

# Advanced Practice Advisors, LLC

## Client Brochure

*This brochure provides information about the qualifications and business practices of Advanced Practice Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at (858) 436-3860 or by email at: [paul@advancedpracticeadvisors.com](mailto:paul@advancedpracticeadvisors.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 Advanced Practice Advisors, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Advanced Practice Advisors, LLC's CRD number is: 154084*

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*Registration does not imply a certain level of skill or training.*

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## **Item 2: Material Changes**

Advanced Practice Advisors, LLC has not yet filed an annual updating amendment. Therefore there are not material changes from an annual updating amendment to report.

## Item 3: Table of Contents

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## **Item 4: Advisory Business**

### **A. Description of the Advisory Firm**

This firm has been in business since 06/2010, and the principal owners are Paul Curtis Spitzer, Christopher Tate, and Paul Spitzer.

### **B. Types of Advisory Services**

Advanced Practice Advisors, LLC (hereinafter “APA”) offers the following services to advisory clients:

#### ***Investment Supervisory Services***

APA offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. APA creates an Investment Policy Statement for each client, which outlines the client’s current situation (income, tax levels, and risk tolerance levels) and then constructs a plan (the Investment Policy Statement) to aid in the selection of a portfolio that matches each client’s specific situation. Investment Supervisory Services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment policy
- Asset selection
- Regular portfolio monitoring

APA evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. APA will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

#### ***Selection of Other Advisors***

APA may direct clients to third party money managers. APA will be compensated via a fee share from the advisors to which it directs those clients. This relationship will be disclosed in each contract between APA and each third party advisor. The fees shared will not exceed any limit imposed by any regulatory agency. Before selecting other advisors for clients, APA will always ensure those other advisors are properly licensed or registered as investment advisor.

## ***Financial Planning***

Financial plans and financial planning may include, but are not limited to: investment planning, life insurance; tax concerns; retirement planning; college planning; and debt/credit planning. These services are based on fixed fees or hourly fees and the final fee structure is documented in Exhibit II of the Financial Planning Agreement.

## ***Services Limited to Specific Types of Investments***

APA limits its investment advice and/or money management to mutual funds, equities, bonds, fixed income, debt securities, ETFs, real estate, hedge funds, third party money managers, REITs, insurance products including annuities, private placements, government securities. APA may use other securities as well to help diversify a portfolio when applicable.

## **C. Client Tailored Services and Client Imposed Restrictions**

APA offers the same suite of services to all of its clients. However, specific client financial plans and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent APA from properly servicing the client account, or if the restrictions would require APA to deviate from its standard suite of services, APA reserves the right to end the relationship.

## **D. Wrap Fee Programs**

APA does not participate in any wrap fee programs.

## **E. Amounts Under Management**

APA has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$26,000,000	\$0	10/14/2010

## **Item 5: Fees and Compensation**

### **A. Fee Schedule**

#### ***Investment Supervisory Services Fees***

<b>Total Assets Under Management</b>	<b>Annual Fee</b>
\$1 - \$499,999	3.00%
\$500,000 - \$999,999	2.50%
Above \$1,000,000	1.50%

These fees are negotiable and the final fee schedule is attached as Exhibit II of the Investment Advisory Contract. Fees are paid quarterly in advance, and clients may terminate their contracts with thirty days' written notice. Refunds are given on a prorated basis, based on the number of days remaining in a quarter at the point of termination. Clients may terminate their contracts without penalty, for full refund, within 5 business days of signing the advisory contract. Advisory fees are withdrawn directly from the client's accounts with written authorization. Lower fees for comparable services may be available from other sources. There is no account minimum.

#### ***Financial Planning Fees***

##### ***Fixed Fees***

Depending upon the complexity of the situation and the needs of the client, the rate for creating client financial plans is between \$500 and \$5,000. Fees are paid in advance, but never more than six months in advance. Fees that are charged in advance will be refunded based on the prorated amount of work completed at the point of termination. The fees are negotiable and the final fee schedule will be attached as Exhibit II of the Financial Planning Agreement. Clients may terminate their contracts without penalty within five business days of signing the advisory contract.

##### ***Hourly Fees***

Depending upon the complexity of the situation and the needs of the client, the hourly fee for these services is \$100 and \$300. The fees are negotiable and the final fee schedule will be attached as Exhibit II of the Financial Planning Agreement. A portion of the fees are paid in advance, but never more than six months in advance. Fees that are charged in advance will be refunded based on the prorated amount of work completed at the

point of termination. Clients may terminate their contracts without penalty within five business days of signing the advisory contract.

### ***FINANCIAL PLANNING BASED ON NET WORTH***

APA also provides financial planning services to clients who may have large assets such as real estate or a closely held business but still needs in-depth planning on an ongoing basis. These services are billed on net worth for a fixed period of time at a rate of \$25,000 per year for a two year period despite any change in the client's net worth. Fees are paid quarterly in advance, but never more than six months in advance. Fees that are charged in advance may be refunded based on the prorated amount of work completed at the point of termination. Clients may terminate their contracts without penalty within five business days of signing the advisory contract.

### **B. Payment of Fees**

#### ***Payment of Investment Supervisory Fees***

Advisory fees are withdrawn directly from the client's accounts with client written authorization. Fees are paid quarterly in advance.

#### ***Payment of Financial Planning Fees***

Hourly Financial Planning fees are paid via check or credit card advance, but never more than six months in advance, with the remainder due upon presentation of the plan. that are charged in advance will be refunded based on the prorated amount of work completed at the point of termination.

Fixed Financial Planning fees are paid via check or credit card Fees are paid in advance, but never more than six months in advance, with the remainder due upon presentation of the plan. Fees that are charged in advance will be refunded based on the prorated amount of work completed at the point of termination.

### **C. Clients Are Responsible For Third Party Fees**

Clients are responsible for the payment of all third party fees (i.e. custodian fees, mutual fund fees, transaction fee etc.). Those fees are separate and distinct from the fees and expenses charged by APA. Please see Item 12 of this brochure regarding broker/custodian.



## **D. Prepayment of Fees**

APA collects fees in advance. Fees that are collected in advance will be refunded based on the prorated amount of work completed at the point of termination and the total days during the billing period. Fees will be returned within fourteen days to the client via check or return to credit card.

## **E. Outside Compensation For the Sale of Securities to Clients**

Members of APA in his role as an insurance agent accepts compensation for the sale of insurance products to APA clients.

### ***1. This is a Conflict of Interest***

APA and its supervised persons will accept compensation for the sale of securities or other investment products, including asset based sales charges or services fees from the sale of mutual funds to its clients. This presents a conflict of interest and gives the supervised person and APA an incentive to recommend products based on the compensation received rather than on the client's needs. When recommending the sale of securities or investment products for which APA receives compensation, APA will document the conflict of interest in the client file and inform the client of the conflict of interest.

### ***2. Clients Have the Option to Purchase Recommended Products From Other Brokers***

Clients always have the option to purchase APA recommended products through other brokers or agents that are not affiliated with APA.

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

APA does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

## **Item 7: Types of Clients**

APA generally provides investment advice to the following Types of Clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Banks and Thrift Institutions
- ❖ Pension and Profit Sharing Plans
- ❖ Trusts, Estates, or Charitable Organizations
- ❖ Corporations or Business Entities

### ***Minimum Account Size***

There is no account minimum.

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

### **A. Methods of Analysis and Investment Strategies**

APA's methods of analysis include charting analysis, fundamental analysis, technical analysis, and cyclical analysis.

**Charting analysis** involves the use of patterns in performance charts. APA uses this technique to search for patterns used to help predict favorable conditions for buying and/or selling a security.

**Fundamental analysis** involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

**Technical analysis** involves the analysis of past market data; primarily price and volume.

**Cyclical analysis** involved the analysis of business cycles to find favorable conditions for buying and/or selling a security.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### **B. Material Risks Involved**

APA uses Long Term Trading, Short Term Trading, Short Sales, Margin Transactions, Options Writing including covered options, uncovered options, or spreading strategies.

APA utilizes investment strategies that are designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### **C. Risks of Specific Securities Utilized**

APA generally seeks investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international equity markets.

**Stocks & Exchange Traded Funds (ETF):** Investing in stocks & ETF's carries the risk of capital loss. Investments in these securities are not guaranteed or insured by the FDIC or any other government agency. You can lose money investing in stocks & ETF's.

**Mutual Funds:** Investing in mutual funds carries the risk of capital loss. Mutual funds are not guaranteed or insured by the FDIC or any other government agency. You can lose money investing in mutual funds. All mutual funds have costs that lower investment returns.

**Past performance is not a guarantee of future returns. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **Item 9: Disciplinary Information**

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of this advisory business or the integrity of our management.

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

### **A. Registration as a Broker/Dealer or Broker/Dealer Representative**

Neither APA nor its representatives are registered as a broker/dealer or as representatives of a broker/dealer.

### **B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor**

Neither APA nor its representatives are registered as a FCM, CPO, or CTA.

### **C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

Neither APA nor its representatives have any material relationships to this advisory business that would present a possible conflict of interest.

The Managing Members of APA are also IAR's of Concert Wealth Management, Inc. From time to time, they will offer clients advice or products from those activities. When providing advice, APA will always act in the best interest of the client. These activities can conflict with the fiduciary duties of a registered investment adviser. Clients are in no way required to implement the plan through any representative of APA in their capacity as an insurance agent.

### **D. Selection of Other Advisors or Managers and How This Adviser is Compensated for Those Selections**

APA will direct clients to third party money managers. APA will be compensated via a fee share from the advisors to which it directs those clients. This relationship will be

disclosed in each contract between APA and each third party advisor. The fees shared will not exceed any limit imposed by any regulatory agency. This creates a conflict of interest in that APA has an incentive to direct clients to the third party money managers that provide APA with a larger fee split. APA will always act in the best interests of the client, including when determining which third party manager to recommend to clients.

## **Item 11: Code of Ethics, Participation in Transactions, Personal Trading**

### **A. Code of Ethics**

We have a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Clients may request a copy of our Code of Ethics from management.

### **B. Recommendations Involving Material Financial Interests**

APA does not recommend that clients buy or sell any security in which a related person to APA has a material financial interest.

### **C. Investing Personal Money in the Same Securities as Clients**

From time to time, representatives of APA may buy or sell securities for themselves that they also recommend to clients. APA will always document any transactions that could be construed as conflicts of interest and will always transact client business before their own when similar securities are being bought or sold.

### **D. Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, representatives of APA may buy or sell securities for themselves at or around the same time as clients. APA will not trade non-mutual fund or non-ETF securities 5 days prior to or 5 days after trading the same security for clients.

## **Item 12: Brokerage Practices**

### **A. Factors Used to Select Custodians and/or Broker/Dealers**

The Custodian will be suggested based on their relatively low transaction fees and access to mutual funds and ETFs. APA will never charge a premium or commission on transactions, beyond the actual cost imposed by Custodian.

#### ***1. Research and Other Soft-Dollar Benefits***

There is no minimum client number or dollar number that APA must meet in order to receive free research from the custodian or broker/dealer. There is no incentive to for APA to direct clients to this particular broker-dealer over other broker-dealers who offer the same services. The first consideration when recommending broker/dealers to clients is best execution.

#### ***2. Brokerage for Client Referrals***

APA receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

#### ***3. Clients Directing Which Broker/Dealer/Custodian to Use***

APA will not allow clients to direct APA to use a specific broker-dealer to execute transactions. Clients must use APA recommended custodian (broker-dealer). Not all investment advisers require their clients to direct brokerage. By requiring clients to use our specific custodian, APA may be unable to achieve most favorable execution of client transaction and that this may cost clients money over using a lower-cost custodian.

### **B. Aggregating (Block) Trading for Multiple Client Accounts**

APA maintains the ability to block trade purchases across accounts but will rarely do so. While block trading may benefit clients by purchasing larger blocks in groups, we do not feel that the clients are at a disadvantage due to the best execution practices of our custodian.

## **Item 13: Reviews of Accounts**

### **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

Investment Advisory Services: Client accounts are reviewed quarterly only by the investment committee. The chief advisor is instructed to review clients' accounts with regards to their investment policies and risk tolerance levels. All accounts at IA are assigned to the chief advisor. Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

### **B. Factors That Will Trigger a Non-Periodic Review of Client Accounts**

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

### **C. Content and Frequency of Regular Reports Provided to Clients**

Each client will receive at least quarterly a written report detailing the clients account performance, which may come from the custodian.

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

### **A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)**

APA does not receive any economic benefit, directly or indirectly from any third party for advice rendered to APA clients.

### **B. Compensation to Non –Advisory Personnel for Client Referrals**

APA does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

## **Item 15: Custody**

APA does not take custody of client accounts at any time. Custody of client's accounts is held primarily at Name of custodian. Clients will receive account statements from the custodian and should carefully review those statements.

## **Item 16: Investment Discretion**

For those client accounts where APA provides ongoing money management or investment advice with ongoing supervision, APA maintains limited power of authority over client accounts with respect to securities to be bought and sold and amount of securities to be bought and sold. All buying and selling of securities is explained to clients in detail before an advisory relationship has commenced.

## **Item 17: Voting Client Securities (Proxy Voting)**

APA will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

## **Item 18: Financial Information**

### **A. Balance Sheet**

APA does not require nor solicit prepayment of more than \$1,200 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

### **B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients**

Neither APA nor its management have any financial conditions that are likely to reasonably impair our ability to meet contractual commitments to clients.

### **C. Bankruptcy Petitions in Previous Ten Years**

Neither APA nor its management have been the subject of a bankruptcy petition in the last ten years.