

Item 1 Cover Page



INTERNATIONAL ASSETS INVESTMENT MANAGEMENT, LLC

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Part 2A of Form ADV: *Firm Brochure*

This Brochure provides information about the qualifications and business practices of INTERNATIONAL ASSETS INVESTMENT MANAGEMENT, LLC. If you have any questions about the contents of this Brochure, please contact us at (407) 254-1531 or at rweiss@iaac.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 Securities and Exchange Commission (“SEC”) or with any state securities authority does not imply a certain level of skill or training and no inference to the contrary should be made.

Additional information about INTERNATIONAL ASSETS INVESTMENT MANAGEMENT, LLC is available on the SEC’s website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number.

The Firm’s CRD number is 144426.

Item 2 Material Changes

This Brochure, dated March 30, 2018, provides you with a summary of INTERNATIONAL ASSETS INVESTMENT MANAGEMENT, LLC (“IAIM” or the “Firm”) advisory services and fees, professionals, certain business practices and policies, as well as actual or potential conflicts of interest, among other things. This Item 2 is used to provide our clients with a summary of new and/or updated information; the Firm will inform clients of the revision(s) based on the nature of the information as follows.

1. Annual Update: The Firm is required to update certain information at least annually, within 90 days of the Firm’s fiscal year end of December 31. We will provide you with either a summary of the revised information with an offer to deliver the full revised Brochure within 120 days of our fiscal year end or we will provide you with our revised Brochure that will include a summary of those changes in this Item.

2. Material Changes: Should a material change in the Firm’s operations occur, depending on the nature of the change, the Firm will promptly communicate this change to clients (and it will be summarized in this Item). “Material changes” requiring prompt notification will include changes of ownership or control; location; disciplinary proceedings; significant changes to our advisory services or advisory affiliates; or any information that is critical to a client’s full understanding of who the Firm is, how to find us, and how we do business.

The following summarizes new or revised disclosures based on information previously provided in the Firm Brochure dated 02/02/2017:

- The Firm’s Chief Compliance Officer has changed from Ann Moore to Richard Weiss.
- The Firm no longer sponsors a wrap fee program.

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Item 4 Advisory Business

IAIM is a SEC registered investment adviser with its principal place of business located in Orlando, Florida. The Firm began conducting business in 2007.

The Firm's sole direct owner is Pecunia Management, LLC.

As of 3/23/2018, the Firm's total assets under management were \$613,210,982, of which \$503,489,392 are managed on a discretionary basis and \$109,721,590 on a non-discretionary basis.

The Firm offers the following advisory services to our clients:

Investment/Portfolio Management Services

IAIM provides clients with ongoing Investment/Portfolio Management Services, which are performed on either a discretionary or non-discretionary basis, depending on client election. Prior to engaging the Firm to provide Investment Management Services, the client is required to enter into an Investment Advisory Agreement setting forth the terms and conditions of the engagement,. In addition, each client completes a Client Profile setting forth important information related to the client's investment goals and financial objectives, among other things.

The Firm's Portfolio Management Services are divided into three types: Individual Asset Selection Program, Tactical Allocation Strategy and Manager Selection Program and Separately Managed Accounts. IAIM also offers Retirement Planning Solutions for plan sponsors. Each type of Investment/Portfolio Management Service is described further below.

1. Individual Asset Selection Program ("IAS")

The Firm provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions and the completion of the investor questionnaire, in which goals and objectives based on a client's particular circumstances are established, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. We may also review and discuss a client's prior investment history, as well as family composition and background.

The Firm manages advisory accounts on a discretionary or non-discretionary basis, as agreed with each client. Account supervision is guided by the stated objectives of the client, as well as tax considerations. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors. For discretionary accounts, the Firm will implement transactions without seeking prior client consent. For non-discretionary accounts, the Firm will seek prior client consent for each contemplated transaction. Therefore, clients with non-discretionary accounts should understand that any delay in obtaining consent may result in less favorable

transaction terms, including higher security price and/or higher commissions and/or limited availability of the securities sought.

IAIM uses mutual funds, exchange traded funds (“ETFs”), closed-end funds, and other investments and, depending on the client’s needs and investment objectives, may also: (i) use certain option strategies or (ii) suggest the use of certain third-party money managers and/or alternatives and/or private funds.

Clients can invest in one or more of the following portfolio types: capital preservation, conservative, moderate, growth or aggressive growth.

Please see Item 12 for important information regarding the trading for this strategy.

2. Tactical Allocation Strategy (“TAS”)

Due to the Firm’s affiliation with Tactical Investment Strategies, LLC (“Tactical”), a SEC registered investment adviser, the Firm has the ability to utilize model portfolios for its clients. Once it is determined that one or more of Tactical’s model portfolios could meet the client’s goals and objectives, the client completes a Statement of Investment Selection, wherein the client selects which portfolio he/she wants to utilize for investments. If the selected portfolio is within the client’s stated objectives, Tactical will accept the account for management. Thereafter the client’s account will be managed based on the portfolio’s goal, rather than on the client’s individual needs.

Please also see Item 12 for important information regarding the trading for this strategy.

3. Manager Selection Program and Separately Managed Accounts

Where deemed appropriate, the Firm may use the services of independent third party investment advisers (“TPA”) for management of all or a portion of a client’s account. The Firm’s recommendations regarding the use of any TPA (and the portion of a Client’s assets to be managed by such TPA) will depend on the client’s particular circumstances, goals and objectives, strategy desired, account size, risk tolerance, and/or other factors.

Once the Firm determines which TPA(s) are most appropriate for the client, the Firm will provide the selected TPA with the client’s investor questionnaire. The selected TPA(s) will then create and manage the client’s portfolio based on the client’s investor questionnaire.

The Firm will regularly and continuously monitor the performance of the selected TPA(s). If the Firm determines that a particular selected TPA is not providing sufficient management services to the client, or is not managing the client’s portfolio in a consistent with the client’s investor questionnaire, the Firm may remove the client’s assets from that selected TPA and place the client’s assets with another TPA at our discretion and without prior consent from the client.

IAIM has business relationships with the following TPA's: SEI Investments Management Corp; Loring Ward Securities, Inc.; Brinker Capital, Inc.; Assetmark, Inc.; and Envestnet Asset Management, Inc., through Pershing Advisor Solutions and National Financial Services, LLC. The relationship of IAIM with the TPA will be clearly communicated to all clients in the TPA's Client Services Agreement and/or other similar documentation. Where the services of a TPA are recommended, a copy of such TPA's Form ADV Part 2 (or a substitute disclosure brochure) will be provided to the client. Clients are encouraged to read and understand this disclosure document.

4. Retirement Planning Solutions

IAIM provides service to qualified and non-qualified retirement plans.

IAIM is deemed a "Covered Service Provider" to retirement plan clients under the Employee Retirement Income Security Act of 1974 ("ERISA") and the rules and regulations promulgated thereunder. As a Covered Service Provider, the Firm is required to make written disclosures to the responsible plan fiduciary, including information the responsible plan fiduciary needs to (i) assess the reasonableness of total compensation, both direct and indirect, received by the Covered Service Provider, its affiliates, and/or subcontractors, (ii) identify potential conflicts of interest, and (iii) satisfy reporting and disclosure requirements under Title I of ERISA. The Firm provides this information prior to entering into a written agreement with retirement plan clients, and annually thereafter.

For more information see Section 12.

Financial Planning and Consulting Services

Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. The key defining aspect of financial planning is that through the financial planning process, all questions, information and analysis will be considered as they impact and are impacted by the entire financial and life situation of the client. Clients purchasing this service will receive a written report, providing the client with a detailed financial plan designed to achieve his or her stated financial goals and objectives.

The Firm gathers required information through written information and documentation provided by the client, as well as in-depth personal interviews. Information gathered includes a client's current financial status, tax status, future goals, returns objectives and attitudes towards risk. We carefully review documents supplied by the client, including a questionnaire completed by the client, and prepare a written report. Should a client choose to implement the recommendations contained in the plan, we suggest the client work closely with his/her attorney, accountant, insurance agent, and/or stockbroker. Implementation of financial plan recommendations is entirely at the client's discretion.

The Firm also provides general non-securities advice on topics that may include tax and budgetary planning, estate planning and business planning.

Typically the financial plan will be presented to the client within ninety (90) days of the contract date, provided that all information needed to prepare the financial plan has been promptly provided by the client.

Our investment and financial planning recommendations are not limited to any specific product or service offered by any broker dealer or insurance company, including our affiliates.

Item 5 Fees and Compensation

Investment/Portfolio Management Services

The Firm's annual fees for Investment/Portfolio Management Services programs are based upon a percentage of assets under management up to 3.0%. However, the Firm retains the discretion to impose a minimum annual charge of \$500.

The Firm retains the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs are considered in determining the fee schedule, including but not limited to, the complexity of the client's situation, assets to be placed under management, anticipated future additional assets, related accounts, portfolio style, account composition, reports, among other factors. The specific annual fee schedule is identified in the contract between the adviser and each client.

The Firm may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee.

Discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of the Firm.

Financial Planning and Consulting Services

The Firm's fees for financial planning and/or consulting services is determined based on the nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a contract with any client.

The Firm typically charges an hourly fee, a onetime flat fee or an annual flat fee for financial planning services and for consulting services. However, for consulting services, the Firm reserves the right to charge an annual fee based on a percentage of the client's investment assets.

The financial planning and consulting fees are negotiable. The financial planning fees generally range from \$1,000 to \$10,000 on a fixed fee basis or from \$200 to \$500 on an hourly rate basis. If

a client engages IAIM for additional investment advisory services, the Firm may, in its discretion, offset all or a portion of its financial planning fees for those services based upon the amount paid for the financial planning services.

Prior to engaging IAIM to provide financial planning or consulting services, the client will be required to enter into a written agreement with the Firm setting forth the terms and conditions of the engagement and describing the scope of the services to be provided and the portion of the fee that is due from the client prior to the Firm commencing service.

Should a client elect to implement the recommendations contained in their financial plan, brokerage and other transaction costs could apply. Please refer to Items 5 and 12 for more information on fees clients may be responsible for and IAIM's brokerage practices. Also as IAIM's representatives are typically also registered representatives of International Assets Advisory, LLC ("IAA"), an affiliated broker-dealer, the representatives receive compensation from time to time when a client opens an account with IAA, as recommended by IAIM.

Additionally, certain IAIM representatives are also licensed insurance agents through IAA, and other various life, health and disability insurance companies. There are times when these IAIM representatives recommend the purchase of certain insurance products through IAA, and/or other insurance companies, to IAIM clients as part of their financial plan. Upon purchase, the representative, in his or her capacity as an insurance agent, will receive normal and customary commissions. The amount of these commissions and timing of payment can vary depending on the type of insurance purchased. Please refer to Item 10 for additional information, including applicable conflicts and how IAIM addresses the conflicts.

Retirement Planning Solutions

Based upon the services selected by the client, the Firm generally will charge an annual advisory fee not to exceed three percent (3%) of a client's assets under management. This fee is assessed quarterly or monthly, in arrears or advance depending on calculation procedures of the applicable custodian. Such fees will be automatically deducted from the client's account by the custodian as soon as practicable following the end of each applicable billing period and paid to IAIM. IAIM will calculate the fee and invoice clients directly at IAIM's discretion.

Should a client open an account during a quarter, the Firm's advisory fee will be prorated based on the number of days the account was open during the quarter. In the event the Firm's services are terminated mid-quarter, any paid, unearned fees will be promptly refunded to the client, and any earned, unpaid fees will be due and payable to IAIM.

At times, IAIM may also charge a fee for consulting and plan implementation services. These fees are negotiable and described in the client's agreement with IAIM.

General Information

Management personnel and other related persons of the Firm are licensed as registered representatives of IAA. In their separate capacities, these individuals are able to implement investment recommendations for advisory clients for separate and typical compensation (i.e., commissions, 12b-1 fees or other sales-related forms of compensation). This situation presents a conflict of interest to the extent that these individuals recommend that a client invest in a security which results in a commission being paid to the individuals. Clients are not under any obligation to engage these individuals when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client.

Account Termination

Clients will have a period of five (5) business days from the date of signing the agreement to unconditionally rescind the agreement and receive a full refund of all fees. Thereafter, the client may terminate the agreement by providing the Firm thirty (30) days' prior written notice at our principal place of business. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable. However, if a Portfolio Management account is terminated prior to the end of a billing month; no refund will be issued for unused service in the effective termination month.

Mutual Fund and ETF Fees and Expenses

All fees paid to the Firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. A client could invest in a mutual fund or and ETF directly, without the services of the Firm. In that case, the client would not receive the services provided by IAIM which are designed, among other things, to assist the client in determining which mutual fund or funds or ETFs are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and ETFs and the fees charged by us to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Certain mutual funds charge "front-end loads" or "back-end loads" which are paid to investment intermediaries as sales commissions. As such, these sales charges are not part of a mutual fund's operating expenses and are deducted from the investment amount, thus lowering the size of the investment. Certain mutual funds also charge annual marketing or distribution fees. These 12b-1 fees are considered an operational expense and, as such, are included in a fund's expense ratio.

Clients should note that because we have a related broker/dealer, IAA, 12b-1 fees and "loads" paid to this related entity as a result of its brokerage services would inure to the benefit of the officers

and owners of the Firm. Please see detailed disclosure regarding the resulting conflicts of interests in Items 10 and 12 of this Brochure. The Firm will generally limit its recommendations to “no-load” or “load-waived” mutual funds.

Brokerage and Custodial Fees

In addition to advisory fees paid to our Firm, clients will also be responsible for all transaction, brokerage, and custodial fees incurred as part of their account management. Please see Item 12 of this Brochure for important disclosures regarding our brokerage practices.

Clients should carefully review the fees charged by any mutual fund, TPA, and affiliated advisor in which the client’s assets are invested, together with the fees charged by IAIM, to fully understand the total amount of fees to be paid by the client and in order to evaluate the advisory services being provided.

Additional Compensation Received

IAIM’s personnel and representatives are registered securities representatives with our affiliated broker/dealer, IAA. In these capacities, these individuals may recommend securities, insurance, or other products, and receive normal securities and/or insurance transactions commissions, 12b-1 fees, markups, and load sales charges if products are purchased through IAA. Thus, a conflict of interest exists between the interests of the Firm and these individuals and those of the advisory clients, creating an incentive for the representatives to recommend investment and/or insurance products based on the compensation received, rather than on a client’s needs. However, clients are under no obligation to act upon any recommendations of the representatives or to effect any transactions through the representatives if they decide to follow the recommendations.

These individuals do not limit their investment or financial planning recommendations to products or services offered by IAA and ensure that all recommendations are appropriate for a client’s specific needs. Clients have the option to purchase investment and insurance products recommended through other brokers and insurance companies not affiliated with IAIM. Please refer to Item 10 of this Brochure for a more detailed explanation of how our firm handles and mitigates these conflicts of interest.

As mentioned above, IAIM representatives may receive compensation based on certain investment recommendations made to clients which creates an inherent conflict of interest, and may affect the judgment of these individuals when making recommendations. This conflict is due to the fact that when an IAIM representative receives compensation he or she has an incentive to make recommendations based on the compensation received rather than on a client’s needs. IAIM has adopted certain procedures designed to mitigate the effects of conflicts. IAIM and its representatives endeavor at all times to put the interests of the clients first, and recommendations only will be made to the extent that they are reasonably believed to be in the best interests of the client. Additionally, the conflicts presented by these practices are disclosed to clients at the time

of entering into an advisory agreement, mainly through the delivery of the IAIM ADV Part 2A Disclosure Brochure and ADV Part 2B Supplement Brochures. Clients are not obligated to implement recommended transactions through IAIM, any of its affiliates or any particular broker-dealer and have the option to purchase any recommended investment products or services through others. Please refer to Item 10 for additional information regarding the financial industry affiliations of IAIM and its personnel.

In addition, David Weinberger, Matthew Lampman and Ed Cofrancesco, members of IAIM's management team, are also owners and investment adviser representatives of Tactical, an affiliated SEC registered investment adviser. As IAIM refers clients to Tactical, a conflict of interest can occur since Mr. Weinberger, Mr. Lampman and Mr. Cofrancesco have an economic incentive to recommend implementing the Tactical programs to IAIM its representatives. This conflict of interest affects the ability of IAIM and its representatives to provide clients with unbiased, objective investment advice concerning the selection of certain subadvisors for client accounts.

Item 6 Performance-Based Fees and Side-By-Side Management

The Firm does not charge performance-based fees.

Item 7 Types of Clients

The Firm generally provides advisory services to individuals, pensions and profit sharing plans, trusts, estates, charitable organizations, corporations, and other business entities.

The minimum dollar value of assets for starting or maintaining a portfolio management account is \$50,000. The Firm may make exceptions to this policy from time to time.

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

Methods of Analysis

The Firm employs the following types of analysis to formulate our investment advice and/or manage client assets:

Fundamental Analysis: Fundamental analysis attempts to measure the intrinsic value of a security by looking at economic and financial factors ((including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell). However, fundamental analysis does not attempt to anticipate market movements, which presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

Mutual Fund and/or ETF Analysis: The Firm look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. The Firm also looks at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in other funds in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as the Firm does not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the fund or ETF less suitable of the client's portfolio.

Technical analysis. The Firm analyzes past market movements and applies that analysis to the present in an attempt to recognize recurring patterns of investor behavior and to potentially predict future price movement. Technical analysis does not consider the underlying financial condition of a company, and therefore, presents a risk in that a poorly managed or financially unsound company may underperform regardless of market movement.

Charting: In this type of technical analysis, the Firm review charts of market and security activity in an attempt to identify when the market is moving up or down and to predict when how long the trend may last and when that trend might reverse.

Cyclical analysis: In this type of technical analysis, the Firm measures the movements of a particular stock against the overall market in an attempt to predict the price movement of the security.

Asset Allocation: Rather than focusing primarily on securities selection, the Firm attempts to identify an appropriate ratio of securities, fixed income, and cash suitable to the client's investment goals and risk tolerance.

A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

Third-Party Manager Analysis: The Firm examines the experience, expertise, investment philosophies, and past performance of independent third-party investment managers in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. The Firm monitors the manager's underlying holdings, strategies,

concentrations, and leverage as part of our overall periodic risk assessment. Additionally, as part of our due diligence process, we survey the manager's compliance and business enterprise risks.

A risk of investing with a third-party manager who has been successful in the past is that he/she may not be able to replicate that success in the future. In addition, as the Firm does not control the underlying investments in a third-party manager's portfolio, there is also a risk that a manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the manager's daily business and compliance operations, it is possible for us to miss the absence of internal controls necessary to prevent business, regulatory or reputational deficiencies.

Risks for all forms of analysis: The Firm's securities analysis method relies on the assumption that the companies whose securities the Firm purchases and sells, the rating agencies that review these securities, and other publicly available sources of information about these securities, are providing accurate and unbiased data. While the Firm is alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

Investment Strategies

The Firm employs the following investment strategies to implement investment advice and manage client accounts, provided that such strategies are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

Long-term purchases: The Firm purchases securities with the idea of holding them in the client's account for a year or longer. Typically we use this strategy when we believe the securities to be currently undervalued and/or want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that, by holding the security for this length of time, we may not take advantages of short-term gains that could be profitable to a client. Moreover, if we are incorrect, a security may decline sharply in value before we make the decision to sell.

Short-term purchases: When utilizing this strategy, the Firm purchases securities with the idea of selling them within a relatively short time (less than a year). Typically we employ this strategy in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

A short-term purchase strategy poses risks that, should the anticipated price swing not materialize, we are left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss. In addition, this strategy involves more frequent

trading than does a longer-term strategy, and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

Trading: The Firm purchases securities with the idea of selling them very quickly (30 days or less), in an attempt to take advantage of brief price swings.

Utilizing a trading strategy creates the potential for sudden losses if the anticipated price swing does not materialize. Moreover, under these circumstances, we are left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss. In addition, this strategy involves more frequent trading than does a longer-term strategy, and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

Short sales: The Firm borrows shares of a stock for a client's portfolio from another client who owns the stock on a promise to replace the shares on a future date at a certain price. The Firm then sells the shares we have borrowed. On the agreed-upon future date, we buy the same stock and return the shares to the original owner. The Firm engages in short selling on based on our determination that the stock will go down in price after we have borrowed the shares. If the stock has gone down since we purchased the shares from the original owner, we keep the difference.

One risk in selling short is that losses are theoretically unlimited; i.e., we are obligated to repurchase the stock no matter how much the price has climbed. In addition, even if we are correct in determining that the price of a stock will decline, we run the risk of incorrectly determining when the decline will take place. Short selling may not be appropriate in times of inflation, as prices may adjust upwards regardless of the value of the stock.

Margin transactions: The Firm will purchase stocks for a client's portfolio with money borrowed from the client's brokerage account. Purchasing on margin allows a client to purchase more stock than he/she would be able to with his/her available cash, and allows us to purchase stock without selling other holdings.

A risk in margin trading is that, in volatile markets, securities prices can fall very quickly. If the value of the securities in a client's account minus what he/she owes the broker falls below a certain level, the broker will issue a "margin call", and the client will be required to sell his/her position in the security purchased on margin or add more cash to the account. In some circumstances, the client may lose more money than originally invested.

Option writing: The Firm may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset.

The Firm will use options to speculate on the possibility of a sharp price swing or to “hedge” a purchase of the underlying security. In other words, we will use an option purchase to limit the potential upside and downside of a security we have purchased for the client’s portfolio.

The Firm uses “covered calls”, in which we sell an option on security the client owns. In this strategy, the client receives a fee for making the option available, and the person purchasing the option has the right to buy the security from the client at an agreed-upon price.

A risk of covered calls is that the option buyer does not have to exercise the option, so that if we want to sell the stock prior to the end of the option agreement, we have to buy the option back from the option buyer, for a possible loss.

We use a “spreading strategy”, in which we purchase two or more option contracts (for example, a call option that you buy and a call option that you sell) for the same underlying security. This strategy effectively puts you on both sides of the market, but with the ability to vary price, time and other factors.

A risk of spreading strategies is that the ability to fully profit from a price swing is limited.

Risk of Loss. Investments in securities are not guaranteed and, consequently, may result in a loss or some or all of the investment.

Item 9 Disciplinary Information

The Firm is required to disclose any legal or disciplinary events that are material to a client’s or prospective client’s evaluation of our advisory business or the integrity of our management.

Neither the Firm nor its management persons have any reportable disciplinary events to disclose.

Item 10 Other Financial Industry Activities and Affiliations

Certain IAIM personnel and representatives are registered securities representatives and/or insurance agents licensed with IAA, an affiliated broker/dealer and insurance agency. Additionally, David Weinberger, Matthew Lampman and Edward Cofrancesco, members of IAIM’s management team are owners and investment adviser representatives of Tactical, an affiliated SEC registered investment adviser.

Tactical is recommended as a subadvisor to IAIM clients from time to time which is a conflict of interest. This conflict of interest affects the ability of IAIM and its representatives to provide clients with unbiased, objective investment advice concerning the selection of certain subadvisors for client accounts.

This conflict could mean that other investments that IAIM personnel do not have an interest in may be more appropriate for an IAIM client than an investment in Tactical. Therefore, a conflict of interest exists in the selection of investments for IAIM clients. Accordingly, each prospective investor that is introduced to Tactical as a possible subadvisor, prior to making an investment decision to utilize the subadvisor, is encouraged to consider all factors they deem relevant to an investment with Tactical, including the conflicts of interest noted within this Form ADV and also in Tactical's Form ADV, and to consult with their own advisors regarding such potential investment.

As required, affiliated broker/dealer(s) and/or registered investment adviser(s) are specifically disclosed in Section 7.A. on Schedule D of Form ADV, Part 1, which can be accessed by following the directions provided on the cover page of this Brochure.

Clients should be aware that the recommendation of IAA for trade execution, as well as receipt of additional compensation by the Firm and its management personnel or employees creates a conflict of interest that may impair the objectivity of the Firm and these individuals when making advisory and brokerage recommendations. Potential conflicts of interest also arise to the extent that these non-IAIM activities may require a significant time commitment from some of the IAIM personnel, thus limiting the amount of time they can dedicate to management of advisory client accounts. Although the appearance of potential conflict of interest, the IAIM representative will act in the client's best interest at all time. Since IAIM endeavors at all times to put the interest of our clients first as part of our fiduciary duty as a registered investment adviser, we take the following steps to address this conflict:

1. We disclose to clients the existence of all material conflicts of interest, including the potential for the Firm and its personnel to earn compensation from advisory clients in addition to the Firm's advisory fees;
2. We disclose to clients that they are not obligated to purchase recommended investment products or services from our representatives;
3. We collect, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;

Item 11 Code of Ethics, Participation in Client Transactions and Personal Trading

Code of Ethics Disclosure

The Firm has adopted a Code of Ethics (the "Code") which sets forth high ethical standards of business conduct that the Firm requires of its personnel and representatives, including compliance with applicable federal securities laws.

The Firm and its personnel owe a duty of loyalty, fairness and good faith toward our clients, and have an obligation to adhere not only to the specific provisions of the Code but to the general principles that guide the Code.

The Code includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the Firm's access persons. Among other things, the Code also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. The Code also provides for oversight, enforcement and recordkeeping provisions.

The Code further includes our policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all personnel and representatives are reminded that such information may not be used in a personal or professional capacity.

A copy of the Code is available to our advisory clients and prospective clients upon request to the Firm's Chief Compliance Officer, at the Firm's principal office address.

The Firm and/or individuals associated with the Firm may buy or sell securities for their personal accounts that are identical to or different from those recommended to or purchased for our clients. In addition, any related person(s) may have an interest or position in a certain securities which may also be recommended to a client. This practice results in a potential conflict of interest, as the Firm and/or individuals associated with the Firm may have an incentive to manipulate the timing of such purchases to obtain a better price or more favorable allocation in rare cases of limited availability.

The Code is designed to assure that the personal securities transactions, activities and interests of our personnel and representatives will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing personnel and representatives to invest for their own accounts.

As these situations represent actual or potential conflicts of interest to our clients, the Firm has established the following policies and procedures for implementing the Code, to ensure the Firm complies with its regulatory obligations and to provide clients and potential clients with full and fair disclosure of such conflicts of interest:

1. No employee or representative of the Firm may put his/her own interest above the interest of an advisory client.
2. No Firm employee or representative may buy or sell securities for his/her personal portfolio(s) where his/her decision is substantially derived, in whole or in part, by reason of his/her employment unless the information is also available to the investing public on reasonable inquiry.

No principal or employee of our firm may prefer his or her own interest to that of the advisory client.

3. No Firm employee or representative may purchase or sell any security prior to transaction(s) being implemented for an advisory account, to prevent such employees or representatives from benefiting from transactions placed on behalf of advisory accounts.

4. The Firm maintains a list of all reportable securities holdings for the Firm and anyone associated with the Firm that has access to advisory recommendations. These holdings are reviewed on a regular basis by the Firm's Chief Compliance Officer or his/her designee.

5. The Firm emphasizes the unrestricted right of the client to decline to implement any advice rendered, except in situations where the Firm is granted discretionary authority;

6. All of the Firm's employees and representatives must act in accordance with all applicable laws, rules and regulations governing registered investment advisory practices.

7. The Firm requires delivery and acknowledgment of the Code by each person associated with us.

8. The Firm has established policies requiring the reporting of Code violations to senior management.

9. Any individual who violates any of the above restrictions may be subject to disciplinary action or termination.

Item 12 Brokerage Practices

The Firm does not have any formal soft-dollar arrangements and does not contract with any broker/dealer to receive soft-dollar benefits. The Firm does not receive research or gain access to industry analysts or conferences in return for paying higher commissions for client trades to a particular broker/dealer.

The Firm does not request or accept the discretionary authority to determine the broker/dealer to be used for client accounts. This means that IAIM will not survey or shop the brokerage market place for best execution on a transaction-by-transaction basis. Clients must direct us as to the broker/dealer to be used for all client securities transactions. In directing the use of a particular broker or dealer, it should be understood that the Firm will not have authority to negotiate commissions among various brokers, and best execution may not be achieved, resulting in higher transaction costs for clients. *Not all advisers require their clients to direct brokerage.*

For clients in need of brokerage or custodial services, and depending on client circumstances and needs, the Firm will generally recommend the services of IAA. IAA clears its securities

transactions through National Financial Services, LLC, an unaffiliated entity. The Firm's clients must evaluate this broker before opening an account. The factors considered by IAIM when making this recommendation are the broker's ability to provide professional services, our experience with the broker, the broker's reputation, and the broker's quality of execution services and costs of such services, among other factors. However, our recommendation of IAA creates a significant conflict of interest because the receipt of additional compensation creates a strong incentive for the Firm to continue recommending this broker. Please refer to Items 5 and 10 of this Brochure for a more detailed description of our relationship with IAA and the policies implemented by the Firm to monitor and mitigate the existing conflicts of interest.

Clients are not under any obligation to effect trades through any recommended broker. Clients may direct us to place trades through another broker. However, we reserve the right to decline acceptance of any client account for which the client directs the use of a broker if we believe that this choice would hinder our fiduciary duty to the client and/or our ability to service the account.

Trade Aggregation

As a matter of policy and practice, the Firm does not generally block client trades and, therefore, implements client transactions separately for each account. Due to this practice, certain client trades may be executed before others, at a different price and/or commission rate. Additionally, our clients may not receive volume discounts available to advisers who block client trades. If we determine that aggregation of trades in a certain situation will be beneficial to our clients, transactions will be averaged as to price and will be allocated among our clients in proportion to the purchase and sale orders placed from each client account on any given day. Clients should carefully review the disclosure documents of selected third-party managers and/or program sponsor(s) for detailed information about their best execution, aggregation and allocation practices.

Item 13 Review of Accounts

Investment/Portfolio Management Services

Each Investment Adviser Representative registered with IAIM is responsible for reviewing accounts assigned to him or her. Supervisory account reviews are conducted periodically by the Chief Compliance Officer or his/her designee.

Clients receive quarterly statements from their selected custodian. The Firm may provide additional reports upon client request or as agreed upon at the inception of the relationship.

Financial Planning Services

While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for financial planning clients unless the client contracts for additional services.

Financial planning clients will receive a completed financial plan. Additional reports will not typically be provided unless the client contracts for additional services.

Item 14 Client Referrals and Other Compensation

IAIM, from time to time, will enter into agreements with affiliated and/or unaffiliated individuals and organizations that refer clients to us. All such agreements with a solicitor will be in writing and comply with the applicable laws, rules and regulations governing solicitor arrangements. If a client is introduced to IAIM by a solicitor, IAIM will typically pay that a fee to the solicitor based upon the percentage of fees paid to IAIM by such clients. Any such fee shall be paid solely from IAIM's fees, and shall not result in any additional charge to the client.

Each prospective client who is referred to IAIM under such an arrangement will receive a copy of the Firm's ADV Part 2A and a separate written disclosure document disclosing the nature of the relationship between the solicitor and IAIM and the amount of compensation that will be paid by IAIM to the third party. The Firm's Chief Compliance Officer, or his designee will supply each solicitor with a current copy of the Solicitor Disclosure Statement and IAIM's Form ADV Part 2A and any amendments thereto for reference and delivery by the solicitor to all prospective clients solicited on behalf of IAIM.

As stated in Item 10, above, certain individuals of the Firm are also licensed insurance agents, registered representatives with IAA, investment adviser representatives of Tactical, and/or have other outside business activities. These activities create conflicts of interest, which are further disclosed in Items 4, 5, 6, 8, 10 and 13 above, and also in each representative's Form ADV Part 2B, along with information on how IAIM addresses such conflicts. To mitigate this potential conflict of interest, and as part of IAIM's fiduciary duty to its clients, we endeavors at all times to put the interest of the clients first.

From time to time, IAIM may attend or hold sponsored events, the expenses of which may be borne either partially or entirely by a third-party entity, such as a mutual fund company or other financial industry service provider. Representatives of these third-party entities may also be present at these sponsored events with IAIM compensating these individuals for their attendance. From time to time, representatives of various investment firms may sponsor a meal to apprise representatives of IAIM of product developments or changes.

Other than that already described in this Brochure, our firm does not receive any additional compensation from third parties for providing investment advice to its clients and does not compensate anyone for client referrals.

Item 15 Custody

Custody is defined as any legal or actual ability by the Firm to access client funds or securities. Since all client funds and securities are maintained with a qualified custodian, IAIM does not take

physical possession of client assets. However, under the current SEC rules, the Firm is deemed to have constructive custody of client assets because we directly debit client fees from their custodial accounts. Therefore, we urge all of our clients to carefully review and compare their quarterly reviews of account holdings and/or performance results received from us to those they receive from their custodian. Should you notice any discrepancies, please notify us and/or your custodian as soon as possible.

As stated above, IAIM's general policy is to place client trades with their broker custodian and IAIM will continue to do so as long as the Firm believes that the broker custodian is providing the best overall deal for the client and they remain competitive in relation to executions and the cost of each transaction ("best execution").

Although IAIM will strive to achieve the best execution possible for client securities transactions, the Firm is not required to solicit competitive bids and IAIM does not have an obligation to seek the lowest available commission cost. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the overall best qualitative execution, taking into consideration the full range of a broker/dealer's services, including among other things, the value of research provided, execution capability, commission rates, and responsiveness. Consistent with the foregoing, while IAIM will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client transactions. IAIM is not required to negotiate "execution only" commission rates, thus the client may be deemed to be paying for research and related services (i.e., "soft dollars") provided by the broker which are included in the commission rate.

As a fiduciary, an IAIM has an obligation to obtain "best execution" of clients' transactions. In meeting this obligation, an adviser must execute securities transactions for clients in such a manner that the clients' total cost or proceeds in each transaction is the most favorable under the circumstances. In assessing whether this standard is met, IAIM considers the full range and quality of a broker's services when placing brokerage, including, among other things, execution capability, commission rate, financial responsibility, responsiveness to the adviser, and the value of any research services provided.

Item 16 Investment Discretion

For clients granting the Firm discretionary authority to determine which securities and the amounts of securities that are to be bought or sold for their account(s), we request that such authority be granted in writing, typically in the executed investment management agreement.

Should the client wish to impose reasonable limitations on this discretionary authority, such limitations shall be included in this written authority statement. Clients may change/amend these limitations as desired. Such amendments must be submitted to us by the client in writing.

Should the client wish to impose reasonable limitations on third-party manager(s)' discretionary authority, such limitations should also be included in a written authority statement. Clients should refer to third-party manager(s)' disclosure documents to understand how these limitations can be changed or amended.

For clients that are receiving Financial Planning Services on a non-discretionary basis, IAIM will make recommendations to the client regarding the purchase or sale of securities or other assets that they consider to be in the best interest of the client. The client has full discretion to accept or reject the Firm's recommendations and is responsible for implementing any accepted recommendations with any broker-dealer the client chooses.

Item 17 Voting Client Securities

As a matter of policy, IAIM does not vote proxies on behalf of clients. Therefore, although we may provide investment advisory services as to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted; and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing each custodian of the assets to forward copies of all proxies and shareholder communications relating to the client's investment assets to the client.

The Firm may provide a client with consulting assistance regarding proxy issues if the client contacts us with questions at our principal place of business.

Item 18 Financial Information

As the Firm does not earn fees in excess of \$1,200 more than six months in advance of services rendered and therefore is not required to provide, and has not provided, a balance sheet. IAIM does not have any financial commitments that impair its ability to meet contractual and fiduciary obligations to clients, and has not been the subject of a bankruptcy proceeding.