

Item 1: Cover Page

SANCTUARY WEALTH ADVISORS, LLC
Part 2A of Form ADV: Firm Brochure

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This brochure provides information about the qualifications and business practices of Sanctuary Wealth Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at the above listed telephone number. The information included in firm brochure has not been approved or verified by the SEC or any state securities authority.

Additional information about Sanctuary Wealth Advisors, LLC is also available on the SEC's website at www.advisorinfo.sec.gov. The Firm's IARD# is 150212.

Any reference to Sanctuary Wealth Advisors being a "Registered Investment Advisor" simply means that the firm is registered as an investment advisor and does not imply a certain level of skill or training.

Date of this brochure: September 26, 2011

Item 2: Material Changes

There are no material changes to report.

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Item 4: Advisory Business

Introduction:

Sanctuary Wealth Advisors LLC ("the Firm") has been in business in the state of California since March 8, 2010. Sanctuary Wealth Advisors provides advisory services for high net worth individuals, pension and profit sharing plans and other pooled investments (e.g. hedge funds) in the state of California and other states to be determined. These services are tailored to the individual needs of each client. Other types of services that Sanctuary Wealth Advisors may offer include portfolio management for individuals, small businesses and institutional clients, selection of other advisers, publication of periodicals or newspapers and investment consulting advice.

Pursuant to CA state requirements, it is noted that all material conflicts of interest under CCR Section 260.238(k) regarding Sanctuary Wealth Advisors, LLC, its representatives or any of its employees, that could be reasonably expected to impair the rendering of unbiased and objective advice, are fully disclosed in this brochure. Text of the complete provisions of the Rule can be provided upon request.

This section of the brochure explain Sanctuary Wealth Advisors' investment advisory services.

Ownership Structure:

The Firm's principal owners are as follows:

- Sanctuary Wealth Advisors, LLC is 100% owned by Sanctuary Wealth Services, LLC. The following individuals own 25% or more of Sanctuary Wealth Services, LLC:
 - Jeffrey Spears, CEO
 - Keith Ogden, COO

Investment Management Services:

A majority of the investments made for clients of Sanctuary Wealth Advisors are managed by outside managers who have relationships with the Firm. Exceptions are mostly confined to legacy positions held by clients with pre-existing accounts or other sources.

Asset allocations may include exchange-listed securities, corporate debt securities (other than commercial paper), municipal securities, mutual fund shares, investment partnerships investing in real estate or oil and gas interests, and other pooled and separately managed accounts (such as hedge funds). Investments for individuals are selected based on varying factors of suitability determined through and investment objective questionnaire and client interactions.

Sanctuary Wealth Advisors may recommend a wrap fee program to its clients, but the Firm does not sponsor any wrap fee programs itself. There is no difference in the way Sanctuary Wealth Advisors, LLC manages accounts that invest in these wrap fee programs as opposed to accounts that are not invested in wrap fee programs. Sanctuary Wealth Advisors, LLC charges a fee to clients based on a percentage of the client's total assets under management.

Sanctuary Wealth Advisors' clients may choose to engage the Firm to manage their assets on a discretionary or non-discretionary basis.

Use of Sub-Advisors:

As described above, Sanctuary Wealth Advisors recommends certain third party managers ("Sub Advisors") to manage a portion of client assets on a discretionary basis. The determination of the Sub Advisors being recommended to clients is based on the client's stated investment objectives.

Sub Advisors recommended by Sanctuary Wealth Advisors may be structured as managers of individual equity and/or debt securities, exchange traded funds, mutual funds, partnerships, corporations and/or limited liability companies. Sanctuary Wealth Advisors selects these Sub Advisors based on their ability to enhance the client's portfolio values. When Sanctuary Wealth Advisors selects a Sub Advisor for a client, the Firm reviews the Sub Advisor's Form ADV and disclosure brochure and any material supplied by the Sub Advisor. With this information, Sanctuary Wealth Advisors seeks to understand the Sub Advisor's investment strategies, past performance and risk results to the extent available. Sanctuary Wealth Advisors seeks to select Sub Advisors whose strategy's stated investment objectives, alignment of interests, management style, performance, reputation, financial strength, reporting, pricing and research align with that of Sanctuary Wealth Advisors' clients.

Clients who are recommended to Sub Advisors will sign a separate written agreement, which outlines the terms and conditions under which Sanctuary Wealth Advisors engages the Sub Advisor to manage the client's assets. The client will also receive a copy of the Sub Advisor's written disclosure brochure in addition to Sanctuary Wealth Advisors' disclosure brochure.

Sanctuary Wealth Advisors monitors and reviews the account performance and the client's investment objectives for all accounts, including those managed by Sub Advisors. The fee Sanctuary Wealth Advisors receives for these accounts is based on a percentage of the market value of the assets being managed by the Sub Advisor(s).

Item 5: Fees and Compensation

Sanctuary Wealth Advisors charges fees for its advisory services. These fees may be in the form of percentage of assets under management or fixed fees. The annual fee shall be computed on the basis of the schedule set forth as follows (or as negotiated with the client) and shall be paid quarterly in advance:

<u>Assets Under Advisement</u>	<u>Fee</u>	<u>Category Max</u>	<u>Fee at Category Max*</u>
First \$5 million	0.60%	\$5 Million	0.60%
\$5 million to \$15 million	0.40%	\$15 Million	0.47%
\$15 million to \$25 million	0.30%	\$25 Million	0.40%

\$25 million to \$100 million	0.20%	\$100 Million	0.25%
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Over \$100 million negotiable

* The Fee at Category Maximum is the figure used to calculate all the rate of all fees collected. If a client has \$15 million, the fees on the first \$5 million are 60bps, or \$30,000 and the fees on the next \$10 million (for a total of \$15 million) are 40 bps, or \$40,000. The total of \$70,000 in fees is 47 bps or 0.47% on the entire \$15 million in assets under advisement.

Fees may be discounted on a case-by-case basis only with the approval of the supervisor. The Advisor has the authority to have fees automatically deducted from client accounts by the custodian upon the custodian's receipt of the Advisor's billing notice. Clients will sign a form or power of attorney, as part of their advisory agreement, granting permission for Sanctuary Wealth Advisors to do so. Clients receive monthly account statements that reflect and disclose the fee amount deducted from the account. It is noted that lower fees for comparable services may be available from other sources.

Clients may incur brokerage and other transaction costs in connection with the Firm's advisory services, such as custodian fees or mutual fund expenses. Any such fees will be disclosed to the client in the advisory agreement and on the monthly brokerage statements received by the client from the custodian. See Item 12 "Brokerage Practices" of this brochure for more information pertaining to brokerage practices.

Sanctuary Wealth Advisors and its employees do not accept compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

Either party, for any reason, upon written notice, can terminate an investment advisory contract before its expiration date. If the advisory contract is terminated before the end of the billing period, the client will receive a refund for pre-paid fees for that billing period on a pro-rata basis.

Fees for Sub Advisor Accounts:

The investment management fees charged by Sub Advisors recommended by Sanctuary Wealth, together with the fees charged by the corresponding designated broker-dealer/custodian of the client's assets, may be exclusive of, and in addition to, Sanctuary Wealth Advisors' investment advisory fee set forth above. As discussed above, the client may incur other additional fees than those charged by Sanctuary Wealth Advisors, the Sub Advisors, and corresponding broker-dealer and custodian.

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

Sanctuary Wealth Advisors does not currently collect any performance-based fees and the Firm's standard fee agreement does not anticipate performance-based fees. However, in some special circumstances, Sanctuary Wealth Advisors would consider a performance based fee arrangement for its ultra high net worth and/or qualified

purchaser clients. In the event Sanctuary Wealth Advisors enters into any performance based fee arrangements, this brochure will be updated to reflect the terms of these arrangements, any conflicts of interest and how such conflicts are addressed. Such fees will only be charged in accordance with the provisions of CCR 260.234 which states, in short, that performance fees can only be charged if the following conditions are met:

1. The only clients entering into the investment advisory contract are “qualified clients” as defined in paragraph (d) of Rule 205-3 (17 CFR 275.205-3(d)) under the Investment Advisers Act of 1940 (Section 80b-1 et seq.).
2. Full disclosure of all material information regarding the proposed compensation arrangement is provided to each qualified client prior to entering into the contract.

Text of the complete provisions of the Rule can be provided upon request.

Item 7: Types of Clients

Sanctuary Wealth Advisors does not currently have any clients, but future types of clients may include individuals, pension and profit sharing plans, and other pooled investments, such as a family LLC.

Sanctuary Wealth Advisors requires that the minimum value of assets per client be one million dollars. This minimum may be waived with approval from the Firm’s CEO.

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

Sanctuary Wealth Advisors and/or its consultants perform fundamental analysis on historical and present data. Advisors implement both a bottom-up and top-down analysis, taking into consideration the overall state of the economy, interest rates, production, earnings and management. The main sources of information that advisors use include financial periodicals, inspections of corporate activities, corporate rating services, annual reports, prospectuses, filings with the Securities and Exchange Commission, company press releases and research materials prepared by others. Sanctuary Wealth Advisors currently outsources most of the selection and due diligence of money managers to a third party consultant, Fortigent. Fortigent is a contract service provider that provides wealth management solutions and consulting services to investment advisors on an outsourced basis.

Fortigent’s services, from investment research and strategy to performance reporting and practice management advice, are specifically designed for affluent investors. They offer advisory firms solutions to their outsourcing needs that include a sophisticated open architecture investment platform, extensive expertise in alternative investments, data aggregation and consolidated performance reporting.

Fundamental analysis can be useful in making mid to long-term investment decisions. This type of analysis may not be as useful for investors with a short-term investment horizon. As fundamental analysis involves taking into consideration current social and economic factors, major, unanticipated events can change the expected outcome of investments that are based on this analysis type.

Methods of the independent managers referred by Sanctuary Wealth Advisors will vary.

Investment strategies used to implement any investment advice given to clients may include long and short-term purchases, trading, short sales, margin transactions and options writing.

Although Sanctuary Wealth Advisors, its consultants and the independent money managers referred by the firm conduct this analysis based on available historical and present data, any investments in securities involve risk of loss that clients should be prepared to bear.

Sanctuary Wealth Advisors does not believe that its process of asset allocation using historical performance and correlations involve any significant or unusual risks. Sanctuary Wealth Advisors's primary strategy does not involve frequent trading of securities, rather, Sanctuary Wealth Advisors utilizes this asset allocation process to identify independent managers who implement investment strategies that are appropriate for the client's individual situation and investment objectives. Disclosure of the risks of a specific investment strategy implemented by an independent manager are made to the client by the independent manager.

Item 9: Disciplinary Information

Sanctuary Wealth Advisors' parent company's broker-dealer subsidiary, Sanctuary Securities, LLC was involved in an arbitration proceeding with a placement client. This client is a real estate fund manager and the dispute was over the fees for services that were performed per the written contract. No fees have been billed or collected. The claim was settled in Sanctuary Securities, LLC's favor in April, 2011.

The Firm's CEO, Jeffrey Spears, was the subject of an internal review while employed at Banc of America Investment Services, Inc. This internal review was initiated on July 7, 2003 and involved matters related to inquiries made by the New York Attorney General and SEC into mutual fund practices. As a result of the internal review, Mr. Spears was discharged for reasons cited as "Loss of confidence; inaccurate internal certification to Banc of America Securities, LLC."

Item 10: Other Financial Industry Activities and Affiliations

Sanctuary Wealth Advisors is 100% owned by Sanctuary Wealth Services, LLC. Sanctuary Wealth Services, LLC also owns a broker-dealer firm, Sanctuary Securities,

LLC and another investment advisor firm, Sanctuary Capital Strategies, LLC (pending SEC registration).

Investments represented by the broker-dealer may be purchased by the Sanctuary Wealth Advisors' advisory clients at their sole discretion. In these instances, compensation may be paid to the affiliated broker-dealer. In no case will any form of compensation be paid to the Advisor so that the Advisor will remain un-conflicted in the advice he/she provides to clients of Sanctuary Wealth Advisors. Advisors of the Firm will receive no incentive to recommend a product represented by the affiliated broker-dealer versus any other product that may be recommended to the client.

Sanctuary Wealth Advisors is managed by two individuals, Keith Ogden, its Chief Operating Officer, and Jeffrey Spears, its Chief Executive Officer, who are also both registered as representatives of Sanctuary Securities, LLC, a registered broker-dealer. No members of management are currently registered with Sanctuary Capital Strategies, LLC.

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

Sanctuary Wealth Advisors' Code of Ethics addresses general standards regarding the Firm's fiduciary duty to clients as well as personal trading guidelines, insider trading policy, and general ethical standards applicable to all associated persons. Sanctuary Wealth Advisors will provide a copy of its Code of Ethics to any client or prospective client upon request by contacting Keith Ogden at (415) 291-2900.

Sanctuary Wealth Advisors does not generally trade in or recommend individual securities for its clients and thus the Firm and its associated persons would not be in a position of recommending a security to a client that would also be bought or sold for the Firm or its related persons. As discussed in the section outlining the Firm's advisory services, the Firm recommends independent managers to its clients. These independent managers manage accounts for clients of Sanctuary Wealth Advisors in-line with their stated investment strategy and portfolio models. As the Advisors, employees and other related persons of Sanctuary Wealth Advisors do not have discretion over the trades of specific securities for the Firm's clients accounts, conflicts relating to employees trading in the same securities that clients may own are minimized.

Sanctuary Wealth Advisors does not recommend to clients, or buy or sell for clients, securities in which the Firm or its associated persons have a material financial interest. Sanctuary Wealth Advisors and its Advisor employees recommend sub advisors who manage the clients underlying portfolio. Sanctuary Wealth Advisors and its Advisor employees do not recommend individual securities to its clients.

When a perceived conflict arises, or is identified by the Principal in his review, this will be escalated to Compliance and discussed with the employee. If it is found that a client has been disadvantaged by employee trading, Sanctuary Wealth Advisors will resolve the issue such that the disadvantage to the client will be rectified.

Item 12: Brokerage Practices

For some clients, particularly those clients who do not have a custodian, Sanctuary Wealth Advisors may recommend a broker. Sanctuary Wealth Advisors recommends brokers for custodial purposes only. Sanctuary Wealth Advisors does not recommend brokers on a transaction basis. Such recommendations will take into account a number of factors, some of which are transaction fees, custodial fees charged by the broker for holding securities for the client, commission rates, interest charges on debit balances and interest credits on credit balances, quality of execution, and record-keeping and reporting capabilities. In recommending a broker, Sanctuary Wealth Advisors will attempt to minimize the total cost for all brokerage services paid by the client. However, it may be the case that a recommended broker charges a higher fee for a particular type of service, such as commission rates, than can be obtained from another broker. It may also be the case that the total costs of all services provided by the recommended broker may be higher than can be obtained at another broker. Sanctuary Wealth Advisors may determine in good faith that such total costs are reasonable in relation to the value of brokerage and research services provided by such broker, viewed in terms of Sanctuary Wealth Advisors' overall responsibilities to the client.

Sanctuary Wealth Advisors does not currently have and does not anticipate engaging in soft dollar arrangements.

Sanctuary Wealth Advisors does not receive client referrals from broker-dealers or third parties for recommending clients, thus Sanctuary Wealth Advisors does not have any incentive to select or recommend a broker-dealer based on the Firm's interest in receiving client referrals.

Sanctuary Wealth Advisors does not routinely recommend, request or require that a client direct the Firm to execute transactions through a specific broker-dealer and the Firm does not have directed brokerage arrangements.

Item 13: Review of Accounts

Almost all client accounts will consist of custodied mutual funds and/or an allocation of a separately managed portfolio by an outside manager. Accounts are reviewed by the designated principal for trading activity and suitability. While the underlying securities within client accounts are continually monitored by the designated principal, these accounts are formally reviewed at least annually by the CCO or the Supervisor responsible for maintaining and servicing client relationships. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment. It is noted that the designated principal is currently Keith Ogden.

Clients receive month-end account statements showing activity and month end positions, and a year end tax statement detailing the previous year's taxable activity.

This information will be prepared and sent to clients by the custodial broker-dealer(s) and/or a third party data aggregator. Clients may also choose to have online access to their accounts to view daily information.

Quarterly management reports, compiled by a third party data aggregator, will also be made available to clients. These reports are comprehensive and provide a review of all assets and performance information for the client's whole portfolio as well as each sub-manager held in the client's portfolio.

Item 14: Client Referrals and Other Compensation

Sanctuary Wealth Advisors' affiliated broker-dealer (affiliated by common ownership) may receive a fully disclosed commission if clients of the Firm, in their sole discretion, chose to use certain investment products represented by the affiliated broker-dealer.

Although Sanctuary Wealth Advisors does not currently have any arrangements to compensate any person or third party for referrals, the Firm may in the future, from time to time, compensate employees or third parties for client or other business referrals. All referral arrangements will be subject to a written agreement between Sanctuary Wealth Advisors and the solicitor.

When recommending third party advisors to clients of Sanctuary Wealth Advisors, the Firm will ensure that the third party advisor is appropriately licensed prior to doing so.

Item 15: Custody

Sanctuary Wealth Advisors does not have custody of client funds or securities. All client funds and securities will be custodied at a custodial broker-dealer and each client will have online access and will receive a monthly account statement directly from the custodian.

Sanctuary Wealth Advisors withdraws advisory fees directly from client accounts and as such, does comply with the following guidelines:

- Sanctuary Wealth Advisors will send notification to its clients and the custodian at the time of fee deduction notifying them of the fees being deducted and how the fees are calculated.
- The custodian will send monthly statements to the Firm's clients, which will reflect all disbursements for the account, including the amount of the advisory fees.
- Sanctuary Wealth Advisors will receive written authorization from its clients permitting the payment of fees directly from their accounts held by the custodian. This written authorization will be provided in the advisory account agreement signed by each client.

Item 16: Investment Discretion

Sanctuary Wealth Advisors does not accept discretionary trading authority, but customarily does have discretionary authority to allocate a client's account between independent managers selected by the client. All discretion will be limited solely to the allocation of a client's accounts to previously selected (by the customer) independent managers in the process of rebalancing the account as needed to remain in-line with the customer's investment objectives and stated allocations to each independent manager as outlined in the advisory agreement.

All discretionary authority will be assumed only with an executed limited power of attorney. This limited power of attorney is customarily a part of the client's advisory agreement.

Item 17: Voting Client Securities

Sanctuary Wealth Advisors does not accept authority to vote client securities. Advisors shall not vote or advise the client on voting proxies for securities held in client's accounts. Therefore, the client maintains exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to client's investment assets. Advisors and/or the clients shall instruct the client's qualified custodian to forward to client copies of all proxies and shareholder communications relating to the client's investment assets. Clients will receive their voting proxies or other solicitations directly from the custodian. If a client has questions on any particular proxy or solicitation, they can contact their advisor.

Item 18: Financial Information

Sanctuary Wealth Advisors does not have any financial condition that is reasonably likely to impair the Firm's ability to meet contractual commitments to clients. In addition, Sanctuary Wealth Advisors has not been the subject of a bankruptcy petition at any time during the past ten years.

Item 19: Requirements for State-Registered Advisers**Principal Executive Officers and Management:**

Jeffrey Spears: Mr. Spears has a Bachelors Degree in Finance and Economics from Baylor University (Waco, TX) 1986. Mr. Spears has over 24 years experience in the

wealth management industry. Previous positions include firms such as Montgomery Securities, Bank of America Private Bank and Presidio Partners LLC. Mr. Spears' business background for the preceding 5 years is as follows:

- April 2008 – Present: Co-Founder and CEO, Sanctuary Wealth Services LLC
- October 2008 – Present: CEO and Registered Representative, Sanctuary Securities, LLC
- April 2004 – March 2007: Managing Director, Head of Presidio Capital Advisors, LLC

Keith Ogden: Mr. Ogden has a Bachelors Degree in Economics from Stanford University (Palo Alto, CA) and MBA from Stanford Graduate School of Business. Mr. Ogden has over 20 years experience in the financial services industry. Previous positions include firms such as East Avenue Capital Partners, Neuberger Berman Technology Management and Bowman Capital Management. Mr. Ogden' business background for the preceding 5 years is as follows:

- 2008 – Present: Co-Founder and COO, Sanctuary Wealth Services LLC
- 2008 – Present: CCO and Registered Representative, Sanctuary Securities, LLC
- 2006 – 2008: COO, East Avenue Capital Partners, >\$100 million macro hedge fund.
- 2005 – 2006: Started hedge fund consulting practice under BTIG umbrella.

Business Other Than Advisory Business:

In addition to Sanctuary Wealth Advisors' Advisory business activities described in this brochure, the Firm and some of its associated individuals also engage in the business of providing consulting and other business services to independent advisors. This portion of the Firm's business is anticipated to be approximately 20 – 25% of the Firm's business activities.

Relationships With Issuers of Securities:

The Firm's parent company, Sanctuary Wealth Services, LLC, has received an investment from Harvest Capital Strategies, LLC, a Registered Investment Advisor who advises and is general partner of several pooled investment vehicles (i.e. hedge funds). Some of the funds managed by Harvest Capital Strategies, LLC will be approved investment solutions for advisory clients of the Firm.

Additionally, one member of the Firm's management, Keith Ogden, currently serves as a board member (in capacity as an outside Director), for Warwick European Distressed and Special Situations Credit Fund, Inc., a pooled investment vehicle (i.e. hedge fund). Neither this fund nor this advisor are approved investment solutions for clients of the Firm and therefore will not be introduced to clients of the Firm. Sanctuary Wealth Advisors does not view this relationship as creating any conflicts of interest.

Disclosures:

Neither Sanctuary Wealth Advisors or any of its management persons have been involved in any of the following events:

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following
 - (a) an investment or an investment-related business or activity;
 - (b) fraud, false statement(s), or omissions;

- (c) theft, embezzlement, or other wrongful taking of property;
 - (d) bribery, forgery, counterfeiting, or extortion; or
 - (e) dishonest, unfair, or unethical practices.
2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
- (a) an investment or an *investment-related* business or activity;
 - (b) fraud, false statement(s), or omissions;
 - (c) theft, embezzlement, or other wrongful taking of property;
 - (d) bribery, forgery, counterfeiting, or extortion; or
 - (e) dishonest, unfair, or unethical practices.

Part 2B of Form ADV: *Brochure Supplements*

Keith Ogden, made available to clients of Mr. Ogden
Jeffrey Spears, made available to clients of Mr. Spears