \$1,200 in fees six or more months in advance, or
- take custody of client funds or securities, or
- have a financial condition that is reasonably likely to impair our ability to meet our commitments.