



## **Form ADV Part 2A Appendix 1**

### **Wrap Brochure**

March 26, 2024

**This Brochure provides information about the qualifications and business practices of Pursuit Wealth Management, LLC. You should review this brochure to understand your relationship with our firm and help you determine to hire or retain us as your investment adviser. If you have any questions about the contents of this brochure, please contact us at (561) 437-4770. The information in this Brochure has not been approved or verified by the United States of America Securities and Exchange Commission (“SEC”) or by any state securities authority.**

**Additional information about Pursuit Wealth Management also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by our firm name or by using a unique identifying number, known as a CRD number. The CRD number for Pursuit Wealth Management is 308969.**

**Pursuit Wealth Management is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training.**

## Item 2 – Material Changes

This section of the Wrap Fee Program Brochure discusses specific material changes that have been made to the brochure since the firm's last annual update. Below is a summary of those changes:

- **Item 6: Investment Strategies**

In October 2023, we updated Item 6 of this brochure to include disclosures related to the risks of ESG investing. ESG strategies prioritize ESG criteria over other investment criteria. As a result, such strategies will be more limited in the number and types of investments available and may perform differently than strategies that do not screen for ESG factors. Socially responsible investing is qualitative and subjective by nature, and there is no guarantee that the criteria utilized, or judgment exercised, by Pursuit Wealth Management will reflect the beliefs or values of any one particular investor. Socially responsible norms differ by region. There is no assurance that the socially responsible investing strategy and techniques employed will be successful. You should read the fund's prospectus carefully before investing to understand the fund's investments, and how its ESG orientation may affect its risk. Some funds that consider ESG factors may have different expense ratios than other funds that do not consider ESG factors. Paying more in expenses will reduce the value of your investment over time.

We will provide clients with a Summary of Material Changes made to this brochure annually at no cost. Clients may receive an updated copy of this brochure at any time by contacting us at (561) 437-4770.

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## **Item 4 – Services, Fees and Compensation**

### **Our Services**

Pursuit Wealth Management, LLC (“Pursuit Wealth Management”) is a registered investment adviser that provides investment management and financial advisory services to individual and institutional investors to help them achieve their financial needs and goals. Founded in 2020, the firm is solely owned by Christian D. Searcy, Jr. and Melanie Martinez McDonald.

Our firm takes pride in providing personalized service to our clients and acknowledges that it is held to a fiduciary standard of care.

Pursuit Wealth Management offers portfolio management services through a wrap fee program. A bundled or “wrap fee” program is an advisory fee program under which you pay one bundled fee to compensate Pursuit Wealth Management for portfolio management, transaction costs and custodial services. A wrap fee program may not be the lowest cost option if you would like to restrict your investments to open-end mutual funds or other long-term investment products.

### **Fees and Compensation**

Our maximum annual advisory fee for investment and portfolio management services is 1.75% and are based on the amount of assets under management. Fees for portfolio management services are payable quarterly in advance. Pursuit Wealth Management may negotiate advisory fees at our sole discretion.

Pursuit Wealth Management offers investment and wealth management services for an annual fee based on the amount of assets under the firm’s management. Fees are generally billed in advance each calendar quarter based on the value of the assets in the account on the last day of the previous calendar quarter, as valued by the custodian. Pursuit Wealth Management, in our sole discretion, may waive the minimum annual fee based upon certain criteria, including, but not limited to, anticipated future earning capacity and/or additional assets, dollar amount of assets to be managed, asset type, related accounts, legacy assets, account composition, pre-existing client relationships, account retention, and pro bono activities.

Fees may be based on cumulative household assets under management. However, certain ERISA rules prevent householding corporate plans with personal assets for fee reductions. Clients should refer to your advisory agreement for their specific fee rate(s).

### **Costs of Our Program**

Fees for our portfolio management services may be higher than fees charged by other advisers who sponsor similar programs, or if you paid separately for investment advice and other services. Fees for our wrap fee program include brokerage, clearing and custodial costs as well as our portfolio management fee. Clients may be charged different fees than similarly situated clients for the same services. Your specific wrap fee is described in your investment management agreement. Clients should carefully review this brochure to understand the fees and other sources of compensation we receive prior to entering into an investment advisory contract with our firm.

## **Other Types of Fees and Expenses Clients May Incur**

Clients may incur certain charges imposed by custodians, brokers, third-party investments and other third parties, such as custodial fees, self-regulatory organization transaction fees, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Decisions to reallocate account assets may result in clients incurring a redemption fee imposed by one or more mutual funds held in an account. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges and fees are exclusive of and in addition to Pursuit Wealth Management's fee. Pursuit Wealth Management shall not receive any portion of these fees and costs, including any distribution or "12b-1" fees paid by the mutual funds in which client account assets are invested.

## **Our Compensation for Your Participation in the Program**

Pursuit Wealth Management generally acts as both the sponsor and portfolio manager of the wrap fee program but may engage a third-party money manager to act as portfolio for all or a portion of an account. This means we receive compensation as a result of your participation in the program, which gives us an incentive to recommend the program over other programs or services. The amount of this compensation may be more than what we would receive if you paid separately for investment advice, brokerage, and other services. We encourage you to consider your anticipated level of trading activity and compare the costs you may incur in the program versus an unbundled portfolio management program.

## **Item 5 – Account Requirements and Types of Clients**

Pursuit Wealth Management provides portfolio management services to individuals, high net worth individuals and families, pension, profit-sharing and other employer sponsored plans, trusts, estates, charitable institutions, corporations, and other business entities.

Pursuit Wealth Management generally does not require a minimum initial investment for investment management services. The firm, in its sole discretion, may accept clients with smaller portfolios based upon each client's particular circumstances.

Certain Independent Managers may impose more restrictive account requirements and varying billing practices than our firm. In such instances, Pursuit Wealth Management may alter its corresponding account requirements and/or billing practices to accommodate those of the Independent Managers.

## **Item 6 – Portfolio Manager Selection and Evaluation**

### **Selection and Review of Portfolio Managers**

Pursuit Wealth Management generally acts as both the sponsor and portfolio manager of the wrap fee program. We may also utilize a third-party money manager to manage all or a portion of a client's account.

In an effort to mitigate any potential conflicts of interest, we have the ability to effect a large amount of trades within the wrap program with institutional pricing. This mitigates the incentive to recommend fewer trades in your account. The cost of trading is not material to our investment recommendations. It is our policy to always act in the best interests of our clients.

### **Types of Advisory Services We Offer**

Pursuit Wealth Management offers a variety of advisory services to individuals, high net worth individuals, trusts, businesses and corporations. These services include:

- Investment and wealth management
- Financial planning and consulting
- Fiduciary and non-fiduciary services for plan sponsors

We work with our clients to determine their investment objectives and risk profile and develop a customized investment plan based on their individual needs and goals. Pursuit Wealth Management will utilize the financial information provided by the client to analyze and develop strategies and solutions to assist the client in meeting their financial goals.

Prior to Pursuit Wealth Management rendering any of the foregoing services, clients are required to enter into one or more written advisory agreements with Pursuit Wealth Management setting forth the relevant terms and conditions of the advisory relationship.

### **Investment and Wealth Management Services**

Pursuit Wealth Management manages our clients' portfolios on a discretionary and, in limited circumstances, non-discretionary basis. Our investment and wealth management services are tailored to the needs of our clients and are based on a comprehensive discovery process to understand each client's current situation, past experiences, and future goals. With this acquired knowledge we analyze, design, create, and deliver goal-oriented investment solutions. This planning approach becomes our clients' investment guidelines, which guides investment strategies that are designed to be risk appropriate, cost effective and tax efficient.

Our wealth management services generally include a broad range of comprehensive financial planning and/or consulting services, as well as discretionary or, in limited circumstances, non-discretionary management of investment portfolios.

Client assets are primarily allocated among individual equity and debt securities, exchange-traded funds ("ETFs"), and institutional mutual funds in accordance with the client's stated investment objective and risk/volatility

parameters. We may also utilize a sub-adviser to manage all or a portion of a client's account. Where appropriate, Pursuit Wealth Management may also provide advice about many types of legacy positions or other investments held in client portfolios. Clients may also engage Pursuit Wealth Management to manage and/or advise on certain investment products that are not maintained at their primary custodian, such as variable life insurance and annuity contracts and assets held in employer sponsored retirement plans and qualified tuition plans (i.e., 529 plans). In these situations, Pursuit Wealth Management will direct or make recommendations for the allocation of client assets among the various investment options available with the product. These assets are generally maintained at the underwriting insurance company or custodian for the plan trustee or administrator and clients retain responsibility for effecting trades in these accounts.

Participants of a retirement plan may also retain Pursuit Wealth Management to provide advisory services for their retirement plan account. When providing these services, the firm acts as an ERISA 3(21) fiduciary and is required to act under the standard of care in ERISA that is generally a higher standard than imposed on our firm under the Investment Advisers Act of 1940. Advisory services available to plan participants include:

- Asset allocation models
- Strategic investment allocations
- Investment performance reporting

The decision to implement any recommendations rests exclusively with the plan participant and there is no obligation to implement any such recommendations through our firm.

Pursuit Wealth Management consults with clients on an initial and ongoing basis to assess their specific risk tolerance, time horizon, liquidity constraints and other related factors relevant to the management of their portfolios. Clients should promptly notify us if there are changes in their financial situation or if they wish to place any limitations on the management of their account. Clients may impose reasonable restrictions or mandates on the management of an account if Pursuit Wealth Management determines, in our sole discretion, the conditions would not materially impact the performance of a management strategy or prove overly burdensome to the firm's management efforts.

Pursuit Wealth Management may utilize a third-party asset manager to actively manage all or a portion of its clients' assets. Pursuant to the terms of the investment advisory agreement, Pursuit Wealth Management shall have the discretion to appoint and terminate these third-party advisers through a sub-advisory relationship with the manager. Pursuit Wealth Management evaluates a variety of information about the third-party asset managers we use for our client accounts, which may include the manager's public disclosure documents, materials supplied by the manager themselves and other third-party analyses it believes are reputable. To the extent possible, Pursuit Wealth Management seeks to assess third-party money managers' investment strategies, past performance and risk results in relation to its clients' individual portfolio allocations and risk exposure. Pursuit Wealth Management also takes into consideration each third-part asset manager's management style, returns, reputation, financial strength, reporting, pricing, and research capabilities, among other factors.

Pursuit Wealth Management continues to provide services relative to the discretionary selection of third-party asset managers. On an ongoing basis, Pursuit Wealth Management monitors the performance of the assets being

managed by an independent manager. Pursuit Wealth Management seeks to ensure the manager's strategies and target allocations remain aligned with its clients' investment objectives and overall best interests.

### **Financial Planning and Consulting Services**

Pursuit Wealth Management starts with an extensive discovery of a client's family situation which includes assets and liabilities as well as estate, tax, and insurance needs. The firm then employs a risk tolerance and risk capacity-focused simulation to get a detailed cash flow analysis and proposed asset allocation. Together, this information is analyzed to design and develop a proposed financial plan, which is to be dynamic in nature, ever-evolving due to life changes resulting from changes in cash flow needs, risk tolerance, time horizon, or investment objectives.

Pursuit Wealth Management's financial planning and consulting services may include any or all of the following functions:

Business Planning	Liability Management
Cash Flow Forecasting	Risk Management
Trust and Estate Planning	Charitable Planning
Financial Planning	Distribution Planning
Investment Consulting	Tax Planning
Insurance Planning	Retirement Plan Consulting
Education Planning	Federal Benefits Analysis

While each of these services is available on a stand-alone basis, certain services may also be rendered in conjunction with investment management services, as part of a comprehensive wealth management engagement (described in more detail below). In performing these services, Pursuit Wealth Management is not required to verify any information received from the client or from the client's other professionals (e.g., attorneys, accountants, etc.), and is expressly authorized to rely on such information. Pursuit Wealth Management may recommend clients engage the firm for additional related services, or we may recommend other professionals to implement recommendations made by Pursuit Wealth Management. Such additional services by Pursuit Wealth Management or another professional will be provided for additional compensation, commensurate with the nature, extent, complexity, and other characteristics of such services. Clients are advised that a conflict of interest exists because the firm will have an incentive to recommend such additional services based on the compensation to be received, rather than solely based on the client's needs, and in some cases, based on the prospect of cross-referrals of advisory clients from the other professional or his or her firm.

Pursuit Wealth Management also provides advice in the form of financial consultations. This service consists of consultations based on specific investment and financial concerns of the client. Consulting services may include, for example, assistance with establishing and implementing a retirement plan, preparation or review of an investment policy statement, the compilation of reports on various investment accounts, and asset allocation recommendations. The scope and depth of the consultation varies depending on the client's particular circumstances and needs. Pursuit



Wealth Management provides financial planning and consulting services to non-investment management clients for a fixed fee.

Clients are under no obligation to act upon any recommendations made by Pursuit Wealth Management under a financial planning or consulting engagement or to engage the services of a third-party professional. Clients retain the absolute right to decide whether or not to act on such recommendations, and if they choose to act on such recommendations, whether to engage the Firm or such professional for such services or to engage another investment adviser or professional of their choosing, which may charge less (or more) for such services. Should a client choose to implement the recommendations contained in the plan, Pursuit Wealth Management suggests the client work closely with his/her attorney and/or accountant.

Implementation of financial plan recommendations is entirely at the client's discretion. Financial planning recommendations are of a generic nature and are not limited to any specific product or service offered by a broker dealer or insurance company.

**No Legal, Accounting or Tax Advice.** Pursuit Wealth Management will act solely in its capacity as a registered investment adviser and does not provide any legal, accounting or tax advice. Client should seek the counsel of a qualified accountant and/or attorney when necessary. Pursuit Wealth Management may assist clients with tax harvesting, and we will work with a client's tax specialist to answer any questions related to the client's portfolio account.

Pursuit Wealth Management may select certain Independent Managers to actively manage all or a portion of its clients' assets. Pursuant to the terms of the investment advisory agreement, Pursuit Wealth Management shall have the discretion to appoint and terminate these third-party advisers. The specific terms and conditions under which a client engages an Independent Manager may also be set forth in a separate written agreement with the designated Independent Manager. In addition to this brochure, clients will also receive the written disclosure documents of the respective Independent Managers engaged to manage their assets. Pursuit Wealth Management evaluates a variety of information about Independent Managers, which may include the Independent Managers' public disclosure documents, materials supplied by the Independent Managers themselves and other third-party analyses it believes are reputable. To the extent possible, Pursuit Wealth Management seeks to assess the Independent Managers' investment strategies, past performance, and risk results in relation to its clients' individual portfolio allocations and risk exposure. We also take into consideration each Independent Manager's management style, returns, reputation, financial strength, reporting, pricing, and research capabilities, among other factors.

Pursuit Wealth Management continues to provide services relative to the discretionary or non-discretionary selection of the Independent Managers. On an ongoing basis, we monitor the performance of those accounts being managed by Independent Managers. Pursuit Wealth Management seeks to ensure the Independent Managers' strategies and target allocations remain aligned with clients' investment objectives and overall best interests.

### **Fiduciary and Non-Fiduciary Services for Plan Sponsors**

Retirement plan sponsors may retain our firm to provide advisory and consulting services for plan assets. 3(21) fiduciary services available to plan sponsors include:

- Reviewing and assisting in the establishment of investment policies and objectives on behalf of the plan

- Assistance with development of an Investment Policy Statement
- Recommending core investments to be offered to plan participants for selection by the plan sponsor
- Recommending investment managers, within the meaning of ERISA Section 3(38), on behalf of the plan, to be offered as investment options for plan participants
- Monitoring of the plan's investments or investment managers in accordance with the plan's Investment Policy Statement or other relevant guidelines

Non-fiduciary consulting services available to plan sponsors include:

- Educating plan participants on investment options available within the plan
- Preparation of periodic performance reports for the plan's investments
- Assistance with monitoring the reasonableness of the fees and expenses of the plan's investments or investment managers in accordance with the plan's Investment Policy Statement or other relevant guidelines
- Benchmarking existing plan service providers to industry peers, and where appropriate, conducting a search for new providers for the plan sponsor's consideration and providing our recommendation.

### **Portfolio Management Services for Wrap Fee Program**

Pursuit Wealth Management offers portfolio management services through a wrap fee program. A bundled or "wrap fee" program is an advisory fee program under which you pay one bundled fee to compensate Pursuit Wealth Management for portfolio management, transaction costs and custodial services. A wrap fee program may not be the lowest cost option if you would like to restrict your investments to open-end mutual funds or other long-term investment products.

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

Pursuit Wealth Management does not charge any performance-based fees or participate in side-by-side management.

### **Methods of Analysis and Investment Strategies**

Pursuit Wealth Management carefully constructs a tax-efficient and cost-effective asset allocation strategy based on a client's unique cash flow needs, stated return and risk profile. Security selection is based on qualitative, quantitative, technical, and relative strength metrics. Portfolio holdings are constantly monitored and adjusted as market conditions and our clients' circumstances dictate. Clients may hold or retain other types of assets as well, and Pursuit Wealth Management may offer advice regarding those various assets as part of our services. Advice regarding such assets generally will not involve asset management services.

Pursuit Wealth Management predominantly utilizes a combination of active and passive strategies to allocate client assets among publicly traded securities, such as stocks, bonds, ETFs, and/or mutual funds. Nevertheless, individual client circumstances may dictate the use of other types of securities. Depending upon the client's financial needs, strategies implemented might include long term purchases (securities held at least a year), short term purchases (securities sold within a year), trading (securities sold within 30 days), and margin transactions.

## **Risk of Loss**

Investing in securities involves risk of loss that clients should be prepared to bear. All investments present the risk of loss of principal – the risk that the value of securities (e.g., stocks, mutual funds, ETFs, bonds, etc.), when sold or otherwise disposed of, may be less than the price paid for the securities. Even when the value of the securities when sold is greater than the price paid, there is the risk that the appreciation will be less than inflation. In other words, the purchasing power of the proceeds may be less than the purchasing power of the original investment. There is no guarantee that investment recommendations made by Pursuit Wealth Management will be accurate. We cannot assure that an account will increase, preserve capital or generate income, nor can we assure that investment objectives will be realized. Although all investments involve risk, our investment advice seeks to limit risk through diversification among various asset classes.

We may recommend a variety of security types for an account in an effort to achieve a client's individual needs and goals. This may include, but is not limited to, stocks, bonds, open-end and closed-end mutual funds, and ETFs.

Described below are the material risks associated with investing in the types of securities we generally use in client accounts:

### **Equity Securities**

In general, prices of equity securities (common, convertible preferred stocks and other securities whose values are tied to the price of stocks, such as rights, warrants and convertible debt securities) are more volatile than those of fixed-income securities. The prices of equity securities could decline in value if the issuer's financial condition declines or in response to overall market and economic conditions. Investments in smaller companies and mid-size companies may involve greater risk and price volatility than investments in larger, more mature companies.

### **Fixed-Income Securities**

The return and principal value of bonds fluctuate with changes in market conditions. Fixed-income securities are subject to interest rate risk and credit quality risk. The market value of fixed-income securities generally declines when interest rates rise, and an issuer of fixed-income securities could default on its payment obligations. Changes in interest rates generally have a greater effect on bonds with longer maturities than on those with shorter maturities. If bonds are not held to maturity, they may be worth more or less than their original value. Credit risk refers to the possibility that the issuer of a bond will not be able to make principal and/or interest payments. High yield bonds, also known as "junk bonds," carry higher risk of loss of principal and income than higher rated investment grade bonds.

### **Mutual Funds**

Mutual funds may invest in different types of securities, such as value or growth stocks, real estate investment trusts, corporate bonds or U.S. government bonds. There are risks associated with each asset class.

An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency. Although money market funds seek to preserve the value of an investment at \$1.00 per share, it is possible to lose money by investing in the fund. Redemption is at the current net asset value,

which may be more or less than the original cost. Aggressive growth funds are most suitable for investors willing to accept price per share volatility since many companies that demonstrate high growth potential can also be high risk. Income from tax-free mutual funds may be subject to local, state and/or the alternative minimum tax.

Because each mutual fund owns different types of investments, performance will be affected by a variety of factors. The value of an investment in a mutual fund will vary from day to day as the values of the underlying investments in a fund vary. Such variations generally reflect changes in interest rates, market conditions and other company and economic news. These risks may become magnified depending on how much a fund invests or uses certain strategies. A fund's principal market segment(s), such as large-cap, mid-cap or small-cap stocks, or growth or value stocks may underperform other market segments or the equity markets as a whole.

Clients can find additional information regarding these risks in the fund's prospectus.

### **Exchange-Traded Funds (ETFs)**

ETFs are typically investment companies that are legally classified as open-end mutual funds or unit investment trusts. ETFs differ from traditional mutual funds in that ETF shares are listed on a securities exchange. Shares can be bought and sold throughout the trading day like shares of other publicly traded companies. ETF shares may trade at a discount or premium to their net asset value. This difference between the bid price and ask price is often referred to as the "spread." The spread varies over time based on the ETF's trading volume and market liquidity and is generally lower if the ETF has a lot of trading volume and market liquidity and higher if the ETF has little trading volume and market liquidity. Liquidity risks are higher for ETFs with a large spread. ETFs may be closed and liquidated at the discretion of the issuing company.

### **International Investing**

The risks of investing in foreign securities include loss of value as a result of political or economic instability; nationalization, expropriation or confiscatory taxation; changes in foreign exchange rates and foreign exchange restrictions; settlement delays; and limited government regulation (including less stringent reporting, accounting, and disclosure standards than are required of U.S. companies). These risks may be greater with investments in emerging markets. Certain investments utilized by Pursuit Wealth Management may also contain international securities.

### **Cash and Cash Equivalents**

A portion of account assets may be invested in cash or cash equivalents to achieve a client's investment objective, provide ongoing distributions and/or take a defensive position. Cash holdings may result in a loss of market exposure.

### **Alternative Investments**

Alternative investments are illiquid investments and do not trade on a national securities exchange. Alternative investments typically include investments in direct participation program securities (partnerships, limited liability companies, business development companies or real estate investment trusts), commodity pools, private equity,

private debt or hedge funds. Alternative investments are subject to various risks, such as illiquidity and property devaluation based on adverse economic and/or real estate market conditions.

Alternative investments are not suitable for all investors. Investors considering an investment strategy utilizing alternative investments should understand that alternative investments are generally considered speculative in nature and may involve a high degree of risk, particularly if concentrating investments in one or few alternative investments. These risks are potentially greater and substantially different than those associated with traditional equity or fixed income investments. Additional information regarding these risks can be found in the product's prospectus or offering documents.

### **ESG Investing**

ESG strategies prioritize ESG criteria over other investment criteria. As a result, such strategies will be more limited in the number and types of investments available and may perform differently than strategies that do not screen for ESG factors. Socially responsible investing is qualitative and subjective by nature, and there is no guarantee that the criteria utilized, or judgment exercised, by Pursuit Wealth Management will reflect the beliefs or values of any one particular investor. Socially responsible norms differ by region. There is no assurance that the socially responsible investing strategy and techniques employed will be successful. You should read the fund's prospectus carefully before investing to understand the fund's investments, and how its ESG orientation may affect its risk. Some funds that consider ESG factors may have different expense ratios than other funds that do not consider ESG factors. Paying more in expenses will reduce the value of your investment over time.

### **Cybersecurity Risk**

The computer systems, networks and devices used by Pursuit Wealth Management and service providers to us and our clients to carry out routine business operations employ a variety of protections designed to prevent damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches. Despite the various protections utilized, systems, networks or devices potentially can be breached. A client could be negatively impacted as a result of a cybersecurity breach.

Cybersecurity breaches can include unauthorized access to systems, networks, or devices; infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow or otherwise disrupt operations, business processes or website access or functionality. Cybersecurity breaches may cause disruptions and impact business operations, potentially resulting in financial losses to a client; impediments to trading; the inability by us and other service providers to transact business; violations of applicable privacy and other laws; regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs, as well as the inadvertent release of confidential information.

Similar adverse consequences could result from cybersecurity breaches affecting issuers of securities in which a client invests; governmental and other regulatory authorities; exchange and other financial market operators, banks, brokers, dealers and other financial institutions and other parties. In addition, substantial costs may be incurred by these entities in order to prevent any cybersecurity breaches in the future.

## **Voting Client Securities**

Pursuit Wealth Management does not have authority to vote client securities on behalf of our clients. Clients are solely responsible for receiving and voting proxies for the securities maintained in their account. Proxy statements will be provided directly from the custodian or transfer agent. Clients may contact us at (561) 437-4770 with any questions about a particular solicitation.

## **Item 7 – Client Information Provided to Portfolio Managers**

If an Independent Manager is used to manage all or a portion of a client's account, Pursuit Wealth Management will share certain information needed by the third-party portfolio manager to effectively manage the account, such as a client's risk tolerance, investment objectives or other investment policy information.

## **Item 8 – Client Contact with Portfolio Managers**

Pursuit Wealth Management is your primary contact for account-related questions. You may contact us directly to discuss your account.

## **Item 9 – Additional Information**

### **Disciplinary Information**

As a registered investment adviser, Pursuit Wealth Management is required to disclose all material facts regarding any legal or disciplinary events that would be material to clients' evaluation of our firm or the integrity of our management. Pursuit Wealth Management has no disciplinary information to report.

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

Pursuit Wealth Management is under common control with Pursuit Consulting, LLC ("Pursuit Consulting") which provides business consulting services, including loan advisory services and succession planning services. Certain Supervised Persons of Pursuit Wealth are affiliated with Pursuit Consulting and therefore may refer clients of Pursuit Wealth Management to Pursuit Consulting.

Pursuit Wealth Management's principals are also the owner of Pursuit Consulting, a business consulting firm specializing in connecting business owners with loans, as well as providing assistance with succession planning needs. Certain Supervised Persons of Pursuit Wealth Management are affiliated with Pursuit Consulting.

Advisory clients of Pursuit Wealth Management may also be clients of Pursuit Consulting. Clients are advised that the fees paid to Pursuit Wealth Management for investment advisory services are separate and distinct from any fees and compensation earned, whether directly or indirectly, by any of our Firm personnel in connection with consulting services offered by Pursuit Consulting. Clients are informed that they are under no obligation to engage any entity affiliated with Pursuit Wealth Management.

Any recommendation to use the services of Pursuit Consulting presents a conflict of interest as Pursuit Wealth Management and Pursuit Consulting share a common owner, as well as personnel. Pursuit Wealth Management addresses this conflict of interest by upholding our fiduciary duty to provide investment advice that is in your best interest and disclosing the conflict to you before or at the time you enter into an investment advisory contract with our Firm. As a fiduciary, we will only recommend Pursuit Consulting's services to clients after providing you with disclosure of the conflict of interest and fees or commissions paid.

Management Persons of Pursuit Wealth Management are also, in their individual capacities, licensed insurance agents. As a licensed insurance agent, your financial professional may accept compensation for the sale of insurance products. The receipt of such compensation presents a conflict of interest and gives your investment adviser representative an incentive to recommend insurance products in addition to advisory services based on the compensation he or she will receive, rather than on your needs. Pursuit Wealth Management addresses this conflict of interest by requiring that your investment adviser representative uphold their fiduciary duty to provide investment advice that is in your best interest and disclosing the conflict to you before or at the time you enter into an investment advisory contract with our firm.

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

### **Our Code of Ethics**

Pursuit Wealth Management is committed to providing investment advice with the utmost professionalism and integrity. Our firm strives to identify manage and/or mitigate conflicts of interest and has adopted policies, procedures and oversight mechanisms to address conflicts of interest. We have adopted a Code of Ethics that emphasizes our fiduciary obligation to put client interests first and is designed to ensure personal securities transactions, activities, and interests of employees will not interfere with the responsibilities to make decisions in the best interest of clients. All supervised persons of our firm must acknowledge and comply with our Code of Ethics.

Clients may request a copy of our Code of Ethics by contacting us at (561) 437-4770.

### **Participation in Client Transactions**

Pursuit Wealth Management does not affect principal or agency cross securities transactions for client accounts. Pursuit Wealth Management also does not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells a security to an advisory client. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

### **Employee Personal Trading**

Supervised persons of Pursuit Wealth Management may purchase or sell the same security that we recommend for investment in client accounts. This creates a conflict of interest as there is a possibility that employees of our firm might benefit from market activity by a client in a security held by the employee. Our Code of Ethics is designed to

assure that the personal securities transactions, activities and interests of the employees of Pursuit Wealth Management will not interfere with making decisions in the best interest of advisory clients and implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code of Ethics, certain classes of securities have been designated as exempt transactions, based upon a determination that these would not materially interfere with the best interest of Pursuit Wealth Management's clients. Our Code of Ethics also places restrictions on our employees' personal trading activities. These restrictions include, but are not limited to, a prohibition on trading based on non-public information and pre-clearance requirements for certain types of transactions. Employee trading is continually monitored under the Code of Ethics in an effort to prevent conflicts of interest between Pursuit Wealth Management and our clients.

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

## **Review of Accounts**

### **Periodic Reviews of Accounts and Financial Plans**

Accounts at Pursuit Wealth Management are reviewed on a periodic basis. This informal review includes assessing client goals and objectives, monitoring the account and addressing the need to rebalance, as necessary. Individual securities held in client accounts are periodically monitored by the firm, while any selected third-party managers are monitored on a quarterly basis. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes to a client's individual circumstances, market conditions, or the political or economic environment.

Pursuit Wealth Management may also review tax-planning needs, cash-flow needs, as well as charitable giving, insurance, and estate planning as part of our ongoing client reviews. Reviews are tailored to the services we provide to clients, as well as each client's individual needs and goals. We encourage clients to discuss their needs, goals, and objectives with us and keep us informed of any changes. We will contact clients who engage us for ongoing investment advisory services at least annually to determine whether there have been any changes to their financial situation or investment objectives and whether they wish to impose any reasonable restrictions on the management of an account or reasonably modify any existing restrictions. At this time, we will advise the client of any account changes we feel are necessary to help you stay on track with meeting their financial goals and consider whether the current services provided by our firm continue to be suitable for their needs.

### **Regular Reports Provided by Clients**

In addition to the account statements you receive from your custodian at least quarterly, Pursuit Wealth Management may also provide you with written quarterly performance reports for your account. Quarterly performance reports provide details on account holdings and performance. Written trade confirmations for the securities transactions made within your account are also provided by your custodian. You may be provided the option to opt out of receiving trade confirmations.



## **Client Referrals and Other Compensation**

### **Other Compensation Arrangements**

Pursuit Wealth Management receives compensation from Fidelity, the broker-dealer and account custodian used for our clients' accounts, in the form of access to electronic systems that assist us in the management of client accounts, as well as research, software and other technology that provide access to client account data (such as trade confirmations and account statements), pricing information and other market data, facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), and client reporting capabilities. The account custodian also offers us discounts for products and services offered by vendors and third-party service providers, such as software and technology solutions. These economic benefits create a conflict of interest in that it gives our firm an incentive to recommend one broker-dealer or custodian over another that does not provide similar electronic systems, support or services. We address this conflict of interest by disclosing to our clients the types of compensation that our firm receives so clients can consider this when evaluating our firm. It is important that clients consider the fees, level of service and investment strategies, among other factors, when selecting an investment manager.

### **Client Referrals**

Pursuit Wealth Management does not pay any referral fees to other individuals for referring clients to our firm.

## **Financial Information**

As a registered investment adviser, Pursuit Wealth Management is required to provide clients with certain financial information about our firm.

### **Prepayment of Fees**

We do not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.

### **Our Financial Condition**

We do not have any financial commitment that is reasonably likely to impair our contractual commitments to our clients, nor has our firm ever been the subject of a bankruptcy proceeding.