



# INVESTMENT MANAGEMENT BROCHURE

July 2013

ARISTON WEALTH MANAGEMENT, LP

[www.aristonwealth.com](http://www.aristonwealth.com)

233 S. WACKER DRIVE

84TH FLOOR

CHICAGO, IL 60606

(312) 283-8410

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## **ITEM 2. Material Changes**

We are amending our brochure and it contains material changes from your our last annual update. AWM has updated the assets under management, AUM. The State Securities Authority Notice Filings will have been filed with the appropriate states. AWM is no longer the investment adviser for Vitalis Capital Partners, L.P.

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## **Item 4 – Advisory Business**

### **Description of Our Advisory Firm**

Ariston Wealth Management, LP (referenced as “AWM”) provides Investment Advisory Services by identifying the needs, goals, risk tolerance, and time horizon of our clients and by performing a regular analysis and review of portfolios utilizing a quantitative and qualitative approach. The principal owner of Ariston Wealth Management, LP, or the general partner is 45 Broadway LLC which is managed by the sole member Imtiaz A Khan. Meyers Associates, LP controls management and policies of AWM. Mr. Brad Szczecinski, more on Item 19 of this brochure, is our firm’s designated principal (supervisor).

We hold ourselves to a Fiduciary standard, which means our firm and its associates will act in the utmost good faith and perform in a manner believed to be in the best interest of our clients. As fiduciaries, we are obligated to put you – our client – first.

### **Description of Advisory Services Offered**

AWM provides a range of investment advisory solutions to people from all walks of life. Our financial planning services include working with our clients in such areas as retirement planning, education planning, insurance and risk management planning, cash flow and budgeting or other areas upon your request. We also provide periodic investment advice through consultations that do not include ongoing supervision or management of an investment account (we term Asset Management consultation), as well as ongoing and continuous supervision of our client portfolios (termed Asset Management supervisory services) and generally under an engagement allowing for non-discretionary authority.

We offer interested potential clients a free, 30 minute get-acquainted meeting (either in person or by phone) where they can acquaint us with their goals and concerns and we can explain our services and procedures, and recommend what services might be appropriate. During or prior to this meeting, we will provide you with our current ADV Part 2 brochure that incorporates our privacy policy, as well as ensuring any material conflicts of interest are disclosed regarding our firm and its associates that could be reasonably expected to impair the rendering of unbiased and objective advice.

Should you wish to engage our firm, we must enter into a written agreement. Thereafter, discussion and analysis will be conducted to determine your financial need, goals, holdings, etc.

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Depending on the scope of the engagement, we may require current copies of the following documents early in the process:

- Wills and trusts;
- Insurance policies;
- Mortgage information;
- Tax returns;
- Current financial specifics including W2s or 1099s
- Information on current retirement plans and benefits provided by your employer;
- Statements reflecting current investments in retirement and non-retirement accounts; and
- Completed risk profile questionnaires or other forms provided by our firm.

It is important that the information and financial statements you provide are accurate. We may, but are not obligated to, verify the information you have provided which will then be used in the financial planning or investment advisory process.

### **Client Tailored Services and Client-Imposed Restrictions**

#### **Financial Planning and Asset Management Consultation Services**

A description of our offered services is provided in the following paragraphs and an estimate of the time needed to complete each service is shown, although the time needed to complete these services may vary depending on the complexity of your engagement. Our service may be broad-based (sometimes coined "Private Wealth Management") or more narrowly focused as you desire. If several or all of the services described are provided together, the total time needed to complete these services may be less than the time it would take to complete each service separately because of the efficiency gained by combining more than one service.

#### ***Retirement Planning (5-15 Hours)***

Our retirement planning services typically include projections of your likelihood of achieving your financial goals, with financial independence usually the primary objective. For situations where projections show less than the desired results, we may make recommendations that include showing you the impact on those projections by making changes in certain variables (i.e., working longer, saving more, spending less, taking more risk with investments).

If you are near retirement or already retired, advice may be given on appropriate distribution strategies to minimize the likelihood of running out of money or having to adversely alter spending during your retirement years.

### ***Education Planning (2-6 Hours)***

Our college financing services often include projecting the amount that will be needed to achieve college or other post-secondary education funding goals, along with advice on ways for you to save the desired amount. Recommendations as to savings strategies are included, and, if needed, we will review your financial picture as it relates to eligibility for financial aid or the best way to contribute to grandchildren, if appropriate.

### ***Insurance and Risk Management (2-5 Hours)***

Our services include an analysis of your exposure to major risks that could have a significant adverse impact on your financial picture, such as premature death, disability, property and casualty losses, or the need for long-term care. Advice is provided on ways to minimize such risks and about weighing the costs of purchasing insurance versus the benefits of doing so and, likewise, the potential costs of not purchasing insurance (self-insuring).

We may consult with your insurance agent, other insurance agents or brokers and/or other insurance experts to assist you in making prudent risk management decisions, or perhaps guide you in your purchase of an appropriate policy. For example, we might recommend that you consider purchasing an “umbrella” insurance policy, or raise a deductible amount on an existing policy, which you should then discuss with your licensed insurance agent.

### ***Cash Flow and Debt Management (2-5 Hours)***

We will conduct a review of your income and expenses to determine your current surplus or deficit along with advice on prioritizing how any surplus should be used or how to reduce expenses if they exceed your income. Advice may also be provided on which debts to pay off first based on factors such as the interest rate of the debt and any income tax ramifications. We may also recommend what we believe to be an appropriate cash reserve that should be considered for emergencies and other financial goals, a review of accounts (such as money market funds) for such reserves, plus strategies to save desired amounts.

### ***Employee Benefits (2-5 Hours)***

We will provide review and analysis as to whether you, as an employee, are taking the maximum advantage possible in your employee benefits. If you are a business owner, we will consider and/or recommend the various benefit programs that can be structured to meet both business and personal retirement goals.

### ***Tax Planning Strategies (1-2 Hours)***

AWM does not offer tax preparation; we can work with your tax professional to assist in structuring your financial life to identify tax-saving opportunities. For example, we will review

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whether a business owner has an appropriately structured business entity or if expenses are being managed in a tax efficient manner.

Our advice may also include ways to minimize current and future income taxes as a part of your overall financial planning picture. For example, we may make recommendations on which type of account(s) or specific investments should be owned based in part on their “tax efficiency,” with consideration that there is always a possibility of future changes to federal, state or local tax laws and rates that may impact your situation.

### ***Estate Planning (2-5 Hours)***

This usually includes an analysis of your exposure to estate taxes and your current estate plan, which may include whether you have a will, powers of attorney, trusts and other related documents. Our advice also typically includes ways for you to minimize or avoid future estate taxes by implementing appropriate estate planning strategies such as the use of applicable trusts.

We always recommend that you consult with a qualified attorney when you initiate, update, or complete estate planning activities. We may provide you with contact information for attorneys who specialize in estate planning when you wish to hire an attorney for such purposes. From time-to-time, we will participate in meetings or phone calls between you and your attorney with your approval or request.

### ***Asset Management Consultation (3-6 Hours)***

Our Asset Management consultation services may involve providing information on the types of investment vehicles available, employee stock options, investment analysis and strategies, asset selection and portfolio design, as well as assisting you in establishing your own investment account at a selected broker/dealer or custodian of your choosing. The strategies and types of investments we may recommend are further discussed in Item 8 of this brochure.

### **Comprehensive v. Modular Planning**

A comprehensive financial plan is an extremely individualized effort. Many variables can affect the cost of such a plan: quality and order of your personal records, complexity and number of current investments, diversity of insurance products and employee benefits, size of the potential estate, and special needs of the client or dependents. A basic comprehensive plan can require seven or more hours to complete; complex plans may require 19 hours or more. We will present you with a summary of our recommendations; guide you in the implementation of some or all of them, and recommend periodic financial reviews.

Alternatively, we may concentrate on reviewing only a specific area (modular planning), such as college planning, investment advice, second opinions on your portfolio allocation or investment

options, or evaluating the quality and sufficiency of retirement planning. However, your overall situation or needs may not be fully addressed due to limitations you may have established.

Unless stated in your engagement agreement, upon completion of our presentation or delivery of advice our engagement is typically concluded. You are always encouraged to contact our firm at any time in the future to re-engage our services.

### **Annual Review (1-3 Hours)**

We strongly urge our clients to notify us of any change in their circumstances, and to schedule a review any time there is such a change. An annual review should be considered even if there is not a substantial change, because tax laws, estate laws, and insurance and investment products are rapidly evolving.

In all instances, you will retain full discretion over all implementation decisions and are free to accept or reject any recommendation we make.

### ***Asset Management Supervisory Services***

You may also choose to engage our firm to implement the investment strategies we have recommended to you. Our asset management supervisory services include, but are not limited to, the following:

- Investment strategy,
- Investment policy statement;
- Asset allocation;
- Asset selection;
- Risk tolerance; and
- Regular portfolio monitoring.

We generally employ index funds, mutual funds and separate account managers described in further detail in Item 8 of this brochure. We provide these services under a non-discretionary engagement agreement as defined in Item 16.

AWM can offer clients separate account management using managers of stocks and bonds. Generally, Separate Account Managers have minimum account size requirements, which may range from \$100,000 to \$500,000. AWM does not have the authority to decide or execute any securities transactions on behalf of a client and all investment decisions are made by the Separate Account Manager. AWM will assist the client in establishing an account to be managed by the separate account manager and will act on behalf of the client with the Manager and the client when necessary.



Whenever appropriate for your situation, we will assist you in preparing an investment policy statement (IPS), or similar document, reflecting your investment objectives, time horizon, tolerance for risk, as well as any account constraints. Your IPS will be designed to be specific enough to provide future guidance while concurrently allowing flexibility to respond to changing market conditions. Since the IPS will to a large extent be a product of information and data you have provided, you will be responsible for reviewing and providing final approval of the document/plan.

### ***Wrap Fee Programs***

Our firm does not participate in or sponsor wrap fee investment management programs.

### **Client Assets Under Management**

As of February 28, 2013 AWM manages client assets under a non-discretionary basis of \$29.0 million assets under management, AUM.

### **Item 5 – Fees and Compensation**

#### **Method of Compensation and Fee Schedule**

##### **Hourly Fees**

We may be engaged for our financial planning and asset management consultation services under an hourly fee arrangement. Fees for these services are \$200 per hour. We require a one hour minimum assessment for our services. Thereafter, you will be billed in fifteen minute increments, and a partial increment will be treated as a whole. Please review Item 4 for approximate charges for specific services.

##### **Asset-Based Fees**

We assess an annualized asset-based fee for accounts for which we provide our asset management supervisory services and they are calculated based on the reporting period end value and as noted in the following table.

|                   |                     |                         |
|-------------------|---------------------|-------------------------|
| <b>1.75%</b>      | <b>On the first</b> | <b>\$1,000,000</b>      |
| <b>1.00 %</b>     | <b>On the next</b>  | <b>\$3,000,000</b>      |
| <b>Negotiable</b> | <b>Thereafter</b>   | <b>&gt; \$3,000,000</b> |

For the benefit of discounting your asset-based fee, we may aggregate accounts for the same individual or two or more accounts within the same family, or accounts where a family member has power of attorney over another family member or incompetent person's account. Should, however, investment objectives be substantially different for any two or more household accounts requiring different investment approaches or operational requirements, we do reserve the right to apply our fee schedule separately to each account.

For all noted forms of advisory engagements with our firm, the services to be provided to you and their specific fees will be detailed in your engagement agreement. Our published fees are negotiable, but at the sole discretion of our firm. We strive to offer fees that are fair and reasonable in light of the experience of the firm and the services to be rendered.

Annualized asset-based fees for asset management supervisory services will be billed quarterly, in advance. An account's first billing cycle may occur once the agreement is executed and accounts are funded and this may be irrespective of a partial period under our management; however, a partial period will be assessed a pro-rated fee. Fee payments will generally be assessed within 10 business days following each billing cycle.

Accounts will be valued in accordance with the values disclosed on the statement the client receives from the custodian for the purpose of verifying the computation of the advisory fee. In the absence of a market value, we may seek an independent third-party opinion or a good faith determination by a qualified associate of our firm.

You will be required to authorize our firm in writing through the execution of our engagement agreement, as well as account opening documents of the selected custodian or broker/dealer, to deduct our advisory fees from your account. All fees will be clearly noted on your statements and we will send you written notice of the fees to be deducted from your account which will include the total fee assessed, covered time period, calculation formula utilized, and the assets under management on which the fee has been based. Please note that you will be responsible for verifying the accuracy of the fee calculation; the custodian may not verify the accuracy for you.

### **Client Payment of Fees**

Fees for our financial planning and asset management consultation may be paid by check. We do not accept cash, money orders, credit cards or debit cards, or similar forms of payment for our engagements. If you maintain an account at our selected custodian, you may authorize the custodian in writing to have these fees withdrawn from your account.

Fees are generally due upon your receipt of our invoice. Non-continuous service engagements that are greater than three months in duration will be billed quarterly, in arrears.

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## **Additional Client Fees**

Any transactional or custodial fees assessed by selected service providers, individual retirement account fees or qualified retirement plan account termination fees will be borne by the accountholder and are per those provided in current, separate fee schedules of any selected custodian or broker dealer. Fees paid to our firm by our clients for our services are separate from any transactional charges a client may pay, as well as those for mutual funds, exchange-traded funds (ETFs), separate account management or other investments of this type.

In addition to the advisory fee paid to AWM, the client will pay an advisory fee to the separate account manager for management services if the client elects to work with a Separate Managed account. The Separate Account Manager's fee will be disclosed in their Form ADV or disclosure brochure.

Further information about our fees in relationship to our business practices are noted in Item 12 of this document.

## **Charged Prepayment of Client Fees**

We may require advance payment for our services in the following engagement (1) annualized asset-based fees for asset management supervisory services will be billed quarterly, in advance.

## **Termination of Services**

Either party may terminate the agreement at any time, which will typically be in writing. Should you verbally notify our firm of the termination and, if in two business days following this notification we have not received your notice in writing, we will make a written notice of the termination in our records and send you our own termination notice as a substitute.

If you are a new client, you may terminate an agreement with our firm within five business days after the signing of our engagement agreement without penalty or charge. Should you terminate an engagement after this date, you may be invoiced for any time charges incurred by our firm in the preparation of your financial plan or investment allocation. We will promptly return any unearned amount of prepaid fees upon receipt of a written termination notice.

## **External Compensation for the Sale of Securities to Clients**

Our firm is engaged for fee-only services and we attempt to recommend "no load" investments whenever appropriate. We do not charge or receive a commission or mark-up on your securities transactions, nor will AWM be paid a commission on your purchase of an insurance contract or securities investment that we recommend.

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We do not receive “trailer” or SEC Rule 12b-1 fees from an investment company we may recommend. Fees charged by issuers are detailed in prospectuses or product descriptions and you are encouraged to read these documents before investing. Our firm receives none of these described or similar fees or charges.

You will always have the option to purchase recommended or similar investments through a service provider of your choice.

Lower fees for comparable services may be available from other sources. A material conflict of interest may exist if the investment advisor representative of AWM is dually licensed with our affiliate Meyers Associates L.P. For more information on the conflict of interest that may arise please see Item 10 of this brochure.

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

Our fees will not be based upon a share of capital gains or capital appreciation (growth) of any portion of managed funds, also known as “performance-based fees.” Performance-based compensation creates an incentive for a firm or their representatives to recommend an investment that may carry a higher degree of risk to a client. We do not use a performance-based fee structure because of the conflict of interest this type of fee structure poses.

Our fees will not be based on side-by-side management, which refers to a firm simultaneously managing accounts that do pay performance-based fees (such as a hedge fund) and those that do not; this type of arrangement, and the conflict of interest it may pose, does not conform to our firm’s practices.

#### **Item 7 – Types of Clients**

We provide our advisory services to individuals, as well as their trusts or estates to assist in meeting financial objectives in what we believe to be a cost effective way. We also help manage company retirement plans. Our ability to provide our services depends on access to important information and supporting documentation throughout the term of the engagement, including but not limited to source of funds, income levels, your authority to act on behalf of the account, among other information. This helps us determine the appropriateness of our financial planning or investment strategy for you.

It is also very important that you keep us informed on significant changes that may call for an update to your financial and investment plans. Events such as job changes, retirement, a windfall, marriage or divorce, or the purchase or sale of a home or business can have a large impact on your circumstances and needs. We need to be aware of such events, so we can

make the adjustments needed to your plan or advice in order to keep you on track toward your goals.

Our firm does not require minimum income levels, minimum level of assets or other conditions for our financial planning and asset management consultation services. We require a \$2,000 minimum annual fee for our asset management supervisory services engagements paid in advance each quarter in equal installments.

We reserve the right to waive or reduce certain fees based on unique individual circumstances, special arrangements, or pre-existing relationships. We also reserve the right to decline services to any prospective client for any non-discriminatory reason.

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

#### Methods of Analysis and Investment Strategies

##### Method of Analysis

If we are engaged to provide investment advice, we will first gather and consider several factors, including your:

- Current financial situation,
- Current and long-term needs,
- Investment goals and objectives,
- Level of investment knowledge,
- Tolerance and appetite for risk, and
- Restrictions, if any, on the management of your portfolio.

We generally employ a fundamental analysis which involves evaluating economic factors including interest rates, the current state of the economy, or the future growth of an industry sector. In addition to our own research, the firm's recommendations may also be drawn from research sources that include financial publications, investment analysis and reporting software, materials from outside sources, annual reports, prospectuses and other regulatory filings, and company press releases.

We make asset allocation and investment policy decisions based on the above noted elements and any other reasonable requirements you may request. We will discuss with you how, in our best judgment, to meet your objectives while at the same time seeking a prudent level of risk exposure.

## Investment Strategies

We favor a long-term buy and hold strategy with periodic rebalancing of the portfolio among asset classes. We invest on both life stage and investor risk tolerance. When appropriate we utilize fundamental analysis, technical analysis and tactical models. All AWM clients should know that investing in securities involves risk of loss that clients should be prepared to bear and that the primary methods of analysis utilized by AWM's advisors are traditional in nature and when coupled with the risk tolerance assessment and analysis conducted by AWM and its advisors, should keep the investors returns in line with market conditions and risk tolerance.

Technical analysis generally entails following trends and is a widely used form of analysis. Fundamental analysis involves a thorough understanding of the company's financial statements and business plan. Tactical models involve focusing on sectors that may offer more promise and de-emphasizing less promising sectors.

On all of the above forms of analysis, AWM and its advisors utilize a variety of third party and non-proprietary (to AWM) resources.

The typical categories of risk tolerance:

**Aggressive** – Generally suitable for investors younger than 50 years old who are in the “accumulation phase” of managing their assets; or for those who are very risk tolerant, who have a significant guaranteed income (pensions or annuities), or with a long time horizon before their portfolio most be tapped.

**Moderately Aggressive** – Generally suitable for investors between the ages of 50-60, who are still in the “accumulation phase” but moving closer to retirement age; or for those who are willing to take some risk for the possibility of capital improvement. This is for people who will need to tap their portfolio in 5-15 years.

**Moderately Conservative** – Generally suitable for investors between the ages of 60-70, who are concerned with capital preservation but want or need to see some capital appreciation in their portfolios. This is for people who will need to withdraw sums from their portfolio within five years.

**Conservative** – Investors over 70 or those who must preserve assets while still managing inflation. This is a portfolio which is being accessed for current income needs.

We believe that the reasonable approach to investing is a strategic allocation of assets to indexed mutual funds or exchange traded funds, managed mutual funds, separate account managers, spread across a variety of investment types. We recommend either a condensed version, with easy implementation, or for those with a larger portfolio of investable assets, a

more diverse asset allocation with different investments spread over several allocations. Depending on your experience and interests, we will work with you to implement the right plan for your goals, needs and interests.

### **Investment Strategy Risks**

We believe our strategies and investment recommendations are designed to produce the appropriate potential return for the given level of risk. However, we cannot guarantee that an investment objective or planning goal will be achieved. As an investor you must be able to bear the risk of loss that is associated with your account, which may include the loss of some or your entire principal.

In general, risks regarding markets include interest rates, company, and management risk among others. Examples include:

Market risk – When the stock market as a whole or an industry as a whole falls, it can cause the prices of individual stocks to fall indiscriminately. This is also called systemic risk.

Company risk – When investing in securities, there is always a certain level of company or industry specific risk that is inherent in each company or issuer. This is also referred to as unsystematic risk and can be reduced through appropriate diversification.

Management risk – When the firm's research and analyses are based on commercially available software, rating services, general market and financial information, or due diligence reviews, the firm is relying on the accuracy and validity of the information or capabilities provided by selected vendors, rating services, market data, and the issuers themselves. The firm makes every effort to determine the accuracy of the information received but it cannot predict the outcome of events or actions taken or not taken, or the validity of all information it has researched or provided, which may or may not affect the advice on or investment management of an account.

Fundamental Analysis – Risk involved in employing fundamental analysis is that information obtained may be incorrect; the analysis may not provide an accurate estimate of earnings, which may be the basis for a security's value. If a security's price adjusts rapidly to new information, a fundamental analysis may result in unfavorable performance.

Passive Markets Theory - A portfolio that employs a passive, efficient markets approach has the potential risk that at times the broader allocation may generate lower than expected returns than those from a specific, more narrowly focused asset, and that the return on each type of asset is a deviation from the average return for the asset class.

Active Management – A portfolio that employs an active approach potential risk is that the fund manager may make bad investment choices or follow an unsound theory in managing the portfolio. The fees associated with active management are also higher than those associated with passive management, even if frequent trading is not present. Those who are considering investing in an actively managed mutual fund should evaluate the fund's prospectus carefully. Data from recent decades demonstrates that the majority of actively managed large and mid-cap stock funds in United States fail to outperform their passive stock index counterparts. Active fund management strategies that involve frequent trading generate higher transaction costs which diminish the fund's return. In addition, the short-term capital gains resulting from frequent trades often have an unfavorable income tax impact when such funds are held in a taxable account. When the asset base of an actively managed fund becomes too large, it begins to take on index-like characteristics because it must invest in an increasingly diverse set of investments instead of those limited to the fund manager's best ideas.

### **Security Specific Material Risks**

ETF, mutual funds, and separately managed accounts may carry additional expenses based on their share of operating expenses and certain brokerage fees, which may result in potential duplication of certain fees. The risk of owning an ETF, mutual fund or investing in a particular strategy also generally reflects the risks of their underlying securities.

Fixed Income Risks - Various forms of fixed income instruments, such as bonds, money market funds, bond funds, and certificates of deposits, may be affected by various forms of risk, including:

Interest Rate Risk – The risk that value of the fixed income holding will decrease because of increase in interest rates.

Liquidity Risk – The inability to readily buy or sell an investment for a price close to the true underlying value of the asset due to a lack of buyers or sellers. While certain types of fixed income are generally liquid, there are risks which may occur such as when an issue trading on any given period does not readily support buys and sells at an efficient price. Conversely, when trading volume is high, there is a risk of not being able to purchase a particular issue at the desired price.

Credit Risk – The potential risk that an issuer would be unable to pay scheduled interest or repay principal at maturity, sometimes referred to as “default risk.” Credit risk may also occur when an issuer’s ability to make payments of principal and interest when due is interrupted. This may result in a negative impact on all forms of debt instruments, as well as funds or ETF/ETN share values that hold these issues. Bondholders are creditors of an issuer and have priority to assets before equity holders when receiving a payout from liquidation or restructuring. When defaults occur due to bankruptcy, the type of bond held will determine seniority of payment.

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Reinvestment Risk – With declining interest rates, investors may have to reinvest interest income or principal at a lower rate.

Duration Risk – Duration is a measure of a bond’s volatility, expressed in years to be repaid by its internal cash flow. Bonds with longer durations carry more risk and have higher price volatility than bonds with shorter durations.

Index Investing- ETFs and indexed funds have the potential to be affected by “tracking error risk” which might be defined as deviation from the stated benchmark. Since the core portfolio may attempt to closely replicate stated benchmark, the source of the tracking error or deviation may come from a satellite portfolio or position, or from a “sample” index fund or ETF that may not as closely align with the stated benchmark. In these instances, the firm may choose to reduce the weighting of a satellite holding, utilize very active satellites, or use a “replicate index” position as part of its core holdings to minimize the effects of the tracking error in relation to the overall portfolio.

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

AWM, as a new investment firm, has no disciplinary actions against it.

A. Neither the firm (AWM) nor any management person has been involved in any criminal or civil action in a domestic, foreign, or military court of competent jurisdiction;

B. Neither the firm (AWM) nor any management person has been involved in any administrative proceeding with the SEC, any federal regulatory agency or any foreign regulatory authority.

C. Neither the firm (AWM) nor any management person has been involved in any proceeding with a self-regulatory organization.

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

Meyers Associates, L.P. provides brokerage services to AWM. Mr. Brad Szczecinski (President) is a registered principal with AWM and devotes the majority of his time to AWM. Brad Szczecinski is affiliated with Meyers Associates as a registered representative.

Meyers Associates, L.P. does not execute all transactions for AWM’s advisory clients. AWM representatives are registered representatives with Meyers Associates, L.P. Clients are under no obligation to purchase or sell securities through Meyers or its registered representatives; however, if they choose to implement the plan, commissions may be earned in addition to any

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fees paid for advisory services. Commissions may be higher or lower at Meyers Associates, L.P. (“Meyers”) than at other broker/dealers.

Meyers’ representatives who are dually licensed with AWM may have a conflict of interest in having clients purchase securities and or insurance related products through Meyers. The Meyers’ representative will have a greater potential for obtaining a higher payout on commissions earned when commissions are done through Meyers. Dually registered representatives may be restricted to only offering those products and services that have been reviewed and approved for offering to the public by Meyers and AWM.

AWM may contract with various third party managers in order to offer the managers services to clients of AWM as discussed above. Ariston Wealth Management does not share in this fee. AWM representatives may be limited to only recommending and utilizing the services of third party managers that have been reviewed by AWM.

In addition the advisory fees set forth under the “Fees and Compensation” section of this brochure, clients may pay internal fund expenses, including advisory fees to the manager of any mutual fund they purchase. Such advisory fees are not shared with AWM or Meyers and are compensation to the fund manager. Clients should read the mutual fund prospectus prior to making any investment decisions.

Advice offered by an AWM – Meyers Associates representative may involve investment in mutual funds. Mutual funds may carry loads (i.e. sales charges) that may be up-front or on a contingent deferred basis or be no-loads with no initial or contingent deferred sales charges. Clients are advised that Meyers’ representatives have a conflict of interest in recommending mutual funds that carry a load due to such mutual funds paying Meyers a commission. A portion of the commission paid to Meyers will be passed to a Meyers’ representatives who are also registered representatives of AWM.

AWM representatives may be licensed life, health, and accident insurance brokers with all appropriate state Departments of Insurance, and may receive customary commissions on insurance products sold.

AWM serves as the investment adviser for Vitalis Capital Partners, L.P. (“Vitalis”), and Vitalis Capital Partners II, L.P. (“Vitalis II”), special purpose vehicles created by AWM and its related person and AWM have signatory authority over an account held at Merrill Lynch Wealth Management which is utilized to process investments and redemptions for Vitalis and Vitalis II. AWM would be deemed to have custody of clients’ assets.

## **Item 11 – Code of Ethics, Participation or Interest in Client and Personal Trading**

AWM has established and will maintain and enforce a written code of ethics that, at a minimum, includes:

1. A standard (or standards) of business conduct that AWM requires of their supervised persons, which standard reflects our fiduciary obligations and those of our supervised persons;
2. Provisions requiring our supervised persons to comply with applicable federal securities laws;
3. Provisions that require all of our access persons to report, and AWM to review, their personal securities transactions and holdings periodically as provided below;
4. Provisions requiring supervised persons to report any violations of our code of ethics promptly to our chief compliance officer or, provided our chief compliance officer also receives reports of all violations, to other persons AWM may designate in our code of ethics; and
5. Provisions requiring AWM to provide each of our supervised persons with a copy of our code of ethics and any amendments, and requiring our supervised persons to provide AWM with a written acknowledgment of their receipt of the code and any amendments.

### ***b. Reporting requirements.***

1. *Holdings reports.* The code of ethics requires our access persons to submit to our chief compliance officer or other persons AWM may designate in our code of ethics a report of the access person's current securities holdings that meets the following requirements:
  - i. *Content of holdings reports.* Each holdings report must contain, at a minimum:
    - A. The title and type of security, and as applicable the exchange ticker symbol or CUSIP number, number of shares, and principal amount of each reportable security in which the access person has any direct or indirect beneficial ownership;

- B. The name of any broker, dealer or bank with which the access person maintains an account in which any securities are held for the access person's direct or indirect benefit; and
    - C. The date the access person submits the report.
  - ii. *Timing of holdings reports.* Our access persons must each submit a holdings report:
    - A. No later than 10 days after the person becomes an access person, and the information must be current as of a date no more than 45 days prior to the date the person becomes an access person.
    - B. At least once each 12-month period thereafter on a date AWM may select, and the information must be current as of a date no more than 45 days prior to the date the report was submitted.
- 2. *Transaction reports.* The code of ethics requires access persons to submit to our chief compliance officer or other persons AWM may designate in our code of ethics quarterly securities transactions reports that meet the following requirements:
  - i. *Content of transaction reports.* Each transaction report must contain, at a minimum, the following information about each transaction involving a reportable security in which the access person had, or as a result of the transaction acquired, any direct or indirect beneficial ownership:
    - A. The date of the transaction, the title, and as applicable the exchange ticker symbol or CUSIP number, interest rate and maturity date, number of shares, and principal amount of each reportable security involved;
    - B. The nature of the transaction (i.e., purchase, sale or any other type of acquisition or disposition);
    - C. The price of the security at which the transaction was effected;
    - D. The name of the broker, dealer or bank with or through which the transaction was effected; and
    - E. The date the access person submits the report.

- ii. *Timing of transaction reports.* Each access person must submit a transaction report no later than 30 days after the end of each calendar quarter, which report must cover, at a minimum, all transactions during the quarter.
- 3. *Exceptions from reporting requirements.* Our code of ethics does not require an access person to submit:
  - i. Any report with respect to securities held in accounts over which the access person had no direct or indirect influence or control;
  - ii. A transaction report with respect to transactions effected pursuant to an automatic investment plan;
  - iii. A transaction report if the report would duplicate information contained in broker trade confirmations or account statements that AWM may hold in our records so long as AWM receives the confirmations or statements no later than 30 days after the end of the applicable calendar quarter.
- c. *Pre-approval of certain investments.* Our code of ethics requires our access persons to obtain our approval before they directly or indirectly acquire beneficial ownership in any security in an initial public offering or in a limited offering.

AWM requires that all of its Registered Investment Advisor Representatives, who are involved in determining or providing investment advice to clients, to have, at a minimum, passed the Uniform Combined State Law Examination (Series 63 and Series 66) or the Uniform Investment Advisor Law Examination (Series 65).

If the Registered Investment Advisor Representative is registered with a broker-dealer he or she must also have passed the FINRA's General Securities Registered Representative Examination (Series 7) and the Uniform Securities Agent State and the Uniform Combined State Law Examination (Series 63 and Series 66) or the equivalent. AWM also requires that its supervisory personnel to pass the FINRA's General Securities Principal examination (Series 24). AWM employees must also be properly registered as investment advisor representatives in the state in which they have a place of business.

AWM (or any related entity) does not recommend to a client, or buy/sell for client accounts, any security in which we have a material interest. AWM (or any related entity) does not invest in the same securities (or related securities, i.e. warrants, options or futures) that we recommend to a client. AWM (or any related entity) does not recommend securities to clients, or buys/sells securities for client accounts, at or about the same time that we may buy/sell the same securities for our own accounts.

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## **Item 12 – Brokerage Practices**

Meyers Associates, L.P. is a registered broker/dealer, and a member of FINRA and SIPC. While Meyers Associates, L.P. may recommend other brokers to its clients and will direct trades based on client requests, typically Meyers Associates, L.P. is the recommended broker/dealer. Meyers Associates, L.P. accounts are carried by two primary broker/dealer custodians from which clients may choose, Sterne Agee and Legent Clearing, LLC ("Legent"). Meyers Associates, L.P. may recommend one custodian over another depending on various factors, including the services to be provided and the familiarity of that particular custodian with the investment advisor representative. Meyers Associates, L.P. may also recommend the client 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. Accounts maintained at Meyers Associates, L.P. brokerage, including those custodians with Sterne Agee or Legent, will not be assessed commissions or other transaction charges. Accounts maintained at Schwab may be assessed commission and other transactional charges by Schwab; these charges typically range from \$8.95 to \$19.95 plus \$0.015 per share for orders of 1,000 for equity trades, up to \$40 per mutual fund trades, \$1.00 per bond for bond trades, and \$8.95 plus \$1.40 per contract for option trades. Meyers Associates, L.P. will not share in any of the commissions or other transactional charges levied by Schwab. The transaction/execution costs associated with equities, mutual funds, bonds, and options contracts may be a conflict of interest may be present with regard to the disincentive to trade securities in accounts maintained with Schwab. The final decision on where to maintain a brokerage account, and what custodian to use, is at the discretion of the client, including those accounts under ERISA or IRA rules and regulations, in which case the client is acting as either the plan sponsor or IRA account holder.

Meyers Associates, L.P. receives various services, products, and other benefits from each of its clearing firm relationships, including Sterne Agee, Legent, and Schwab ("Custodians") that may benefit the Advisor but may not directly benefit its client's accounts. These include access to various providers of research, educational events, business entertainment, software and other technology. Many of these services generally may be used to service all or some substantial number of the Advisor's accounts, including accounts not maintained at the custodian that is providing the services. Each of the custodians may also provide services intended to help the Advisor 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,

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each of the Advisor's custodians may make available, arrange and/or pay vendors for these types of services rendered to the Advisor by independent third parties. Each of the Advisor's custodians 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 the Advisor. While, as a fiduciary, the Advisor endeavors to act in its clients best interests, the Advisors recommendation / requirement that clients maintain their assets in accounts at one particular custodian may be based in part on the benefit to the Advisor 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 the custodian, which may create a potential conflict of interest. Transactions for each client account generally will be effected independently, unless the Advisor decides to purchase or sell the same securities for a number of client accounts simultaneously. When possible, orders for the same security may be combined or "batched" to facilitate best execution. Accounts in which a related person or affiliate of the Advisor has a financial interest ("related accounts") may participate in batched transactions with the Advisor's other advisory clients. The Advisor effects batched transactions in a manner designed to ensure that no participating client, including any related account, is favored over any other client. Specifically, each client that participates in a batched transaction will participate at the average share price for all of Advisor's transactions in that security on that business day, with respect to that batched order. Securities purchased or sold in a batched transaction are allocated pro-rata, when possible, to the participating client accounts in proportion to the size of the order placed for each account. The Advisor may, however, increase or decrease the amount of securities allocated to each account if necessary to avoid holding odd-lot or small numbers of shares for particular clients. Additionally, if the Advisor is unable to fully execute a batched transaction and the Advisor determines that it would be impractical to allocate a small number of securities among the accounts participating in the transaction on a pro-rata basis, the Advisor may allocate such securities in a manner determined in good faith to be a reasonable and fair allocation.

Meyers will refer its clients to AWM due to Meyers Holdings common control of affiliated companies. AWM representatives who are associated with Meyers Associates L.P may have a conflict of interest in having clients purchase securities and or insurance related products through Meyers Associates L.P in that the higher their production with Meyers Associates the greater potential for obtaining a higher payout on commissions earned. Lower fees for comparable services may be available from other sources. Directing brokerage you may be unable to achieve most favorable execution for client transactions, and may cost clients more money.

### **Item 13 – Review of Accounts**

All new accounts are reviewed by the investment advisor representative and designated branch manager or other supervisor before the account is accepted. Client's financial statuses, risk tolerance, level of investment experience, as well as suitability of the specific program are among the numerous factors considered in the initial review. Additionally, the investment advisor representative assigned to the account is required to review the client's account and financial circumstances periodically, but not less than annually, to determine the continued suitability of the program and investments.

You should contact our firm for additional reviews when making decisions about changes in your financial situation (i.e. loss of job, retirement, windfall, the birth of a new child, or other circumstances).

#### **Asset Management Supervisory Services**

Asset Management supervisory services accounts are reviewed on a quarterly or more frequent basis by your selected representative and supervisory personnel. A copy of revised IPS or asset allocation reports will be provided to the client upon request.

Additional review may be triggered by news or research related to a specific holding, a change in our view of the investment holdings, or news related to the macroeconomic climate affecting a sector or holding within that sector. Accounts may also be reviewed for an additional holding, when an increase in a current position is under consideration, or when account cash levels above or below what we deem appropriate for the investment environment given the client's stated tolerance for risk and investment objectives.

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

AWM does not directly or indirectly compensate any person for referrals. AWM does not have any arrangement, oral or in writing, where it is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients.

### **Item 15 - Custody**

AWM serves as the investment adviser for Vitalis LP and Vitalis II, LP, special purpose vehicles created by AWM and its related persons and has signatory authority over an account held at Merrill Lynch Wealth Management which is utilized to process investments and redemptions

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for Vitalis and Vitalis II. Vitalis LP and Vitalis II LP send quarterly statements through an administrator directly to the client.

Clients will receive account statements from their qualified custodian and these should be reviewed closely for accuracy. If you receive additional statements from AWM, we urge you to compare the account statements from qualified custodian with those you receive from AWM.

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

We provide various forms of investment advisory services as described in Item 4. We only utilize non-discretionary account authority, and as determined by your written engagement agreement.

A non-discretionary account requires your prior approval before each transaction with regard to the investment and reinvestment of account assets.

#### **Item 17 - Voting Client Securities**

##### **Proxy Voting**

Our firm does not vote proxies on your behalf nor do we offer guidance on how to vote proxies. You will maintain exclusive responsibility for directing the manner in which proxies solicited by issuers of securities that beneficially owned by you shall be voted, as well as making all other elections relative to mergers, acquisitions, tender offers or other events pertaining to your holdings.

##### **Other Corporate Actions**

We will have no power, authority, responsibility, or obligation to take any action with regard to any claim or potential claim in any bankruptcy proceeding, class action securities litigation or other litigation or proceeding relating to securities held at any time in a client account, including, without limitation, to file proofs of claim or other documents related to such proceeding, or to investigate, initiate, supervise or monitor class action or other litigation involving client assets.

##### **Receipt of Materials**

You may receive proxies or other similar solicitations sent directly from your selected custodian or transfer agent. Should we receive a duplicate copy, note that we do not generally forward these or any correspondence relating to the voting of your securities, class action litigation, or other corporate actions.

## **Item 18 – Financial Information**

With exception of AWM having the ability to withdraw our advisory fees through established accounts and your prior written authorization, we will not take custody of your assets. This includes our policy of prepayment of more than \$1200 in fees per client for services we will perform six months or more in advance.

### **Bankruptcy during the Past 10 Years**

Neither AWM nor Meyers Associates, L.P. has been the subject of a bankruptcy proceeding during the past ten years.

## **Item 19 – Requirements for State Registered Advisers**

### **Principal executive officers and Management persons**

Designated Principal/President/Investment Advisor Representative

Bradford Szczecinski

Designated Principal/Supervisor/Investment Advisor Representative

Scott Werling

### **Educational Background and Business Experience**

Regulatory requires the firm to disclose relevant post-secondary education and professional training for each principal executive and associate of the firm through the ADV Part 2A and/or ADV Part 2B (brochure Supplement), as well as their business experience for at least the past five years.

Brad (Bradford) Szczecinski

### **Educational**

Attended University of Toledo – B.S. Finance

### **Business Background**

President of AWM (12/2011 to present)

Registered Representative Meyers Associates (12/2011 to present)

Director of Asset Management at Anderson Strudwick (07/2010 to 11/2011)

Director of Advisory Services with Jesup & Lamont, Inc. from 2009-2010

Senior Wealth Advisor with InterOcean Wealth Management from 2007-2009

Executive Director with Column Capital Advisors, LLC from 2005-2006

Director with Ernst & Young Investment Advisory from 2002-2005

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## **Other Business Activities**

As Stated in the experience section above, Brad is securities registered with Meyers Associates, L.P., and may receive commissions, bonuses, trails and other compensation based on the sales of securities or other investments products. This may provide an incentive to recommend investment products based on the compensation received, rather than on the client's needs.

## **Additional Compensation**

Mr. Szczecinski is not compensated for advisory services involving performance-based fees, nor does he have a material relationship involving an issuer of a security.

## **Disciplinary Information**

Registered investment advisors are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this item. There are no criminal or civil actions, administrative enforcement proceedings, self-regulatory organization enforcement proceedings or any other proceedings applicable to Ariston Wealth Management L.P. or Brad Szczecinski.

## **Supervision**

All new accounts are reviewed by the investment advisor representative and designated branch manager or other supervisor before the account is accepted. Client's financial statuses, risk tolerance, level of investment experience, as well as suitability of the specific program are among the numerous factors considered in the initial review. Additionally, the investment advisor representative assigned to the account is required to review the client's account and financial circumstances periodically, but not less than annually, to determine the continued suitability of the program and investments.

A comprehensive analytical report is furnished to each client quarterly. This report includes portfolio holdings with quarter-ending market values, cost basis, acquisition dates, realized and unrealized gains & losses, projected annual income & yield of each holding, and portfolio performance. In addition, client receives a confirmation for each security purchase and sale and a monthly brokerage statement for each month in which there is activity, but no less frequently than quarterly.

Brad Szczecinski is specifically supervised by Mr. Scott Werling, a registered principal with Meyers Associates, LP and Ariston Wealth Management L.P. Mr. Werling may be reached directly at 646.442.0655. Brad Szczecinski, President, will serve as designated principal and

supervisor for AWM. Brad can be reached at 312.283.8408 or by mail 233 S. Wacker Drive, 84<sup>th</sup> Floor, Chicago, IL 60606.

### **Requirements for State Registered Advisers**

There have been neither arbitration awards nor any awards where AWM has been found liable in any civil, self-regulatory or administrative proceeding. AWM and Brad Szczecinski has never been the subject of any bankruptcy petition.

### **Designated Principal/Supervisor/Investment Advisor Representative**

Scott Werling

#### **Educational**

Attended – B.S. Finance

#### **Business Background**

Meyers Associates, L.P. 08/2012 - Present

Finance 500, Inc. 09/2011 – 6/2012

Brookstone Securities Inc 3/2009 – 04/2010

Charles Schwab & Co., Inc. 08/2004 – 03/2007

#### **Other Business Activities**

Mr. Werling, as stated in the experience section above, is securities registered with Meyers Associates, LP., and may receive commissions, bonuses, trails and other compensation based on the sales of securities or other investments products. This may provide an incentive to recommend investment products based on the compensation received, rather than on the client's needs.

#### **Additional Compensation**

Scott Werling does not receive any other type of economic benefit that includes sales awards and/or other incentives for the amount of accounts he manages or opens.

#### **Disciplinary Information**

Registered investment advisors are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this item. There are no criminal or civil actions, administrative enforcement proceedings, self-regulatory organization enforcement proceedings or any other proceedings applicable to Ariston Wealth Management L.P. or Scott Werling.

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## **Supervision**

All new accounts are reviewed by the investment advisor representative and designated branch manager or other supervisor before the account is accepted. Client's financial statuses, risk tolerance, level of investment experience, as well as suitability of the specific program are among the numerous factors considered in the initial review. Additionally, the investment advisor representative assigned to the account is required to review the client's account and financial circumstances periodically, but not less than annually, to determine the continued suitability of the program and investments.

A comprehensive analytical report is furnished to each client quarterly. This report includes portfolio holdings with quarter-ending market values, cost basis, acquisition dates, realized and unrealized gains & losses, projected annual income & yield of each holding, and portfolio performance. In addition, client receives a confirmation for each security purchase and sale and a monthly brokerage statement for each month in which there is activity, but no less frequently than quarterly.

Mr. Scott Werling is a registered principal and supervisor with Meyers Associates, LP and Ariston Wealth Management L.P.. Mr. Werling may be reached directly at 646.442.0655 or by mail 233 S. Wacker Drive, 84<sup>th</sup> Floor, Chicago, IL 60606.. Scott Werling, will serve as designated supervisor for AWM.

## **Requirements for State Registered Advisers**

There have been neither arbitration awards nor any awards where AWM has been found liable in any civil, self-regulatory or administrative proceeding. AWM and Scott Werling has never been the subject of any bankruptcy petition.