

Cover Page - Item 1

**IAMS Wealth Management, LLC**

**Form ADV Part 2A Brochure**

**March 7, 2024**

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IAMS Wealth Management, LLC is an investment adviser registered with the Securities and Exchange Commission ("SEC"). An "investment adviser" means any person who, for compensation, engages in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities, or who, for compensation and as part of a regular business, issues or promulgates analyses or reports concerning securities. Registration with the SEC or any state securities authority does not imply a certain level of skill or training.

This brochure provides information about the qualifications and business practices of IAMS Wealth Management, LLC. If you have any questions about the contents of this brochure, please contact us at (888) 255-7670. 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 IAMS Wealth Management, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The firm's CRD/IARD number is **286085**.

### Material Changes - Item 2

We review and update our Form ADV Part 2A Brochure at least annually to make sure that it remains current. The purpose of this page is to inform you of any material changes since the previous annual updating amendment to this brochure, submitted to regulators on February 16, 2023.

On September 29, 2023, we updated our brochure to reflect the following changes:

- We updated Items 12 & 14 with information detailing the custodian relationship with Charles Schwab & Co., Inc. ("Schwab") following their merger with TD Ameritrade and the transition of former TD Ameritrade accounts to Schwab.
- We also updated Item 14 regarding the payment of referral fees to unaffiliated third parties.

On March 7, 2024, we submitted our annual updating amendment for the fiscal year 2023 with the following changes to this brochure:

- We updated Item 4 to reflect that as of January 11, 2024, we had approximately \$213,238,892 in discretionary assets under management and no assets under management on a non-discretionary basis.
- We updated Item 5 with important information regarding compensation for the sale of insurance products, including fixed annuities and associated conflicts of interest and other information you should consider when purchasing insurance products from licensed persons associated with our firm.
- We updated Item 14 to include additional information regarding economic benefits we receive from custodians, vendors, and product sponsors.

#### **Full Brochure Available**

In addition to the items noted above, please carefully review the entire brochure. If you have questions, or if you would like to receive a complete copy of our most current Form ADV Part 2A Brochure at any time, free of charge, please contact Mike Hansen, Chief Compliance Officer, at (888) 255-7670 or [mike@iamswm.com](mailto:mike@iamswm.com).

[Table of Contents - Item 3](#)

**Contents**

Cover Page - Item 1 .....	1
Material Changes - Item 2.....	2
Advisory Business - Item 4.....	4
Fees and Compensation - Item 5.....	8
Performance-Based Fees and Side-By-Side Management - Item 6.....	15
Types of Clients - Item 7 .....	15
Methods of Analysis, Investment Strategies and Risk of Loss - Item 8 .....	15
Disciplinary Information - Item 9 .....	19
Other Financial Industry Activities or Affiliations - Item 10.....	20
Code of Ethics, Participation or Interest in Client Transactions and Personal Trading - Item 11 .....	20
Brokerage Practices - Item 12 .....	21
Review of Accounts - Item 13 .....	25
Client Referrals and Other Compensation - Item 14 .....	25
Custody - Item 15 .....	27
Voting Client Securities - Item 17.....	27
Voting Client Securities - Item 17.....	28
Financial Information - Item 18.....	28
Requirements of State-Registered Advisers - Item 19 .....	28
Miscellaneous .....	28

#### **Advisory Business - Item 4**

IAMS Wealth Management, LLC (“IAMS Wealth” and/or “the firm”) is a limited liability company organized in the State of Nebraska. Steve Michael Murray, Charles Michael Heuring, Charles Richard Heuring, and Michael Gregory Hansen are the principal owners of the firm. IAMS Wealth has been offering investment advisory services since 2016.

The following paragraphs describe our services and fees. You may see the term Associated Person throughout this Brochure. As used in this Brochure, this term refers to anyone from our firm who is an officer, employee, and all individuals providing investment advice on behalf of our firm. Where required, such persons are properly licensed or registered as investment adviser representatives.

#### **Portfolio Management Services**

IAMS Wealth offers discretionary portfolio management services. Discretionary portfolio management means that we choose the broker-dealer/custodian to be used, and we make investment decisions and place buy or sell orders in your account without contacting you to receive your advance permission. If you wish, you may limit our discretionary authority by, for example, setting a limit on the type of securities that can be purchased for your account. All restrictions or guidelines must be provided in writing. Our investment advice is tailored to meet our clients’ needs and investment objectives. If you decide to hire our firm to assist you with the management of your portfolio, an Associated Person of IAMS Wealth will meet with you and gather information about your financial situation, investment objectives, and any reasonable restrictions you would like to impose on the management of the account. The information we gather will help us implement an asset allocation strategy that will be specific to your needs and goals.

#### *Selection of Other Advisers*

Currently, our asset allocation and advisory services are offered in conjunction with a sub-adviser, Fusion Capital Management (CRD#156549). The sub-adviser assists our firm with back-office support, trading, report preparation, and billing calculation.

We use model portfolios developed by us or through models created and managed by other registered investment advisers (collectively “other advisers”). These other advisers are responsible for the research and security selection, and IAMS Wealth and/or our subadvisor, Fusion Capital Management, are responsible for the supervision of the account and implementation of transactions. Clients will receive relevant information about the model portfolios in the form of fact sheets. Disclosure information regarding relevant other advisers is available on the SEC’s public disclosure site, [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

At this time, the portfolio models are provided by:

- Fusion Capital Management (CRD #156549)
- Brookmont Capital Management, LLC (CRD #145475)
- Optimus Advisory Group (CRD #111239)
- First Trust Advisors LP (CRD #107027)
- Wisdom Tree Asset Management, Inc. (CRD #139684)
- State Street Global Advisors Funds Distributors, LLC (CRD #30107)
- ZEGA Financial, LLC. (CRD #156803), among others.

Accounts are managed to diversify clients' investments and may include various types of securities such as equity securities, Exchange Traded Funds (ETFs), corporate debt securities, commercial paper, certificates of deposit, municipal securities, investment company products, and U.S. Government securities. Other types of investments may also be recommended where such investments are appropriate based on the client's stated goals and objectives.

Investments and allocations are determined and based on the client's predefined objectives, risk tolerance, time horizon, financial horizon, financial information, and other various suitability factors. Further restrictions and guidelines imposed by clients may affect the composition and performance of a client's portfolio. For these reasons, the performance of the portfolio may not be identical to the average client of IAMS Wealth. On an ongoing basis, IAMS Wealth reviews the client's financial circumstances and investment objectives and instructs the sub-adviser to make the necessary adjustments to the client's portfolio to achieve the desired results.

Clients are required to provide the firm with prompt notice of any changes in their personal financial circumstances, investment objectives, goals, and risk tolerance. IAMS Wealth will contact clients at least annually to determine whether there have been any changes in a client's personal financial circumstances, investment objectives, and risk tolerance.

#### *Referrals to Third Party Investment Advisers*

Additionally, from time to time, we may recommend that you use the services of or specific programs offered through a third-party investment adviser ("TPIA") to manage your entire, or a portion of your, investment portfolio. All TPIAs recommended by our firm must either be registered as investment advisers or exempt from registration requirements in applicable jurisdictions. After gathering information about your financial situation and objectives, we will recommend that you engage a specific TPIA or investment program. Factors that we take into consideration when making our recommendation(s) include, but are not limited to, the following: the TPIA's performance, methods of analysis, fees, your financial needs, investment goals, risk tolerance, and investment objectives. We will monitor the TPIA's performance to ensure its management and investment style remain aligned with your investment goals and objectives.

The TPIA will actively manage your portfolio and will assume discretionary investment authority over your account. The TPIA(s) may use one or more model portfolios to manage your account. We will assume discretionary authority to reallocate your assets, where we deem such action to be appropriate.

You will be required to sign an agreement directly with the recommended TPIA. You may terminate your advisory relationship with the TPIA according to the terms of your agreement with the TPIA. You should review each TPIA's disclosure brochure and advisory agreement for specific information on how you may terminate your advisory relationship with the TPIA and how you may receive a refund, if applicable. You should contact the TPIA directly for questions regarding your advisory agreement with the TPIA.

Typically, fees charged by recommended TPIAs are payable quarterly or monthly. If we recommend a TPIA that charges fees in advance, the TPIA will prorate the fee in accordance with the advisory

agreement between you and the TPIA; and, any pre-paid, unearned fees, including any portion paid to us, will be promptly refunded to you.

Prior to the client entering into a management agreement with a TPIA, the TPIA fees, including the portion of the fee that will be paid to IAMS Wealth, will be fully disclosed. Lower fees for comparable services may be available from other sources.

#### **Wrap Fee Programs**

IAMS Wealth does not sponsor or manage any wrap fee programs. However, recommended TPIAs may offer wrapped and/or non-wrapped pricing options. Wrap pricing structures typically allow the client to pay an all-inclusive fee for management, brokerage, clearance, custody, and administrative services. Otherwise, transaction costs may also be charged by the account custodian for the execution and clearance of advisory transactions directed by such TPIAs. A complete description of the programs and services provided, the amount of total fees, the payment structure, termination provisions, and other aspects of each program are detailed and disclosed in the TPIA's Form ADV Part 2A or equivalent disclosure documents.

#### **Financial Planning Services**

We offer broad based financial planning services regarding the management of financial resources based on an analysis of the client's individual needs. We will meet with you to gather information about your financial circumstances and objectives. Once we collect and analyze the documentation and information you provide, we work with you to develop a financial plan designed to help you achieve your financial goals and objectives. In this way, IAMS Wealth assists the client in developing a strategy for the management of income, assets, and liabilities. In general, financial planning services may include any one or all of the following:

- Cash Flow Analysis – Assessment of a client's present financial situation by collecting information regarding net worth and cash flow statements, tax returns, insurance policies, investment portfolios, pension plans, employee benefit statements, etc. The firm advises on ways to reduce risk and coordinate and organize records and estate information.
- Retirement Analysis – Identification of a client's long-term financial and personal goals and objectives includes advice for accumulating wealth for retirement income or appropriate distribution of assets following retirement. Tax consequences and implications are identified and evaluated.
- Portfolio Analysis/Investment Planning – We provide investment alternatives, including asset allocation, and effect on a client's portfolio. We evaluate the economic and tax characteristics of existing investments as well as their suitability for a client's objectives. We identify and evaluate tax consequences and their implications.
- Insurance Analysis – Includes risk management associated with advisory recommendations based on a combination of insurance types to meet a client's needs, e.g., life, health, disability, and long-term care insurance. This will necessitate an analysis of the cash needs of the family at death, the income needs of surviving dependents, and disability income analysis.
- Education Savings Analysis – Alternatives and strategies with respect to the complete or partial funding of college or other post-secondary education.
- Estate Analysis – We provide advice with respect to property ownership, distribution strategies, estate tax reduction, and tax payment techniques.

Financial plans are based on a client's financial situation based on the information provided to the firm. The recommendations and solutions are designed to achieve the client's desired goals, subject to periodic evaluation of the financial plan, which may require revision to meet changing circumstances. We should be notified promptly of any change to a client's financial situation, goals, objectives, or needs.

Clients can also request financial planning services that cover a specific area, such as retirement, estate planning, or asset allocation analysis. We offer consultative services where we set an appointment to meet with you for financial planning advice for an hourly fee. You may choose to accept or reject our recommendations. If you decide to proceed with our recommendations, you may do so either through our investment advisory services or by using the advisory/brokerage firm of your choice.

In some cases, our recommendations may involve the purchase of insurance products. IAMS Wealth is affiliated with Insurance Agency Marketing Services, Inc., a licensed insurance agency, through common ownership and control. Investment Adviser Representatives of IAMS Wealth may also be licensed insurance agents. Insurance Agency Marketing Services, Inc. and our dually licensed Investment Adviser Representatives can effect transactions in insurance products and earn commission-based compensation for these activities. Clients should be aware that a conflict of interest is inherent in such an arrangement. Clients are instructed that the fees paid to the firm for advisory services are separate and distinct from the commissions earned by Insurance Agency Marketing Services, Inc. and our dually licensed Investment Adviser Representatives. Clients of IAMS Wealth are not required to purchase insurance products from Insurance Agency Marketing Services, Inc. or the firm's dually licensed Investment Adviser Representatives and can purchase insurance products from any insurance agency and agent of their choice.

*Note: Information related to tax and legal consequences that is provided as part of the financial plan is for informative purposes only. Clients are instructed to contact their tax or legal advisers for personalized advice.*

#### **Assets Under Management**

As of January 11, 2024, we had approximately \$213,238,892 in discretionary assets under management and no assets under management on a non-discretionary basis.

#### **Investment Adviser Representatives Co-Branding**

Our firm offers services through our network of investment adviser representatives ("Adviser Representatives" or "IARs"). IARs may have their own legal business entities whose trade names and logos are used for marketing purposes and may appear on marketing materials or client statements. The Client should understand that the businesses are legal entities of the IAR and not of our firm, IAMS Wealth. The IARs are under the supervision of our firm, IAMS Wealth, and the advisory services of the IAR are provided through our firm, IAMS Wealth. For additional information, please ask your IAR.

#### **Fees and Compensation - Item 5**

##### **Portfolio Management Services Fees**

IAMS Wealth's portfolio management fees are payable monthly in arrears and are based on an average daily balance of assets through the previous month. Fees will be assessed pro rata in the event the Asset Management Agreement is executed at any time other than the first day of a calendar month.

The fee is deducted from the client's account held at the custodian provided the following requirements are met:

- We have authorization from you, in writing, permitting the fees to be paid directly from your account held by the qualified custodian.
- We disclose to you that it is your responsibility to verify the accuracy of the fee calculation and that the custodian will not determine whether the fee is accurately calculated.
- The qualified custodian agrees to send you a statement, at least quarterly, showing all funds that came out of your account including the amount of the advisory fee paid directly to our firm.

We may deduct the fee from a designated account to facilitate billing. If insufficient cash is available to pay such fees, securities in an amount equal to the balance of unpaid fees will be liquidated to pay for the unpaid balance. Our negotiable fee for portfolio management services is set forth in the following fee schedule:

Portfolio Size		Annualized Fee
\$ -	\$ 500,000.00	1.85%
\$ 500,001.00	\$ 1,000,000.00	1.70%
\$ 1,000,001.00	\$ 2,000,000.00	1.55%
\$2,000,001+		Negotiable

IAMS Wealth may modify the fee at any time upon 30 days' written notice, subject to the client's consent.

A percentage of IAMS Wealth's fee is paid to other advisers for their services. On an annual basis, this fee ranges from 0.00% to 0.35% of total client assets under management. IAMS Wealth also charges an administrative and technology fee of \$100 per account, per year, at a prorated rate of \$8.33 a month. A portion of this fee is paid to our software provider(s). This flat fee is in addition to our advisory fees and will be charged regardless of the value of each account.

IAMS Wealth allows related accounts to be combined for fee-paying purposes. We combine the account valuations to assist you in meeting fee breakpoints and therefore lowering the overall fee level. IAMS Wealth extends this option to all accounts residing in the same household and certain members of the same family. However, any account that is not being charged a fee is excluded from the breakpoint aggregate calculation.



***Negotiability of Fees:*** We allow Associated Persons servicing the account to negotiate the exact investment management fees within the range disclosed in our Form ADV Part 2A Brochure. As a result, the Associated Person servicing your account may charge more or less for the same service than another Associated Person of our firm. Further, our annual investment management fee may be higher than that charged by other investment advisers offering similar services/programs.

***Billing on Cash Positions:*** The firm treats cash and cash equivalents as an asset class. Accordingly, unless otherwise agreed in writing, all cash and cash equivalent positions (e.g., money market funds, etc.) are included as part of assets under management for purposes of calculating the firm's advisory fee. At any specific point in time, depending upon perceived or anticipated market conditions/events (there is no guarantee that such anticipated market conditions/events will occur), the firm may maintain cash and/or cash equivalent positions for defensive, liquidity, or other purposes. While assets are maintained in cash or cash equivalents, such amounts could miss market advances and, depending upon current yields, at any point in time, the firm's advisory fee could exceed the interest paid by the client's cash or cash equivalent positions.

***Periods of Portfolio Inactivity:*** The firm has a fiduciary duty to provide services consistent with the client's best interest. As part of its investment advisory services, the firm will review client portfolios on an ongoing basis to determine if any changes are necessary, based upon various factors, including but not limited to investment performance, fund manager tenure, style drift, account additions & withdrawals, the client's financial circumstances, and changes in the client's investment objectives. Based upon these and other factors, there may be extended periods of time when the firm determines that changes to a client's portfolio are neither necessary nor prudent. Notwithstanding, unless otherwise agreed in writing, the firm's annual investment advisory fee will continue to apply during these periods, and there can be no assurance that investment decisions made by the firm will be profitable or equal any specific performance level(s).

IAMS Investment Adviser Representatives ("IARs") are compensated based on the total fees charged by IAMS. IARs receive an "IAR remainder," so once all expenses (e.g., custodial and manager expenses) are subtracted from the net fee charged by IAMS, the IAR of record receives the remainder. In theory, this could generate a conflict of interest as lower-cost model portfolios will increase the compensation paid to our IARs. However, IAMS' IARs are aware of their fiduciary duties under the Investment Advisers Act of 1940 and are monitored periodically by IAMS' CCO to determine their adherence to the fiduciary standards and to do what is in the best interest of the clients.

IAMS Wealth's fee revenue may vary among different model portfolios. Therefore, IAMS Wealth may have a conflict of interest in recommending portfolios for which it receives higher advisory revenue than for portfolios with lower advisory revenue. We attempt to control this conflict by always basing investment decisions on the individual needs of our clients. Please note that the client may be able to obtain comparable services elsewhere at more favorable pricing.

The Asset Management Agreement may be canceled at any time by the client or by IAMS Wealth with 30 days' prior written notice to the client. Upon termination, any earned, unpaid fees will be due and payable by the client. The client has the right to terminate the Asset Management Agreement without penalty within five business days after entering into the agreement.

Upon termination of accounts, the account custodian will deliver securities and funds held in the account as instructed by the client, unless the client requests that the account be liquidated. After the Agreement has been terminated, transactions are processed at the prevailing brokerage rates, and the client becomes responsible for monitoring their own assets and IAMS Wealth has no further obligation to act or provide advice with respect to those assets. The account custodian typically charges the client's account a \$50 transfer fee for full transfers out of the client's account. The fee does not apply to partial transfers. IAMS Wealth does not receive any portion of this transfer fee.

#### *Third-Party Referral Fees*

As disclosed in Item 4 above, IAMS Wealth will share in a portion of the advisory fee paid to the TPIA to which we refer clients for the management of their accounts. Where you engage a TPIA that we recommend, we will receive compensation from the TPIA for recommending that you use their services. These compensation arrangements present a conflict of interest because we have a financial incentive to recommend the services of a particular TPIA over another TPIA with which we have more favorable compensation arrangements or other professional relationships. Comparable services may be available for lower or higher fees through other service providers with which we have no compensation arrangements or other professional relationships. In order to address this conflict, our firm has adopted a code of ethics that obliges all associated persons to deal fairly with all clients, uphold their fiduciary duty, and put the client's interest first. Clients are not required to use the services of any TPIA we recommend.

#### **Financial Planning Fees**

IAMS Wealth offers financial planning and consulting services. Prior to engaging IAMS Wealth to provide consulting services, the client will be required to enter into a written Agreement with our firm. The Agreement will set forth the terms and conditions of the engagement and describe the scope of the services to be provided and the fee that is due from the client. IAMS Wealth will charge a fixed fee and/or hourly fee for these services. We utilize the following financial planning fee schedules:

- *Fixed Fees:* IAMS Wealth will charge a fixed fee of up to \$10,000.00, for broad based planning services. *In limited circumstances*, the total cost could potentially exceed \$10,000.00. In these cases, we will notify the client and may request that the client pay an additional fee. Generally, for a broad-based plan, IAMS Wealth requires full payment upon delivery of the financial plan.
- *Hourly Fees:* IAMS Wealth charges an hourly fee of up to \$300 for clients who request specific services (such as a modular plan or hourly consulting services) and do not desire a broad-based financial plan. Generally, the hourly fee is due to IAMS Wealth upon completion of the agreed-upon services.

Other fee payment arrangements may be negotiated with the client on a case-by-case basis. All such arrangements will be clearly set forth in the financial planning agreement signed by the client and the firm.

Either party may terminate the Agreement by written notice to the other. In the event the client terminates IAMS Wealth's consulting services, the balance of any prepaid, unearned fees (if any) will be promptly refunded to the client.

**Model Portfolio Fees**

IAMS Wealth's investment platform, previously described in Item 4 of this disclosure brochure, is designed to allow us to recommend and select third-party money managers for you. Third-party managers generally have account minimum requirements that will vary among third-party money managers. All disclosure information about these entities listed in Item 4 is available on the SEC's public disclosure site, [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

The actual fee charged to you will not vary depending on the model portfolio. IAMS Wealth IARs receive an "IAR remainder," so once all expenses (e.g., custodial and manager expenses) are subtracted from the net fee charged by IAMS, the IAR of record receives the remainder. In theory, this could generate a conflict of interest as lower-cost model portfolios will increase the compensation paid to our IARs. However, IAMS' IARs are aware of their fiduciary duties under the Investment Advisers Act of 1940 and are monitored periodically by IAMS' CCO to determine their adherence to the fiduciary standards and to do what is in the best interest of the clients.

**Additional Fees and Expenses**

IAMS Wealth's fees are negotiable based on the complexity of client goals and objectives and the level of services rendered. As described above, the fees are charged as described and are not based on a share of capital gains of the funds of an advisory client.

All fees paid to IAMS Wealth for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds to their shareholders. These fees and expenses are described in each fund's prospectus. These fees generally include a management fee, other fund expenses, an early redemption fee, and a possible distribution fee. A client could invest in a mutual fund directly, without the services of IAMS Wealth. In that case, the client would not receive the services provided by IAMS Wealth, which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and the fees charged by IAMS Wealth to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Mutual funds generally offer multiple share classes based upon certain eligibility and/or purchase requirements. For instance, in addition to retail share classes (typically referred to as class A, class B, and class C shares), mutual funds may also offer institutional share classes or other share classes that are specifically designed for purchase by investors who meet certain specified eligibility criteria, including, for example, whether an account meets certain minimum dollar amount thresholds or is enrolled in an eligible fee-based investment advisory program. Institutional share classes usually have a lower expense ratio than other share classes.

For Clients investing in mutual funds, the firm requires that the Associated Person purchase the share class most beneficial to the Client, generally the institutional or advisory share class. In some cases, these share classes are not made available by the sponsor fund. Here, the firm will direct the Associated Person to seek a comparable, similar mutual fund that provides an advisory share class, and offer the fund and share class to the Client. If no comparable fund with an advisory share class is available, the Client may pay higher fees that include 12b-1 fees.

Class A shares that transfer into Client accounts are periodically converted to the advisory or institutional share class. The firm requires advisory or institutional share classes in accounts, and does not permit purchases of Class A, B, or C shares in advisory accounts unless there is no advisory share class available, and no similar mutual fund with an advisory share class.

Further information regarding fees and charges assessed by a mutual fund is available in each mutual fund's prospectus. Although the firm uses its best efforts to purchase lower cost mutual fund shares when available, some mutual fund companies do not offer institutional classes or funds that do not pay 12b-1 distribution fees.

Additionally, Associated Persons of IAMS Wealth will never accept commissions for securities transactions in advisory accounts managed by IAMS Wealth. Clients of our firm are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with our firm.

Advisory recommendations are based on financial information and the situation that you disclose to us at the time the services are provided. Certain assumptions may be made with respect to interest and inflation rates and the use of past trends and performance of the market and economy. Past performance is in no way an indication of future returns. As your financial situation, goals, objectives, or needs change, you must notify us promptly.

#### **Regulatory Fees**

To pay for the execution of trades, regulatory Trading Activity Fees (TAF) may be added to certain applicable sales transactions. The Securities and Exchange Commission (SEC) regulatory fee is assessed on Client accounts for sell transactions, and a FINRA fee is assessed on Client accounts for sell transactions, for certain covered securities. All custodians recommended by Advisor are FINRA members. These fees recover the costs incurred by the SEC and FINRA, for supervising and regulating the securities markets and securities professionals. The fee rates vary depending on the type of transaction and the size of that transaction. Trading Activity Fees rates, though subject to change, are \$0.000119 per share for each sale of a covered equity security, with a maximum of \$5.95 per trade, \$0.002 per contract for each sale of an option, \$0.00075 per bond for each sale of a covered bond with a maximum charge of \$0.75 per trade. All charged fees will be rounded to the nearest penny using natural rounding logic. For a rounding example, \$0.004 rounds to \$0.00 and \$0.016 rounds to \$0.02. As an example of an equity TAF, if 100 shares of a covered equity were sold, the fee would be  $\$0.000119 \times 100$  which equals \$0.0119, which would be rounded to \$0.01. For more information on the SEC and FINRA fees, please visit their websites:

<https://www.sec.gov/fast-answers/answerssec31htm.html>

<http://www.finra.org/industry/trading-activity-fee>

Please note that any TAF fees collected are not retained by Advisor or custodian but are only collected by the custodian and remitted to the SEC or FINRA.

#### **Sales Compensation**

Certain Executive officers and other Associated Persons of IAMS Wealth are also licensed as insurance agents and can effect transactions in various insurance products, including life, health, disability, long-term care, and annuities among others. The firm expects that clients to whom it offers advisory

services may also be clients for whom such individuals act as insurance agents. As such, licensed persons will earn commission-based compensation for selling insurance products, including insurance products they sell to our clients. Insurance commissions earned by these persons are separate from and in addition to our advisory fees. The sale of insurance instruments and other commissionable products offered by Associated Persons are intended to complement our advisory services. However, 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. We address this conflict of interest by recommending insurance products only where we, in good faith, believe that it is appropriate for the client's particular needs and circumstances and only after a full presentation of the recommended insurance product to our client. In addition, we explain the insurance underwriting process to our clients to illustrate how the insurer also reviews the client's application and disclosures prior to the issuance of a resulting insuring agreement. Clients to whom the firm offers advisory services are informed that they are under no obligation to purchase insurance services. Clients who do choose to purchase insurance services are under no obligation to use our licensed Associated Persons and may use any insurance brokerage firm and agent they choose.

Where fixed annuities are sold, clients should also note that the annuity sales result in substantial up-front commissions and ongoing trails based on the annuity's total value. In addition, many annuities contain surrender charges and/or restrictions on access to your funds. Payments and withdrawals can have tax consequences. Optional lifetime income benefit riders are used to calculate lifetime payments only and are not available for cash surrender or in a death benefit unless specified in the annuity contract. In some annuity products, fees can apply when using an income rider. Annuity guarantees are based on the financial strength and claims-paying ability of the issuing insurance company. We urge our clients to read all insurance contract disclosures carefully before making a purchase decision. Rates and returns mentioned on any program presented are subject to change without notice. Insurance products are subject to fees and additional expenses.

Associated Persons who provide investment advice on behalf of our firm may also be registered representatives with various securities broker-dealers registered with the Securities and Exchange Commission and the Financial Industry Regulatory Authority ("FINRA"). As registered representatives, Associated Persons receive commission-based compensation for buying and selling securities and insurance products, including 12b-1 fees and other trails for the sale of mutual funds or annuity products. This commission compensation is separate and distinct from our advisory fees. IAMS Wealth's advisory clients are not obligated to purchase the products or services of any of these broker-dealers. Clients may purchase or sell insurance and securities at the brokerage firm of their choice.

The sale of mutual funds, annuity contracts, insurance instruments, and other commissionable products offered by Associated Persons are intended to complement IAMS Wealth's advisory services. However, a conflict of interest exists due to the potential receipt of dual forms of compensation. IAMS Wealth has policies and procedures in place to monitor all client transactions and all client transaction costs will be disclosed to the client. Clients to whom the firm offers advisory services are informed that they are under no obligation to use the firm's Associated Persons for insurance services and may use the insurance firm and agent of their choice.

### **External Compensation**

IAMS Wealth's IARs are compensated primarily by IAMS Wealth in the form of a percentage of fees they collect for the assets they attract to IAMS Wealth's investment platform.

Also, from time to time, IAMS Wealth initiates incentive programs for IAMS Wealth's IARs. These programs may compensate them for attracting new assets and clients promoting investment advisory services. IAMS Wealth may also initiate programs that reward IARs who meet total production criteria, participate in advanced training, and/or improve client service. IARs who participate in these incentive programs may be rewarded with cash and/or non-cash compensation, such as deferred compensation, bonuses, training symposiums, marketing assistance, shares of stock in IAMS Wealth, and recognition trips. IAMS Wealth's activities do not increase the Firm's fee.

IAMS Wealth may pay bonuses to prospective IAMS Wealth IARs to entice them to join IAMS Wealth and transition their current clients. Prospective clients should be aware this practice might constitute a conflict of interest in that the recommendation to transition their advisory relationship to IAMS Wealth may be viewed as being in the best interest of IAMS Wealth and its IARs as opposed to the clients.

### **IRA Rollover Considerations**

As a normal extension of financial advice, we provide education or recommendations related to the rollover of an employer-sponsored retirement plan. A plan participant leaving employment has several options. Each choice offers advantages and disadvantages, depending on desired investment options and services, fees and expenses, withdrawal options, required minimum distributions, tax treatment, and the investor's unique financial needs and retirement plans. The complexity of these choices may lead an investor to seek assistance from us.

An Associated Person who recommends an investor roll over plan assets into an Individual Retirement Account ("IRA") may earn an asset-based fee as a result, but no compensation if assets are retained in the plan. Thus, we have an economic incentive to encourage an investor to roll plan assets into an IRA. In most cases, fees and expenses will increase for the investor as a result because the above-described fees will apply to assets rolled over to an IRA and outlined ongoing services will be extended to these assets.

We are fiduciaries under the Investment Advisers Act of 1940 and when we provide investment advice to you regarding your retirement plan account or individual retirement account, we are also fiduciaries 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. We have to act in your best interests and not put our interests ahead of yours. At the same time, the way we make money creates some conflicts with your interests.

We strive to outline all conflicts of interest between you, our firm, and our Associated Persons in this Disclosure Brochure. If additional conflicts arise in the future, we will notify you in writing or supply you with an updated Disclosure Brochure.

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

Our firm and Associated Persons do not accept performance-based fees. Performance-based fees are based on a share of capital gains on or capital appreciation of the client's assets.

#### Types of Clients - Item 7

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

IAMS Wealth requires a minimum of \$25,000 to open and maintain an advisory account. At our sole discretion, we may waive this requirement. This requirement can be met by combining two or more accounts owned by you or related family members.

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

All asset allocation models are developed by other advisers (listed under Item 4 above) in accordance with investment programs developed by these entities. IAMS Wealth will not implement its own methods of analysis and investment strategies. Clients should refer to these other advisers' brochures for more information about these firms' methods of analysis and investment strategies.

**Investing in securities involves the risk of loss that clients should be prepared to bear.** Clients should fully understand the nature of the contractual relationship(s) into which they are entering and the extent of their risk exposure. Certain investment strategies may not be suitable for many members of the public. You should carefully consider whether the strategies employed would be appropriate for you in light of your experience, objectives, financial resources, and other relevant circumstances.

**General Investment Risk:** All investments come with the risk of loss. Investing may involve substantial risks, including the complete possible loss of principal plus other losses, and may not be suitable for many members of the public. Investments, unlike savings and checking accounts at a bank, are not insured by the government to protect against market losses. Different market instruments carry different types and degrees of risk and you should familiarize yourself with the risks involved in the particular market instruments in which you intend to invest.

**Loss of Value:** There can be no assurance that a specific investment will achieve its investment objectives and past performance should not be seen as a guide to future returns. The value of investments and the income derived may fall as well as rise and investors may not recoup the original amount invested. Investments may also be affected by any changes in exchange control regulation, tax laws, withholding taxes, international, political, and economic developments, and government, economic or monetary policies.

**Interest Rate Risk:** Fixed income securities and funds that invest in bonds and other fixed income securities may fall in value if interest rates change. Generally, the prices of debt securities rise when



interest rates fall, and their prices fall when interest rates rise. Longer-term debt securities are usually more sensitive to interest rate changes.

**Credit Risk:** Investments in bonds and other fixed income securities are subject to the risk that the issuer(s) may not make required interest payments. An issuer suffering an adverse change in its financial condition could lower the credit quality of a security, leading to greater price volatility of the security. A lowering of the credit rating of a security may also offset the security's liquidity, making it more difficult to sell. Funds investing in lower-quality debt securities are more susceptible to these problems and their value may be more volatile.

**Risks Associated with Investing in Options:** Transactions in options carry a high degree of risk. A relatively small market movement will have a disproportionately larger impact, which may work for or against the investor. The placing of certain orders, which are intended to limit losses to certain amounts, may not be effective because market conditions may make it impossible to execute such orders. Selling ("writing" or "granting") an option generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of that amount. The seller will also be exposed to the risk of the purchaser exercising the option and the seller will be obliged either to settle the option in cash or to acquire or deliver the underlying investment. If the option is "covered" by the seller holding a corresponding position in the underlying investment or a future on another option, the risk may be reduced.

**Environmental, Social, and Governance Investment Criteria Risk:** If a portfolio is subject to certain environmental, social, and governance (ESG) investment criteria it may avoid purchasing certain securities for ESG reasons when it is otherwise economically advantageous to purchase those securities or may sell certain securities for ESG reasons when it is otherwise economically advantageous to hold those securities. In general, the application of the portfolio's ESG investment criteria may affect the portfolio's exposure to certain issuers, industries, sectors, and geographic areas, which may affect the financial performance of the portfolio, positively or negatively, depending on whether these issuers, industries, sectors or geographic areas are in or out of favor. An adviser can vary materially from other advisers with respect to its methodology for constructing ESG portfolios or screens, including with respect to the factors and data that it collects and evaluates as part of its process. As a result, an adviser's ESG portfolio or screen may materially differ from or contradict the conclusions reached by other ESG advisers concerning the same issuers. Further, ESG criteria are dependent on data and are subject to the risk that such data reported by issuers or received from third-party sources may be subjective, or it may be objective in principle but not verified or reliable.

**Risks Associated with Investing in Inverse and Leveraged Funds:** Leveraged mutual funds and ETFs generally seek to deliver multiples of the daily performance of the index or benchmark that they track. Inverse mutual funds and ETFs generally seek to deliver the opposite of the daily performance of the index or benchmark that they track. Inverse funds often are marketed as a way for investors to profit from, or at least hedge their exposure to, downward-moving markets. Some Inverse funds are both inverse and leveraged, meaning that they seek a return that is a multiple of the inverse performance of the underlying index. To accomplish their objectives, leveraged and inverse funds use a range of investment strategies, including swaps, futures contracts, and other derivative instruments. Leveraged, inverse, and leveraged inverse funds are more volatile and riskier than traditional funds due to their exposure to leverage and derivatives, particularly total return swaps and



futures. At times, we will recommend leveraged and/or inversed funds, which may amplify gains and losses.

Most leveraged funds are typically designed to achieve their desired exposure on a daily (in a few cases, monthly) basis, and reset their leverage daily. A "single day" is measured from the time the leveraged fund calculates its net asset value ("NAV") to the time of the leveraged fund's next NAV calculation. The return of the leveraged fund for periods longer than a single day will be the result of each day's returns compounded over the period. Due to the effect of this mathematical compounding, their performance over longer periods of time can differ significantly from the performance (or inverse performance) of their underlying index or benchmark during the same period of time. For periods longer than a single day, the leveraged fund will lose money when the level of the Index is flat, and the leveraged fund may lose money even if the level of the Index rises. Longer holding periods, higher index volatility, and greater leverage all exacerbate the impact of compounding on an investor's returns. During periods of higher Index volatility, the volatility of the Index may affect the leveraged fund's return as much as or more than the return of the Index itself. Therefore, holding leveraged, inverse, and leveraged inverse funds for longer periods of time increases their risk due to the effects of compounding and the inherent difficulty in market timing. Leveraged funds are riskier than similarly benchmarked funds that do not use leverage. Non-traditional funds are highly volatile and not suitable for all investors. They provide the potential for significant losses.

**Risks Associated with Investing in Buffer ETFs:** Buffer ETFs are also known as defined-outcome ETFs since the ETF is designed to offer downside protection for a specified period of time. These ETFs are modeled after options-based structured notes, but are generally cheaper, and offer more liquidity. Buffer ETFs are designed to safeguard against market downturns by employing complex options strategies. Buffer ETFs typically charge higher management fees that are considerably more than the index funds whose performance they attempt to track. Additionally, because buffer funds own options, they do not receive dividends from their equity holdings. Both factors result in the underperformance of the Buffer ETF compared to the index they attempt to track. Clients should carefully read the prospectus for a buffer ETF to fully understand the cost structures, risks, and features of these complex products.

**Structured Notes:** Below are some specific risks related to the structured notes recommended by our firm:

- *Complexity:* Structured notes are complex financial instruments. Clients should understand the reference asset(s) or index(es) and determine how the note's payoff structure incorporates such reference asset(s) or index(es) in calculating the note's performance. This payoff calculation may include leverage multiplied by the performance of the reference asset or index, protection from losses should the reference asset or index produce negative returns, and/or fees. Structured notes may have complicated payoff structures that can make it difficult for clients to accurately assess their value, risk, and potential for growth through the term of the structured note. Determining the performance of each note can be complex and this calculation can vary significantly from note to note depending on the structure. Notes can be structured in a wide variety of ways. Payoff structures can be leveraged, inverse, or inverse-leveraged, which may result in larger returns or losses. Clients should carefully read

the prospectus for a structured note to fully understand how the payoff on a note will be calculated and discuss these issues with our firm.

- *Market risk.* Some structured notes provide for the repayment of principal at maturity, which is often referred to as “principal protection.” This principal protection is subject to the credit risk of the issuing financial institution. Many structured notes do not offer this feature. For structured notes that do not offer principal protection, the performance of the linked asset or index may cause clients to lose some, or all, of their principal. Depending on the nature of the linked asset or index, the market risk of the structured note may include changes in equity or commodity prices, changes in interest rates or foreign exchange rates, and/or market volatility.
- *Issuance price and note value:* The price of a structured note at issuance will likely be higher than the fair value of the structured note on the date of issuance. Issuers now generally disclose an estimated value of the structured note on the cover page of the offering prospectus, allowing investors to gauge the difference between the issuer’s estimated value of the note and the issuance price. The estimated value of the notes is likely lower than the issuance price of the note to investors because issuers include the costs for selling, structuring, and/or hedging the exposure on the note in the initial price of their notes. After issuance, structured notes may not be re-sold on a daily basis and thus may be difficult to value given their complexity.
- *Liquidity:* The ability to trade or sell structured notes in a secondary market is often very limited, as structured notes (other than exchange-traded notes known as ETNs) are not listed for trading on securities exchanges. As a result, the only potential buyer for a structured note may be the issuing financial institution’s broker-dealer affiliate or the broker-dealer distributor of the structured note. In addition, issuers often specifically disclaim their intention to repurchase or make markets in the notes they issue. Clients should, therefore, be prepared to hold a structured note to its maturity date or risk selling the note at a discount to its value at the time of sale.
- *Credit risk:* Structured notes are unsecured debt obligations of the issuer, meaning that the issuer is obligated to make payments on the notes as promised. These promises, including any principal protection, are only as good as the financial health of the structured note issuer. If the structured note issuer defaults on these obligations, investors may lose some, or all, of the principal amount they invested in the structured notes as well as any other payments that may be due on the structured notes.

**Cybersecurity Risks:** Our firm and our service providers are subject to risks associated with a breach in cybersecurity. Cybersecurity is a generic term used to describe the technology, processes, and practices designed to protect networks, systems, computers, programs, and data from cyber-attacks and hacking by other computer users, and to avoid the resulting damage and disruption of hardware and software systems, loss or corruption of data, and/or misappropriation of confidential information. In general, cyber-attacks are deliberate; however, unintentional events may have similar effects. Cyber-attacks may cause losses to clients by interfering with the processing of transactions, affecting the ability to calculate net asset value, or impeding or sabotaging trading. Clients may also incur substantial costs as the result of a cybersecurity breach, including those associated with forensic analysis of the origin and scope of the breach, increased and upgraded cybersecurity, identity theft, unauthorized use of proprietary information, litigation, and the dissemination of confidential and

proprietary information. Any such breach could expose our firm to civil liability as well as regulatory inquiry and/or action. In addition, clients could be exposed to additional losses as a result of the unauthorized use of their personal information. While our firm has established a business continuity plan and systems designed to prevent cyber-attacks, there are inherent limitations in such plans and systems, including the possibility that certain risks have not been identified. Similar types of cyber security risks are also present for issuers of securities, investment companies, and other investment advisers in which we invest, which could result in material adverse consequences for such entities and may cause a client's investment in such entities to lose value.

**Pandemic Risk:** Large-scale outbreaks of infectious disease can greatly increase morbidity and mortality over a wide geographic area, crossing international boundaries, and causing significant economic, social, and political disruption. It is difficult to predict the long-term impact of such events because they are dependent on a variety of factors including the global response of regulators and governments to address and mitigate the worldwide effects of such events. Workforce reductions, travel restrictions, governmental responses and policies, and macroeconomic factors could negatively impact investment returns.

*Recommendation of Third-Party Investment Advisers*

In the event we recommend a third-party investment adviser to manage all or a portion of your assets, we will advise you on how to allocate your assets among various classes of securities or third-party investment managers, programs, or managed model portfolios. As such, we will primarily rely on investment model portfolios and strategies developed by third-party investment advisers and their portfolio managers. If there is a significant deviation in characteristics or performance from the stated strategy and/or benchmark, we may recommend changing models or replacing a third-party investment adviser. The primary risk associated with investing with a third party is that while a particular third party may have demonstrated a certain level of success in the past; it may not be able to replicate that success in future markets. In addition, as we do not control the underlying investments in third-party model portfolios, there is also a risk that a third party may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. To mitigate this risk, we seek third parties with proven track records that have demonstrated a consistent level of performance and success over time. A third party's past performance is not a guarantee of future results and certain market and economic risks exist that may adversely affect an account's performance that could result in capital losses in your account. Please refer to the third-party investment adviser's advisory agreements, Form ADV Brochure, and associated disclosure documents for details on their specific investment strategies, methods of analysis, and associated risks.

**Disciplinary Information - Item 9**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of us or the integrity of our management. There is no history of reportable material legal or disciplinary events by our firm or our management persons.

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

Steve Michael Murray, Charles Michael Heuring, and Charles Richard Heuring are also principal owners of Insurance Agency Marketing Services, Inc., an insurance field marketing organization and insurance agency that markets/wholesale life insurance and fixed annuities to third-party insurance agents in exchange for marketing and/or override fee from the issuer of such insurance/annuity products. Associated Persons of IAMS Wealth, who are separately licensed as insurance agents, generally utilize the marketing and wholesaling services of Insurance Agency Marketing Services, Inc.

Steve Michael Murray, Charles Michael Heuring, Charles Richard Heuring, and other Associated Persons are licensed as insurance agents and can effect transactions in various insurance products, including life, health, disability, long-term care, and annuities, and earn commissions for these activities. The firm expects that clients to whom it offers advisory services may also be clients for whom such individuals act as insurance agents. Clients are instructed that the fees paid to the firm for advisory services are separate and distinct from the commissions earned for placing the client in insurance products. Clients to whom the firm offers advisory services are informed that they are under no obligation to use the firm's Associated Persons for insurance services and may use the insurance brokerage firm and agent of their choice.

Where you engage a TPIA that we recommend, we will receive compensation from the TPIA for recommending that you use their services. These compensation arrangements present a conflict of interest because we have a financial incentive to recommend the services of a particular TPIA over another TPIA with which we have more favorable compensation arrangements or other professional relationships. Comparable services may be available for lower or higher fees through other service providers with which we have no compensation arrangements or other professional relationships. In order to address this conflict, our firm has adopted a code of ethics that obliges all associated persons to deal fairly with all clients, uphold their fiduciary duty, and put the client's interest first. Clients are not required to use the services of any TPIA we recommend.

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

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

IAMS Wealth has adopted a Code of Ethics (the "Code") to address investment advisory conduct. The Code focuses primarily on fiduciary duty, personal securities transactions, insider trading, gifts, and conflicts of interest. The Code includes IAMS Wealth's policies and procedures developed to protect clients' interests in relation to the following topics:

- The duty at all times to place the interests of clients first;
- The requirement that all personal securities transactions be conducted in such a manner as to be consistent with the code of ethics;
- The responsibility to avoid any actual or potential conflict of interest or misuse of an employee's position of trust and responsibility;
- The fiduciary principle that information concerning the identity of security holdings and financial circumstances of clients is confidential; and
- The principle that independence in the investment decision-making process is paramount.

A copy of IAMS Wealth's Code of Ethics is available upon request to Mike Hansen, Chief Compliance Officer, at (888) 255-7670 or [mike@iamswm.com](mailto:mike@iamswm.com).

### **Personal Trading Practices**

At times, IAMS Wealth and/or its Advisory Representatives may take positions in the same securities as clients, which may pose a conflict of interest with clients. We will not violate our fiduciary responsibilities to our clients. Front running (trading shortly ahead of clients) is prohibited. Should a conflict occur because of materiality, disclosure will be made to the client(s) at the time of trading. Incidental trading not deemed to be a conflict (i.e., a purchase or sale that is minimal in relation to the total outstanding value, and as such would have a negligible effect on the market price), would not be disclosed at the time of trading.

## **Brokerage Practices - Item 12**

We do not have physical custody of your funds and securities for which we provide advisory services. Those assets must be maintained in an account at a "qualified custodian," generally a broker-dealer, bank, or trust company, for example. We routinely require that our clients use Charles Schwab & Co., Inc. ("Schwab"), a registered broker-dealer, member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investor Protection Corporation (SIPC), as the qualified custodian. We believe that Schwab provides quality execution services for clients 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, including the value of research provided, the company'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 Schwab provides, you may pay higher commissions and/or trading costs than those that may be available elsewhere.

We are independently owned and operated and are not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when we or you instruct them to. While we recommend that you use Schwab as custodian/broker, you will decide whether to do so and will open your account with Schwab by entering into an account Agreement directly with them. Conflicts of interest associated with this arrangement are described below as well as in Item 14 (Client Referrals and Other Compensation). You should consider these conflicts of interest when selecting your custodian.

We do not open the account for you, although we may assist you in doing so. Not all advisers require their clients to use a particular broker-dealer or other custodian selected by the adviser. Even though your account is maintained at Schwab, and we anticipate that most trades will be executed through Schwab, we can still use other brokers to execute trades for your account as described below (see "Your Brokerage and Custody Costs").

### **How We Select Brokers/Custodians**

When considering whether the terms that Schwab provides are, overall, most advantageous to you when compared with other available providers and their services, we take into account a wide range of factors, including:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
- Capability to execute, clear, and settle trades (buy and sell securities for your account)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payments, etc.)
- The breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds (ETFs), etc.)
- Availability of investment research and tools that assist us in making investment decisions
- Quality of services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices
- Reputation, financial strength, security and stability
- Prior service to us and our clients
- Services delivered or paid for by Schwab
- Availability of other products and services that benefit us, as discussed below

#### **Your Brokerage and Custody Costs**

For our clients' accounts that Schwab maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account. Certain trades (for example, certain mutual funds and ETFs) do not incur Schwab commissions or transaction fees. Schwab is also compensated by earning interest on the uninvested cash in your account in Schwab's Cash Features Program. In addition to transaction fees, Schwab charges you a flat dollar amount as a "prime broker" or "trade away" fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Schwab account. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer. Because of this, in order to minimize your trading costs, we will have Schwab execute most trades for your account.

We are not required to select the broker or dealer that charges the lowest transaction cost, even if that broker provides execution quality comparable to other brokers or dealers. Although we are not required to execute all trades through Schwab, we have determined that having Schwab execute most trades is consistent with our duty to seek "best execution" of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see "How We Select Brokers/Custodians"). By using another broker or dealer you may pay lower transaction costs.

#### **Research and Other Soft Dollar Benefits**

Although the following products and services are not purchased with "soft dollar" credits, we will receive certain economic benefits (soft dollar benefits) from Schwab in the form of access to Schwab's institutional brokerage and support services at no additional cost or a discounted cost. Below is a detailed description of Schwab's support services:

#### **Products and Services Available to Us from Schwab**

Schwab Advisor Services™ is Schwab's business serving independent investment advisory firms like ours. They provide our clients and us with access to their institutional brokerage services (trading,

custody, reporting, and related services), many of which are not typically available to Schwab retail customers. However, certain retail investors may be able to get institutional brokerage services from Schwab without going through us. Schwab also makes available various support services. Some of those services help us manage or administer our clients' accounts, while others help us manage and grow our business. Schwab's support services are generally available on an unsolicited basis (we don't have to request them) and at no charge to us.

***Services that Benefit You:*** Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit you and your account.

***Services that Do Not Directly Benefit You:*** Schwab also makes available to us other products and services that benefit us but do not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts and operating our firm. They include investment research, both Schwab's own and that of third parties. We use this research to service all or a substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- provide access to client account data (such as duplicate trade confirmations and account statements)
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- provide pricing and other market data
- facilitate payment of our fees from our clients' accounts
- assist with back-office functions, recordkeeping, and client reporting

***Services that Generally Benefit Only Us:*** Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events
- Consulting on technology and business needs
- Consulting on legal and compliance-related needs
- Publications and conferences on practice management and business succession
- Access to employee benefits providers, human capital consultants, and insurance providers
- Marketing consulting and support
- Recruiting and custodial search consulting

Schwab provides some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab also discounts or waives its fees for some of these services or pays all or a part of a third party's fees. Schwab also provides us with other benefits, such as occasional business entertainment for our personnel. If you did not maintain your account with Schwab, we would be required to pay for those services from our own resources.

IAMS Wealth understands its duty for best execution and considers all factors in making recommendations to clients. These research services may be useful in servicing all IAMS Wealth clients and may not be used in connection with any particular account that may have paid



compensation to the firm providing such services. While IAMS Wealth may not always obtain the lowest commission rate, IAMS Wealth believes the rate is reasonable in relation to the value of the brokerage and research services provided.

#### **Our Interest in Schwab's Services**

The availability of these services from Schwab benefits us because we do not have to produce or purchase them. We don't have to pay for Schwab's services.

Schwab has also agreed to pay for certain technology, research, marketing, and compliance consulting products and services on our behalf once the value of our clients' assets in accounts at Schwab reaches certain thresholds.

The fact that we receive these benefits from Schwab is an incentive for us to recommend the use of Schwab rather than making such a decision based exclusively on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a conflict of interest. We believe, however, that taken in the aggregate our recommendation of Schwab as custodian and broker is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of Schwab's services (see "How We Select Brokers/Custodians") and not Schwab's services that benefit only us.

#### **Brokerage for Client Referrals**

We do not receive client referrals from broker-dealers and custodians with which we have an institutional advisory arrangement. In addition, we do not receive other benefits from a broker-dealer in exchange for client referrals.

#### **Directed Brokerage**

We routinely require that you direct our firm to execute transactions through broker-dealers with whom we have a business relationship, such as Schwab. As such, we may be unable to achieve the most favorable execution of your transactions and you may pay higher brokerage commissions than you might otherwise pay through another broker-dealer that offers the same types of services. Some third-party investment advisers or programs may require clients to use other broker-dealers in order to participate in those programs. Not all advisers require their clients to direct brokerage.

#### **Trade Aggregation/Block Trading**

IAMS Wealth does not aggregate transactions (also known as block trading) in equity and fixed income securities whereby participating client accounts would receive an average share price for the securities bought or sold. Sub adviser and/or other third-party investment advisers may or may not aggregate transactions. Where orders are not aggregated, some clients may pay a different price for their securities than other clients.

#### **Trading Errors**

Even with our best efforts and controls, trade errors can happen. All trade errors will be brought to the attention of the COO and the CCO immediately upon discovery. We will work to formulate the best resolution for the client. In the event of a trade error, we will work with the intent to make the client whole. Ideally, when possible, trade errors will be moved from the client's account to either our trade error account with the broker/dealer that executed the trade or that broker/dealer's trade error account, depending upon which party is responsible for the error. In cases in which we are



responsible for the error, all losses will be paid by us and all gains will be retained by the custodian. In cases in which the broker/dealer is responsible for the error, we will follow the procedures of the broker/dealer with respect to any gains or losses in the trade error account. Please be advised that any trade errors that result from inaccurate instructions provided by the client remain the financial responsibility of the client.

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

#### ***Managed Accounts***

Accounts are reviewed by the Associated Person named as adviser of record on the account. The frequency of reviews is determined based on the client's investment objectives, but reviews are conducted no less frequently than annually.

Additional reviews are usually triggered by a change in the client's investment objectives, tax considerations, large deposits or withdrawals, large purchases or sales, loss of confidence in corporate management, or changes in the macroeconomic climate.

The client's independent custodian provides account statements directly to the client no less frequently than quarterly. The custodian's statement is the official record of the client's securities account and supersedes any statements or reports created on behalf of the client by IAMS Wealth.

#### ***Financial Planning Engagements***

A financial plan is a snapshot in time and no ongoing reviews of the plan are conducted. Under each contract, clients are provided a one-time financial plan concerning their then current financial situation. After the presentation of the plan, there are no further reports. Clients may request additional planning services under a new engagement. We recommend clients engage us, as their needs and circumstances change, to review and update the financial plan.

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

#### **Client Referrals**

Our firm may compensate supervised persons associated with our firm for client referrals. Such compensation is based on a percentage of the advisory fee you pay to us. Additionally, from time to time, we may pay one or more promoters (outside consultants, individuals, and/or entities) a fixed periodic fee to participate in an online adviser matching program, which seeks to match prospective advisory clients with our firm. When there is a match, we are provided with the name and contact information of the potential lead. In order to receive a cash fee from our firm, promoters must comply with the requirements of the jurisdictions in which they operate. While clients who were referred through promoters are not charged additional or higher fees than clients who were not referred, promoters have a financial incentive to recommend our firm based on the compensation received. However, you are not obligated to retain our firm for advisory services. Comparable services and/or lower fees may be available through other firms.

We share in a portion of the advisory fees paid to third-party investment advisers to which we refer clients for the management of their accounts. This compensation arrangement presents a conflict of interest due to a financial incentive to recommend the services of third-party investment advisers over those with whom we have less favorable compensation arrangements. However, you are not obligated to use the services of any third-party investment advisers we recommend.

#### **Economic Benefits Received from Custodians**

IAMS Wealth has brokerage and clearing arrangements with account custodians, such as Schwab. As described in Item 12 above, we receive economic benefits from our custodial broker dealer in the form of support products and services they make available to us and other independent investment advisors whose clients maintain their accounts at these custodial broker dealers. We may receive additional benefits from such account custodians in the form of electronic delivery of client information, electronic trading platforms, institutional trading support, proprietary and/or third-party research, continuing education, practice management advice, and other services provided by custodians for the benefit of investment advisory clients. The availability of custodial products and services is not dependent upon or based on the specific investment advice we provide our clients, such as buying or selling specific securities or specific types of securities for our clients. The products and services provided by the custodial broker dealer, how they benefit us, and the related conflicts of interest are described above (see Item 12 – Brokerage Practices).

#### **Economic Benefits Received from Vendors and Product Sponsors**

Occasionally, our firm and our Associated Persons will receive additional compensation from vendors. Compensation could include such items as gifts; an occasional dinner or ticket to a sporting event; reimbursement in connection with educational meetings with an Associated Person, reimbursement for consulting services, client workshops, or events; or marketing events or advertising initiatives, including services for identifying prospective clients. Receipt of additional economic benefits presents a conflict of interest because our firm and Associated Persons have an incentive to recommend and use vendors based on the additional economic benefits obtained rather than solely on the client's needs. We address this conflict of interest by recommending vendors that we, in good faith, believe are appropriate for the client's particular needs. Clients are under no obligation contractually or otherwise, to use any of the vendors recommended by us.

#### **Other Compensation**

IAMS Wealth may receive additional compensation from third-party investment advisers, sub-advisers, model managers, product sponsors, and others. These partners may provide non-monetary compensation by paying some expenses related to training and education, including travel expenses, and attaining professional designations. IAMS Wealth might receive payments to subsidize our own training programs. Certain vendors may invite us to participate in conferences, on-line training or receive publications that may further our skills and knowledge. Some may occasionally provide us with gifts, meals and entertainment of reasonable value consistent with industry rules and regulations.

IAMS Wealth may organize various due diligence and educational seminars for its existing and prospective Investment Adviser Representatives and may invite such persons to attend such events free of charge. In some cases, IAMS Wealth also pays such persons' travel expenses.

#### Custody - Item 15

We do not have physical custody of your funds or securities. They will be held by a qualified custodian, such as Schwab. However, advisers who deduct advisory fees directly from client accounts are deemed to have constructive custody over clients' funds and securities. As disclosed above, in Items 4 and 5, IAMS Wealth relies on Fusion Capital Management, a sub-adviser to assist our firm with back-office support, including the calculation of billing fees. They then provide us with the amount of our fees, so that we can send an invoice to the custodian with the amounts to be withdrawn directly from the clients' accounts provided the following requirements are met:

- We have authorization from you, in writing, permitting the fees to be paid directly from your account held by the qualified custodian.
- We disclose to you that it is your responsibility to verify the accuracy of the fee calculation and that the custodian will not determine whether the fee is accurately calculated.
- The qualified custodian agrees to send you a statement, at least quarterly, showing all funds that came out of your account including the amount of the advisory fee paid directly to our firm.

We may deduct the fee from a designated account to facilitate billing. If insufficient cash is available to pay such fees, securities in an amount equal to the balance of unpaid fees will be liquidated to pay for the unpaid balance.

We are also deemed to have custody in certain situations where we accept standing letters of authorization from you to transfer assets to third parties. We maintain safeguards in accordance with regulatory requirements regarding the custody of client assets.

Additionally, clients will receive account statements at least quarterly from their qualified custodian. Clients are urged to review their custodial account statements for accuracy. If you have a question about your statement or if you did not receive a statement, please contact Mike Hansen, Chief Compliance Officer, at (888) 255-7670 or [mike@iamswm.com](mailto:mike@iamswm.com).

#### Voting Client Securities - Item 17

IAMS Wealth's portfolio management services are offered on a discretionary basis. This authority is granted to us by you in the Asset Management Agreement. This allows our firm, the sub-adviser, and/or other third-party investment adviser to choose the quantity of the securities to be purchased or sold and whether to place buy or sell orders for your account without obtaining your approval for each transaction.

If you wish, you may limit our discretionary authority by, for example, setting a limit on the type of securities that can be purchased for your account. All restrictions or guidelines must be provided in writing.

#### **Charles Schwab Account Conversions**

IAMS Wealth client accounts held at Charles Schwab Institutional ("Schwab") may be converted to Schwab Retail at IAMS Wealth's discretion, effectively terminating the investment management

agreement. A Schwab Retail account conversion removes IAMS Wealth authorization and management services from the client account, including trading discretion, billing permission, and online visibility. Circumstances prompting a Schwab Retail account conversion may include but are not limited to failure of a client to respond to their Advisor, failure to complete necessary IAMS Wealth contractual paperwork, failure to comply with compliance requirements, failure to adhere to the trading and transacting best practices, and the like. An account may also be converted to Schwab Retail if the assigned Advisor is no longer associated with IAMS Wealth. After a Schwab Retail conversion, clients may receive a written notice from IAMS Wealth and will receive a welcome letter from Schwab Retail directly to their address or record. Schwab remains the underlying custodian, and clients retain their account ownership and access throughout the transition.

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

IAMS Wealth does not vote proxies. It is the client's responsibility to vote proxies. Clients will receive proxy materials directly from the custodian. Questions about proxies may be made via the contact information on the cover page.

#### **Financial Information - Item 18**

We are required in this Item to provide you with certain financial information or disclosures about IAMS Wealth's, financial condition. IAMS Wealth does not require the prepayment of over \$1,200, six or more months in advance. Additionally, IAMS Wealth has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and IAMS Wealth has not been the subject of a bankruptcy proceeding.

#### **Requirements of State-Registered Advisers - Item 19**

**This section is not applicable because our firm is SEC-registered.**

#### **Miscellaneous**

##### **Confidentiality**

IAMS Wealth views protecting its customers' private information as a top priority and, pursuant to the requirements of the Gramm-Leach-Bliley Act, the firm has instituted policies and procedures to ensure that customer information is kept private and secure.

IAMS Wealth does not disclose any nonpublic personal information about its customers or former customers to any non-affiliated third parties, except as permitted by law. In the course of servicing a client account, IAMS Wealth may share some information with its service providers, such as transfer agents, custodians, broker-dealers, accountants, and lawyers.

IAMS Wealth restricts internal access to nonpublic personal information about its clients to those employees who need to know that information in order to provide products or services to the client. IAMS Wealth maintains physical and procedural safeguards that comply with state and federal standards to guard a client's nonpublic personal information and ensure its integrity and confidentiality. As emphasized above, it has always been and will always be the firm's policy never to sell information about current or former customers or their accounts to anyone. It is also the firm's policy not to share information unless required to process a transaction, at the request of the client, or as required by law.

A copy of the firm's privacy policy notice will be provided to each client prior to, or contemporaneously with, the execution of the Asset Management Agreement. If you have any questions about this policy, please contact Mike Hansen, Chief Compliance Officer, at (888) 255-7670 or [mike@iamswm.com](mailto:mike@iamswm.com).