

Firm Brochure  
(Part 2A of Form ADV)

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This brochure provides information about the qualifications and business practices of Divi-Vest Advisors. If you have any questions about the contents of this brochure, please contact us at: 610-527-2802, or by email at: [brent@divi-vest.com](mailto:brent@divi-vest.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. Registration with the SEC or any state securities authority does not imply a certain level of skill or training.

Additional information about Divi-Vest Advisors is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

3/31/2012

## Material Changes

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### **Annual Update**

The Material Changes section of this brochure will be updated annually when material changes occur since the previous release of the Firm Brochure.

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### **Material Changes since the Last Update**

The U.S. Securities and Exchange Commission issued a final rule in July 2010 requiring advisers to provide a Firm Brochure in narrative “plain English” format. The new final rule specifies mandatory sections and organization.

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### **Full Brochure Available**

Whenever you would like to receive a complete copy of our Firm Brochure, please contact us by telephone at: 610-527-2802 or by email at: [brent@divi-vest.com](mailto:brent@divi-vest.com).

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# Advisory Business

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## **Firm Description**

Divi-Vest Advisors, (“Divi-Vest”) was founded in 1990.

Divi-Vest provides investment supervisory services by giving continuous advice to its clients based on the individual needs of each client.

Divi-Vest provides investment supervisory services to individuals, trusts, estates, corporations, pension and profit sharing plans, municipalities, and banks or thrifts. Divi-Vest manages accounts on a discretionary and non-discretionary basis. In circumstances where Divi-Vest has discretion, it has discretionary authority regarding the securities to be bought and sold and the amount of securities to be bought or sold and except to the extent otherwise directed by the client, the broker or dealer to be used and the commission rates paid. Account supervision is guided by the stated objectives of the client.

Divi-Vest is strictly a fee-only investment management firm. The firm does not sell annuities, insurance, stocks, bonds, mutual funds, limited partnerships, or other commissioned products. The firm is not affiliated with entities that sell financial products or securities. No commissions in any form are accepted. No finder’s fees are accepted.

A written quarterly report is provided to the client in the form of an account holdings and performance statement. A quarterly investment letter is also provided.

Other professionals (e.g., lawyers, financial planners, accountants, insurance agents, etc.) are engaged directly by the client on an as-needed basis. Conflicts of interest will be disclosed to the client in the unlikely event they should occur.

The initial meeting, which may be by telephone, is free of charge and is considered an exploratory interview to determine the extent to which Divi-Vest’s investment management services may be beneficial to the client.

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## **Principal Owners**

R. Brent Byrne is a 95% stockholder.

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## **Types of Advisory Services**

Divi-Vest provides investment supervisory services, also known as asset management services.

As of 3/31/2011, Divi-Vest manages approximately \$40.1 million in assets for approximately 54 clients. Approximately \$40.1 million is managed on a discretionary basis, and \$0 is managed on a non-discretionary basis.

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**Tailored Relationships**

The goals and objectives for each client are documented in our investment management agreement. Clients may impose restrictions on investing in certain securities or types of securities.

Agreements may not be assigned without client consent.

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**Types of Agreements**

The following agreements define the typical client relationships.

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**Investment Management Agreement**

Clients choose Divi-Vest to manage their equity assets in order to build long-term wealth. Realistic and measurable goals are regularly presented.

The scope of work and fee for Investment Management is provided to the client in writing prior to the start of the relationship. An Investment Management Agreement includes investment management and performance reporting.

The annual Investment Management Agreement fee is based on a percentage of the net assets under management according to the following schedule:

- 1.00% on the first \$5,000,000;
- 0.75% on the next \$5,000,000; and
- 0.50% on the assets above \$10,000,000.

The minimum annual fee is \$5,000 and is negotiable. Current client relationships may exist where the fees are higher or lower than the fee schedule above.

Although the Investment Management Agreement is an ongoing agreement and periodic adjustments may be required, the length of service to the client is at the client's discretion. The client or Divi-Vest may terminate its investment advisory or investment management agreement, on 30 days notice, by delivery of a signed writing to such effect to the other party, in which case fees will be prorated to the date of termination. The portfolio value at time of termination is used as the basis for the fee computation, adjusted for the number of days during the billing quarter prior to termination.

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**Asset Management**

Assets are invested primarily in stocks.

Stocks are purchased and sold through a brokerage or custodian bank account. The brokerage firm charges a commission and in some cases fees for stock and security trades. Divi-Vest does not receive any compensation, in any form, from brokerage and/or fund companies.

Investments may also include: equities (stocks), warrants, corporate debt securities, certificates of deposit, municipal securities, investment company securities (mutual funds shares), U. S. government securities, and interests in partnerships.

Initial public offerings (IPOs) are not available through Divi-Vest.

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**Termination of Agreement**

A Client may terminate an investment management agreement, on 30 days notice, by delivery of a signed writing to such effect to Divi-Vest, in which case fees will be prorated to the date of termination. If the client made an advance payment, Divi-Vest will refund any unearned portion of the advance payment.

Divi-Vest may terminate an agreement, on 30 days notice, by delivery of a signed writing to such effect to the client, in which case fees will be prorated to the date of termination. If the client made an advance payment, Divi-Vest will refund any unearned portion of the advance payment.

## **Fees and Compensation**

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**Description**

Divi-Vest bases its fees on a percentage of assets under management.

Fees are negotiable.

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**Fee Billing**

Generally, Divi-Vest's investment management fees are payable in full quarterly in arrears of the three month period, for which investment management services are expected to be furnished. Fees are based upon the end of quarter market value as provided by the custodian (market value or fair market value in the absence of market value, plus any credit balance minus any debit balance) of the client's account. Under some arrangements, the advisory fee may include custodial, transactional and/or other costs, and, in some instances, include broker-dealer commissions. An investment management fee invoice is sent after the three-month billing period or quarter has ended. The investment management fee invoice shall itemize the fee and include any formulae used to calculate the fee, the time period covered by the fee, and the assets under management on which the fee is based. Payment in full is expected upon invoice presentation. Fees are usually deducted from a designated client account to facilitate billing (Divi-Vest sends the qualified custodian written notice of the amount of the fee to be deducted from the client's account). The client must consent in advance to direct debiting of their investment account.



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### **Other Fees**

Custodians may charge transaction fees on purchases or sales of certain mutual funds and exchange-traded funds. These transaction charges are usually small and incidental to the purchase or sale of a security.

Divi-Vest, in its sole discretion, may waive its minimum fee and/or charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with clients, etc.).

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### **Expense Ratios**

Mutual funds generally charge a management fee for their services as investment managers. The management fee along with other mutual fund fees is sometimes called the total expense ratio. For example, a total expense ratio of 0.50 means that the mutual fund company charges 0.5% for its services to the mutual fund. These fees are in addition to the fees paid by you to Divi-Vest.

Performance figures quoted by mutual fund companies in various publications are after their fees have been deducted.

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### **Past Due Accounts and Termination of Agreement**

Divi-Vest reserves the right to stop work on any account that is more than 30 days overdue. Any unused portion of fees collected in advance will be refunded within 30 days.

## **Performance-Based Fees**

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### **Sharing of Capital Gains**

Fees are not based on a share of the capital gains or capital appreciation of managed securities.

Divi-Vest does not use a performance-based fee structure because of the potential conflict of interest. Performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the client.

## **Types of Clients**

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### **Description**

Divi-Vest generally provides investment supervisory services to individuals, trusts, estates, corporations, pension and profit sharing plans, municipalities, and banks or thrifts.

Client relationships vary in scope and length of service.

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**Account Minimums**

The minimum account size is \$500,000 of assets under management, which equates to an annual fee of \$5,000.

Divi-Vest has the discretion to waive the account minimum. Accounts of less than \$500,000 may be set up when the client and the advisor anticipate the client will add additional funds to the accounts bringing the total to \$500,000 within a reasonable time. Other exceptions will apply to employees of Divi-Vest and their relatives, or relatives of existing clients.

Clients receiving ongoing asset management services will be assessed a fee based upon asset value at the end of the billing period, or quarter.

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**Methods of Analysis, Investment Strategies and Risk of Loss**

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**Methods of Analysis**

Security analysis methods may include charting, fundamental analysis, technical analysis, and cyclical analysis.

The main sources of information include financial newspapers and magazines, inspections of corporate activities, research materials prepared by others, corporate rating services, annual reports, prospectuses, filings with the Securities and Exchange Commission, and company press releases.

Other sources of information that Divi-Vest may use include Value Line, Standard & Poor's, Zacks Investment Research, and the World Wide Web.

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**Investment Strategies**

Divi-Vest employs a "Dividend-Yield Analysis" and/or "Dividend Growth Analysis" in selecting stocks in which clients should be invested. The firm's philosophy centers on identifying stocks with a high dividend yield and/or high dividend growth. Divi-Vest's method of analysis involves identifying particular high dividend yielding and/or high dividend growth stocks, and those stocks which meet this investment criteria are selected for investment. Client accounts are reviewed quarterly, and on review if Divi-Vest identifies stocks in the client's account which no longer offer the high dividend yield and/or high dividend growth that Divi-Vest requires, new stocks which meet the investment criteria are selected for investment. Divi-Vest limits its investment search to component stocks of the Dow Jones Industrial Average, Standard & Poor's 500 Index and other indices or components that it deems worthy of investment. Divi-Vest believes that a high dividend yield indicates an undervalued stock price, which provides a good investment opportunity. Stocks purchased for the client's account are sold when the stocks' dividend yield or dividend growth falls below a certain point identified by Divi-Vest, and/or the stock price has thereafter increased to a point where Divi-Vest believes the investor is best advised to realize a profit in that investment.

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## **Risk of Loss**

All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.
- **Management Risk:** The firm's investment approach may be out of favor at times, causing the strategy to underperform other strategies or funds that use a different approach to stock selection.

## Disciplinary Information

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### Legal and Disciplinary

The firm and its employees have not been involved in legal or disciplinary events related to past or present investment clients.

## Other Financial Industry Activities and Affiliations

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### Financial Industry Activities

Divi-Vest's President, R. Brent Byrne, acts as de facto managing general partner to Colorfield Partners. Colorfield Partners owns and manages the estate of deceased abstract expressionist painter, Leonard Nelson.

### Affiliations

None

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

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### Code of Ethics

The employees of Divi-Vest have committed to a Code of Ethics that is available for review by clients and prospective clients upon request. The firm will provide a copy of the Code of Ethics to any client or prospective client upon request.

### Participation or Interest in Client Transactions

R. Brent Byrne President has arrangements with Scottrade, a member of FINRA and SIPC, whereby he and Divi-Vest receive free use of Scottrade computer support services. Securities transactions may be effected through Scottrade with respect to client portfolios if Scottrade is selected by either the client or Divi-Vest as the broker to effect particular portfolio transactions. Mr. Byrne will not receive commissions on any portfolio transaction resulting from Divi-Vest's investment supervisory services on behalf of a client account. If the client directs Divi-Vest to use Scottrade or any other broker as broker for its portfolio transactions, it is the clients' responsibility to determine if Scottrade or that other broker offers satisfactory execution and competitive commission rates, and Divi-Vest will not negotiate commission rates with Scottrade or that other broker under such circumstances. In situations where Divi-Vest does not negotiate brokerage commissions, the client may pay higher commissions (even if Scottrade is not selected as broker for the transaction) than if Divi-Vest was able to negotiate the commissions on the particular transaction. If Divi-Vest selects the broker, Divi-Vest may select Scottrade as broker to effect portfolio transactions; and Divi-Vest shall use its

best efforts to obtain best price and execution of the clients' portfolio transactions. .

Divi-Vest and its related personnel may buy, sell, or hold securities of companies which are recommended to the client or purchased for the client for investment. Divi-Vest has adopted a Personal Trading Code of Ethics in order to address conflicts of interest related to personal trading by its personnel and to ensure that they effect transactions for clients in a manner that is consistent with Divi-Vest's fiduciary duty to its clients and in accordance with applicable law. Under the code, Divi-Vest expects that its supervised persons will perform their duties and conduct their personal investment activities in accordance with (i) the duty at all times to place the interests of Divi-Vest's clients first, (ii) the requirement that all personal securities transactions be conducted consistent with the Code of Ethics and in such a manner as to avoid any actual or potential conflict of interest or any abuse of an individual's position of trust and responsibility, and (iii) the fundamental standard that Divi-Vest's supervised persons should not take inappropriate advantage of their positions. Certain Divi-Vest employees are required to provide Divi-Vest with quarterly securities trading activity reports and annual securities holding reports. In addition, no Divi-Vest personnel may purchase or sell any security that they know or should have known has been recommended to be purchased or sold by Divi-Vest until all transactions for Divi-Vest clients have been completed. Additionally, R. Brent Byrne must give clearance prior to any such personal transactions being effected.

A copy of Divi-Vest's code of ethics will be provided to clients or prospective clients upon request. .

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### **Personal Trading**

The Chief Compliance Officer of Divi-Vest is R. Brent Byrne. He reviews all employee trades each quarter. The personal trading reviews ensure that the personal trading of employees does not affect the markets, and that clients of the firm receive preferential treatment. Since most employee trades are small, the firm does not believe that the trades affect the securities markets.

## **Brokerage Practices**

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### **Selecting Brokerage Firms**

Divi-Vest may suggest brokers and dealers to effect security transactions for client accounts if the client does not direct Divi-Vest to use specific brokers and dealers. No client is under any obligation to effect trades through any recommended broker. All clients are free to select any broker or dealer of his or her choice.

Many clients, when undertaking an advisory relationship, have an existing brokerage relationship, and they will instruct Divi-Vest to execute all

transactions through the broker with which this brokerage relationship already exists. In the event that a client directs Divi-Vest to use a particular broker or dealer, Divi-Vest may be unable, under those circumstances, to negotiate commissions and to obtain volume discounts or best execution. If the client instructs Divi-Vest to use a specific broker to effect portfolio transactions, it is the client's responsibility to determine whether the broker or dealer selected is providing satisfactory execution of transactions and a competitive, satisfactory commission rate. Divi-vest will not undertake to negotiate commission rates with brokers and dealers whom the client has specifically directed Divi-Vest to use. As a result, in transactions where the client directs Divi-Vest to use a particular broker-dealer, certain clients may pay materially disparate commissions depending on their commission arrangement with such broker-dealer prior to the referral to Divi-Vest, or because of other factors such as the number of shares involved, whether it is a round or odd lot, and the market for the security. In addition, in the event the client directs brokerage, the client may forgo the benefits from savings on execution costs that Divi-Vest may obtain for its clients through negotiating volume discounts on block trades. As a result, such clients may have to pay higher commissions, pay greater declared spreads or receive less favorable net prices that would be the case if Divi-Vest were authorized to choose the broker or dealer through which to execute transactions for the client account.

Commission levels and execution capabilities of various brokers and dealers may vary. Divi-Vest's investment advisory and investment management agreements provide that Divi-Vest may select for the client brokers and dealers if the client does not direct Divi-Vest to use a certain broker or dealer, in which case brokers or dealers will be selected with a view to obtaining best prices and execution of a client's transaction. In selecting a broker-dealer, best net price, after giving effect to commissions and commission equivalents, if any, and other transaction costs, is normally an important factor in this decision, but a number of other judgment factors may also enter into the decision. These include: Divi-Vest's knowledge of negotiated commission rates currently available and other current transaction costs; the nature of the security being traded, the size of the transaction; the desired timing of the trade; the activity existing and expected in the market for the particular security; confidentiality; the execution, clearance and settlement capabilities of the broker/dealer selected and others which are considered; Divi-Vest's knowledge of the financial stability of the broker/dealer selected and such other broker/dealers; and Divi-Vest's knowledge of actual or apparent operational problems of any broker/dealer. Accordingly, transactions will not always be executed at the lowest available price or commission. In addition, Divi-Vest seeks to obtain competitive commission rates, but may pay a broker or securities exchange member commissions which are greater than another broker or securities exchange member might charge where Divi-Vest determines in good faith the such commissions are reasonable in relation to the brokerage or research services provided by such member or broker, viewed in terms of a particular transaction or Divi-Vest's overall

responsibilities to its accounts. Research services to be provided by Divi-Vest may consist of analyses of issuers, industries, and general economic conditions and trends. Research may be used for the benefit of all of Divi-Vest's accounts, not just those which pay for it.

Also, it is possible that brokers and dealers may recommend clients to Divi-Vest. In such circumstances a potential for a conflict of interest exists between obtaining best price and execution of client transactions, and Divi-Vest receiving future referrals from such firms.

R. Brent Byrne, President has arrangements with Scottrade, a member of FINRA and SIPC, whereby he and Divi-Vest receive free use of Scottrade computer support services. Securities transactions may be effected through Scottrade if Scottrade is selected by the client, at Divi-Vest's suggestion or otherwise, as the broker to effect a client's portfolio transactions. However, Mr. Byrne will not receive a commission on any portfolio transaction resulting from Divi-Vest's investment supervisory service on behalf of a client account. The client may independently direct Divi-Vest to use Scottrade to effect securities for its account, or Divi-Vest may suggest that Scottrade be used to effect such transactions. If a client directs Divi-Vest to use Scottrade as broker for its portfolio transactions, it is the client's responsibility to determine if Scottrade offers satisfactory execution and competitive commission rates, and Divi-Vest will not negotiate commission rates with Scottrade under such circumstances. If the client desires that Divi-Vest select the broker, Divi-Vest may select Scottrade as broker to effect portfolio transactions. Divi-Vest shall use its best efforts to obtain best price and execution on the client portfolio transactions.

In situations where Divi-Vest does not negotiate brokerage commissions, the client may pay higher commissions (even if Scottrade is not selected as broker for the transaction) than if Divi-Vest was able to negotiate the commissions on the particular transaction.

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**Best Execution**

Divi-Vest reviews the execution of trades at each broker/dealer each quarter. The review is documented in the Divi-Vest *Compliance Manual*. Trading fees charged by each broker/dealer are also reviewed on a quarterly basis. Divi-Vest does not receive any portion of the trading fees.

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**Soft Dollars**

Divi-Vest does not participate in soft dollar arrangements.

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**Order Aggregation**

When feasible or appropriate, Divi-Vest will aggregate orders to achieve consistency in stock order pricing.

## Review of Accounts

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### Periodic Reviews

Reviews are conducted monthly, or more often as Divi-Vest deems appropriate, primarily in order to ensure the accurate administration of the account. Additionally, more thorough reviews are conducted on a quarterly basis to assess the performance of the client's account.

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### Review Triggers

There are generally no triggering factors incorporated into the review process.

Reviews are conducted by R. Brent Byrne, President and CEO of Divi-Vest with respect to all client accounts.

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### Regular Reports

The client's custodian shall furnish the client with periodic reports (generally on a monthly basis) detailing account activity, including securities positions, market value, and other financial information.

Divi-Vest shall furnish clients with account reports on a quarterly basis, or more frequently if requested by the client, and such reports shall also detail account activity, including the market value of the account and year-to-date performance figures (total return) related to the account.

## Client Referrals and Other Compensation

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### Incoming Referrals

Divi-Vest has been fortunate to receive many client referrals over the years. The referrals came from current clients, solicitors, estate planning attorneys, accountants, employees, personal friends of employees and other similar sources.

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### Referrals Out

Divi-Vest does not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them.

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### Other Compensation

None



## Custody

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### Account Statements

All assets are held at qualified custodians which means the custodians provide account statements directly to clients at their address of record at least quarterly.

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### Performance Reports

Clients are urged to compare the account statements received directly from their custodians to the performance report statements provided by Divi-Vest, and contact Divi-Vest if they have any questions.

## Investment Discretion

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### Discretionary Authority for Trading

For discretionary clients, Divi-Vest requests that it be provided with written authority to determine which securities are bought and sold, the amounts of securities to be bought or sold and except to the extent otherwise directed by the client, the broker or dealer used and the commission rates paid. Under some arrangements, Divi-Vest may have discretion to select Scottrade, a member of FINRA and SIPC and a broker-dealer.

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### Limited Power of Attorney

A limited power of attorney is a trading authorization for this purpose. You may be required to sign a limited power of attorney so that we may execute the trades that you have approved.

## Voting Client Securities

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### Proxy Votes

Generally, Divi-Vest will not vote proxies for non-ERISA clients. Unless an ERISA client expressly retains in its advisory agreement the authority to vote proxies, Divi-Vest will make proxy voting decisions and vote proxies provided that Divi-Vest receives sufficient notice of the shareholder meeting and proxy material. Divi-Vest seeks to vote proxies in the best interest of its clients. Divi-Vest strives to vote proxies in a way which Divi-Vest believes will maximize the monetary value of a client's portfolio of holdings. Divi-Vest utilizes formal proxy guidelines to appropriately assess each proxy issue. The proxy guidelines group proposals into six broad categories: (i) election of board of directors; (ii) appointment of independent auditors; (iii) issues of corporate structure and shareholder rights; (iv) mergers and acquisitions; (v) executive and director equity-based compensation and (vi) corporate social and policy issues. The proxy guidelines state Divi-Vest's general position on whether it will vote for or against certain issues. In addition, from time to time Divi-Vest may engage the services of an independent proxy firm to cast proxy

votes according to Divi-Vest's established guidelines. Divi-Vest takes potential conflicts presented by proxies very seriously and will attempt to eliminate any such conflicts by following its formal proxy policies which are designed to eliminate Divi-Vest's discretion in proxy voting or by employing an independent proxy firm to determine the appropriate vote. If Divi-Vest's President determines that the employment of an independent proxy firm is unfeasible, impractical or unnecessary, the President will make a decision about the voting of the proxy. Ultimately, the final decision about the appropriate course to follow regarding voting a proxy shall be made by Divi-Vest's President. Divi-Vest will retain books and records regarding proxy voting as required by the Investment Adviser Act of 1940. A copy of Divi-Vest's proxy voting policies and procedures will be furnished upon request by a client or potential client.

## **Financial Information**

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### **Financial Condition**

Divi-Vest does not have any financial impairment that will preclude the firm from meeting contractual commitments to clients.

A balance sheet is not required to be provided because Divi-Vest does not serve as a custodian for client funds or securities, and does not require prepayment of fees.

## **Business Continuity Plan**

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### **General**

Divi-Vest has a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, services or key people.

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### **Disasters**

The Business Continuity Plan covers natural disasters such as snow storms, hurricanes, tornados, and flooding. The Plan covers man-made disasters such as loss of electrical power, loss of water pressure, fire, bomb threat, nuclear emergency, chemical event, biological event, T-1 communications line outage, Internet outage, railway accident and aircraft accident. Electronic files are backed up daily and archived offsite.

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### **Alternate Offices**

Alternate offices are identified to support ongoing operations in the event the main office is unavailable. It is our intention to contact all clients within five days of a disaster that dictates moving our office to an alternate location.

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**Loss of Key Personnel**

Divi-Vest has not signed a Business Continuation Agreement with another financial advisory firm to support Divi-Vest in the event of R. Brent Byrne's serious disability or death.

## **Information Security Program**

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**Privacy Notice and Information Security**

Divi-Vest recognizes and respects the privacy concerns and expectations of our customers. We are committed to maintaining the highest level of privacy and confidentiality when it comes to your personal information. We provide this notice so you will know what kinds of information we collect and the circumstances in which that information may be disclosed to third parties.

**The information we collect**

We collect information about you from a wide variety of sources, including:

- Account applications and other forms – which may include your name, address, social security number, sources of income, and information about your investment goals and risk tolerance;
- Account history – including information about the transactions and balances in your account(s);
- Correspondence – written, telephonic or otherwise – between you and Divi-Vest Advisors, Inc.;
- Information we receive from third parties such as credit bureaus.

**How we use the information we collect**

We will not disclose your personal information to anyone, except as required or permitted by law. In such case, we may disclose all of the information that we collect as described above.

**Safeguarding your personal information**

We restrict access to your personal information to those employees who need to know that information to provide products and services to you. We maintain physical, electronic and procedural safeguards that comply with federal standards to protect your personal information.

We will notify you in advance if our privacy policy is expected to change. We are required by law to deliver this *Privacy Notice* to you annually, in writing.

## **Brochure Supplement (Part 2B of Form ADV)**

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**Education and Business Standards**

R. Brent Byrne, Divi-Vest's Founder and President, is the sole person involved in determining general investment advice to be given to clients. Divi-

Vest requires that advisors in its employ have a bachelor's degree and work experience that demonstrates their aptitude in investment management.

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### **Professional Certifications**

Employees may have earned certifications and credentials that are required to be explained in further detail.

**Certified Financial Planner (CFP):** Certified Financial Planners are licensed by the CFP Board to use the CFP mark. CFP certification requirements:

- Bachelor's degree from an accredited college or university.
- Completion of the financial planning education requirements set by the CFP Board ([www.cfp.net](http://www.cfp.net)).
- Successful completion of the 10-hour CFP® Certification Exam.
- Three-year qualifying full-time work experience.
- Successfully pass the Candidate Fitness Standards and background check.

**Chartered Financial Analyst (CFA):** Chartered Financial Analysts are licensed by the CFA Institute to use the CFA mark. CFA certification requirements:

- Hold a bachelor's degree from an accredited institution or have equivalent education or work experience.
- Successful completion of all three exam levels of the CFA Program.
- Have 48 months of acceptable professional work experience in the investment decision-making process.
- Fulfill society requirements, which vary by society. Unless you are upgrading from affiliate membership, all societies require two sponsor statements as part of each application; these are submitted online by your sponsors.
- Agree to adhere to and sign the Member's Agreement, a Professional Conduct Statement, and any additional documentation requested by CFA Institute.

**Enrolled Agent (EA):** Enrolled Agents are enrolled by the Internal Revenue Service and authorized to use the EA designation. EA enrollment requirements:

- Successful completion of the three-part IRS Special Enrollment Examination (SEE), or completion of five years of employment by the IRS in a position which regularly interpreted and applied the tax code and its regulations.
- Successfully pass the background check conducted by the IRS.

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**R. Brent Byrne****Educational Background:**

- Date of birth: 8/11/1958
- Kutztown University (1981). BBA

**Business Experience:**

- 1990 -- Present: Divi-Vest Advisors, President
- 1988 – 1997: Bryn Mawr Investment Group
- 1983 – 1988 Janney Montgomery Scott
- Passed the NASD Series 7, 24 and 65 examinations.

**Other Business Activities:** Colorfield Partners, de facto Managing Partner

Note: Colorfield Partners is a Bryn Mawr, Pennsylvania-based general partnership. Colorfield Partners was organized to purchase an art collection consisting of original paintings and drawings for eventual resale to institutional and retail art markets. Mr. Byrne devotes several hours each day to performing oversight and administrative functions.

**Additional Compensation:** None

**Arbitration Claims:** None

**Self-Regulatory Organization or Administrative Proceeding:** None

**Bankruptcy Petition:** None

**Other Disciplinary Actions:** None