

**Item 1: Cover Page for Part 2A of  
Form ADV: Firm Brochure  
March 2014**

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Des Plaines, IL 60016**

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This brochure provides information about the qualifications and business practices of Athena Advisor Services, LLC. If you have any questions about the contents of this brochure, please contact us by telephone at 847-898-9040 or email at [brian.beasley@athenaadvisorservices.com](mailto:brian.beasley@athenaadvisorservices.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any State Securities Authority.

Additional information about Athena Advisor Services, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Please note that the use of the term "registered investment adviser" and description of Athena Advisor Services, LLC and/or our associates as "registered" does not imply a certain level of skill or training. You are encouraged to review this Brochure and Brochure Supplements for our firm's associates who advise you for more information on the qualifications of our firm and our employees.

## **Item 2: Material Changes to Our Part 2A of Form ADV: Firm Brochure**

Athena Advisor Services, LLC is required to advise you of any material changes to our Firm Brochure ("Brochure") from our last annual update, identify those changes on the cover page of our Brochure or on the page immediately following the cover page, or in a separate communication accompanying our Brochure. We must state clearly that we are discussing only material changes since the last annual update of our Brochure, and we must provide the date of the last annual update of our Brochure.

Please note that we do not have to provide this information to a client or prospective client who has not received a previous version of our brochure. At this time, there are no material changes to report about our Brochure.

### Item 3: Table of Contents

<b><u>Section:</u></b>	<b><u>Page(s):</u></b>
<b>Item 1: Cover Page for Part 2A of .....</b>	<b>1</b>
Item 2: Material Changes to Our Part 2A of Form ADV: Firm Brochure .....	2
Item 3: Table of Contents.....	3
Item 4: Advisory Business .....	4
Item 5: Fees & Compensation.....	6
Item 6: Performance-Based Fees & Side-By-Side Management .....	10
Item 7: Types of Clients & Account Requirements .....	10
Item 8: Methods of Analysis, Investment Strategies & Risk of Loss .....	10
Item 9: Disciplinary Information.....	11
Item 10: Other Financial Industry Activities & Affiliations.....	12
Item 11: Code of Ethics, Participation or Interest in Client Transactions & Personal Trading.....	13
Item 12: Brokerage Practices .....	14
Item 13: Review of Accounts or Financial Plans.....	15
Item 14: Client Referrals & Other Compensation .....	16
Item 15: Custody .....	17
Item 16: Investment Discretion .....	17
Item 17: Voting Client Securities.....	18
Item 18: Financial Information .....	18
Item 19: Requirements for State Registered Advisers .....	18

#### Item 4: Advisory Business

We specialize asset management and financial planning. Our assets under management are \$47,000,000 as of March 17, 2014.

A. Description of our advisory firm, including how long we have been in business and our principal owner(s)<sup>1</sup>.

We are dedicated to providing individuals and other types of clients with a wide array of investment advisory services. Our firm is a limited liability company formed in the State of Illinois. Our firm has been in business since November 1998, and an investment adviser since 2012. Our firm is owned as follows:

Daniel Alberth	9%	Owner
Brian Beasley	16%	Owner
Steven Shambora	62%	Owner
Thomas Stecich	8%	Owner
Daniel Stecich	4%	Owner
Jeffrey Weinmann	2%	Owner

B. Description of the Types of Advisory Services We Offer.

(i) Asset Management:

We emphasize continuous and regular account supervision. As part of our asset management service, we generally create a portfolio, consisting of individual stocks or bonds, exchange traded funds ("ETFs"), options, mutual funds and other public and private securities or investments. The client's individual investment strategy is tailored to their specific needs and may include some or all of the previously mentioned securities. Each portfolio will be initially designed to meet a particular investment goal, which we determine to be suitable to the client's circumstances. Once the appropriate portfolio has been determined, we review the portfolio at least quarterly and if necessary, rebalance the portfolio based upon the client's individual needs, stated goals and objectives. Each client has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio.

(ii) Financial Planning:

We provide a variety of financial planning services to individuals, families and other clients regarding the management of their financial resources based upon an analysis of the client's current situation, goals, and objectives. Generally, such financial planning services may include some or all of the following:

<sup>1</sup> Please note that: (1) For purposes of this item, our principal owners include the persons we list as owning 25% or more of our firm on Schedule A of Part 1A of Form ADV (Ownership Codes C, D or E). (2) If we are a publicly held company without a 25% shareholder, we simply need to disclose that we are publicly held. (3) If an individual or company owns 25% or more of our firm through subsidiaries, we must identify the individual or parent company and intermediate subsidiaries. If we are a state-registered adviser, on Form ADV Part 2A Page 2, we must identify all intermediate subsidiaries. If we are an SEC-registered adviser, we must identify intermediate subsidiaries that are publicly held, but not other intermediate subsidiaries.

1. Cash Flow & Debt Management – This involves advice with respect to cash accounts, financial obligations, and cash management.
2. Risk Management & Insurance Planning – This includes risk management associated with advisory recommendations based on the combination of insurance types that best meet a client's specific needs, e.g. life, health, disability, and long-term care, and others as appropriate.
3. Investment Planning – This involves advice with respect to asset selection and allocation, as well as investment income accumulation techniques. Evaluations are made of existing and, when applicable, potential investments in terms of their economic and tax characteristics as well as their suitability for meeting client's objectives. Tax consequences and their implications are identified and evaluated in general terms.
4. Retirement planning – This involves advise with respect to alternatives and techniques for accumulating wealth for retirement income or advice relative to appropriate distributions of assets following retirement. Tax consequences and their implications are identified and evaluated in general terms.
5. College Planning – This includes alternatives and strategies with respect to the complete or partial funding of college or other post-secondary education experience. Tax consequences and their implications are identified and evaluated in general terms.
6. Estate Planning – This service generally involves advise with respect to property ownership, distribution strategies, estate tax reduction, and tax payment techniques. It involves a discussion of gifts, trusts, etc., and the disposition of business interests. Tax consequences and their implications are identified and evaluated. At the request of the client, Athena Advisor Services, LLC will engage the client's chosen personal estate attorney or planner, with regard to advising the wealth management of the estate planning.
7. Tax Planning – Tax planning is referred to the client's chosen tax advisor. Athena Advisor Services, LLC may offer advice as to how tax laws may affect various financial decisions, e.g. acquisitions, pension strategy, investing in new opportunities or consolidation or existing investments, and individual taxation issues, among others.
8. Business Succession Planning – This includes alternatives and strategies with respect to continuity or disposition or the business upon the business owners' retirement, death, disability, or decision to sell. Tax consequences and their implications are identified and evaluated.

Our written financial plans rendered to clients usually include general recommendations for a course of activity or specific actions to be taken by the clients. For example, recommendations may be made that the clients begin or revise investment programs, create or revise wills or trusts, obtain or revise insurance coverage, commence or alter retirement savings, or establish education or charitable giving programs. It should also be noted that we refer clients to an accountant, attorney or other specialist, as necessary for non-advisory related services. For written financial planning engagements, we provide our clients with a written summary of their financial situation, observations, and recommendations.

A typical financial plan will take approximately 10-15 hours to complete, but each client's exact hourly rate and an estimate for total hours will be determined at the start of the advisory relationship. Implementation of the recommendations will be at the discretion of the client.

C. Explanation of whether (and, if so, how) we tailor our advisory services to the individual needs of clients, whether clients may impose restrictions on investing in certain securities or types of securities.

(i) Individual Tailoring of Advice to Clients:

We offer individualized investment advice to clients utilizing the following services offered by our firm: Asset Management. Additionally, we offer general investment advice to clients utilizing the following services offered by our firm: Financial Planning.

(ii) Ability of Clients to Impose Restrictions on Investing in Certain Securities or Types of Securities:

Each client has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio. Restrictions on investments in certain securities or types of securities may not be possible due to the level of difficulty this would entail in managing the account. Restrictions would be limited to our Asset Management services. We do not manage assets through our other services.

D. Participation in Wrap Fee Programs.

We offer wrap fee programs as further described in Part 2A, Appendix 1 (the "Wrap Fee Program Brochure") of our Brochure. Our wrap fee and non-wrap fee accounts are managed on an individualized basis according to the client's investment objectives, financial goals, risk tolerance, etc. We do not manage wrap fee accounts in a different fashion than non-wrap fee accounts. As further described in our Wrap Fee Program Brochure, we receive a portion of the wrap fee for our services.

E. Disclosure of the amount of client assets we manage on a discretionary basis and the amount of client assets we manage on a non-discretionary basis as of March 17, 2014.

We manage<sup>2</sup> \$47,000,000 on a discretionary basis as of March 17, 2014.

## **Item 5: Fees & Compensation**

We are required to describe our brokerage, custody, fees, and fund expenses so you will know how much you are charged and by whom for our advisory services provided to you. Our fees are generally negotiable.

A. Description of How We Are Compensated for Our Advisory Services Provided to You.

(i) Asset Management:

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<sup>2</sup> Please note that our method for computing the amount of "client assets we manage" can be different from the method for computing "assets under management" required for Item 5.F in Part 1A of Form ADV. However, we have chosen to follow the method outlined for Item 5.F in Part 1A of Form ADV. If we decide to use a different method at a later date to compute "client assets we manage," we must keep documentation describing the method we use and inform you of the change. The amount of assets we manage may be disclosed by rounding to the nearest \$100,000. Our "as of" date must not be more than three months before the date we last updated our Brochure in response to Item 4.E of Form ADV Part 2A.

**Assets Under Management**

All Assets

**Annual Percentage of Assets Charge\***

2.5%

\*Our firm's fees are billed on a pro-rata annualized basis quarterly in advance based on the value of your account on the last day of the previous quarter.

(ii) **Financial Planning:**

Advisor offers financial planning services on an hourly basis at a rate between \$100 and \$300 per hour, which is determinate based not necessarily on the type of client, but rather on the nature and complexity of each client's circumstances. Hourly fees will be billed in 5 minute increments.

A client with a straight-forward situation and looking for a one-time assessment would typically be charged a fee of \$100 per hour.

A client with a more complex financial situation or looking for a one- time assessment and ongoing advice would typically be charged a fee of \$200 per hour.

A client with maximum complexity (i.e. illiquid holdings, complex estate planning structures, business owners, etc.) who is contracted with our firm for all financial services would typically be charged a fee of \$300 per hour.

A typical financial plan will take approximately 10-15 hours to complete, but each client's exact hourly rate and an estimate for total hours will be determined at the start of the advisory relationship.

A typical client meets with our firm to discuss financial consulting issues, and general advice relating to broad issues such as retirement planning and education planning. The client may request a financial plan following the consultation. The initial meeting typically lasts one to two (2) hours, and follow-up research takes five (5) hours. A basic written financial plan takes five (5) hours to complete. At \$100 per hour, the total estimated charge for a client with limited complexity will be \$1,200 (\$100 x 12 hours).

Advisor offers a comprehensive financial plan to each client. In certain cases based solely on the complexity of the individual's financial situation, additional a la carte financial planning services may be added to the plan.

The Advisor's fee is exclusive of, and in addition to brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. However, the Advisor shall not receive any portion of these commissions, fees, and costs. The hourly fees are determined after considering many factors, such as the level and scope of the services.

The Advisor may also charge a negotiable fixed fee ranging from \$1,200 to \$15,000 for a financial plan, the total of which is dependent upon the level and scope of these services.

One half of the total estimated fixed and hourly fees are due and payable at the time the client's agreement is executed, the remainder of the fees are due upon presentation of a

plan or the rendering of consulting services. Financial plans will be presented to the clients within 6 months of the contract date, provided that all information needed to prepare the financial plan has been promptly provided by the clients.

The following outlines examples of levels of service available through the Advisor. All fees and services are negotiable and will be outlined between Client and Investment Advisor Representative prior to the implementation of any service.

#### Level One (\$500 - \$3,000)

A snap-shot financial assessment of the important areas of a client's financial life, including: Protecting Assets, Protecting Income, Managing Debt & Liabilities, Investing, and Estate & Legacy Planning. Client reports may include net worth statement, cash flow statement, asset allocation, risk assessments, review of existing insurance policies, financial independence planning, education and other major goal funding. Client meetings may be annually, or as needed.

Most appropriate for clients with a straight-forward situation and looking for a one-time assessment.

#### Level Two (\$3,000 - \$5,000)

A detailed ongoing comprehensive review of the important areas of a client's financial life, including: Protecting Assets, Protecting Income, Managing Debt & Liabilities, Investing, and Estate & Legacy Planning. Present and implement strategies to improve the chance of success for meeting goals and filling any planning gaps or shortfalls. Collaborate with client's trusted advisors to create a team approach to planning and leverage the collective experiences of each person with their specific area of expertise. Client meetings may be quarterly, or as needed.

Most appropriate for clients who are looking for ongoing advice.

#### Level Three (\$5,000 - \$15,000)

A more detailed and/or more complex ongoing comprehensive review of the important areas of a client's financial life, including: Protecting Assets, Protecting Income, Managing Debt & Liabilities, Investing, and Estate & Legacy Planning. Present and implement strategies to improve the chance of success for meeting goals and filling any planning gaps or shortfalls. Collaborate with client's trusted advisors to create a team approach to planning and leverage the collective experiences of each person with their specific area of expertise. Client meetings may be monthly, or as needed.

This level of service may be appropriate for clients with complex financial holdings, illiquid holdings, complex estate planning structures, or business owners.

In the event that a client should cancel the financial planning agreement under which any plan is being created, the client shall be billed for actual hours logged on the planning project times the agreed upon hourly rate. Any surplus in the Advisor's possession as the result of collecting a deposit at the time of signing the financial planning agreement will be returned to the client within 5 business days of cancellation.



We require a retainer of fifty-percent (50%) of the ultimate financial planning or consulting fee with the remainder of the fee directly billed to you and due to us within thirty (30) days of your financial plan being delivered or consultation rendered to you. In all cases, we will not require a retainer exceeding \$1,200 when services cannot be rendered within 6 (six) months.

Either party may terminate the agreement at anytime by providing written notice to the other party within five (5) days of signing the Advisor's financial planning agreement. The client will incur charges for bona fide advisory services rendered to the point of termination and such fees will be due and payable by the client. Refunds will be given on a pro-rata basis.

B. Description of any other types of fees or expenses clients may pay in connection with our advisory services, such as custodian fees or mutual fund expenses.

Non-Wrap fee Clients will incur transaction charges for trades executed in their accounts. These transaction fees are separate from our fees and will be disclosed by the firm that the trades are executed through. Also, clients will pay the following separately incurred expenses, which we do not receive any part of: charges imposed directly by a mutual fund, index fund, or exchange traded fund which shall be disclosed in the fund's prospectus (i.e., fund management fees and other fund expenses).

Wrap fee clients will receive our Form ADV, Part 2A, Appendix 1 (the "Wrap Fee Program Brochure"). Wrap fee clients will not incur transaction costs for trades. More information about this is disclosed in our separate Wrap Fee Program Brochure.

C. We must disclose if client's advisory fees are due quarterly in advance. Explain how a client may obtain a refund of a pre-paid fee if the advisory contract is terminated before the end of the billing period. Explain how you will determine the amount of the refund.

We charge our advisory fees quarterly in advance. In the event that you wish to terminate our services, we will refund the unearned portion of our advisory fee to you. You need to contact us in writing and state that you wish to terminate our services. Upon receipt of your letter of termination, we will proceed to close out your account and process a pro-rata refund of unearned advisory fees.

D. Commissionable Securities Sales.

We sell securities for a commission. In order to sell securities for a commission, our supervised persons are registered representatives of Purshe Kaplan Sterling Investments, Inc., member FINRA/SIPC. Our supervised persons may accept compensation for the sale of securities or other investment products, including distribution or service ("trail") fees from the sale of mutual funds. You should be aware that the practice of accepting commissions for the sale of securities:

- 1) Presents a conflict of interest and gives our firm and/or our supervised persons an incentive to recommend investment products based on the compensation received, rather than on your needs. We generally address commissionable sales conflicts that arise:

- a) when explaining to clients that commissionable securities sales creates an incentive to recommend products based on the compensation we and/or our supervised persons may earn and may not necessarily be in the best interests of the client;
  - b) when recommending commissionable mutual funds, explaining that “no-load” funds are available through our firm if the client wishes to become an investment advisory client.
- 2) In no way prohibits you from purchasing investment products recommended by us through other brokers or agents which are not affiliated with us.

#### **Item 6: Performance-Based Fees & Side-By-Side Management**

We do not charge performance fees to our clients.

#### **Item 7: Types of Clients & Account Requirements**

We have the following types of clients:

- Individuals and High Net Worth Individuals;
- Trusts, Estates or Charitable Organizations;
- Corporations, Limited Liability Companies and/or Other Business Types.

The services and associated fee structure described above apply to each these client types.

Our requirements for opening and maintaining accounts or otherwise engaging us:

- Our firm does not generally require a minimum account balance for our Asset Management Service, although certain managers we may use have minimum requirements. In addition, some of our Financial Advisors may require a minimum account balance.
- We generally charge a minimum fee of \$1,500 for written financial plans.

#### **Item 8: Methods of Analysis, Investment Strategies & Risk of Loss**

- A. Description of the methods of analysis and investment strategies we use in formulating investment advice or managing assets.

Methods of Analysis:

- Charting;
- Fundamental;
- Technical;
- Cyclical.

Investment Strategies We Use:

- Long Term Purchases (Securities Held At Least a Year);
- Short Term Purchases (Securities Sold Within a Year);
- Margin Transactions;
- Option Writing, including Covered Options, Uncovered Options or Spreading Strategies.

**Please Note:**

Investing in securities involves risk of loss that clients should be prepared to bear. While the stock market may increase and your account(s) could enjoy a gain, it is also possible that the stock market may decrease and your account(s) could suffer a loss. It is important that you understand the risks associated with investing in the stock market, are appropriately diversified in your investments, and ask us any questions you may have.

- B. Our practices regarding cash balances in client accounts, including whether we invest cash balances for temporary purposes and, if so, how.

We generally invest client's cash balances in money market funds, FDIC Insured Certificates of Deposit, high-grade commercial paper and/or government backed debt instruments. Ultimately, we try to achieve the highest return on our client's cash balances through relatively low-risk conservative investments. In most cases, at least a partial cash balance will be maintained in a money market account so that our firm may debit advisory fees for our services related to asset management as applicable.

### **Item 9: Disciplinary Information**

We are required to disclose whether there are 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. There are a number of specific legal and disciplinary events that we must presume are material for this Item. If our advisory firm or a management person has been involved in one of these events, we must disclose it under this Item for ten years following the date of the event, unless (1) the event was resolved in our or the management person's favor, or was reversed, suspended or vacated, or (2) the event is not material. For purposes of calculating this ten-year period, the "date" of an event is the date that the final order, judgment, or decree was entered, or the date that any rights of appeal from preliminary orders, judgments or decrees lapsed.

The SEC and/or State Regulators have not provided us with an exclusive list of material disciplinary events, which need to be disclosed. If our advisory firm or a management person has been involved in a legal or disciplinary event that is not specifically required to be disclosed, but nonetheless is material to a client's or prospective client's evaluation of our advisory business or the integrity of our management, we must disclose the event. Similarly, even if more than ten years has passed since the date of the event, we must disclose the event if it is so serious that it remains currently material to a client's or prospective client's evaluation of our firm or management.

We have determined that our firm and management have nothing to disclose under the aforementioned standard.

## Item 10: Other Financial Industry Activities & Affiliations

- A. Our firm or our management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer. The details are as follows:

Officers and representatives of the advisory firm may also be officers or agents of the non-affiliated broker-dealer, Purshe Kaplan Sterling Investments, Inc. This relationship will be disclosed to all clients prior to any transactions being implemented. As a result of this relationship, we do not recommend directed brokerage trades, negotiating fees or commissions or receiving additional incentives from other broker/dealers for trades executed through them. However, clients will be made aware that as registered representatives, the investment adviser representatives receive services including but not limited to: administrative functions including portfolio pricing, account statement generation, fee calculations, back-office support, trade execution and research. Clients are not obligated to implement transactions through the investment adviser representatives in their separate capacities as registered representatives. Clients' trades will always be implemented based on the goals and objectives of the client and not on the incentives to the representatives for implementing the trades. Our firm's management persons will only receive commissions for securities recommendations they make to brokerage clients in non-advisory accounts.

Compensation for brokerage commissions of registered representatives of Purshe Kaplan Sterling Investments, Inc. are paid directly to the registered representative by Purshe Kaplan Sterling Investments, Inc. in their individual capacity and separate from Athena Advisor Services, LLC.

It remains an advisor's fiduciary duty to provide services to the client that are grounded solely in the client's own, best financial interests.

- B. Our firm or our management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities. The details are as follows:

Our firm or our management persons have a material relationship with the following related person(s) as follows:

1. insurance company or agency

Certain individuals of our firm's Advisory Affiliates, in their individual capacities, are also licensed insurance agents with various insurance companies, and in such capacity, may recommend, on a fully disclosed commission basis, the purchase of certain insurance products. While our firm does not sell such insurance products to our investment advisory clients, we permit our Advisory Affiliates, in their individual capacities as licensed insurance agents, to sell insurance products to our investment advisory clients. A conflict of interest exists to the extent that our firm recommends the purchase of insurance products where our firm's Advisory Affiliates receive insurance commissions or other additional compensation.

- C. If we recommend or select other investment advisers for our clients and we receive compensation directly or indirectly from those advisers, or we have other business relationships with those advisers, we are required to describe these practices and discuss the conflicts of interest these practices create and how we address them.

Please see Item 4B (v) of this Brochure. Prior to referring clients to third party advisors, we will ensure that third party advisors are licensed or notice filed with the respective authorities.

### **Item 11: Code of Ethics, Participation or Interest in Client Transactions & Personal Trading**

- A. Brief description of our Code of Ethics adopted pursuant to SEC rule 204A-1 and offer to provide a copy of our Code of Ethics to any client or prospective client upon request.

We recognize that the personal investment transactions of members and employees of our firm demand the application of a high Code of Ethics and require that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, we believe that if investment goals are similar for clients and for members and employees of our firm, it is logical and even desirable that there be common ownership of some securities.

Therefore, in order to prevent conflicts of interest, we have in place a set of procedures (including a pre-clearing procedure) with respect to transactions effected by our members, officers and employees for their personal accounts<sup>3</sup>. In order to monitor compliance with our personal trading policy, we have a quarterly securities transaction reporting system for all of our associates.

Furthermore, our firm has established a Code of Ethics which applies to all of our associated persons. An investment adviser is considered a fiduciary. As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. We have a fiduciary duty to all clients. Our fiduciary duty is considered the core underlying principle for our Code of Ethics which also includes Insider Trading and Personal Securities Transactions Policies and Procedures. We require all of our supervised persons to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment or affiliation and at least annually thereafter, all supervised persons will sign an acknowledgement that they have read, understand, and agree to comply with our Code of Ethics. Our firm and supervised persons must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics. However, if a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.

- B. If our firm or a related person invests in the same securities (or related securities, e.g., warrants, options or futures) that our firm or a related person recommends to clients, we are

<sup>3</sup> For purposes of the policy, our associate's personal account generally includes any account (a) in the name of our associate, his/her spouse, his/her minor children or other dependents residing in the same household, (b) for which our associate is a trustee or executor, or (c) which our associate controls, including our client accounts which our associate controls and/or a member of his/her household has a direct or indirect beneficial interest in.

required to describe our practice and discuss the conflicts of interest this presents and generally how we address the conflicts that arise in connection with personal trading.

See Item 11A of this Brochure. Related persons of our firm may buy or sell securities and other investments that are also recommended to clients. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request.

## **Item 12: Brokerage Practices**

A. Description of the factors that we consider in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).

Athena Advisor Services, LLC may recommend/require that clients establish brokerage accounts with the Schwab Advisor Services division of Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. The final decision to custody assets with Schwab is at the discretion of the Advisor's clients, including those accounts under ERISA or IRA rules and regulations, in which case the client is acting as either the plan sponsor or IRA accountholder. Athena Advisor Services, LLC is independently owned and operated and not affiliated with Schwab. Schwab provides Athena Advisor Services, LLC with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the advisor's clients' assets are maintained in accounts at Schwab Advisor Services. Schwab's services include brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For Athena Advisor Services, LLC client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Schwab also makes available to Athena Advisor Services, LLC other products and services that benefit Athena Advisor Services, LLC but may not benefit its clients' accounts. These benefits may include national, regional or Athena Advisor Services, LLC specific educational events organized and/or sponsored by Schwab Advisor Services. Other potential benefits may include occasional business entertainment of personnel of Athena Advisor Services, LLC by Schwab Advisor Services personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist Athena Advisor Services, LLC in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade

confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of Athena Advisor Services, LLC's fees from its clients' accounts, and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of Athena Advisor Services, LLC's accounts, including accounts not maintained at Schwab Advisor Services. Schwab Advisor Services also makes available to Athena Advisor Services, LLC other services intended to help Athena Advisor Services, LLC manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance and marketing. In addition, Schwab may make available, arrange and/or pay vendors for these types of services rendered to Athena Advisor Services, LLC by independent third parties. Schwab Advisor Services may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to Athena Advisor Services, LLC.

While, as a fiduciary, Athena Advisor Services, LLC endeavors to act in its clients' best interests, Athena Advisor Services, LLC's recommendation/requirement that clients maintain their assets in accounts at Schwab may be based in part on the benefit to Athena Advisor Services, LLC of the availability of some of the foregoing products and services and other arrangements and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

#### **Special Considerations for ERISA Clients**

A retirement or ERISA plan client may direct all or part of portfolio transactions for its account through a specific broker or dealer in order to obtain goods or services on behalf of the plan. Such direction is permitted provided that the goods and services provided are reasonable expenses of the plan incurred in the ordinary course of its business for which it otherwise would be obligated and empowered to pay. ERISA prohibits directed brokerage arrangements when the goods or services purchased are not for the exclusive benefit of the plan. Consequently, we will request that plan sponsors who direct plan brokerage provide us with a letter documenting that this arrangement will be for the exclusive benefit of the plan.

- B. Discussion of whether, and under what conditions, we aggregate the purchase or sale of securities for various client accounts in quantities sufficient to obtain reduced transaction costs (known as bunching). If we do not bunch orders when we have the opportunity to do so, we are required to explain our practice and describe the costs to clients of not bunching.

We do not aggregate the purchase or sale of securities for various client accounts but rather review accounts independently and place transactions accordingly. Whether or not securities are purchased or sold at approximately the same time, all client transactions will incur individual transaction fees. The advantage of bunching is that orders are handled in a way that may mitigate market impact, when applicable and possible. If orders are bunched, each client gets the same average execution price.

### **Item 13: Review of Accounts or Financial Plans**



- A. Review of client accounts or financial plans, along with a description of the frequency and nature of our review, and the titles of our employees who conduct the review.

We review accounts on at least a quarterly basis for our clients subscribing to the following services: Asset Management and Third Party Money Management. The nature of these reviews is to learn whether clients' accounts are in line with their investment objectives, appropriately positioned based on market conditions, and investment policies, if applicable. Only our Financial Advisors will conduct reviews.

Financial planning clients do not receive reviews of their written plans unless they take action to schedule a financial consultation with us. We do not provide ongoing services to financial planning clients, but are willing to meet with such clients upon their request to discuss updates to their plans, changes in their circumstances, etc.

- B. Review of client accounts on other than a periodic basis, along with a description of the factors that trigger a review.

We may review client accounts more frequently than described above. Among the factors which may trigger an off-cycle review are major market or economic events, the client's life events, requests by the client, etc.

- C. Description of the content and indication of the frequency of written or verbal regular reports we provide to clients regarding their accounts.

We do not provide written reports to clients, unless asked to do so. Verbal reports to clients take place on at least an annual basis when we meet with clients who subscribe to the following services: Asset Management and Third Party Money Management.

As mentioned in Item 13A of this Brochure, financial planning clients do not receive written or verbal updated reports regarding their financial plans unless they separately contract with us for a post-financial plan meeting or update to their initial written financial plan.

#### **Item 14: Client Referrals & Other Compensation**

- A. If someone who is not a client provides an economic benefit to our firm for providing investment advice or other advisory services to our clients, we must generally describe the arrangement. For purposes of this Item, economic benefits include any sales awards or other prizes.

Our clients do not pay more for investment transactions effected and/or assets maintained at another firm as result of any arrangement with Athena Advisor Services, LLC.

- B. If our firm or a related person directly or indirectly compensates any person who is not our employee for client referrals, we are required to describe the arrangement and the compensation.



We may pay referral fees (non-commission based) to independent solicitors (non-registered representatives) for the referral of their clients to our firm in accordance with Rule 206 (4)-3 of the Investment Advisers Act of 1940. Such referral fee represents a share of our investment advisory fee charged to our clients. This arrangement will not result in higher costs to you. In this regard, we maintain Solicitors Agreements in compliance with Rule 206 (4)-3 of the Investment Advisers Act of 1940 and applicable state and federal laws. All clients referred by Solicitors to our firm will be given full written disclosure describing the terms and fee arrangements between our firm and Solicitor(s). In cases where state law requires licensure of solicitors, we ensure that no solicitation fees are paid unless the solicitor is registered as an investment adviser representative of our firm. If we are paying solicitation fees to another registered investment adviser, the licensure of individuals is the other firm's responsibility.

### Item 15: Custody

- A. If we have custody of client funds or securities and a qualified custodian as defined in SEC rule 206(4)-2 or similar state rules (for example, a broker-dealer or bank) and do not send account statements with respect to those funds or securities directly to our clients, we must disclose that we have custody and explain the risks that you will face because of this.

All of our clients receive at least quarterly account statements directly from their custodians. Upon opening an account with a qualified custodian on a client's behalf, we promptly notify the client in writing of the qualified custodian's contact information. If we decide to also send account statements to clients, such notice and account statements include a legend that recommends that the client compare the account statements received from the qualified custodian with those received from our firm.

- B. If we have custody of client funds or securities and a qualified custodian sends quarterly, or more frequent, account statements directly to our clients, we are required to explain that you will receive account statements from the broker-dealer, bank, or other qualified custodian and that you should carefully review those statements.

We do not maintain custody of client funds or securities, however, we encourage our clients to raise any questions with us about the custody, safety or security of their assets. The custodians we do business with will send you independent account statements listing your account balance(s), transaction history and any fee debits or other fees taken out of your account.

### Item 16: Investment Discretion

If we accept discretionary authority to manage securities accounts on behalf of clients, we are required to disclose this fact and describe any limitations our clients may place on our authority. The following procedures are followed before we assume this authority:

Our clients need to sign a discretionary investment advisory agreement with our firm for the management of their account. This type of agreement only applies to our Asset Management clients. We do not take or exercise discretion with respect to our other clients.

### Item 17: Voting Client Securities

- A. If we have, or will accept, proxy authority to vote client securities, we must briefly describe our voting policies and procedures, including those adopted pursuant to SEC Rule 206(4)-6.

We do not and will not accept the proxy authority to vote client securities. Clients will receive proxies or other solicitations directly from their custodian or a transfer agent. In the event that proxies are sent to our firm, we will forward them on to you and ask the party who sent them to mail them directly to you in the future. Clients may call, write or email us to discuss questions they may have about particular proxy votes or other solicitations.

### Item 18: Financial Information

- A. If we require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, we must include a balance sheet for our most recent fiscal year.

We do not require nor do we solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. Therefore we have not included a balance sheet for our most recent fiscal year.

- B. If we are an SEC-registered adviser and have discretionary authority or custody of client funds or securities, or we require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, we must disclose any financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients.

We have nothing to disclose in this regard.

- C. If we have been the subject of a bankruptcy petition at any time during the past ten years, we must disclose this fact, the date the petition was first brought, and the current status.

We have nothing to disclose in this regard.

### Item 19: Requirements for State Registered Advisers

**Brian Beasley**  
**Year of Birth: 1972**

**Educational Background:**

- 1994; University of Illinois-Urbana-Champaign; Bachelor of Science in Finance

**Business Background:**

- 04/1999 – Present      Athena Advisor Services, LLC; Investment Advisor
- 07/2013 – Present      Purshe Kaplan Sterling Investments; Registered Representative
- 04/1999 – 07/2013      LPL Financial, Inc; Registered Representative & Advisor
- 09/1994 – 04/1999      Edward D. Jones & Co; Investment Representative

**Exams, Licenses & Other Professional Designations:**

- 1994: Series 7 & Series 63
- 1999: Series 24 & Series 65
- 2008: Chartered Private Wealth Advisor (CPWA®)
- Life Insurance, Variable Contracts, Health & Long-Term Care

Certified Private Wealth Advisor® (CPWA®)

The CPWA designation signifies that an individual has met initial and on-going experience, ethical, education, and examination requirements for the professional designation, which is centered on private wealth management topics and strategies for high-net-worth clients. Prerequisites for the CPWA designation are: a Bachelor's degree from an accredited college or university or one of the following designations or licenses: CIMA®, CIMC®, CFA®, CFP®, ChFC®, or CPA license; have an acceptable regulatory history as evidenced by FINRA Form U-4 or other regulatory requirements and five years of professional client-centered experience in financial services or a related industry. CPWA designees have completed a rigorous educational process that includes self-study requirements, an in-class education component, and successful completion of a comprehensive examination. CPWA designees are required to adhere to IMCA's *Code of Professional Responsibility and Rules and Guidelines for Use of the Marks*. CPWA designees must report 40 hours of continuing education credits, including two ethics hours, every two years to maintain the certification. The designation is administered through Investment Management Consultants Association (IMCA).

**Other Business Activities:**

Brian Beasley is a registered representative of Purshe Kaplan Sterling Investments, member FINRA/SIPC. He may offer securities and receive normal and customary commissions as a result of securities transactions. This presents a conflict of interest to the extent that Mr. Beasley recommends that a client invest in a security which results in a commission being paid to him. A conflict of interest may arise as these commissionable securities sales may create an incentive to recommend products incentive to recommend products based on the compensation adviser and/or our supervised persons may earn and may not necessarily be in the best interests of the client.

As a licensed insurance agent, Brian Beasley may recommend to advisory clients a variety of insurance products, and he may offer commissionable insurance products to clients for which they may receive compensation.

Brian Beasley is part-owner of Athena Financial Services, Inc, which provides office space, payroll, technology, and staffing services. Clients are not actively solicited to invest or participate in any of these outside businesses. These activities combined account for approximately 5% of Mr. Beasley's time.

**Additional Compensation:**

Brian Beasley may receive from Purshe Kaplan Sterling Investments or a mutual fund company, without cost and/or at a discount support services and/or products, to assist us to better monitor and service client accounts maintained at such institutions. Included within the support services, he may receive investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by him to assist him in his investment advisory activities.

Our clients do not pay more for investment transactions effected and/or assets maintained at Purshe Kaplan Sterling Investments as result of this arrangement. There is no commitment made by him to Purshe Kaplan Sterling Investments or any other institution as a result of the above arrangement.

**Steven Shambora**

**Year of Birth:** 1971

**Educational Background:**

- 1993: Ohio State University; BS Marketing & Risk Management
- 2001: University of Pennsylvania, Wharton School of Business; Investment Management Analyst Program

**Business Background:**

- 01/2004 – Present Athena Advisor Services, LLC; Wealth Advisor
- 07/2013 – Present Purshe Kaplan Sterling Investments; Registered Representative
- 01/2005 – 07/2013 LPL Financial; Registered Representative & Wealth Advisor

**Licenses & Other Professional Designations:**

- 1994: Series 7 & Series 63
- 1999: Series 65
- 2007: Life, Variable Contracts, Health & Long-Term Care Insurance

**Other Business Activities:**

Steven Shambora is a registered representative of Purshe Kaplan Sterling Investments, member FINRA/SIPC. He may offer securities and receive normal and customary commissions as a result of securities transactions. This presents a conflict of interest to the extent that Mr. Shambora recommends that a client invest in a security which results in a commission being paid to him. A conflict of interest may arise as these commissionable securities sales may create an incentive to recommend products incentive to recommend products based on the compensation adviser and/or our supervised persons may earn and may not necessarily be in the best interests of the client.

As a licensed insurance agent, Steven Shambora may recommend to advisory clients a variety of insurance products, and he may offer commissionable insurance products to clients for which they may receive compensation.

Steven Shambora is part-owner of Athena Financial Services, Inc, which provides office space, payroll, technology, and staffing services. Clients are not actively solicited to invest or participate in

any of these outside businesses. These activities combined account for approximately 5% of Mr. Shambora's time.

**Additional Compensation:**

Steven Shambora may receive from Purshe Kaplan Sterling Investments or a mutual fund company, without cost and/or at a discount support services and/or products, to assist us to better monitor and service client accounts maintained at such institutions. Included within the support services, he may receive investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by him to assist him in his investment advisory activities.

Our clients do not pay more for investment transactions effected and/or assets maintained at Purshe Kaplan Sterling Investments as result of this arrangement. There is no commitment made by him to Purshe Kaplan Sterling Investments or any other institution as a result of the above arrangement.