

## OMNI INVESTMENT ADVISORS, INC.

782 E. Pioneer Road, Suite 100  
Draper, Utah 84020  
801-501-0302

Disclosure Brochure (Form ADV Part II)  
March 31, 2011

CRD No. 110364

**This brochure provides information about the qualifications and business practices of OMNI Investment Advisors, Inc. If you have any questions about the contents of this brochure, please contact us at (801) 501-0302 or at [info@omniutah.com](mailto:info@omniutah.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Additional information about OMNI Investment Advisors, Inc. may also be available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

Within this Disclosure Brochure we may refer to our firm and/or our investment advisor representatives as a "registered investment advisor" or describe the firm or our individual advisors as being "registered". Please note that such registration is not meant to imply a certain level of skill or training.

### SECTION 1 - SUMMARY OF MATERIAL CHANGES

The material changes, which are outlined below, include only those changes which have occurred since the production of our previous OMNI Investment Advisors, Inc. ADV Part II – Brochure.

The ownership of OMNI Investment Advisors, Inc. has been amended to reflect that Mr. Gary R. Beynon is now the sole owner. Mr. Robert L. Sperry and Mr. Robert L. Vonderharr no longer have an ownership interest in OMNI Investment Advisors, Inc.

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### SECTION 2 - ADVISORY BUSINESS

OMNI Investment Advisors, Inc. ("OMNI Investment Advisors" or "OMNI") is a Utah based investment advisory firm. OMNI is wholly owned by Gary R. Beynon. OMNI manages approximately \$65,000,000 of Client assets, as of March 31, 2011. Approximately \$45,000,000 is managed on a discretionary basis. Our services are offered predominantly to Clients in the states of California, Idaho, Texas and Utah.

OMNI Investment Advisors provides personalized financial planning, investment management, and investment advisory services to Clients through individual accounts, joint accounts, IRA's, trusts, pension plans, and employee benefit plans. We provide investment advice primarily in stocks, bonds, mutual funds and certificates of deposit. When appropriate to the needs of the Client, OMNI may also recommend trading options and various partnership interests including real estate, oil and gas, and IRC Section 1031 Exchange TIC interests. Because these investment strategies involve a certain additional degree of risk, OMNI will recommend these strategies only when consistent with the Client's stated tolerance for risk and portfolio objectives.

OMNI Investment Advisors also provides consulting services to Clients related to asset and wealth management, accumulation, risk and insurance protection needs, and mortgage or debt needs. OMNI will be reasonably available to consult with Clients, and every Client is able to impose reasonable restrictions on the management of their account.

Wrap fee programs are available, but primarily we include programs with full disclosure of all costs.

OMNI Investment Advisors provides its services based on discussions with our Clients, and taking into consideration their financial circumstances, investment objectives and personal goals, investment time horizon, and their risk tolerance. Based on the preceding criteria, we will assist the Client in creating a suitable asset allocation method.

OMNI Investment Advisors will monitor the performance of the Client's investments.

### SECTION 3 - FEES AND COMPENSATION

OMNI Investment Advisor's advisory fee is based on a set schedule (see the "Asset Management Fee Schedule" below); however, we will take into consideration the total relationship, and may lower the stated fees depending on the scope of work and firm revenue. OMNI will also negotiate fees for friends and family accounts.

Retainer fees are negotiable based on several factors which may include, but are not limited to, the time involved in the production of the plan, the complexity of the plan, and the ranges of services provided. Commissions upon implementation of the plan may be charged in addition to any pre-arranged fee, although there is no obligation to implement the plan through OMNI. Fees will be agreed upon in advance. If a retainer fee is required, and contractually agreed to by the Client, the fixed fee may range from \$2,500 to \$15,000 or possibly more. Work provided on an hourly basis will range from \$75 to \$295 per hour, depending upon the services provided and the complexity of the assignment.

Fees are billed on a quarterly basis, and will be pro-rated if the account is managed for only a portion of the quarter. Quarterly fees will be clearly stated on the custodial Client statement.

OMNI Investment Advisors, Inc. is not an account custodian. Any and all investments will be placed with qualified custodial firms (Custodians) at the Client's discretion. The account custodian may charge fees, which are in addition to and separate from the asset management, financial planning, advisory or consulting fee(s) which are charged by OMNI. Custodians may charge accounts for various transaction costs, retirement plan and administration fees. In addition, some mutual fund assets deposited in the account may be subject to deferred sales charges, 12b-1 fees and other mutual fund annual expenses as described in the fund's prospectus. These fees are separate from, and in addition to, the fees charged by OMNI. Where applicable, a qualified custodian will provide a prospectus that describes these charges among other information. OMNI encourages investors to thoroughly review the prospectus, and to contact OMNI if questions arise or to request additional information. As such, it should be noted that Clients who invest in mutual funds will pay both a direct management fee to OMNI Investment Advisors and an indirect management fee to the investment adviser of the mutual fund.

The qualified custodians that OMNI currently use include Charles Schwab, Dunham Trust, Lincoln Trust, Sterling Trust and various mutual fund companies. The custodial firms bill Client accounts directly for the advisory fee, and forward the proceeds to OMNI Investment Advisors. The advisory fee is paid quarterly in arrears.

Clients may agree to have their management fees deducted directly from their accounts providing the following conditions are met: (1) the Client provides written authorization permitting OMNI's fees to be paid directly from the Client's account held by the independent custodian; (2) the independent custodian agrees to send to the Client, at least quarterly, a statement indicating all amounts disbursed from the account; (3) OMNI discloses to Clients that it is the Client's responsibility to verify the accuracy of the fee calculation and that the custodian will not determine whether the fee is properly calculated; and (4) OMNI sends a bill to the custodian indicating the amount of the fee to be paid by the custodian to OMNI.

Fee layering can occur when Clients choose to use third party money managers. The money manager may charge additional fees above and beyond the schedule provided below. Such additional fees are fully disclosed in Schedule "A" of the Financial Advisory Agreement signed by the Client upon opening the account.

#### ASSET MANAGEMENT FEE SCHEDULE:

##### EQUITIES

<u>Annual Fee</u>	<u>Quarterly Fee</u>	<u>Amount of Assets</u>
1.25%	.3125%	\$0 - \$500,000
1.00%	.2500%	\$500,001 - \$1,500,000
.75%	.1875%	\$1,500,001 - \$3,000,000
.60%	.1500%	\$3,000,001 - \$5,000,000
.52%	.1300%	\$5,000,001 - \$10,000,000
.46%	.1150%	In Excess of \$10,000,000

##### FIXED INCOME

<u>Annual Fee</u>	<u>Quarterly Fee</u>	<u>Amount of Assets</u>
.70%	.1750%	Up to \$500,000
.60%	.1500%	\$500,001 - \$1,500,000
.50%	.1250%	\$1,500,001 - \$3,000,000
.40%	.1000%	\$3,000,001 - \$5,000,000
.35%	.0875%	\$5,000,001 - \$10,000,000
.30%	.0750%	In Excess of \$10,000,000

#### OPTIONS

<u>Annual Fee</u>	<u>Quarterly Fee</u>	<u>Amount of Assets</u>
2.00%	.5000%	Up to \$500,000
1.50%	.3750%	\$500,001 - \$1,500,000
1.00%	.2500%	\$1,500,001 - \$3,000,000
.75%	.1875%	\$3,000,001 - \$5,000,000
.66%	.1650%	\$5,000,001 - \$10,000,000
.54%	.1350%	In Excess of \$10,000,000

In all cases, fees for management services are payable quarterly in arrears and shall be specifically agreed to in a separate written agreement between the Client and OMNI. Either party may terminate the Investment Management Agreement at any time upon written notice pursuant to the provisions of the Investment Management Agreement and may do so without penalty. However, upon termination of the Agreement, (1) any earned, unpaid fees will be due and payable, and (2) OMNI will have no obligation to recommend or take any action with regard to the securities, cash or other investments in the Client's account.

Clients should note that potentially similar advisory services may (or may not) be available from other unaffiliated investment advisor firms for similar or lower fees.

#### Potential Conflicts of Interest

Some OMNI Investment Advisors investment advisor representatives are also registered representatives of OMNI Brokerage, Inc., a Utah based broker-dealer. Additionally, some OMNI investment advisor representatives may receive commissions for the sale of securities or other investment products, however in such cases we do not charge an advisory fee for these commission based products.

It should be noted, and recognized, that this practice presents a conflict of interest as it could give one of our representatives an incentive to recommend investment products based on the compensation received, rather than on a Client's needs. We continuously monitor and supervise the activities of all of our representatives. Should we detect any irregularities involving any transaction, we will research the matter and evaluate and discuss the decision making methodology with that representative.

Of course, all Clients have the option to purchase investment products that we recommend through other broker-dealers or agents that are not affiliated with OMNI Investment Advisors, Inc.

#### SECTION 4 - PERFORMANCE BASED FEES AND SIDE BY SIDE MANAGEMENT

OMNI Investment Advisors provides investment advisory services using a performance fee based platform through Dunham Funds Asset Allocation Program custodialized directly with Dunham Trust Company. Clients will receive a prospectus for these Dunham Funds including Schedule "B" that explains the performance fee option that is available to investors. Should a Client elect to invest in a Dunham Fund, he or she must sign a separate agreement that is attached to the OMNI Investment Management Agreement. The fee is 10% of the net profits above the month end high water mark. 50% of the fee is paid to Dunham and 50% is paid to OMNI on a quarterly basis if the fee was in fact assessed. Please note that the Dunham Funds Asset Allocation Program is not available through Charles Schwab.

## **SECTION 5 - TYPES OF CLIENTS**

OMNI Investment Advisors' Clients are often high net worth individuals. Additionally, many of the funds that are managed are qualified retirement accounts.

## **SECTION 6 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF LOSS**

OMNI Investment Advisors provides advice based on a Client's financial goals and circumstances, investment goals, and expected investment time horizon and risk tolerance. Using this information and any additional data obtained from the Client, OMNI helps the Client to determine how his or her assets should be allocated among investment classes in an effort to meet the Client's goals and objectives. If the allocation appears to be suitable for the Client, OMNI will then recommend money managers, mutual funds, stocks, real estate, and/or other investment advisors to manage the investment classes in a manner consistent with the Client's investment objectives and allocation.

Based on risk tolerance and the items referenced above, OMNI will classify each Client account into one of the following six investment objective categories; Capital Preservation- Emphasizes current income, low risk and prevention of capital loss.

Balanced Income- Emphasizes current income with low to moderate risk in equities.

Growth & Income – Emphasizes current income with moderate risk in equities.

Balanced Growth – Emphasizes current income, moderate risk, weighted more to equities.

Growth – Emphasizes long-term growth with moderate to high risk in equities.

Aggressive Growth – Emphasizes maximum growth and capital appreciation with high risk in equities

All Clients should be aware that Investing in securities involves risk of loss that all Clients should be prepared to bear.

## **SECTION 7 - DISCIPLINARY INFORMATION**

On approximately 3-10-2006, the State of Alabama issued a Show Cause Order against Gary R. Beynon and a registered representative of OMNI Brokerage, Inc., an affiliated company of OMNI Investment Advisors for failure to reasonably supervise the representative, who had effected a security transaction on behalf of an Alabama resident prior to registration. On approximately 12-28-2006, Mr. Beynon returned the commissions earned and submitted administrative assessment fees and partial investigative costs, and the matter was then resolved.

## **SECTION 8 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

OMNI Investment Advisors has several investment advisor representatives that are also affiliated with different broker-dealers. A conflict of interest could arise in that transactions which may occur at a broker-dealer are generally commission-based, which is not aligned with OMNI Investment Advisors traditional methodology of charging fees based only on assets under management.

Specifically, John A. Martindale and Ryan O. Smith are both currently affiliated with the aforementioned OMNI Brokerage, Inc., as well as DFP Advisors, Inc., an affiliated investment advisor firm. John Martindale also holds a life and disability insurance license.

More information about the status of individuals as registered representatives may be found on the BrokerCheck website maintained by the Financial Industry Regulatory Authority (FINRA) at [www.finra.org](http://www.finra.org).

## **SECTION 9 - CODE OF ETHICS, PARTICIPATION IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

### **CODE OF ETHICS**

OMNI Investment Advisors has adopted a Code of Ethics (Code) for the purpose of instructing its personnel in their ethical obligations and to provide rules for their personal securities transactions. OMNI and its personnel owe a duty of loyalty, fairness and good faith towards their Clients, and the obligation to adhere not only to the specific provisions of the Code but to the general principles that guide the Code.

The Code covers a range of topics that may include general ethical principles, reporting personal securities trading, exceptions to reporting securities trading, reportable securities, initial public offerings and private placements, reporting ethical violations, distribution of the Code, review and enforcement processes, amendments to Form ADV and supervisory procedures.

OMNI Investment Advisors will provide a copy of the Code to any Client or prospective Client upon request in writing or by calling the firm's Chief Compliance Officer at 801-501-0302.

### **PARTICIPATION IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

Investment advisor representatives and other associates of OMNI Investment Advisors may own an interest in, or buy or sell for their own accounts, the same securities which may be purchased or sold for the accounts of advisory Clients. In all cases, Client orders are given priority, and OMNI seeks to ensure that they do not personally benefit from the short-term market effects of their recommendations to Clients. OMNI and its investment advisor representatives and other associates may also buy or sell specific securities for their own accounts based on personal investment considerations, which OMNI may not believe appropriate to buy or sell for Clients.

## **SECTION 10 - BROKERAGE PRACTICES**

OMNI Investment Advisors typically utilizes the services of several qualified custodians including Charles Schwab, Lincoln Trust, Sterling Trust, and Dunham Trust as well as various mutual fund companies for both custody and transactions. We have considered services, costs, fees, financial strength, and other determining factors when selecting these organizations.

While we use these companies for brokerage transactions, we do not receive direct trading commissions from them and do not direct trades through prime broker relationships.

## **BEST EXECUTION**

It should be noted that OMNI Investment Advisors does not generally aggregate, bunch or block client trade orders, which could potentially result in higher commission charges to Clients than if the trades had been aggregated or bunched.

## **SECTION 11 - REVIEW OF ACCOUNTS**

OMNI Investment Advisors employees review Client accounts on a regular basis and maintain documentation for each account that includes information such as investments, dates purchased, purchase price, current values, net gain/loss, percentage gain, dividend yield, etc. John Martindale and Ryan Smith, meet with each of their Clients (currently less than 200 clients each) on a monthly, quarterly or annual basis (or according to a particular Client's needs) to review the Client's account. Certain key factors such as a Client's needs or financial circumstances, a change in a fund's manager or objective, changes in other key factors such as risk/return ratio and/or the potential need to rebalance the account's allocation are discussed as part of this review.

The account custodian, which is typically a brokerage firm, mutual fund company, trust company or similar entity, provides each Client with regular written reports (no less than quarterly). These reports list the account positions, activity in the account over the covered period, and may also include other related information. The account custodian also provides confirmations following each transaction, unless waived by the Client.

## **SECTION 12 - CLIENT REFERRALS AND OTHER COMPENSATION**

OMNI Investment Advisors does not typically receive compensation either directly or indirectly for referring investment advisory Clients to another firm.

OMNI Investment Advisors has certain investment advisor representatives who also receive additional compensation from other business relationships as further detailed above in Section 8, entitled "Other Financial Industry Activities and Affiliations".

## **SECTION 13 - CUSTODY**

Neither OMNI Investment Advisors nor its investment advisor representatives maintain custody of Client assets. As such, Clients should be aware that they may receive account statements directly from the broker-dealer, bank or other qualified custodian and that Clients should review those statements very carefully.

## **SECTION 14 - INVESTMENT DISCRETION**

We at OMNI Investment Advisors accept discretionary authority to manage accounts on behalf of some of our Clients. The Clients must complete and sign the OMNI New Account Application as well as an Investment Management Agreement. Any limitations on this discretionary authority shall be included in this written authority statement. Clients may change/amend these limitations as required. Such amendments must be submitted in writing.

Clients may direct OMNI Investment Advisors to the broker-dealer they wish to be used. In directing the use of a particular broker-dealer, it should be understood that OMNI will not have authority to negotiate commissions among various brokers or potentially obtain volume discounts, and best execution may not always be achieved. Additionally, if different brokers are utilized, a disparity in commission charges may exist for OMNI's Clients.

OMNI Investment Advisors generally recommends the use of the Charles Schwab trading platform to Clients that are in need of brokerage, trading and custodial services. OMNI considers several factors when making this recommendation including the broker's ability to provide professional services, OMNI associates' years of experience with the broker, the broker's reputation, the broker's quality of execution services, and the cost of such services, among other factors. However, Clients are under no obligation to effect trades through a OMNI-recommended broker.

## **SECTION 15 - VOTING CLIENT SECURITIES**

OMNI Investment Advisors acts as a discretionary investment adviser for various Clients, including Clients governed by the Employee Retirement Income Security Act of 1974 (ERISA). Upon execution of the Client Investment Management Agreement, the Client either expressly assigns the responsibility for voting all proxies solicited by issuers of securities held in the account to OMNI or chooses to vote his or her own proxies and to take shareholder action with respect to other corporate actions.

When the responsibility to vote proxies has been assigned to OMNI, our utmost concern is that all decisions be made solely in the best interest of the Client (and for ERISA accounts, plan beneficiaries and participants, in accordance with the letter and spirit of ERISA). OMNI will act in a prudent and diligent manner intended to enhance the economic value of the Client's account.

Clients may receive information about how their proxies were voted, and may also receive a copy of our proxy voting policies and procedures by contacting the firm's Chief Compliance Officer at (801) 501-0302.

## **SECTION 16 - FINANCIAL INFORMATION**

OMNI Investment Advisors has not attached a balance sheet for its most recent fiscal year because it does not have custody of Client funds or securities, nor does it require prepayment of more than \$500 in fees per Client, six months or more in advance.

We do not foresee any financial condition that is likely to impair our ability to meet contractual commitments to our Clients.

## **SECTION 17 - REQUIREMENTS FOR STATE-REGISTERED ADVISORS**

### **John A. Martindale**

Born in 1960

Bachelors of Finance, Brigham Young University

Financial Professional - DFP Advisors, Inc. 2010 – present

Financial Professional - OMNI Brokerage, Inc. 2002 – present

Owner of Ailsa Capital Management 2002 – present

Financial Professional - OMNI Investment Advisors, Inc. 2002 – 2011

Financial Professional - Dunham & Associates Investment Counsel 1988 - 2002

Financial Professional - Titan/Value Equities Group, Inc. 1989 - 1990

**Ryan O. Smith**

Born in 1978

Bachelors of Economics, University of Utah

Financial Professional - DFP Advisors, Inc. 2004 – present

Insurance Professional - DFP Insurance, Inc. 2004 – present

Owner/Employee – Diversified Financial Planning, Inc. 2004 - present

Financial Professional - OMNI Brokerage, Inc. 2004 – present

Financial Professional - OMNI Investment Advisors, Inc. 2004 – 2011

**Gary R. Beynon**

Born in 1954

Masters of Business Administration, University of Utah

Bachelors of Finance, Westminster College

College for Financial Planning, Denver, CO

Principal - OMNI Investment Advisors, Inc. 1989 - present

Principal - OMNI Brokerage, Inc./ Excel Financial 1989 – present

Principal - Orchard Securities, LLC 2009 – present

**PERSONAL LEGAL DISCLOSURES**

No significant personal legal disclosure items exist for any OMNI Investment Advisors, Inc. investment advisor representatives.

OMNI Investment Advisors investment advisor representatives are licensed in several areas in an effort to provide more objective, unbiased advice. We feel that being licensed to perform other services will allow us to make more informed client recommendations in many areas, and not place limitations upon the advice given to our Clients.