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March 28, 2011

This Brochure provides information about the qualifications and business practices of Independent Solutions Wealth Management, LLC “Independent Solutions”. If you have any questions about the contents of this Brochure, please contact us at 716-568-8566 and/or [gwiggle@iswealthmanagement.com](mailto:gwiggle@iswealthmanagement.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.

Independent Solutions Wealth Management, LLC is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you can determine to hire or retain an Adviser.

Additional information about Independent Solutions Wealth Management, LLC also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Material Changes**

On July 28, 2010, the United State Securities and Exchange Commission published “Amendments to Form ADV” which amends the disclosure document that we provide to clients as required by SEC Rules. This Brochure dated March 28, 2011 is a new document prepared according to the SEC’s new requirements and rules. As such, this Document is materially different in structure and requires certain new information that our previous brochure did not require.

In the future, this Item will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes. We will also reference the date of our last annual update of our brochure.

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 business’ fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Glenn Wiggle at (716) 568-8566 or [gwiggle@iswealthmanagement.com](mailto:gwiggle@iswealthmanagement.com).

Additional information about Independent Solutions Wealth Management, LLC is also available via the SEC’s web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s web site also provides information about any persons affiliated with Independent Solutions Wealth Management, LLC who are registered, or are required to be registered, as investment adviser representatives of Independent Solutions Wealth Management, LLC.

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## Item 4 – Advisory Business

Independent Solutions Wealth Management, LLC (“we,” “us” or “our firm”) has been in business since 2008. Independent Solutions Wealth Management, LLC is owned by Glenn Wiggle, Michael Lomas and Joshua Heims. Each of our owners owns more than 25% of the company. We provide various types of investment advice and related financial services for individuals and businesses, based upon the investment objectives of the particular client. We offer our investment advisory services on both a discretionary and nondiscretionary basis. If we are engaged on a nondiscretionary basis, you are under no obligation to act upon any of our recommendations and you retain sole discretion to implement our recommendations and you are free to accept or reject our recommendations. If we are engaged on a discretionary basis and a client wishes to impose restrictions on investments by specific security or asset class, the client may do so in writing. Depending upon your circumstances and desired services, our investment management services are primarily offered through (1) selecting and managing a portfolio of mutual funds (referred to as our “Mutual Fund Portfolio Management”); (2) selecting and managing a portfolio of exchange traded funds (referred to as our “ETF Portfolio Management”); (3) selecting and managing a portfolio of individual securities (referred to as our “Stock Portfolio Management”); (4) selecting one of more third party managers for your account (referred to as our “Third Party Manager Selection”); or (5) consulting services including direct Financial Plans and Third Party Financial Plans.

### **Mutual Fund Portfolio Management**

You may engage us to provide diversified portfolio management. In that case, depending on your personal financial situation, we may recommend that you invest in accordance with one or more of our mutual fund portfolios. We have developed a number of portfolios which include Limited Partnership’s and non-traditional asset classes. All portfolios are based upon asset allocation and diversification paired with a client’s risk tolerance. We research money managers to determine which managers should be on our list of “Best in Breed Money Managers.”

The first step we take in determining our list of “Best in Breed Money Managers” is to establish the asset allocations of each of the portfolios. We use widely recognized broad asset allocations which are: income (bonds plus), conservative, moderate, moderate aggressive and aggressive (all stock).

After determining the broad asset classes, we next determine the more detailed allocations using categories from large cap growth and value to international real estate. In most cases, we use at least eight sub-asset classes in each portfolio. We then break down the world of mutual funds into these sub-asset classes. By doing so we are able to compare managers’ styles and performance to other managers who are buying the same types of stocks. By following these specific research procedures we are able to identify our “Best in Breed Money Managers.”

We re-evaluate the managers on a monthly basis in order to determine whether our managers are still top performing fund managers. If we are concerned about the performance of one of our managers, that manager will be placed on probation and tracked on a weekly basis. If we determine that the manager is solidly performing, then the manager will likely stay on our list of

managers. If we determine that the underperformance is due to a manager change, a shift in investment policy or just poor security selection, the manager may be replaced.

The last step in our approach is re-balancing. We rebalance on a bi-annual basis.

### **ETF (Exchange Traded Funds) Portfolio Management**

You may engage us to provide ETF Portfolio Management services to you. In that case, depending on your personal financial situation, we may recommend that you invest in one or more ETF portfolios. We manage portfolios of Exchange Traded Funds (ETF's) in a manner similar to our management of mutual fund portfolios. An ETF is a security that tracks an index, a commodity or a basket of assets like an index fund, but trades like a stock on an exchange, thus experiencing price changes throughout the day as it is bought and sold. We use our research capabilities to allow us to compare performance and cost of funds that track the same or similar indexes to determine the "Peer Group Out Performers." The indexes used, follow the same broad asset allocations as previously referenced in the mutual fund description above.

By taking these "Peer Group Out Performers" and using them in more specific, detailed asset classes, we form our three ETF Portfolios. The broad asset classes for the ETF portfolios are: moderate, moderate aggressive and aggressive. The same ongoing management we instill in our mutual fund portfolios carries over to our ETF Portfolios, namely re-applying research on a monthly basis and re-balancing bi-annually.

### **Stock Portfolio Management**

If you are interested in investing in individual securities, we may recommend our Stock Portfolio Management services using a portfolio of individual stocks, bonds, or other types of securities. In recommending our Stock Portfolio Management services, we consider your net worth to determine whether this investment is appropriate for your personal financial situation. Because our Stock Portfolio Management involves more active trading and a higher degree of risk, this is not a suitable investment for every client. Stocks held in the account will be closely monitored, typically on a daily basis. This service may include short-term trading activities. Generally, we do not take into consideration the income tax effects of purchases and sales of securities held in the account. We require a minimum balance of \$100,000 for each client using the Stock Portfolio Management services.

### **Third Party Manager Selection**

You may engage us to evaluate, select, and monitor the investment performance of independent investment managers ("Third-Party Managers"). Third-Party Managers may offer specialized expertise and experience in specific asset classes and, by retaining their services; you may diversify your investment portfolio and strategies.

We will obtain and provide you with information about Third-Party Managers, including their disclosure brochure, Form ADV Part II. You will be subject to any minimum account size or other conditions imposed by each Third-Party Manager, though we may be able to obtain exceptions from those conditions for our clients. You will then directly engage that Third-Party

Manager using that adviser's client services contract. You will pay that adviser's fees and charges, described in the adviser's Form ADV Part II and client services contract.

On a going-forward basis, we will monitor and periodically report to you on the Third-Party Manager's performance with respect to your assets under that adviser's management. We will not be responsible for that adviser's actions, omissions, or performance. Our responsibility will be limited to initially evaluating and recommending suitable investment advisers for your account based upon reasonably available information at the time of the adviser's engagement and periodically reporting on the adviser's investment performance for your account. We will perform an initial limited background investigation on each adviser, based in large part upon the information provided to us by the adviser and public sources of information. We may from time to time update our limited background check on the adviser if known changes in the adviser's circumstances warrant.

Third-Party Managers are not affiliated with our firm and we are not responsible for their services. If we receive any compensation from a Third-Party Manager for making a referral, you will receive a specific disclosure brochure about the nature of the referral, the referral relationship, and the referral compensation.

If you terminate our services, you may be able to continue using the Third-Party Manager; however, we will have no continuing responsibilities after our termination with respect to your account or the adviser.

### **Types of Investments**

We offer advice about a wide variety of investment types, including individual stocks, mutual funds, index funds, exchange-traded funds, and fixed and variable annuities. With respect to these investments, you should be aware of the following:

**Mutual Funds, Index Funds, and Exchange-Traded Funds:** Mutual funds of all types charge their shareholders various advisory fees and expenses associated with the establishment and operation of the funds. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, shareholder servicing, other fund expenses, and sometimes a distribution fee. If the fund also imposes sales charges, you may pay an initial or deferred sales charge. These separate mutual fund fees are disclosed in each fund's current prospectus, which is available from the mutual fund and, upon request, can be provided by our firm.

Consequently, for any type of mutual fund investment, it is important for you to understand that you are directly and indirectly paying two levels of advisory fees and expenses: one layer of fees at the fund level and one layer of advisory fees and expenses to us. Generally speaking, most mutual funds may be purchased directly, without using our services, without incurring our advisory fees. Moreover, many mutual funds pay shareholder servicing fees (12b-1 fees) to brokerage firms in consideration of their services to the fund's shareholders. From time to time, we may accept shareholder servicing fees with respect to accounts which are not subject to ERISA.

Most mutual funds offer several “classes” of their shares which may be purchased by different types of investors or investors with different investment objectives. These are also described in the mutual funds’ prospectuses. Depending on your investable assets, investment objectives, and time horizon, different classes may be more appropriate for your circumstances. We would be pleased to discuss with you the available classes of mutual fund shares that may be available, the different purposes for which they may be purchased, and the differences in commissions and charges that are associated with each share class.

**Variable Annuities:** Variable annuities are highly complex financial products offered by insurance companies. Your investment in a variable annuity contract is subject to both general market risk and the insurance company’s credit risk. These and other risks are described in the variable annuities’ prospectuses. Variable annuities are regulated under both securities and insurance laws and related rules and regulations. Variable annuities offer various benefits and features which may or may not have value to you depending on your circumstances and we would be pleased to discuss them with you. Like other types of investments, commissions are paid for the purchase of variable annuities and there may be substantial surrender charges. These commissions, surrender charges, and other expenses are disclosed in the prospectus.

Like mutual funds, insurance companies charge a variety of fees and charges against the assets invested in the separate accounts of their policy holders. As noted above, this means that there are two layers of advisory fees incurred – one layer by the insurance company and one layer to our firm for our advisory services.

### **Account Minimums and Criteria**

Our minimum account size is \$50,000 for all accounts other than those invested in our CD and Stock Portfolio Management services which require a minimum account size of \$100,000. We may waive this requirement for any reason including, but not limited to a client that has additional or related accounts that together exceed the minimum requirements.

Also certain Third Party Manager(s) may impose more restrictive account requirements. In such instances, we may alter our corresponding account requirements to accommodate those of the Third Party Manager(s).

### **Other Firm Information**

As of 12/31/2010, our most recent fiscal year end, our discretionary assets under management was \$71,000,000. Our non- discretionary assets under management was \$0.

We do not offer wrap fee accounts.

## **Item 5 – Fees and Compensation**

### **Financial Planning and Consulting**

**The Adviser provides financial planning and consulting services consistent with clients' financial and tax status, in addition to their risk profile and return-objectives. The Adviser may also provide general non-securities advice on topics that may include tax and budgetary planning, estate planning, insurance planning and business planning.**

Clients are charged a fixed advisory fee that ranges from \$250 to \$500 as well as a solicitor's fee ranging from \$0 to \$10,000 for financial planning services when the client was referred by an independent third party adviser and that adviser assisted with information gather among other services.

When the Adviser performs all information gathering and is primarily responsible for interactions with the client fees will range from \$500 to \$10,000. The fee a client pays is based on the complexity of the plan and the range of services provided.

The Adviser estimates the length of the project, the amount of work involved and the range of services that will be provided. These issues are discussed with the client and the fees are noted in the agreement the client signs. Fees are due and payable upon completion of the plan or services or monthly in arrears based on the services received.

It is anticipated that the financial plan produced will be delivered within six months or sooner of the date of the Agreement. The Adviser considers fees for financial planning or a consulting project to be earned as progress is realized toward creation of the plan or completion of the service.

Since fees are payable after services are performed, there are no unearned fees and the client is not due a refund upon early terminate of an agreement. However the Adviser's fees are prorated from five (5) business days after signing the agreement to the date of termination.

When multiple services are offered, there is a potential conflict of interest since there is an incentive for the party offering financial planning services to recommend products or services for which the Adviser, or a related party, may receive compensation. However, financial planning clients are under no obligation to act upon any recommendations of the Adviser or to effect any transactions through the Adviser if they decide to follow the recommendations.

### **Advisory Fees**

Our advisory fees for our Mutual Fund Portfolio Management service, ETF Portfolio Management service CD Portfolio Management service and Third Party Manager Selection service may range from .3 percent (30 basis points) up to 2.5 percent (250 basis points) of the assets in the account as specified in our Investment Management Agreement. Our advisory fees for the Stock Portfolio Management service may range from .75 percent (75 basis points) up to 2.75 percent (275 basis points) of the assets in the account. In determining the fee that we charge our clients who are referred to us by a solicitor, we start with a base fee of .3 percent (30 basis points), .5 percent (50 basis points) or .75 percent (75 basis points) and add to that fee the



solicitation fee charged by the solicitor. If there is no solicitor, we will charge a fee of .5 percent (50 basis points) up to 2.5% (250 basis points). Therefore, if you are referred to us by a solicitor, your total advisory fees will be based, in part, on the amount of the solicitation fee paid by us to the solicitor. You may be paying more or less than our other clients for the same advisory services depending upon the amount of your advisory fees that will be paid to the solicitor.

Our advisory fees are in addition to the fees charged by any other adviser under our Third Party Manager Selection service. You may also incur fees and charges for brokerage and custodial services, third-party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions in connection with the management of your account. Mutual funds and exchange traded funds also charged internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to our fee, and we will not receive any portion of these commissions' fees, and costs. The Advisor is compensated for investment management or supervisory services based on clients' assets under management. Fees are paid quarterly in arrears and are negotiable. Fees are due on the first day of the calendar quarter, and are based on the account's asset value as of the average daily balance of the previous calendar quarter. Fees are prorated for accounts opened during the quarter.

If we engage in a consulting project, we will typically charge hourly rates ranging from \$150 to \$300 per hour depending on the nature and complexity of the project. Fees for consulting projects may be billed monthly, at the end of a project or as agreed to with the client. Consulting fees will be paid directly by the client and will not be billed to the custodian.

### **Direct Billing to Your Custodian**

Our Investment Management Agreement contains your authorization to directly bill our fees to your account custodian. Your custodian's periodic statements will show each fee deduction from your account. You may withdraw your authorization for direct billing of these fees at any time by notifying us or your custodian in writing. You should understand, however, that we do not charge interest on overdue accounts and our rates are premised upon this automated billing process. So, if you elect to withdraw your billing authorization, we may need to change our fee structure or terminate our services for you.

### **Termination of Services**

You may terminate any of our services, without incurring a fee or penalty, within the first five business days after the date you sign our client services contract. After this initial five-business day period, either you or we may terminate the contract upon five business days' written notice for any reason. Since fees are payable after services are performed, there are no unearned fees and the client is not due a refund upon early termination of an investment advisory contract. However, the Advisor's fees are prorated to the date of termination. You will still be responsible for paying the balance due for our services rendered during that quarter.

Upon termination of our financial planning services, any pre-paid advisory fees will be prorated and (if more than \$5.00) refunded based on the number of days services were rendered during

that calendar quarter. Refunds of fees paid from a tax-qualified plan or account should be returned to the plan or account so they are not treated as distributions. Some plan custodians may treat such refunds as new contributions, which may reduce the amount of other contributions you can make during that tax year. Upon termination of our consulting services, typically the initial deposit will not be refunded if we have performed services for your benefit. If we have completed the project, you will still be responsible for paying the balance due for our services rendered.

### **Relationship Disclosure**

Associated persons (Glenn Wiggle, Michael Lomas, and Joshua Heims) have an ownership interest in Neiman Funds Management LLC (“NFM”), a registered investment adviser. NFM provides investment advisory services to Neiman Large Cap Value Fund (the Fund), a registered investment company.

The Fund is an investment product within the model portfolios designed by Independent Solutions Wealth Management, LLC. In addition, associated persons may also recommend that clients invest in the Fund. However, clients are under no obligation to act upon any recommendations of the associated persons.

These relationships create an incentive for associated persons to recommend that clients invest in the Fund and for Independent Solutions Wealth Management, LLC to continue to include it in their model portfolios.

The associated persons with ownership interest in NFM are currently waiving any compensation that would be derived from their ownership positions. These associated persons may stop waiving this compensation at any time. When associated persons receive any compensation Independent Solutions will address and disclose the conflicts of interest. Independent Solutions may attempt to minimize the conflicts by giving clients the option to opt-out of including the Fund in their portfolio or any other method that is deemed satisfactory to all interested parties.

## **Item 6 – Performance-Based Fees and Side-By-Side Management**

Independent Solutions Wealth Management, LLC does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

## **Item 7 – Types of Clients**

Independent Solutions Wealth Management, LLC provides portfolio management services to individuals, high net worth individuals, corporate pension and profit-sharing plans, trust programs. The minimum dollar amount generally required to open an account is \$50,000. The minimum dollar amount generally required to maintain an account in our services is \$25,000. We may waive this requirement for any reason including, but not limited to, a client that has additional or related accounts that together exceed the minimum requirements.

## **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss**

### **Methods of Analysis**

We use a variety of methods of investment analysis and obtain information from a number of sources including, but not limited to, Morningstar, Yahoo Finance, and Investors Business Daily. These sources are both public and by purchase, which we believe to be reliable and upon which we regularly depend for making our investment decisions; however, we are not responsible for the accuracy or completeness of this information.

We use both fundamental and technical methods to analyze the securities in which we invest client accounts. Fundamental analysis is a technique that attempts to determine a security's value by focusing on the economic well being of a financial entity as opposed to only its price movements. It generally involves assessing a company's or security's value based on factors such as financial structure, sales, earnings, assets, markets, management, products and services. When conducting fundamental analysis, we will review a company's financial statements and consider factors including whether the company's revenue is growing, if the company is profitable, if the company is in a strong enough position to beat its competitors in the future, and if the company is able to repay its debts.

We also utilize technical analysis to evaluate potential investments. Unlike fundamental analysis, technical analysis does not analyze the company's value, but instead analyzes the trends and movements in a security's price in the market. Technical analysis studies the supply and demand in the market in an attempt to determine what direction, or trend, will continue in the future.

### **Investment Strategies**

We have developed a number of mutual fund portfolios, some of which include Limited Partnership's and non-traditional asset classes. All portfolios are based upon widely accepted asset allocation and diversification principles. We research money managers to determine which managers should be on our list of "Best in Breed Money Managers."

Our asset allocation portfolios are based on the principles of Modern Portfolio Theory and Efficient Frontier portfolio modeling. We generally follow portfolio allocations consistent with those recommended by Morningstar.

The first step we take in determining our list of "Best in Breed Money Managers" is to establish the asset allocations of each of the portfolios. We use widely recognized broad asset allocations which are: income (bonds plus), conservative, moderate, moderate aggressive and aggressive (all stock).

After determining the broad asset classes, we next determine the more detailed allocations using categories from large cap growth and value to international real estate. In most cases, we use at least eight sub-asset classes in each portfolio. We then break down the world of mutual funds into these sub-asset classes. By doing so we are able to compare managers' styles and performance to other managers who are buying the same types of stocks. When conducting our

analysis we review such factors as manager tenure, turnover, alpha, performance, as well as risk factors such as standard deviation and beta.

We re-evaluate the managers on a monthly basis in order to determine whether our managers are still top performing fund managers. If we are concerned about the performance of one of our managers, that manager will be placed on probation and tracked on a weekly basis. If we determine that the manager is solidly performing, then the manager will likely stay on our list of managers. If we determine that the underperformance is due to a manager change, a shift in investment policy or just poor selection, the manager will be replaced.

The last step in our approach is re-balancing. We rebalance accounts on a bi-annual basis.

We also manage portfolios of Exchange Traded Funds (ETF's) in a manner similar to our management of mutual fund portfolios. An ETF is a security that tracks an index, a commodity or a basket of assets like an index fund, but trades like a stock on an exchange, thus experiencing price changes throughout the day as it is bought and sold. We use our research capabilities to allow us to compare performance and cost of funds that track the same or similar indexes to determine the "Peer Group Out Performers." The indexes used, follow the same broad asset allocations as previously referenced in the mutual fund description above.

By taking these "Peer Group Out Performers" and using them in more specific, detailed asset classes, we form our three ETF Portfolios. The broad asset classes for the ETF portfolios are: moderate, moderate aggressive and aggressive. The same ongoing management we use for our mutual fund portfolios carries over to our ETF Portfolios, namely re-applying research on a monthly basis and re-balancing bi-annually.

You may engage us to evaluate, select, and monitor the investment performance of independent investment managers ("Third-Party Managers"). Third-Party Managers may offer specialized expertise and experience in specific asset classes and, by retaining their services; you may diversify your investment portfolio and strategies.

We will review Third-Party Managers, including their disclosure brochure of Part II or their Form ADV Part II, in much the same way we review our mutual fund managers.

We first break down the world of Third-Party Money Manager into these sub-asset classes. By doing so we are able to compare managers' styles and performance to other managers who are buying the same types of stocks. When conducting our analysis we review factors including, but not limited to, manager tenure, turnover, alpha, performance, as well as risk factors such as standard deviation and beta.

On a going-forward basis, we will monitor and periodically report to you on the Third-Party Manager's performance with respect to your assets under that adviser's management. We will not be responsible for that adviser's actions, omissions, or performance. Our responsibility will be limited to initially evaluating and recommending suitable investment advisers for your account based upon reasonably available information at the time of the adviser's engagement and periodically reporting on the adviser's investment performance for your account. We will perform an initial limited background investigation on each adviser, based in large part upon the information provided to us by the adviser and public sources of information. We may from time

to time update our limited background check on the adviser if known changes in the adviser's circumstances warrant.

Third-Party Managers are not affiliated with our firm and we are not responsible for their services. If we receive any compensation from a Third-Party Manager for making a referral, you will receive a specific disclosure brochure about the nature of the referral, the referral relationship, and the referral compensation.

If you terminate our services, you may be able to continue using the Third-Party Manager; however, we will have no continuing responsibilities after our termination with respect to your account or the adviser.

We also invest in individual securities for client accounts', we may recommend our Stock Portfolio Management services using a portfolio of individual stocks, bonds, or other types of securities. In recommending our Stock Portfolio Management services, we consider your net worth to determine whether this investment is appropriate for your personal financial situation. Because our Stock Portfolio Management involves more active trading and a higher degree of risk, this is not a suitable investment for every client. Stocks held in the account will be closely monitored, typically on a daily basis. This service may include short-term trading activities. Generally, we do not take into consideration the income tax effects of purchases and sales of securities held in the account. We require a minimum balance of \$100,000 for each client using the Stock Portfolio Management services.

We manage three stock portfolios strategies that include all cap stock, large cap value, and large cap value with options. The all cap stock portfolio seeks to maximize returns by investing mainly in common stocks with high relative strength. Although mostly invested in large cap companies, holding may include small cap companies and international companies. The portfolio may also include ETFs that represent a sector or index. The portfolio will typically consist of 10 to 50 holdings.

The large cap value portfolio invests in large cap companies that are typically trading at a discount to their fair value. The portfolio will typically consist of 10 to 40 holdings.

The large cap value with options portfolio holds the same or similar securities as the regular large cap value portfolio but includes a covered call writing strategy on the securities held in the portfolio.

Portfolio holding vary among different clients and may vary from the model portfolio based on the different criteria of each client as well as when the account began.

## **Risks**

Investing in securities involves risk of loss that clients should be prepared to bear. Our primary investment strategy is strategic allocation of mutual funds, ETFs, or Third Party Money (TPM) Managers using efficient frontier models for which we rely heavily on Morningstar research. The primary risk of such a strategy is being fully invested in all market conditions. Another material risk is the underlying mutual funds, ETFs, or TPM managers themselves. These

investments may have certain trading restrictions and holding periods that may adversely affect the performance of a client portfolio.

### Risks in General

The same factors that affect stock market performance generally affect the underlying funds owned by the clients. Domestic economic growth and market conditions, interest rate levels, and political events are among these factors.

### Risks of Investing in Underlying Funds that own Common Stocks

The strategy invests in shares of equity underlying funds that own common stocks, which subjects the strategy and its clients to the risks associated with common stock investing. Overall stock market risks may affect the value of the Funds. When the value of the Fund's investments goes down, your investment in the underlying funds decreases in value and you could lose money.

### Risks of Investing in Underlying Funds that own Fixed Income Securities

The strategy may invest in underlying funds, ETFs or TPM managers that own bonds and other debt securities. These securities are subject to the risk that their issuer may not be able to repay the principal and interest when due. In addition, the value of bond and other debt securities held by an underlying fund can change in response to changes in prevailing interest rates, causing volatility and possible loss of value as rates increase.

### Risks of Small and Medium Sized Companies

To the extent the strategy invests in underlying funds, ETFs or TPM managers that own stocks of small and medium capitalization companies, the strategy may be subject to additional risks. The earnings and prospects of these companies are more volatile than larger companies. Small and medium sized companies may have limited product lines and markets, and may experience higher failure rates than do larger companies.

### Foreign Risk

To the extent the strategy invests in underlying funds, ETFs, or TPM managers that own foreign securities, including American Depositary Receipts ("ADRs"), the strategy may be subject to risks not usually associated with owning securities of U.S. issuers. These risks include adverse political, social and economic developments, differing auditing and legal standards, war, expropriation and nationalization.

### Emerging Markets

To the extent the strategy invests in underlying funds, ETFs, or TPM managers that own securities in emerging markets, the strategy will be subject to emerging market risks. The risks of foreign securities are typically increased in emerging markets. These risks include, among other things, political and economic instability, less developed securities markets and currency devaluations.

### Sector Risk

Sector risk is the possibility that stocks within the same group of industries will decline in price due to sector-specific market or economic developments. If the adviser invests a significant portion of the strategy's assets in underlying funds, ETFs or TPM managers in a particular sector, the strategy is subject to the risk that companies in the same sector are likely to react similarly to legislative or regulatory changes, adverse market conditions and/or increased competition affecting that market segment.

### Risk of Non-Diversification

The strategy may invest in underlying funds, or ETFs that are non-diversified. A non-diversified fund has the ability to take larger positions in a smaller number of securities than a portfolio that is "diversified". Investing in non-diversified funds may result in greater volatility.

### High Yield Securities Risk

The strategy may invest in underlying funds, ETFs, or TPM managers that purchase high yield securities. High yield securities are considered speculative and are less likely to have the capacity to pay interest and repay principal when due in the event of adverse business, financial or economic conditions.

We do not believe this investment strategy involves any unusual risks.

### Additional Risks for Stock Portfolios

In addition to the risks discussed above, there are additional risks associated with the individual stock portfolios. The primary risk is a concentration in one area of securities, large cap stocks for example. We have certain limitations on qualifications for such an account to minimize these risks. We run several different stock portfolios that may include Large cap Value, Large cap Value with covered call options, and All Cap Growth.

### Fundamental Analysis Risk

Because it can take a long time for a company's value to be reflected in the market, the risk associated with this method of analysis is that a gain is not realized until the stock's market price rises to the company's true value.

### Technical Analysis Risk

There are risks involved with this method, including the risk that the trends will change unpredictably, which is why we use a combination of methods and obtain information from a variety of sources.

### Value Investing Risk

Value investing attempts to identify companies selling at a discount to their intrinsic value. Value investing is subject to the risk that a company's intrinsic value may never be fully realized

by the market or that a company judged by the adviser to be undervalued may actually be appropriately priced.

#### Growth Investing Risks

Growth investing attempts to identify companies that are growing their earnings faster than the broader market and faster than other companies in the sector. Growth investing generally involves more fluctuation partially due to the higher P/E and the inconsistency at times of the earnings. We use predominantly technical analysis but also include fundamental analysis at times.

#### Covered Call Options

Selling covered call options may limit the portfolio's gain, if any, on the underlying securities, and the client continues to bear the risk of a decline in the value of the underlying stock until the option expires or is closed out.

#### Risks of Exchange Traded Funds

An ETF may trade at a discount to its net asset value. Investors in the program will indirectly bear fees and expenses charged by the underlying ETFs in which the program, invests in addition to the program's direct fees and expenses. The program will also incur brokerage costs when it purchases shares of ETFs. In addition, the program will be affected by losses of the underlying ETF and the level of risk arising from the investment practices of the underlying ETF.

#### Risk of Non-Diversification

Non-diversification increases the risk that the value of the account could go down because of the poor performance of a single investment.

We do not believe this investment strategy involves any unusual risks.

### **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Independent Solutions Wealth Management, LLC or the integrity of Independent Solutions Wealth Management, LLC's management. Independent Solutions Wealth Management, LLC has no information applicable to this Item.



## **Item 10 – Other Financial Industry Activities and Affiliations**

### **Other Business Activities**

All three of our partners are also engaged in a business called the Financial Guys, LLC. The Financial Guys, LLC is a radio show in which the partners discuss various aspects of the financial services industry.

All three of our partners are also registered representatives of NEXT Financial Group Inc., a broker-dealer, and, as such, are actively engaged in selling brokerage products and insurance to clients.

When clients use NEXT to purchase or sell securities, clients will incur commissions, fees, and charges which are not part of our firm's advisory fees. These additional sources of compensation to our partners and representatives create a conflict of interest, which you should carefully consider in determining to implement our advice. As described above, we may reduce our advisory fees in consideration of these individuals receiving commissions and transaction-based compensation to mitigate these conflicts. We would be happy to discuss our compensation and the related conflicts of interests with you.

Further, Glenn Wiggle, Mike Lomas and Josh Heims are also Investment Advisor Representatives of NEXT Financial Group's Registered Investment Advisor. As such they may use NEXT's advisory services or those of Independent Solutions, when acting in this capacity the clients will be charged by the appropriate firm.

Further, Glenn Wiggle, Mike Lomas and Joshua Heims are stockholders in NEXT's parent company, NEXT Financial Holdings Inc. Mr. Wiggle, Mr. Lomas and Mr. Heims own less than 5% of the shares of the company. As such, Mr. Wiggle and Mr. Lomas benefit as stockholders from securities transactions that are executed through NEXT's brokerage.

### **Other Financial Industry Activities or Affiliations**

Associated persons (Glenn Wiggle, Michael Lomas, and Joshua Heims) have an ownership interest in Neiman Funds Management LLC (NFM), a registered investment adviser. NFM provides investment advisory services to Neiman Large Cap Value Fund (the Fund), a registered investment company.

The Fund is an investment product within the model portfolios designed by Independent Solutions. In addition, associated persons may also recommend that clients invest in the Fund. Independent Solutions Wealth Management may recommend that other Registered Investment Advisors, for which they may sub advise, invest in the Fund. However, clients and any other Registered Investment Advisors are under no obligation to act upon any recommendations of the associated persons.

These relationships create an incentive for associated persons to recommend that clients invest in the Fund and for Independent Solutions to continue to include the Fund in their model portfolios.

The associated persons with ownership interest in NFM are currently waiving any compensation that would be derived from their ownership positions. These associated persons may stop waiving this compensation at any time. When associated persons receive any compensation Independent Solutions will address and disclose the conflicts of interest. Independent Solutions may attempt to minimize the conflicts by giving clients the option to opt-out of including the Fund in their portfolio or any other method that is deemed satisfactory to all interested parties.

### **Item 11 – Code of Ethics**

The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Independent Solutions Wealth Management, LLC will not interfere with making decisions in the best interest of advisory clients and implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of Independent Solutions Wealth Management, LLC clients.

We have adopted a Code of Ethics that sets forth the standards of conduct expected of our associated persons and requires compliance with applicable securities laws (“Code of Ethics”). Our Code of Ethics contains written policies reasonably designed to prevent the unlawful use of material non-public information by us or any of our associated persons. The Code of Ethics also requires that certain of our personnel (called “Access Persons”) report their personal securities holdings and transactions and obtain pre-approval of certain investments such as initial public offerings and limited offerings. All employees review the Code of Ethics and sign an acknowledgement recognizing the principles stated in the code annually. You may contact us to request a copy of our Code of Ethics.

If you separately engage one of our principals or representatives to purchase or sell a security or insurance, you will be informed that they will receive compensation and that the receipt of this compensation may create a conflict of interest. We do not, however, permit the purchase or sale of a security in a transaction made directly between a client and any person related to our firm.

Our principals and representatives will often own the same securities recommended to our clients. Generally, these securities will be shares of open ended mutual funds or stocks and bonds actively traded on a national securities exchange or market where the time and size of their purchases or sales will not affect transactions for our clients. If we do recommend the purchase or sale of a thinly traded security to a client, we will ensure that their transactions do not adversely affect clients nor improperly benefit our principals and representatives, typically by completing their transactions after all client transactions have been made. Orders for clients and orders for our own accounts may sometimes be aggregated or “batched” into one large order in accordance with our trade aggregation and allocation policy (described in connection with our brokerage placement practices below). Aggregated orders may achieve better execution for all participating accounts and those benefits will be fairly allocated among all participating accounts.

Unless specifically permitted in our Code of Ethics, none of our Access Persons may effect for themselves or for their immediate family (i.e., spouse, minor children, and adults living in the same household as the Access Person) any transactions in a security which is being actively purchased or sold, or is being considered for purchase or sale, on behalf of any of our clients.

When we are purchasing or considering for purchase any security on behalf of a client, no Access Person may effect a transaction in that security prior to the completion of the purchase or until a decision has been made not to purchase such security. Similarly, when we are selling or considering the sale of any security on behalf of a client, no Access Person may effect a transaction in that security prior to the completion of the sale or until a decision has been made not to sell such security. These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

## **Item 12 – Brokerage Practices**

We generally recommend that clients use Fidelity Investments Institutional Wealth Services ("Fidelity Investments" or "Fidelity") or Schwab Institutional for our portfolio management services. Factors which we consider in recommending Fidelity Investments, Schwab Institutional or any other broker-dealer, to clients include their respective financial strength, reputation, execution, pricing, research, and service. Fidelity Investments enables us to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. The commission and/or transaction fees charged by Fidelity Investments and Schwab Institutional may be higher or lower than those charged by other broker-dealers.

The commissions paid by our clients will comply with our duty to obtain "best execution." However, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where we determine, in good faith, that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including among others, the value of research provided, execution capability, commission rates, and responsiveness. Consistent with the foregoing, while we will seek competitive rates, we may not necessarily obtain the lowest possible commission rates for client transactions.

A client may direct us in writing to use a particular broker-dealer to execute some or all transactions for the client. In that case, the client will negotiate terms and arrangements for the account with that broker-dealer, and we will not seek better execution services or prices from other broker-dealers. As a result, the client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to our duty of best execution, we may decline a client's

request to direct brokerage if, in our sole discretion, such directed brokerage arrangements would result in additional operational difficulties.

Currently, we do not engage in soft dollar relationships with any brokerage firms.

### **Item 13 – Review of Accounts**

**Reviews:** The frequency and triggering factors for internal account reviews depend upon the services engaged by a client.

For our investment management services, account reviews are conducted on a regular basis, not less than quarterly, and reviews may be triggered by market or economic news or events. Reviews may involve the entire account or just specific securities held in the account. A review may be triggered based on new personal or financial information provided by the client.

For our clients using portfolio management services, we conduct reviews as requested by the client but the reviews may also occur at the time of significant new deposits or withdrawals, during substantial changes in market conditions, at our discretion, or according to the interval agreed upon at the time of engagement. Client's are obligated to contact us when there exists a real or potential change in the client's financial condition so we can review the portfolio along with the clients' new information so we can ensure the investment strategies continue to be appropriate.

**Reviewers:** The securities within the client's account will be reviewed by our principals. Responsibility for reviews is shared equally by the principals of our firm.

For clients using our portfolio management services, portfolio position statements are sent monthly, quarterly, semi-annually, or annually, depending on the particular account and the account's custodian. These statements include the valuation of each security in the account. We offer optional performance reports which, if selected, will be specified in our client services agreement. When available, reports may be delivered via e-mail upon request.

Clients may also receive periodic statements of their accounts from their account custodians. The frequency of custodians' statements varies, but is typically monthly or quarterly.

For clients using our financial planning and consulting services, reports are provided upon completion of the project.

### **Item 14 – Client Referrals and Other Compensation**

We may engage solicitors to market our services. If we do so, the client will receive a separate solicitor's disclosure brochure describing our solicitation arrangements, the compensation we pay to the solicitor, and the terms of that relationship. The client will also receive a copy of the Form ADV Part 2A, as our disclosure brochure. If the solicitor refers a client to us, the client's total advisory fees will be based, in part, on the amount of the solicitation fee we pay to the

solicitor. These clients may be paying more than our other clients for the same advisory services depending upon the amount of the client's advisory fees paid to the solicitor.

As part of our marketing effort, we regularly provide additional training and education to our selected solicitors in due diligence, compliance and the technical aspects of our products and services which are valuable to their business. This training, including the travel, lodging and food expenses connected with such training, and is provided by us at no cost to the participating solicitors. Also, as part of our marketing effort, we may also pay to attend conferences and/or symposiums sponsored by broker-dealer firms who refer us business. The cost of the training, education, the conferences and/or symposium sponsorship is paid out of our portion of the advisory fees and are not an additional expense to clients or any other investor. We do not believe that such arrangements influence the individual solicitors of the broker-dealer firms to refer business to us or to other advisors with whom the broker-dealer may have similar agreements.

### **Item 15 – Custody**

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. Independent Solutions Wealth Management, LLC urges you to carefully review such statements and compare such official custodial records to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

### **Item 16 – Investment Discretion**

Under our Investment Management Agreements, clients grant us the discretion to manage their accounts. This includes authority to choose the securities and amounts to buy and sell for their accounts. We are not permitted to transfer funds or securities to or from any account other than in the client's name unless specifically directed by a client in writing. There are other limitations on our authority as stated in the contract. When selecting securities and determining amounts, Independent Solutions Wealth Management, LLC observes the investment policies, limitations and restrictions of the clients for which it advises. Investment guidelines and restrictions must be provided to the Advisor in writing.

### **Item 17 – Voting *Client* Securities**

The Adviser will have the authority to vote proxies on behalf of its clients and will strive to vote proxies in the best interests. The Adviser's policy is generally to vote all proxies from a specific issuer the same way for each client absent reasonable restrictions from a client. The Adviser will consider the impact on shareholder value and the issuer's business practices when making voting decisions.

The Adviser will generally vote in favor of routine proposals that may include but are not limited to the selection of auditors and election of directors, absent conflicts of interests that are not adequately addressed. The Adviser will generally vote against poison proposals (staggered boards, special voting shares, etc.) and other techniques that concentrate power or may cause management or board entrenchment.

The Adviser maintains written policies and procedures, records of proxy votes and information regarding the manner in which a client's proxies were voted is available to the client upon request. Clients may make their request by telephone by calling 716-568-8566 or by email at [joshuaheims@iswealthmanagement.com](mailto:joshuaheims@iswealthmanagement.com).

### Item 18 – Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Independent Solutions Wealth Management, LLC financial condition. Independent Solutions Wealth Management, LLC has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.