

Item 1 – Cover Page  
**FORM ADV PART 2A**

**Investmark Advisory Services, Inc.  
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P: 203-953-3777  
www.Investmark.neet**

**October 2015**

**This brochure provides information about the qualifications and business practices of Investmark Advisory Services, Inc. If you have any questions about the contents of this Brochure, please contact us at (203) 953-3777 and/or [info@investmarkfinancial.com](mailto:info@investmarkfinancial.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 Investmark Advisory Services, Inc. also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for Investmark Advisory Services, Inc. is 121060.**

**Any references to Investmark Advisory Services, Inc. as a registered investment adviser or its related persons as registered advisory representatives does not imply a certain level of skill or training.**

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| <b>Item 2 - MATERIAL CHANGES</b> |
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October 2015

Item 5

Increased the fee schedules to include a maximum fee for programs at SEI and the Investmark Asset Management programs. Additionally, the hourly rate under financial planning was increased.

Included disclosure for the fee calculation formula.

Included disclosure for the billing method and details for Reinsurance Max.

Item 8

Added additional disclosure explaining risks with various securities types.

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At least annually, this section will discuss only specific material changes that are made to the Brochure and provide you with a summary of such changes. Additionally, reference to the date of the last annual update to this Brochure will be provided.

The material changes discussed above are only those changes that have been made to this brochure since the firm's last annual update of the brochure. The date of the last annual update of the brochure was March 2015.

In the past, we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary of any material changes to this and subsequent brochures within 120 days of the close of our fiscal year, which is December 31st. We may further provide other ongoing disclosure information about material changes as necessary.

Additionally, we will further provide you with a new brochure as necessary based on change or new information, at any time, without charge.

Our brochure may be requested free of charge by contacting Scott Williams at (203) 953-3777 and/or [info@investmarkfinancial.com](mailto:info@investmarkfinancial.com). Additional information about Investmark Advisory Services, Inc. is also available via the SEC's website [www.adviser.sec.gov](http://www.adviser.sec.gov). The website also provides information about any persons affiliated with Investmark Advisory Services, Inc. who are registered, or are required to be registered, as investment adviser representatives of Investmark Advisory Services, Inc.

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| <b>Item 4 - ADVISORY BUSINESS</b> |
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Investmark Advisory Services, Inc. (hereinafter referred to as “IAS”) is an investment advisory firm offering a variety of advisory services customized to your individual needs.

- A. IAS was established in September of 1986. Investmark Advisory is owned by IAG, LLC (Investmark Advisory Group). IAG, LLC ownership is as follows: 39% Jay Diamond, 29% Michael Kusick, 13% Nicholas Christie, 13% Matthew Gachi, 5% Scott Williams and 1% Drew Bowman.
- B. IAS offers the following advisory services. Each of the services is more fully described below.
- Asset Management  
Investmark Advisory offers several investment advisory programs. These programs include the Investmark Asset Management Program custodied at National Financial, the Investmark Asset Management Program Custodied at SEI Trust and the Investmark Individual Account Asset Management Program Custodied at SEI Trust.
  - Financial Planning
- C. Investmark Advisory tailors the advisory services it offers to your individual needs. You may impose restrictions and/or limitations on the investing in certain securities or types of securities.

Your Advisory Representative may ask you to complete a fact finding worksheet to assist with obtaining information about you and your financial situation. Additionally, IAS will meet with you to conduct an interview and data gathering session to continue the due diligence process. The information gathered by IAS will assist IAS in providing you with the requested services and to customize the services to your financial situation. Depending on the services you have requested, IAS will gather various financial information and history from you including, but not limited to:

- Retirement and financial goals
  - Investment objectives
  - Investment horizon
  - Financial needs
  - Cash flow analysis
  - Cost of living needs
  - Education needs
  - Savings tendencies
  - Other applicable financial information required by Investmark Advisory in order to provide the investment advisory services requested.
- D. Investmark Advisory does not participate in any wrap fee programs.
- E. As of December 31, 2014, IAS has approximately \$308,000,000 of client assets under our discretionary management. IAS does not have assets under non-discretionary management.

## **Investmark Asset Management Program (IAM) – IAM and Dimensional Fund (DFA) Models**

IAS offers clients a managed account using a series of model strategies (“Model Strategies”) with an objective of building risk-based Model Strategies. The IAM models are comprised of mutual funds, and individual securities. IAM models include the use of Dimensional Fund Advisors (the “DFA Funds”) and other securities and mutual fund families that include varying percentages of equity and debt funds with degrees of risk and potential return. Additionally, IAS has created other models using individual securities.

IAS will monitor and make changes to the Model Strategies based on its individual investment analysis and asset allocation discipline. IAS will manage the funds within the Model Strategies as selected by the Client on a discretionary basis and on a continuous basis.

This advisory program requires the client to establish an account (“Account”) with National Financial Services, LLC.

The following is a brief description of the model strategies:

- ❑ **Primarily Fixed Income Portfolio** – This portfolio generally focuses on the generation of current income. The account will typically be invested primarily in fixed income/bonds and up to 20% in equities/stocks, but will likely differ based on individual client goals, portfolios, and market conditions. This portfolio has historically been the most conservative on a relative basis and has exhibited lower volatility than primarily equities/stock portfolios; however, past performance is no guarantee of future results.
- ❑ **Balanced Fixed Income-Oriented Portfolio** – This portfolio generally focuses on increasing capital sufficient to offset inflation over time while also generating current income. A typical allocation for this account would consist of a majority of fixed income/bonds and up to 40% in equities/stocks, but will likely differ based on individual client goals, portfolios, and market conditions. This portfolio has historically exhibited modest volatility; however, past performance is no guarantee of future results.
- ❑ **Balanced Equity-Oriented Portfolio** – This portfolio generally targets a balanced asset allocation approach that seeks to provide growth potential, as well as generation of current income. A typical allocation for this account would consist of up to 60% in equities/stocks with the remainder in fixed income/bonds, but will likely differ based on individual client goals, portfolios, and market conditions. This portfolio has historically exhibited less volatility than the primarily equities markets over time; however, past performance is no guarantee of future results.
- ❑ **Primarily Equity Portfolio** – This portfolio generally targets capital appreciation, which may or may not focus on the generation of current income. A typical allocation for this account would consist of up to 80% in equities/stocks with the remainder in fixed income/bonds, but will likely differ based on individual client goals, portfolios, and market conditions. This portfolio has exhibited greater overall volatility than the fixed income markets; however, past performance is no guarantee of future results.
- ❑ **Equity Portfolio** – This portfolio generally seeks maximum growth potential, which may or may not focus on the generation of current income. This long-term-oriented account is

typically invested almost entirely in equities/stocks, with the remainder in fixed income/bonds. This portfolio has historically offered the highest level of risk and potential return; however, past performance is no guarantee of future results.

### **Investmark Asset Management Program (IAM) – Advisor Directed**

This advisory program requires the client to establish an account (“Account”) with National Financial Services, LLC. This program involves your advisory representative customizing a managed account portfolio based on an analysis of your investment goals, risk, and investment objectives.

Upon IAS completing its analysis of your situation, IAS will determine an asset allocation customized to your financial goals, objectives and risk tolerance.

IAS will schedule a meeting with you and present the recommended portfolio allocation. Upon your approval, IAS will implement the portfolio allocation. IAS will provide continuous and ongoing management of your account.

IAS offers management services on a discretionary and non-discretionary basis. If you elect to grant discretionary authorization, IAS will manage the account and will make changes to the allocation as deemed appropriate by IAS. IAS will determine the securities to be purchased and sold in the account and will alter the securities holdings from time to time, without prior consultation with you. Discretionary authority will be granted by you to IAS by execution of the Asset Management agreement.

If you elect to have your accounts managed on a nondiscretionary basis, no changes will be made to the allocation of your account without prior consultation with you and your expressed agreement. However, IAS will periodically rebalance your account to maintain the initially agreed upon asset allocation. IAS does not deem rebalancing as a form of discretion.

IAS primarily uses open-ended mutual funds and uses no-load and load waived or mutual funds purchased at net asset value (NAV). However, managed accounts are not exclusively limited to mutual funds and may include stocks and bonds which are typically transferred or requested by you and exchange traded funds (ETFs).

You are advised transactions in the account, account reallocations and rebalancing may trigger a taxable event, with the exception of IRA accounts, 403(b) accounts and other qualified retirement accounts.

### **Investmark Asset Management Program Custodied at SEI Trust and Separate Account Management Through SEI**

Clients will establish an account at SEI Trust Company (“SEI”).

The program involves a five step process:

- (1) Client Profile - Determining the client's risk profile and investment objectives through an interview process with Investmark Advisory and completion of a questionnaire.
- (2) Allocation - Setting an appropriate strategic allocation policy for the client through the use of SEI no-load mutual funds and other funds available through the program.

IAS has designed a series of custom asset allocation models based in part on SEI's capital market research. IAS has designed the models based around various investment objectives and risk profiles. IAS determines the individual securities in each model portfolio, the amount of each holding, frequency of rebalancing and will provide continuous and ongoing management of the portfolios. Should IAS determine a particular holding no longer appropriate for the particular model, IAS will reallocate clients within the particular model to a new allocation. Additionally, IAS can customize a client's allocation should a client have a unique situation. IAS will provide continuous and ongoing management of the SEI custom allocated accounts based on the individual needs of the client.

Alternatively, Investmark Advisory may utilize one or more of the standard asset allocation models developed by SEI.

Generally, IAS will utilize one of its customized model allocations.

- (2) Diversification - Diversifying among asset classes and styles. SEI evaluates and hires independent institutional investment firms to manage its mutual funds. The managers are continually monitored by SEI to ensure that their investment styles and performance remain consistent with the objectives of their specific funds.
- (3) Rebalancing and Reallocation - SEI offers a formal rebalancing program in an attempt to try to control risk. Rebalancing may be made automatic if the underlying funds are out of the prescribed quarterly allocation by greater than a 2% - 3% variance.
- (5) Reporting – SEI Trust Company acts as transfer agent and custodian and provides reporting services including consolidated monthly statements, quarterly performance reports and year-end tax reports.

Additionally, IAS can utilize the Managed Accounts Program sponsored by SEI Investments Management Corporation ("SIMC"). To participate in the Program, IAS, SIMC and each client execute a tri-party agreement (hereinafter, a "Managed Account Agreement") providing for the management of certain client assets in accordance with the terms thereof. Pursuant to a Managed Account Agreement, the client appoints IAS as its investment adviser to assist the client in selecting an asset allocation strategy. The asset allocation will include a percentage of client's assets allocated to designated portfolios of separate securities (each, a "Separate Account Portfolio") and may include a percentage of assets allocated to a portfolio of mutual funds sponsored by SIMC or an affiliate thereof. The client appoints SIMC to manage the assets in each Separate Account Portfolio in accordance with a strategy selected by the client together with Investmark Advisory. SIMC may

delegate its responsibility for selecting particular securities to one or more portfolio managers. The Program seeks to provide a globally diversified portfolio in order to meet a client's long-term goals.

### **Financial Planning Services**

IAS will schedule a meeting with you and present the analysis of your situation and recommendations for steps to be taken to assist you to work toward financial goals.

Plans are based on your financial situation at the time and are based on financial information disclosed by you to IAS. You are advised that certain assumptions may be made with respect to interest and inflation rates and use of past trends and performance of the market and economy. However, past performance is in no way an indication of future performance. IAS cannot offer any guarantees or promises that your financial goals and objectives will be met. Further, you must continue to review the plan and update the plan based upon changes in your financial situation, goals, or objectives or changes in the economy. Should your financial situation or investment goals or objectives change, you must notify Investmark Advisory promptly of the changes. You are advised that the advice offered by IAS may be limited and is not meant to be comprehensive. Therefore, you may need to seek the services of other professionals such as an insurance adviser, attorney and/or accountant. IAS can assist you in locating these professionals if desired.

You are not obligated to implement advice through IAS or its Advisory Representatives. Should you implement the plan with IAS's Advisory Representatives commissions or other compensation may be received in addition to the advisory fee paid to Investmark Advisory.

### **General Information**

The investment recommendations and advice offered by IAS are not legal advice or accounting advice. You should coordinate and discuss the impact of financial advice with your attorney and/or accountant. You are advised that it is necessary to inform IAS promptly with respect to any changes in your financial situation and investment goals and objectives. Failure to notify IAS of any such changes could result in investment recommendations not meeting your needs.

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| <b>Item 5 - FEES AND COMPENSATION</b> |
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### **Investmark Asset Management Program (IAM) – IAM and Dimensional Fund (DFA) Models**

- A. Fees are negotiable and are not based on a share of capital gains upon or capital appreciation of the funds or any portion of the funds.

IAS shall charge an Annual Fee which shall be based on the assets in the Account. The Annual Fee consists of the Annual Advisor Fee and a Program Fee of up to 30 basis points (0.30%).



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The total fee assessed to this account will be calculated by adding the Annual Advisor Fee to the Program Fee based on the schedule below.

The Program Fee will be calculated according to the following schedule:

| <b>Account Value</b>      | <b>Program Fee</b> |
|---------------------------|--------------------|
| Less than \$500,000       | 0.30%              |
| \$500,000 - \$1,000,000   | 0.25%              |
| \$1,000,001 - \$2,000,000 | 0.20%              |
| \$2,000,001 - \$3,000,000 | 0.15%              |
| \$3,000,001 and above     | 0.10%              |

Advisor Fee:

| <b>Account Size</b>        | <b>Maximum Annual Fee</b> |
|----------------------------|---------------------------|
| Less than \$500,000        | 2.50%                     |
| \$500,000 to \$1,000,000   | 2.00%                     |
| \$1,000,001 to \$2,000,000 | 1.75%                     |
| \$2,000,001 to \$3,000,000 | 1.50%                     |
| \$3,000,001 and above      | 1.00%                     |

The fee schedule above is charged as a flat percentage based fee on the entire account value. (E.g., account value of \$1,875,455.56 would be charged a fee of 1.75% annually and a program fee of .20% with a total management fee of 1.95%.) Fees are calculated using the (quarter end value x percentage fee) / 4 = quarterly fee.

### ReInsurance Max

ReInsurance Max clients have the option between electing a fixed fee billing option as outlined above or a blended fee option. Generally, ReInsurance Max is charged a blended fee based on the following fee schedule. Fees are calculated using the (quarter end value x percentage fee) / 4 = quarterly fee.

| <b>Account Size</b>      | <b>Program Fee</b> | <b>Advisor Fee<br/>Maximum Annual Fee</b> |
|--------------------------|--------------------|---|
| First \$500,000          | 0.50%              | 1.25%                                     |
| Next \$500,000           | 0.45%              | 1.15%                                     |
| Next \$1,000,000         | 0.40%              | 1.10%                                     |
| Next \$1,000,000         | 0.35%              | 1.00%                                     |
| Amounts over \$3,000,000 | 0.30%              | 0.90%                                     |

- B. Advisory fees are collected directly from your account. You will be provided with an account statement reflecting the deduction of the advisory fee direct from the account custodian. If the Account does not contain sufficient funds to pay advisory fees, IAS has limited authority to sell or redeem securities in sufficient amounts to pay advisory fees. You may reimburse the account for advisory fees paid to IAS , except for ERISA and IRA accounts.

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- C. In addition to the advisory fees above, you may pay fees for custodial services, account maintenance fees, transaction fees, and other fees associated with maintaining the Account. Such fees are not charged by IAS and are charged by the product, broker/dealer or account custodian. IAS does not share in any portion of such fees. Additionally, you may pay your proportionate share of the fund's management and administrative fees and sales charges as well as the mutual fund adviser's fee of any mutual fund they purchase. Such advisory fees are not shared with IAS and are compensation to the fund-manager.
- D. The fee will be deducted quarterly in arrears based upon the ending market value of the Account. IAS will provide a quarterly statement to Client setting forth the fee due for that quarter and the manner in which the fee was calculated. IAS generally does not adjust advisory fees for inflows or outflows occurring during a calendar quarter. As further disclosed below, IAS's advisory fee will be calculated on the quarter ending value without consideration generally being given to mid-quarter inflows or outflows. Adjustments for inflows is at the discretion of the Advisory Representative and negotiation with the client. No adjustments will be made for outflows since this benefits the clients because fees are calculated on the quarter ending balance. No fee adjustments will be made for Account appreciation or depreciation.

Termination of Provisions

You may terminate upon IAS's receipt of your written notice to terminate. Prorated fees will be charged based on the market value of the account on the date notice of termination is received by IAS.

**Investmark Asset Management Program (IAM) – Advisor Directed**

- A. Fees are negotiable and are not based on a share of capital gains upon or capital appreciation of the funds or any portion of the funds.

You may make additions to the Account or withdrawals from the Account, provided the Account continues to meet minimum account size requirements. IAS generally does not adjust advisory fees for inflows or outflows occurring during a calendar quarter. As further disclosed below, IAS's advisory fee will be calculated on the quarter ending value without consideration generally being given to mid-quarter inflows or outflows. Adjustments for inflows are at the discretion of the Advisory Representative and negotiation with the client. No adjustments will be made for outflows since this benefits the clients because fees are calculated on the quarter ending balance. No fee adjustments will be made for Account appreciation or depreciation.

IAS offers the following fee schedules for the Investmark Asset Management Program:

*Investmark Asset Management Fee Schedule:*

| <b>Account Size</b>        | <b>Maximum Annual Fee</b> |
|----------------------------|---------------------------|
| Less than \$500,000        | 2.50%                     |
| \$500,000 to \$1,000,000   | 2.00%                     |
| \$1,000,001 to \$2,000,000 | 1.75%                     |

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|                            |            |
|----------------------------|------------|
| \$2,000,001 to \$3,000,000 | 1.50%      |
| \$3,000,001 and above      | Negotiable |

The fee schedule above is charged as a flat percentage based fee on the entire account value. (E.g., account value of \$1,875,455.56 would be charged a fee of 1.75% annually.) Fees are calculated using the (quarter end value x percentage fee) / 4 = quarterly fee.

Fees may be adjusted in consideration of strategies employed, additional assets under management at IAS and other relevant factors.

IAS may change the above fee schedule upon 30-days prior written notice to you.

- B. Advisory fees will generally be collected directly from your account, provided you have given IAS written authorization. You will be provided with an account statement reflecting the deduction of the advisory fee direct from the account custodian. If the Account does not contain sufficient funds to pay advisory fees, Investmark Advisory has limited authority to sell or redeem securities in sufficient amounts to pay advisory fees. You may reimburse the account for advisory fees paid to IAS, except for ERISA and IRA accounts.
- C. In addition to the advisory fees above, you may pay transaction fees for securities transactions executed in your account in accordance with the custodian's transaction fee schedule. Additionally, you may pay fees for custodial services, account maintenance fees, transaction fees, and other fees associated with maintaining the Account. Such fees are not charged by IAS, but are charged by the product, broker/dealer or account custodian and IAS does not share in any portion of such fees. Additionally, you may pay your proportionate share of the fund's management and administrative fees and sales charges as well as the mutual fund adviser's fee of any mutual fund they purchase. Such advisory fees are not shared with IAS and are compensation to the fund-manager.
- D. Advisory fees will be charged in arrears on a calendar quarterly basis based upon the value of the account on the last business day of the calendar quarter.
- E. Advisory Representatives of IAS are dually registered representatives of Commonwealth Financial Network® ("Commonwealth"), a registered broker/dealer, member of the Financial Regulatory Association (FINRA) and SIPC. (Commonwealth Equity Services, Inc. has adopted the "doing business as" name of Commonwealth Financial Network®. The firm's legal name will remain Commonwealth Equity Services, Inc. Commonwealth Equity Services, Inc., is a FINRA-registered broker/dealer and SEC-registered investment adviser.)

Advisory Representatives of IAS who are Registered Representatives may receive trail commissions (i.e. 12b-1 fees) for a period of time as a result of directing securities transactions through Commonwealth. Load and no-load mutual funds may pay annual distribution charges, sometimes referred to as 12b-1 fees. 12b-1 fees come from fund assets, therefore, indirectly from your assets. 12b-1 fees may be initially paid to Commonwealth and a portion passed to the Advisory Representatives. The receipt of such fees could represent an incentive for the

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Advisory Representatives to recommend funds with 12b-1 fees over funds that have no fees or lower fees. As a result, there is a potential conflict of interest.

As stated above, IAS recommends mutual funds that pay 12b-1 fees and no-load funds.

You may purchase the securities recommended by IAS directly or through other brokers or agents not affiliated with IAS.

### Termination Provisions

You may terminate investment advisory services obtained from IAS upon written notice within five (5) business days after entering into the advisory agreement with Investmark Advisory, unless you were provided with IAS's Disclosure Brochure at least 48-hours in advance of executing the agreement. You will be responsible for any fees and charges incurred from third parties as a result of maintaining the Account such as transaction fees for any securities transactions executed and Account maintenance or custodial fees. Thereafter, you may terminate investment advisory services upon IAS's receipt of your written notice to termination. Should you terminate investment advisory services during a calendar quarter, you will be charged a pro-rated portion of the advisory fee up to the date of termination based on the value of the account on the date of termination.

### **Investmark Asset Management Program Custodied at SEI Trust and Separate Account Management Through SEI**

- A. Fees are negotiable and are not based on a share of capital gains upon or capital appreciation of the funds or any portion of the funds. There are no fee adjustments made for inflows or outflows of cash and/or securities into or out of the account.

IAS offers two fee schedules for accounts custodied at SEI Trust. Schedule 1 is a flat fee based on the portfolio and all assets are charged the fee. Schedule 2 is a graduated fee schedule where each asset level is charged the corresponding fee.

Schedule 1: SEI Flat Fee Schedule

| <b>Account Size</b>        | <b>Maximum Annual Fee</b> |
|----------------------------|---------------------------|
| Less than \$500,000        | 2.50%                     |
| \$500,000 to \$1,000,000   | 2.00%                     |
| \$1,000,001 to \$2,000,000 | 1.75%                     |
| \$2,000,001 to \$3,000,000 | 1.50%                     |
| \$3,000,001 and above      | 1.00%                     |

The fee schedule above is charged as a flat percentage based fee on the entire account value. (E.g., account value of \$1,875,455.56 would be charged a fee of 1.75% annually.)

Schedule 2: *SEI Graduated Fee Schedule*

| <b>Account Size</b>      | <b>Maximum Annual Fee</b> |
|--------------------------|---------------------------|
| First \$1,000,000        | 1.25%                     |
| Next \$1,000,000         | 1.00%                     |
| Amounts over \$2,000,000 | 0.75%                     |

The fee schedule above is charged as a blended fee where each threshold of the account is charged a corresponding fee as agreed to by the client. (E.g., account value of \$1,875,455.56 would be charged 1.25% on the first \$1,000,000 and 1.00% on the remaining \$875,455.56.)

IAS may change the above fee schedules upon 30-days prior written notice to you.

Separate Account Management Portfolios: Fee discounts may apply for portfolios of \$5 million and above when multiple portfolio managers and/or mutual funds sponsored by SIMC or an affiliate are combined. There are no additional brokerage fees. Brokerage costs are included in the fee payable to SIMC. SIMC is the co-sponsor of the program and files a Wrap Disclosure Brochure. Clients participating in the separate account management program will be provided a Wrap Disclosure Brochure.

- B. Advisory fees are collected directly from your account. You will be provided with an account statement reflecting the deduction of the advisory fee direct from the account custodian. If the Account does not contain sufficient funds to pay advisory fees, IAS has limited authority to sell or redeem securities in sufficient amounts to pay advisory fees. You may reimburse the account for advisory fees paid to IAS, except for ERISA and IRA accounts.
- C. In addition to the advisory fees above, you will pay a fee to SEI, which is part of the mutual fund internal fees. Additionally, you may pay fees for custodial services, account maintenance fees, transaction fees, and other fees associated with maintaining the Account. Such fees are not charged by IAS and are charged by the product, broker/dealer or account custodian. IAS does not share in any portion of such fees. Additionally, you may pay your proportionate share of the fund's management and administrative fees and sales charges as well as the mutual fund adviser's fee of any mutual fund they purchase. Such advisory fees are not shared with IAS and are compensation to the fund-manager.

Separate Account Management Portfolios: In addition to the IAS's advisory fees above, you will pay a fee to SIMC in accordance with the advisory agreement. Additional disclosure about the fees, costs and expense of the separate account management program is disclosed in the Wrap Brochure.

- D. Advisory fees will be charged in arrears on a calendar quarterly basis based upon the value of the account on the last business day of the calendar quarter.

#### Termination of Provisions

You may terminate the advisory agreement without penalty within five (5) business days of execution, unless you were provided with IAS's Disclosure Brochure at least 48-hours in advance of

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executing the agreement. Thereafter, you may terminate upon IAS's receipt of your written notice to terminate. Prorated fees will be charged based on the market value of the account on the date notice of termination is received by IAS

### Financial Planning Services

You are advised that fees for planning services are strictly for planning services. Therefore, you may pay fees and/or commissions for additional services obtained such as asset management or products purchased such as securities or insurance.

Fees are negotiable. Your fees will be dependent on several factors including time spent with Investmark Advisory, number of meetings, complexity of your situation, amount of research, services requested and staff resources.

| Fee Type   | Maximum Fee    | Payable   |
|------------|----------------|---|
| Fixed Fee  | \$5,000        | Payable one-half (1/2) upon execution of the advisory agreement with IAS and the balance due at the time of presentation of the plan, unless otherwise negotiated with you. |
| Hourly Fee | \$350 per hour | Payable at the end of each month based upon time spent by IAS or completion of the services, whichever comes first.   |

### Termination Provisions

You may terminate advisory services obtained from IAS, without penalty, upon written notice within five (5) business days after entering into the advisory agreement with Investmark Advisory. Thereafter, you may terminate advisory services upon IAS's receipt of your written notice to terminate. You will be responsible for any time spent by IAS. Refunds of prepaid advisory fees will be given if termination occurs prior to completion of advisory services

### **Item 6 - PERFORMANCE-BASED FEES**

This section is not applicable to IAS since IAS does not charge performance based fees.

### **Item 7 - TYPES OF CLIENTS**

IAS's services are geared toward individuals both high net worth (i.e. clients with a net worth of \$2,000,000) and other than high net worth individual, pension and profit sharing plans, and corporations or other businesses.

### Investmark Asset Management Program Custodied at National Financial

Generally, Investmark's minimum account size in order to obtain asset management and monitoring services is \$500,000 (based on an aggregate of all of a client's accounts either under management

with Investmark and or maintained by advisory representatives in their capacity as registered representatives). However, under certain circumstances, IAS may waive the minimum account size requirement and accept accounts less than \$500,000. Such circumstances may include but not be limited to additional assets soon to be deposited or you have other accounts under management with IAS . You are advised performance may suffer due to difficulties with diversifying smaller accounts and due to risk controls potentially being compromised. Performance of smaller accounts may vary from the performance of accounts with more dollars invested due to fluctuations in the market may affect smaller accounts more and the effects of compounding may be greater in larger accounts.

**Investmark Asset Management Program Custodied at SEI Trust and Separate Account Management Through SEI**

Account minimums will vary depending on the separate account managers participating in the program. Generally, account minimums will begin at \$1,000,000 and above.

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| <b>Item 8 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS</b> |
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- A. IAS conducts fundamental analysis. Fundamental analysis generally involves assessing a company's, security's or mutual fund's value based on factors such as sales, assets, markets, management, products and services, earnings, and financial structure.

For accounts managed at SEI, IAS uses SEI models and strategically over or under weight categories based on IAS's research. For non-SEI accounts, IAS uses Commonwealth's recommended list as well as other resources.

- B. You are advised investing in securities involves risk of loss, including the potential loss of principal. Therefore, your participation in any of the management programs offered by IAS will require you to be prepared to bear the risk of loss and fluctuating performance.

IAS does not represent, warrant or imply that the services or methods of analysis used by IAS can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to major market corrections or crashes. Past performance is no indication of future performance. No guarantees can be offered that your goals or objectives will be achieved. Further, no promises or assumptions can be made that the advisory services offered by IAS will provide a better return than other investment strategies.

- C. IAS primarily uses mutual funds and individual securities. The following is an outline of some of the risks associated with the various securities types.

*Mutual Funds Risks*

- Manager Risk: which is the risk that an actively managed mutual fund's investment adviser will fail to execute the fund's stated investment strategy.
- Market Risk: which is the risk that the Stock Market will decline, decreasing the value of the securities contained within the mutual funds we recommend to you.

- Industry Risk: which is the risk that a group of stocks in a single industry will decline in price due to adverse developments in that industry, decreasing the value of mutual funds that are significantly invested in that industry.
- Inflation Risk: which is the risk that the rate of price increases in the economy deteriorates the returns associated with the mutual fund.

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

ETFs are professionally managed pooled vehicles that invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities or any combination thereof. ETFs trade on an auctionable market. Therefore, there is more price fluctuation with ETFs than with mutual funds since ETFs trade throughout the day, whereas mutual funds are priced once a day. Also, since most ETFs only mirror a market index, such as the S&P 500, they won't outperform the index. While ETFs generally provide diversification, risks can be significantly increased for funds concentrated in a particular sector of the market, or that primarily invest in small cap or speculative companies, use leverage (i.e. borrow money) to a significant degree, or concentrate in a particular type of security rather than balancing the fund with different types of securities.

#### *Fixed Income Securities Risk*

Investing in fixed income securities involves special risks not typically associated with equity securities. These risks include credit risk, which is the risk of potential loss due to the inability to meet contractual debt obligations, and interest rate risk, which is the risk that an investment's value will change due to a change in the level of interest rates. Additionally, there is an inverse relationship between bond prices and interest rates specific to fixed income securities. As interest rates rise, bond prices fall and, conversely, as interest rates fall, bond prices rise.

#### *Stock and Individual Securities Risks*

The risks with stocks and bonds are that their prices fluctuate throughout the day. Stocks can drop in value and become worthless. The risks with stocks are market risk and company specific risk. The price of a stock can decline due to company-specific reasons as well as the health of the overall stock market. Even dividends, which many beginning investors believe are guaranteed payments by the company, can decline or be totally eliminated.

#### *Tax Risk*

Income tax costs may result from the sale of individual securities within your account, unless the account is otherwise tax sheltered or tax deferred. Income tax costs directly reduce investment returns. Under the current income tax system, securities held less than one year that are sold at a gain (short term capital gains) are taxed at the client's highest marginal tax rate, and securities held greater than one year that are sold at a gain (long term capital gains) are taxed at a reduced long term capital gains rate. Furthermore, the potential Alternative Minimum Tax (AMT) impact of long and short-term capital gains incurred in the tax year in question should be considered. Client is responsible for all tax liabilities arising from the sale of securities within the account.



These are some of the primary risks associated with the way we recommend investments to you, please do not hesitate to contact us to discuss these risks and others in more detail. Mutual fund fees are described in the fund's prospectus, which the custodian mails directly to the client following any purchase of a mutual fund that is new to the client's account. In addition, a prospectus is available online at each mutual fund company's Web site. At the client's request at any time IAS will direct the client to the appropriate Web page to access the prospectus.

The business of investing in securities is highly competitive and the identification of attractive investment opportunities is difficult and involves a high degree of uncertainty. No investment strategy can avoid loss. Investing in securities involves risk of loss that you need to be prepared to bear.

#### **Item 9 - DISCIPLINARY INFORMATION**

There is no reportable disciplinary information required for IAS or its management persons that is material to your evaluation of Investmark Advisory, its business or its management persons.

#### **Item 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

- A. As previously stated, Advisory Representatives are dually registered as advisory representatives of IAS and as registered representatives of Commonwealth. You are under no obligation to purchase or sell securities through your Advisory Representative. However, if you choose to implement the plan, commissions may be earned in addition to any fees paid for advisory services. Commissions may be higher or lower at Commonwealth than at other broker/dealers. Advisory Representatives may have a conflict of interest in having you purchase securities and/or insurance related products through Commonwealth in that the higher their production with Commonwealth the greater potential for obtaining a higher pay-out on commissions and fees earned.

Under the rules and regulations of the FINRA, Commonwealth has an obligation to perform certain supervisory functions regarding certain activities engaged in by advisory representatives who are also registered representatives of Commonwealth. For such supervisory functions, IAS may pay Commonwealth a portion of the advisory fees they receive. Commonwealth and IAS are not affiliated.

- B, C. James Mahoney is an advisory representative of IAS. Additionally, James Mahoney is a certified public accountant and offers accounting services through Mahoney Sabol & Co. LLP. Clients are under no obligation to participate in accounting services through Mahoney Sabol & Co. LLP. James Mahoney is not engaged in direct management of clients' accounts or providing advice.

IAS is not and does not have a related person who is a: futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing

entities. Further, IAS is not and does not have a related person who is: broker/dealer or other similar type of broker or dealer; investment company or other pooled investment vehicle, other investment adviser or financial planner; futures commission merchant or commodity pool operator; banking or thrift institution; lawyer or law firm; insurance company or agency; pension consultant; real estate broker or dealer; or sponsor or syndicator of a limited partnership.

IAS attempts to mitigate the conflicts of interest with the potential receipt of commissions if recommendations are implemented by providing you with these disclosures. Further, you are encouraged to consult other professionals and may implement recommendations through other financial professionals. Furthermore, as registered representatives with Commonwealth, Advisory Representatives are subject to a supervisory structure at Commonwealth for their securities business.

- D. As stated under Item 4, *Advisory Business* above, IAS recommends clients utilize the Asset Management program custodied at SEI Trust or the Individual Account Asset Management Program custodied at SEI Trust. Should a client participate in the programs, the client will pay IAS a fee based on the fee schedules disclosed above under Item 5, *Fees and Compensation*.

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| <b>Item 11 - CODE OF ETHICS, PARTICIPATION OF INTEREST IN CLIENT<br/>TRANSACTIONS AND PERSONAL TRADING</b> |
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**Code Of Ethics**

- A. IAS has a fiduciary duty to you to act in your best interest and always place your interests first and foremost. IAS takes seriously its compliance and regulatory obligations and requires all staff to comply with such rules and regulations as well as IAS's policies and procedures. Further, IAS strives to handle your non-public information in such a way to protect information from falling into hands that have no business reason to know such information and provides you with IAS's Privacy Policy. As such, Investmark IAS maintains a code of ethics for its Advisory Representatives, supervised persons and staff. The Code of Ethics contains provisions for standards of business conduct in order to comply with federal securities laws, personal securities reporting requirements, pre-approval procedures for certain transactions, code violations reporting requirements, and safeguarding of material non-public information about your transactions. Further, IAS's Code of Ethics establishes IAS's expectation for business conduct. A copy of our Code of Ethics will be provided to you upon request.
- B. Neither IAS nor its associated persons recommends to clients or buys or sells for client accounts any securities in which we have a material financial interest.
- C. IAS and its associated persons may buy or sell securities identical to those securities recommended to you. Therefore, IAS and/or its associated persons may have an interest or position in certain securities that are also recommended and bought or sold to you. IAS and its associated persons will not put their interests before your interest. IAS and its associated persons may not trade ahead of you or trade in such a way to obtain a better price for themselves than for you or other clients.

- D. IAS is required to maintain a list of all securities holdings for its associated persons and develop procedures to supervise the trading activities of associated persons who have knowledge of your transactions and their related family accounts at least quarterly. Further, associated persons are prohibited from trading on non-public information or sharing such information.

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| <b>Item 12 - BROKERAGE PRACTICES</b> |
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As previously stated, Advisory Representatives are registered representatives of Commonwealth. As a result they are subject to FINRA Conduct Rule 3040 which may restrict them from conducting securities transactions away from Commonwealth unless Commonwealth provides them with written authorization. IAS is independently owned and operated and not affiliated with or Commonwealth.

You are advised that not all investment advisers require you to maintain accounts at a specific broker/dealer. You are advised you may maintain accounts at another broker/dealer. However, the services provided by IAS will be limited to only advice and will not include implementation. If you select another brokerage firm for custodial and/or brokerage services you will not be able to receive asset management services from IAS.

In initially selecting Commonwealth, IAS conducted due diligence. IAS's evaluation and criteria includes:

- Ability to service you
- Staying power as a company
- Industry reputation
- Ability to report to you and to Investmark Advisory
- Availability of an efficient trading platform
- Products and services available
- Technology resources
- Educational resources
- Execution capability
- Financial responsibility and viability
- Confidentiality and security of your information
- Responsiveness
- Other factors that may bear on the overall evaluation of best price and execution

Additionally, periodically IAS will review transaction costs in light of current market circumstances, available published statistical analysis as well as other relevant information.

Best execution does not simply mean the lowest transaction cost. Therefore, no single criteria will validate nor invalidate a custodian, but rather, all criteria taken together will be used in evaluating the currently utilized custodian.

You are advised there is an incentive for IAS and the Advisory Representatives to recommend a broker/dealer over another based on the products and services that will be received rather than your best interest.

Commonwealth has a wide range of approved securities products for which Commonwealth performs due diligence prior to selection. Commonwealth's registered representatives are required to adhere to these products when implementing securities transactions through Commonwealth. Commissions charged for these products may be higher or lower than commissions you may be able to obtain if transactions were implemented through another broker/dealer. Commonwealth also provides Advisory Representatives, and therefore the Investmark Advisory, with back-office operational, technology, and other administrative support. Other services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance and marketing. Such services are intended to help Advisory Representatives and IAS manage and further develop its business enterprise.

Commonwealth and its clearing broker/dealer, National Financial Services, LLC also make available to IAS other products and services that benefit IAS but may not directly benefit you. Some of these other products and services assist IAS with managing and administering your accounts. These include software and other technology that provide access to your account data (such as trade confirmation and account statements); facilitate trade execution; provide research, pricing information and other market data; facilitate payment of IAS's fees from your accounts; and assist with back-office functions; recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of IAS's accounts, including accounts not held through Commonwealth.

- B. Due to the individual management of client accounts, we do not aggregate the purchase or sale of securities for various client accounts.

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| <b>Item 13 - REVIEW OF ACCOUNTS</b> |
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- A. If you are participating in the Asset Management Programs you will be invited to participate in at least an annual review or as agreed by you and your Advisory Representative. You may request more frequent reviews and may set thresholds for triggering events that would cause a review to take place. Your Advisory Representative will monitor for changes or shifts in the economy, changes to the management and structure of a mutual fund or company in which your assets are invested, and market shifts and corrections.

If you are participating solely in Financial Planning Services you will not receive regular reviews. IAS recommends you have at least an annual review and update to any plans. However, the time and frequency of the reviews of financial plans is solely your decision. Additionally, you may be charged review fees based on the fee schedule disclosed under the program. Other than the initial plan or analysis, there will be no other reports issued.

The following individuals conduct reviews:

Jay Diamond, Advisory Representative  
Matthew Gachi, Advisory Representative

Investmark Advisory Services, Inc.

Michael Kusick, Advisory Representative  
Nicholas Christie, Advisory Representative  
Joseph Jandreau, Advisory Representative  
Drew W. Bowman, Adviosry Representative

- B. You are advised that you must notify your Advisory Representative promptly of any changes to your financial goals, objectives or financial situation as such changes may require him review the portfolio allocation and make recommendations for changes.
- C. You will be provided statements at least quarterly direct from the account custodian. Furthermore, you will receive confirmations of all transactions occuring direct from the account custodian. Additionally, in most cases, IAS will provide you with a consolidated report of your managed account. You should compare the report with statements received direct from the account custodian. Should there be any discrepancy the account custodian's report will prevail.

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| <b>Item 14 - CLIENT REFERRALS AND OTHER COMPENSATION</b> |
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- A. Product vendors recommended by IAS may provide monetary and non-monetary assistance with client events, provide educational tools and resources. IAS does not select products as a result of any monetary or non-monetary assistance. The selection of product is first and foremost. IAS's due diligence of a product does not take into consideration any assistance it may receive. Therefore, this is not considered a conflict of interest but a benefit for you and IAS
- B. IAS may enter into arrangements with individuals or a company such as an accounting firm (referred to as "Solicitor") whereby the Solicitor will refer clients who may be a candidate for investment advisory services to IAS. In return, IAS will agree to compensate the Solicitor for the referral. Compensation to the Solicitor is dependent on the client entering into an advisory agreement with IAS for advisory services. Compensation to Solicitor will be an agreed upon percentage of IAS's advisory fee or a flat fee. Clients' advisory fee will not be increased as a result of compensation being shared with Solicitor. IAS's referral program is in compliance with the federal regulations as set out in 17 CFR Section 275.206(4)-3. The Solicitor will be required to provide the client with a copy of IAS's Form ADV Part 2A and a Solicitor Disclosure prior to or at the time of entering into any investment advisory contract with IAS. Solicitor is not permitted to offer clients any investment advice or provide advisory services on behalf of IAS. Clients need to direct all questions about advisory services or their account to their advisory representative or any IAS Advisory Representative.

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| <b>Item 15 - CUSTODY</b> |
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With the exception of deduction of IAS's advisory fees from your accounts, IAS does not take custody of your funds or securities.

Under government regulations, we are deemed to have custody of your assets if, for example, you authorize us to instruct your account custodian to deduct our advisory fees directly from your account or if you grant us authority to move your money to another person's account. Your account custodian maintains actual custody of your assets. You will receive account statements directly from your account custodian at least quarterly. They will be sent to the email or postal mailing address you provided. You should carefully review those statements promptly when you receive them.

#### **Item 16 - INVESTMENT DISCRETION**

You may grant IAS authorization to manage your account on a discretionary basis. Discretionary authority will give IAS the authority to buy, sell, exchange and convert securities in your managed accounts. You will grant such authority to IAS by execution of the advisory agreement. You may terminate discretionary authorization at any time upon receipt of written notice by IAS.

Additionally, you are advised that:

- 1) You may set parameters with respect to when account should be rebalanced and set trading restrictions or limitations;
- 2) Your written consent is required to establish any mutual fund, variable annuity, or brokerage account;
- 3) IAS requires the use of the broker/dealer with which your Advisory Representative is registered for sales in commissionable mutual funds or variable annuities, if you elect to implement recommendations through your Advisory Representative;
- 4) With the exception of deduction of IAS's advisory fees from the account, if you have authorized automatic deductions, IAS will not have the ability to withdraw your funds or securities from the account.

#### **Item 17 - VOTING CLIENT SECURITIES**

IAS does not vote your securities. Unless you suppress proxies, securities proxies will be sent directly to you by the account custodian or transfer agent. You may contact IAS about questions you may have an opinions on how to vote the proxies. However, the voting and how you vote the proxies is solely your decision.

#### **Item 18 - FINANCIAL INFORMATION**

- A. IAS will not require you to prepay more than \$1,200 and six or more months in advance of receiving the advisory service.
- B. As stated above, IAS has discretionary authority over client accounts; however that authority does not extend to the withdrawal of any client assets, with the exception of deduction of IAS's advisory fees from your accounts. We are financially stable. There is no financial condition that is likely to impair our ability to meet our contract actual commitment to you or any other client.

- C. Neither IAS nor any of its Advisory Representatives has ever been the subject of a bankruptcy petition.

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| <b>Item 19 - REQUIREMENTS FOR STATE REGISTERED ADVISERS</b> |
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IAS is federally registered. This section is not applicable to IAS.