

**Form ADV Part 2A - Brochure**

**Item 1 Cover Page**

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March 19, 2024

**This brochure provides information about the qualifications and business practices of Proxy Wealth Advisors LLC. If you have any questions about the contents of this brochure, please contact us at 646-289-5075. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority. Registration as a registered investment advisor does not imply a certain level of skill or training.**

**Additional information about Proxy Wealth Advisors LLC also is available on the SEC’s website at <http://www.adviserinfo.sec.gov>.**

## **Item 2 Material Changes**

May 10, 2023 – Item 10 was amended to disclose a new financial industry affiliate, Proxy International LLC.

June 12, 2023 – Proxy Wealth has met the eligibility requirement for transitioning from state to SEC registration and has modified certain Items in this Brochure to conform with SEC regulations.

July 11, 2023 – In connection with the approval of the application for SEC registration, state specific disclosures were removed from this Brochure.

March 19, 2024 – Item 1 was amended to reflect a new office address.

The material changes discussed above are only those changes that have been made to this brochure since the firm's last annual update of the brochure. The date of the last annual update of the brochure was March 15, 2023.

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

Proxy Wealth Advisors LLC is a registered investment advisor firm registered with the SEC since July 2023 and previously with state securities regulators since September 2018.

The principal owner of Proxy Wealth Advisors LLC is Proxy Financial Corp, which is half owned by each of Christopher Davidson and Bryan Caulkins.

##### Advisory Services

Proxy Wealth Advisors LLC (“Proxy Wealth” or “Advisor”) principal service is providing fee-based investment advisory services and financial planning services. The Advisor practices custom management of portfolios, on a discretionary basis, according to the client’s objectives. The Advisor’s primary approach is to use a tactical allocation strategy aimed at reducing risk and increasing performance. The Advisor may use any of the following: exchange listed securities, foreign securities, warrants, corporate debt securities, CDs, variable life insurance, variable annuities, municipal securities, mutual funds, United States government securities, options on securities, and futures contracts on tangibles to accomplish this objective. The Advisor measures and selects mutual funds by using various criteria, such as the fund manager’s tenure, and/or overall career performance. The Advisor may recommend, on occasion, redistributing investment allocations to diversify the portfolio in an effort to reduce risk and increase performance. The Advisor may recommend specific stocks to increase sector weighting and/or dividend potential. The Advisor may recommend employing cash positions as a possible hedge against market movement which may adversely affect the portfolio. The Advisor may recommend selling positions for reasons that include, but are not limited to, harvesting capital gains or losses, business or sector risk exposure to a specific security or class of securities, overvaluation or overweighting of the position(s) in the portfolio, change in risk tolerance of client, or any risk deemed unacceptable for the client’s risk tolerance.

##### Financial Planning

In addition to investment supervisory services, Proxy Wealth may provide Financial Planning Services to some of its clients. As each client’s needs are different, the amount and type of Financial Planning Services will vary client to client. At a base level, the services may include purely recommendations for asset allocation and portfolio customization based on factors such as the client’s investment objectives, goals, risk tolerance and financial situation. More complex Financial Planning Services may also include recommendations relating to investment strategies, cash flow and budgeting plans, tax planning, wealth transfer strategies, family business and generational wealth transfer strategies and other advice addressing the needs of the client. As noted in Item 5 below, financial planning clients will have the option to pay for these services on an hourly basis for one-time services or occasional updates, or on a fixed fee basis that will be determined based on the estimated relative level of effort for financial planning assistance and updates.

Proxy Wealth will tailor its advisory services to its client’s individual needs based on meetings and conversations with the client. If clients wish to impose certain restrictions on investing in certain securities or types of securities, the Advisor will address those restrictions with the client to have a clear understanding of the client’s requirements.

Proxy Wealth does provide portfolio management services to wrap fee programs. Proxy Wealth manages both the wrap fee accounts and other accounts, not within the wrap fee program, with the same investment strategy. Proxy Wealth receives wrap fees for its portfolio management services as described in Item 5 (below).

As of December 31, 2023, Proxy Wealth had \$58,905,000 in discretionary and \$73,895,000 in non-discretionary client assets under management.

## **Item 5 Fees and Compensation**

### Asset Management Fees

Pursuant to an Investment Advisory contract signed by each client, the client will pay Proxy Wealth an annual management fee of up to 2%, accrued daily based on the value of portfolio assets of the account and payable quarterly in arrears. New account fees are prorated from the inception of the account to the end of the first quarter.

Management fees will vary depending on the type and complexity of the investment management strategy employed as well as the size of the account or overall client relationship, and whether or not the fee is a wrap fee as explained below. These fees are negotiated by Proxy Wealth at its sole discretion. The client will give written authorization permitting the Advisor to be paid directly from their account held by the custodian. The custodian will send a statement at least quarterly to the client. In cases where it is not practical to directly deduct fees from client accounts, client will be sent an invoice on a quarterly basis for any outstanding advisory fees due.

### Hourly Fee

Some clients will contract to have financial planning advice provided based on an hourly fee. The Advisors hourly fee will be billed at a rate of \$250 per hour but may be negotiated in advance. Hourly fee-based clients are billed on a quarterly basis in arrears.

### Fixed Fees

For personal financial planning for individuals, Proxy Wealth will charge a one-time fixed fee of up to \$5,000, in advance, for comprehensive financial planning services, the fee will the depend on the complexity of the case. In the event that the financial planning client chooses Proxy Wealth to manage their portfolio, the fee will be applied against the negotiated annual management fee. For financial planning services for businesses, Proxy Wealth charges an initial plan preparation and consulting fee of up to \$10,000 in advance, and up to \$7,500 for annual updates, paid in advance. Proxy Wealth also works with foreign individuals providing advice and assistance with both immigration and financial planning issues and will charge a fixed fee of up to \$50,000 for those services, depending on the complexity of the specific circumstances. The fees are negotiable and vary depending on the scope and complexity of the financial planning advice and project deliverables required. All plans and consulting assignments will be delivered in six months or less from the beginning of the agreement.

For each of the Advisor's services described above, the Client may terminate these services within five business days of the effective date of an Agreement signed with the Advisor without any payment of the Advisor's fee.

Clients may request to terminate their advisory contract with Proxy Wealth, in whole or in part, by providing advance written notice. Upon termination, fees earned by the Advisor but not billed will be prorated to the date of termination and charged to the client. Client's advisory agreement with the Advisor is non-assignable without client's written approval.

All fees paid to Proxy Wealth for investment advisory services are separate and distinct from the expenses charged by mutual funds to their shareholders and the product sponsor in the case of variable insurance products. These fees and expenses are described in each fund's or variable product's prospectus. These fees will generally include a management fee and other fund expenses. For additional information on Proxy Wealth's brokerage practices, please see Item 12.

At no time will Proxy Wealth accept or maintain custody of a client's funds or securities except for authorized fee deduction. The Advisor treats the custodial and securities execution fees charged by the custodian and executing broker-dealer in one of two ways. Either the client is responsible for all costs and will pay them directly out of the account, or the Advisor's Management Fee will include all such costs and they will be paid by the Advisor. Therefore, in the former method, the client will pay the Management Fee solely for advisory services, and will also directly pay any transaction costs assessed by the executing broker-dealer or custodian, such as commissions and transaction fees. The latter method is typically characterized as a "wrap fee", where the Management Fee includes the investment advisory services as well as all transaction costs and the client pays only that Management Fee and no other transaction-based costs concerning the trading and maintaining of the account. There may be other costs (such as wire transfer fees, medallion signature guaranty fees, etc.) that will be charged by the broker-dealer or custodian outside of the wrap fee. Generally, clients in the wrap fee accounts, with the transaction and custody costs included, will pay a higher Management Fee than those where those costs are not included in the fee. The specific arrangement for each client will be negotiated and defined in the investment advisory contract signed by each client.

Proxy Wealth's fixed financial planning fee is payable in advance. Upon termination, any fees paid in advance will be prorated to the date of termination and any unearned fees will be refunded to client.

Where acting in the capacity of an insurance agent, investment advisory representatives of Proxy Wealth may as agent effect securities transactions for typical and customary compensation. Clients are not obligated to use investment advisory representatives of Proxy Wealth to execute such securities transactions.

This practice presents a conflict of interest by creating an incentive to recommend investment products based on the compensation received, rather than on a client's needs. Proxy Wealth and its Investment Advisor Representatives are fiduciaries by law and must only make recommendations that are in the best interest of clients. In addition, the firm maintains a Code of

Ethics to which the Investment Advisor Representatives must adhere that includes the requirement to act as a fiduciary. Clients will be provided with complete information about all commissions and fees associated with such transaction recommendations, and any securities purchased on a transaction basis will not be subject to the Proxy Wealth investment management fee.

A client may be able to invest in products recommended by the firm directly, without the services of Proxy Wealth. In that case, the client would not receive the services provided by Proxy Wealth which are designed, among other things, to assist the client in determining which products or services are most appropriate to each client's financial condition and objectives.

Insurance commissions do not provide the majority of compensation to Proxy Wealth.

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

Proxy Wealth does not charge performance-based fees.

### **Item 7 Types of Clients**

The Advisor will offer its services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and other business entities.

The Advisor does not have any minimum requirements for opening or maintaining an account.

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

The Advisor may utilize fundamental, technical or cyclical analysis techniques in formulating investment advice or managing assets for clients.

Fundamental analysis of businesses involves analyzing its financial statements and health, its management and competitive advantages and its competitors and markets. Fundamental analysis is performed on historical and present data but with the goal of making financial forecasts. There are several possible objectives; to conduct a company stock valuation and predict its probable price evolution; to make a projection on its business performance; to evaluate its management and make internal business decisions and to calculate its credit risk.

Technical analysis is a method of evaluating securities by relying on the assumption that market data, such as charts of price, volume and open interest can help predict future (usually short-term) market trends. Technical analysis assumes that market psychology influences trading in a way that enables predicting when a stock will rise or fall.

Cyclical analysis of economic cycles is used to determine how these cycles affect the returns of an investment, an asset class or an individual company's profits. Cyclical risks exist because the broad economy has been shown to move in cycles, from periods of peak performance followed by a downturn, then a trough of low activity. Between the peak and trough of a business or other economic cycle, investments may fall in value to reflect the uncertainty surrounding future returns as compared with the recent past.

The investment strategies the Advisor will implement may include long-term purchases of securities held at least for one year, short-term purchases for securities sold within a year, short sales, margin transactions, and option writing, including covered options, uncovered options or spreading strategies.

Clients need to be aware that investing in securities involves risk of loss that clients need to be prepared to bear.

The methods of analysis and investment strategies followed by the Advisor are utilized across all of the Advisors clients, as applicable. One method of analysis or investment strategy is not more significant than the other as the Advisor is considering the client's portfolio, risk tolerance, time horizon and individual goals. However, the client should be aware that with any trading that occurs in the client account, the client will incur transaction and administrative costs.

Investing includes the risk that the value of an investment can be negatively affected by factors specifically related to the investment (e.g., capability of management, competition, new inventions by other companies, lawsuits against the company, labor issues, patent expiration, etc.), or to factors related to investing and the markets in general (e.g., the economy, wars, civil unrest or terrorism around the world, concern about oil prices or unemployment, etc.).

Risks of fundamental analysis may include risks that market actions, natural disasters, government actions, world political events or other events not directly related to the price or valuation of a specific company's fundamental analysis can adversely impact the stock price of a company causing a portfolio containing that security to lose value. Risks may also include that the historical data and projections on which the fundamental analysis is performed may not continue to be relevant to the operations of a company going forward, or that management changes or the business direction of management of the company may not permit the company to continue to produce metrics that are consistent with the prior company data utilized in the fundamental analysis, which may negatively affect the Advisor's estimate of the valuation of the company.

In cyclical analysis, economic or business cycles may not be predictable and may have many fluctuations between long-term expansions and contractions. Also, the lengths of the economic cycles may be difficult to predict with accuracy. Therefore, the risk of cyclical analysis is the difficulty in predicting economic trends and consequently the changing value of securities that would be affected by these changing trends.

The primary risks in technical analysis are that the factors used to analyze the price, trends and volatility of a security may not be replicated, or the outcomes of such analysis will not be the same as in past periods where similar combinations existed. Because of the reliance on trends, technical analysis can signal buying at market peaks and selling at market troughs.

All investments involve some degree of risk. In finance, risk refers to the degree of uncertainty and/or potential financial loss inherent in an investment decision. In general, as investment risks rise, investors seek higher returns to compensate themselves for taking such risks.



Every saving and investment product have different risks and returns. Differences include how readily investors can get their money when they need it, how fast their money will grow, and how safe their money will be. The primary risks faced by investors include:

#### Business Risk

With a stock, you are purchasing a piece of ownership in a company. With a bond, you are loaning money to a company. Returns from both of these investments require that the company stays in business. If a company goes bankrupt and its assets are liquidated, common stockholders are the last in line to share in the proceeds. If there are assets, the company's bondholders will be paid first, then holders of preferred stock. If you are a common stockholder, you get whatever is left, which may be nothing.

The business risk in purchasing an annuity is that the financial strength of the insurance company issuing the annuity may decline and not be able to pay out the annuity obligation.

#### Volatility Risk

Even when companies aren't in danger of failing, their stock price may fluctuate up or down. Large company stocks as a group, for example, have lost money on average about one out of every three years. A stock's price can be affected by factors inside the company, such as a faulty product, or by events the company has no control over, such as political or market events.

#### Inflation Risk

Inflation is a general upward movement of prices. Inflation reduces purchasing power, which is a risk for investors receiving a fixed rate of interest. The principal concern for individuals investing in cash equivalents is that inflation will erode returns.

#### Interest Rate Risk

Interest rate changes can affect a bond's value. If bonds are held to maturity the investor will receive the face value, plus interest. If sold before maturity, the bond may be worth more or less than the face value. Rising interest rates will make newly issued bonds more appealing to investors because the newer bonds will have a higher rate of interest than older ones. To sell an older bond with a lower interest rate, you might have to sell it at a discount.

#### Liquidity Risk

This refers to the risk that investors won't find a market for their securities, potentially preventing them from buying or selling when they want. This can be the case with the more complicated investment products. It may also be the case with products that charge a penalty for early withdrawal or liquidation such as a certificate of deposit (CD).

The Advisor does not primarily recommend a particular type of security. However, clients are advised that many unexpected broad environmental factors can negatively impact the value of portfolio securities causing the loss of some or all of the investment, including changes in interest rates, political events, natural disasters, and acts of war or terrorism. Further, factors relevant to specific securities may have negative effects on their value, such as competition or government regulation. Also, the factors for which the company was selected for inclusion in a client portfolio may change, for example, due to changes in management, new product introductions, or lawsuits.

## **Item 9 Disciplinary Information**

Neither Proxy Wealth nor its management persons have had any legal or disciplinary events, currently or in the past.

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

Neither Proxy Wealth nor any of its management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

Neither Proxy Wealth nor any of its management persons are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

Proxy Wealth does not currently have any relationships or arrangements that are material to its advisory business or clients with either a broker-dealer, municipal securities dealer, or government securities dealer or broker, investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund” and offshore fund), futures commission merchant, commodity pool operator, or commodity trading advisor, banking or thrift institution, accountant or accounting firm, lawyer or law firm, pension consultant, real estate broker or dealer or sponsor of syndicator of limited partnerships.

Proxy Wealth is owned by Proxy Financial Corp which also owns two other investment advisors, Proxy Freedom LLC (CRD# 324749), and Proxy International LLC (CRD# 325499). Each of the affiliated entities were formed to serve different client audiences. Clients of Proxy Wealth will not be clients of the affiliated advisors. Oleg Zviagin, CCO and Investment Advisor Representative of Proxy Wealth is also the CCO and an Investment Advisor Representative of Proxy International and spends approximately half of his time on that activity.

Supervised persons of Proxy Wealth are also licensed and registered as insurance agents to sell life, accident and other lines of insurance for various insurance companies. Therefore, they will be able to purchase insurance products for any client in need of such services and will receive separate, yet typical compensation in the form of commissions for the purchase of insurance products. This creates a conflict of interest because of the receipt of additional compensation by the firm and its supervised persons. Clients are not obligated to use Proxy Wealth or its personnel for insurance products services. However, in such instances, there is no advisory fee associated with these insurance products.

Proxy Wealth does not recommend or select other investment advisers for clients.

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

Proxy Wealth is registered with the SEC and maintains a Code of Ethics pursuant to SEC Rule 204A-1 that sets forth the basic policies of ethical conduct for all managers, officers, and employees of the adviser. In addition, the Code of Ethics governs personal trading by each employee of Proxy Wealth deemed to be an Access Person and is intended to ensure that securities transactions effected by Access Persons of Proxy Wealth are conducted in a manner that avoids any conflict of interest between such persons and clients of the adviser or its affiliates. Proxy Wealth collects and maintains records of securities holdings and securities transactions effected by Access Persons. These records are reviewed to identify and resolve conflicts of interest.

Proxy Wealth does not recommend to clients, or buy or sell for client accounts, securities in which the firm or a related person has a material financial interest.

Proxy Wealth and/or its investment advisor representatives may from time to time purchase or sell products that they may recommend to clients. This practice creates conflicts of interest in that personnel of Proxy Wealth can take advantage of the advance knowledge of firm securities trading and trade their personal accounts ahead of the client trades or recommend trades in client accounts that may affect the price of the securities owned by the Investment Advisor Representatives. To mitigate these conflicts, Proxy Wealth has adopted a Code of Ethics as noted above. Proxy Wealth's Code of Ethics is available upon request. Finally, supervised persons of registered investment advisors are fiduciaries by law and are required to put the client's interest before those of the firm and themselves.

Proxy Wealth requires that its investment advisor representatives follow its basic policies and ethical standards as set forth in its Code of Ethics.

Investment Advisor Representatives of Proxy Wealth may trade for their own accounts securities that are being traded for client accounts at or about the same time. To mitigate the conflict of interest in such circumstances, Proxy Wealth's policy is to require the trading of all relevant client accounts prior to the trading of their own accounts. The Chief Compliance Officer examines personal trading activities of Proxy Wealth's personnel to verify compliance with this policy.

## **Item 12 Brokerage Practices**

If requested by the client, Proxy Wealth may suggest brokers or dealers to be used based on execution and custodial services offered, cost, quality of service and industry reputation. Proxy Wealth will consider factors such as commission price, speed and quality of execution, client management tools, and convenience of access for both the Advisor and client in making its suggestion.

Proxy Wealth does not receive client referrals from any broker-dealer or third party as a result of the firm selecting or recommending that broker-dealer to clients.

Proxy Wealth may recommend/require that clients establish brokerage accounts with the Schwab Advisor Services division of Charles Schwab & Co., Inc., or Interactive Brokers LLC, registered broker-dealers and members of SIPC, (together, “the Custodians”) to maintain custody of clients’ assets and to effect trades for their accounts. The final decision to custody assets with the Custodians is at the discretion of the Advisor’s clients, including those accounts under ERISA or IRA rules and regulations, in which case the client is acting as either the plan sponsor or IRA accountholder. Proxy Wealth is independently owned and operated and not affiliated with the Custodians. The Custodians provide Proxy Wealth with access to its institutional trading and custody services, which are typically not available to the Custodians’ retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to advisors. The Custodians’ services include brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

The Custodians also make available to Proxy Wealth other products and services that benefit Proxy Wealth but may not benefit its clients’ accounts. These benefits may include national, regional or Proxy Wealth specific educational events organized and/or sponsored by the Custodians. Other potential benefits may include occasional business entertainment of personnel of Proxy Wealth by the Custodians’ personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist Proxy Wealth in managing and administering clients’ accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of Proxy Wealth’s fees from its clients’ accounts, and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of Proxy Wealth’s accounts, including accounts not maintained at the Custodians. The Custodians also make available to Proxy Wealth other services intended to help Proxy Wealth manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance and marketing. In addition, the Custodians may make available, arrange and/or pay vendors for these types of services rendered to Proxy Wealth by independent third parties. The Custodians may discount or waive fees they would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to Proxy Wealth. While, as a fiduciary, Proxy Wealth endeavors to act in its clients’ best interests, Proxy Wealth’s recommendation/requirement that clients maintain their assets in accounts at the Custodians may be based in part on the benefit to Proxy Wealth of the availability of some of the foregoing products and services and other arrangements and not solely on the nature, cost or quality of custody and brokerage services provided by the Custodians, which may create a potential conflict of interest.

As an investment advisory firm, Proxy Wealth has a fiduciary duty to seek best execution for client transactions. While best execution is difficult to define and challenging to measure, there is some consensus that it does not solely mean the achievement of the best price on a given transaction. Rather, it appears to be a collective consideration of factors concerning the trade in question. Such factors include the security being traded, the price of the trade, the speed of the execution, apparent conditions in the market, and the specific needs of the client. Proxy Wealth's primary objectives when placing orders for the purchase and sale of securities for client accounts is to obtain the most favorable net results taking into account such factors as 1) price, 2) size of order, 3) difficulty of execution, 4) confidentiality and 5) skill required of the broker. Proxy Wealth may not necessarily pay the lowest commission or commission equivalent as specific transactions may involve specialized services on the part of the broker.

Proxy Wealth will allow clients to direct brokerage at the firm's sole discretion. Clients should be aware that if they direct Proxy Wealth to a particular broker-dealer for execution Proxy Wealth may be unable to achieve most favorable execution of client transactions. Directing brokerage may cost clients more money than if Proxy Wealth were to execute transactions at the broker-dealer where it has an established relationship. The client may pay higher brokerage commissions because Proxy Wealth may not be able to aggregate orders to reduce transaction costs or the client may receive less favorable prices.

Proxy Wealth may combine orders into block trades when more than one account is participating in the trade. This blocking or bunching technique must be equitable and potentially advantageous for each such account (e.g. for the purposes of reducing brokerage commissions or obtaining a more favorable execution price). Block trading is performed when it is consistent with the duty to seek best execution and is consistent with the terms of Proxy Wealth's investment advisory agreements. Equity trades are blocked based upon fairness to client, both in the participation of their account, and in the allocation of orders for the accounts of more than one client. Allocations of all orders are performed in a timely and efficient manner. All managed accounts participating in a block execution receive the same execution price (average share price) for the securities purchased or sold in a trading day. Any portion of an order that remains unfilled at the end of a given day will be rewritten on the following day as a new order with a new daily average price to be determined at the end of the following day. Due to the low liquidity of certain securities, broker availability may be limited. Open orders are worked until they are completely filled, which may span the course of several days. If an order is filled in its entirety, securities purchased in the aggregated transaction will be allocated among the accounts participating in the trade in accordance with the allocation statement. If an order is partially filled, the securities will be allocated pro rata based on the allocation statement. Proxy Wealth may allocate trades in a different manner than indicated on the allocation statement (non-pro rata) only if all managed accounts receive fair and equitable treatment.

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

The firm reviews client accounts on an annual basis, or when conditions would warrant a review based on market conditions or changes in client circumstances. Financial Plans, once prepared and delivered to the client are not reviewed again unless the client requests a financial plan be updated. For financial planning clients opting for the comprehensive financial planning under the

fixed fee arrangement, Proxy Wealth will review the plan with the client at least quarterly and make updates as necessary.

Client accounts are reviewed by Oleg Zviagin, CCO. Triggering factors may include Proxy Wealth becoming aware of a change in client's investment objective, a change in market conditions, change of employment, or a change in recommended asset allocation weightings in the account that exceed a predefined guideline.

The client is encouraged to notify the Advisor and Investment Advisor Representative if changes occur in his/her personal financial situation that might materially affect his/her investment plan.

The client will receive written statements no less than quarterly from the custodian. In addition, the client will receive other supporting reports from mutual funds, asset managers, trust companies or other custodians, insurance companies, broker-dealers and others who are involved with client accounts. Proxy Wealth does not deliver separate client statements.

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

Proxy Wealth is not compensated by anyone for providing investment advice or other advisory services except as previously disclosed in this Brochure.

Proxy Wealth may compensate persons or firms for client referrals in compliance with SEC Rule 206(4)-1 governing advertising and payments to promoters. The fees paid to referral sources do not affect the fees clients pay to Proxy Wealth. In each instance, a written agreement will exist between the Advisor and the referral source. At the time of a referral, prospective advisory clients will receive the Advisor's Brochure and a Promoter's Disclosure Document. Proxy Wealth has established policies and procedures to ensure that its solicitation activities are compliant Rule 206(4)-1.

#### **Item 15 Custody**

Proxy Wealth does not have custody of client funds or securities, except for the withdrawal of advisory fees directly from client accounts. However, as noted in Item 13 above, clients will receive statements not less than quarterly from the qualified custodian, and we encourage you to review those statements carefully. Any discrepancies should be immediately brought to the firm's attention. Please see a more complete description of the safeguards followed by Proxy Wealth concerning direct fee deduction in Item 5 above.

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

Proxy Wealth generally has discretion over the selection and amount of securities to be bought or sold in client accounts, the broker-dealer to be used, and the commission rates paid without obtaining prior consent or approval from the client for each transaction. However, these purchases or sales may be subject to specified investment objectives, guidelines, or limitations previously set forth by the client and agreed to by Proxy Wealth.

Discretionary authority will only be provided upon full disclosure to the client. The granting of such authority will be evidenced by the client's execution of an Investment Advisory Agreement containing all applicable limitations to such authority. All discretionary trades made by Proxy Wealth will be in accordance with each client's investment objectives and goals.

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

Proxy Wealth will not vote, nor advise clients how to vote, proxies for securities held in client accounts. The client clearly keeps the authority and responsibility for the voting of these proxies. Also, Proxy Wealth cannot give any advice or take any action with respect to the voting of these proxies. The client and Proxy Wealth agree to this by contract. Clients will receive proxy solicitations from their custodian and/or transfer agent.

### **Item 18 Financial Information**

Proxy Wealth does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, and is not required to file a balance sheet.

Proxy Wealth has discretionary authority over client accounts and is not aware of any financial condition that will likely impair its ability to meet contractual commitments to clients. If Proxy Wealth does become aware of any such financial condition, this brochure will be updated and clients will be notified.

Proxy Wealth has never been subject to a bankruptcy petition.