

**Item 1: Cover Page  
Part 2A of Form ADV: Firm Brochure  
November 2015**

**Blue Chip Wealth Management, Inc.  
1691 Michigan Avenue, Ste#205  
Miami Beach, FL 33139**

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Chief Compliance Officer**

This brochure provides information about the qualifications and business practices of Blue Chip Wealth Management, Inc. If clients have any questions about the contents of this brochure, please contact us by at (786) 707-4944. 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 Blue Chip Wealth Management, Inc. is also 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 Blue Chip Wealth Management, Inc. and/or our associates as "registered" does not imply a certain level of skill or training. Clients are encouraged to review this Brochure and Brochure Supplements for Blue Chip Wealth Management Inc.'s associates who advise clients for more information on the qualifications of Blue Chip Wealth Management, Inc. and our employees.

## Item 2: Material Changes

Blue Chip Wealth Management, Inc. is required to make clients aware of information that has changed since the last annual update to the Firm Brochure ("Brochure") that may be important to them.

Since our initial registration as advisors under DW Advisors LLC dba Blue Chip Wealth Management, Inc. we have established our own independent registered investment adviser, Blue Chip Wealth Management, Inc. We have established a new custodial relationship with Schwab for the safe keeping of client assets. No other material changes have occurred in the management of your assets. We appreciate your patronage and hope to continue a long and prosperous relationship. Please let us know if you have any questions or comments about this exciting change.

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## Item 4: Advisory Business

Our firm is dedicated to providing individuals and other types of clients with a wide array of investment advisory services. Our firm is a corporation formed under the laws of the State of Florida in 2015 and has been in business as an investment adviser since that time. Our firm is wholly owned by Andrew Kane.

Our firm provides investment consulting services for many different types of clients to help meet their financial goals while remaining sensitive to risk tolerance and time horizons. As a fiduciary it is our duty to always act in the client's best interest. This is accomplished in part by knowing the client. Our firm has established a service-oriented advisory practice with open lines of communication. Working with clients to understand their investment objectives while educating them about our process, facilitates the kind of working relationship we value.

### **Types of Advisory Services Offered**

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#### **Asset Management:**

As part of our Asset Management service, a portfolio is created, consisting of individual stocks, 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. Portfolios will be designed to meet a particular investment goal, determined to be suitable to the client's circumstances. Once the appropriate portfolio has been determined, portfolios are continuously and regularly monitored, and if necessary, rebalanced based upon the client's individual needs, stated goals and objectives.

When appropriate, our firm utilizes the services of outside managers to aid in the implementation of an investment portfolio designed by our firm. Before selecting a firm or individual, our firm will ensure that the chosen party is properly licensed or registered.

#### **Financial Planning & Consulting:**

Our firm provides a variety of standalone financial planning and consulting services to clients for the management of financial resources based upon an analysis of current situation, goals, and objectives. Financial planning services will typically involve preparing a financial plan or rendering a financial consultation for clients based on the client's financial goals and objectives. This planning or consulting may encompass Investment Planning, Retirement Planning, Estate Planning, Charitable Planning, Education Planning, Corporate and Personal Tax Planning, Cost Segregation Study, Corporate Structure, Real Estate Analysis, Mortgage/Debt Analysis, Insurance Analysis, Lines of Credit Evaluation, or Business and Personal Financial Planning.

Written financial plans or financial consultations rendered to clients usually include general recommendations for a course of activity or specific actions to be taken by the clients. Implementation of the recommendations will be at the discretion of the client. Our firm provides clients with a summary of their financial situation, and observations for financial planning engagements. Financial consultations are not typically accompanied by a written summary of observations and recommendations, as the process is less formal than the planning service. Assuming

that all the information and documents requested from the client are provided promptly, plans or consultations are typically completed within six (6) months of the client signing a contract with our firm.

### **Retirement Plan Consulting:**

Our firm provides retirement plan consulting services to employer plan sponsors on an ongoing basis. Generally, such consulting services consist of assisting employer plan sponsors in establishing, monitoring and reviewing their company's participant-directed retirement plan. As the needs of the plan sponsor dictate, areas of advising could include: investment options, plan structure and participant education.

Retirement Plan Consulting services typically include:

- Investment Options – Our firm will work with the Plan Sponsor to evaluate existing investment options and make recommendations for appropriate changes.
- Asset Allocation and Portfolio Construction – Our firm will develop strategic asset allocation models to aid Participants in developing strategies to meet their investment objectives, time horizon, financial situation and tolerance for risk.
- Investment Monitoring – Our firm will monitor the performance of the investments and communicate those results to the client.

All retirement plan consulting services shall be in compliance with the applicable state laws regulating retirement consulting services. This applies to client accounts that are retirement or other employee benefit plans ("Plan") governed by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). If the client accounts are part of a Plan, and our firm accept appointments to provide services to such accounts, our firm acknowledges its fiduciary standard within the meaning of Section 3(21) of ERISA as designated by the Retirement Plan Consulting Agreement with respect to the provision of services described therein.

### **Tailoring of Advisory Services**

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Our firm offers individualized investment advice to our Asset Management clients. General investment advice will be offered to our Financial Planning & Consulting and Retirement Plan Consulting.

Each Asset Management 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.

### **Participation in Wrap Fee Programs**

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Our firm offers a wrap fee program as further described in Part 2A, Appendix 1 (the "Wrap Fee Program Brochure"). Unlike non-wrapped accounts our firm's Wrap Asset Management accounts are managed on a discretionary basis. Wrapped accounts will be given priority status due to our firm's ability to react to market influences without client authorization. Both types of accounts will be managed on an individualized basis according to the client's investment objectives, financial goals, risk tolerance, etc. When appropriate, models are utilized to meet investment objectives and create efficiency through block trading.

## Regulatory Assets Under Management

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Our firm is a newly registered adviser and intends to report assets under management of at least \$100 million within 120 days of registration with the SEC.

### Item 5: Fees & Compensation

#### Compensation for Our Advisory Services

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##### Asset Management:

Assets Under Management	Annual Percentage of Assets Charge
\$0 to \$499,999	2.50%
\$500,000 to \$749,999	2.25%
\$750,000 to \$1,249,999	2.00%
\$1,250,000 to \$1,999,999	1.75%
\$2,000,000 to \$4,999,999	1.50%
Over \$5,000,000	1.00%

Annualized fees are billed on a pro-rata basis quarterly in advance based on the value of the account(s) on the last day of the previous quarter. Fees are negotiable and will be deducted from client account(s). For accounts opened during the quarter, the first billing cycle will include a pro-rata portion of the first quarter in arrears and the first full quarter in advance. In rare cases, our firm will agree to direct bill clients.

- a) The client's independent custodian sends statements at least quarterly showing the market values for each security included in the Assets and all account disbursements, including the amount of the advisory fees paid to our firm;
- b) Clients will provide authorization permitting our firm to be directly paid by these terms. Our firm will send an invoice directly to the custodian; and
- c) If our firm sends a copy of our invoice to the client, legend urging the comparison of information provided in our statement with those from the qualified custodian will be included.

##### Financial Planning & Consulting:

Our firm charges on an hourly or flat fee basis for financial planning and consulting services. The total estimated fee, as well as the ultimate fee charged, is based on the scope and complexity of our engagement with the client. The maximum hourly fee to be charged will not exceed \$400. Flat fees range from \$1,500 to \$10,000.

##### Retirement Plan Consulting:

Our Retirement Plan Consulting services are billed on an hourly or flat fee basis or a fee based on the percentage of Plan assets under management. The total estimated fee, as well as the ultimate fee charged, is based on the scope and complexity of our engagement with the client. The maximum

hourly fee to be charged will not exceed \$400. Our flat fees range from \$1,500 to \$10,000. Fees based on a percentage of managed plan assets will not exceed 1.00%. The fee-paying arrangements for Retirement Plan Consulting service will be determined on a case-by-case basis and will be detailed in the signed consulting agreement. Clients will be invoiced directly for the fees.

### **Other Types of Fees & Expenses**

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Non-Wrap fee Clients will incur transaction charges for trades executed in their accounts. These transaction fees are separate from our firm's advisory fees and will be disclosed by the chosen custodian. Clients may also pay 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, initial or deferred sales charges, mutual fund sales loads, 12b-1 fees, surrender charges, variable annuity fees, IRA and qualified retirement plan fees, and other fund expenses). Our firm does not receive a portion of these fees.

Wrap fee clients will not incur transaction costs for trades. More information about this can be found in our separate Wrap Fee Program Brochure.

### **Termination & Refunds**

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Either party may terminate the advisory agreement signed with our firm for Asset Management services in writing at any time. Upon notice of termination our firm will process a pro-rata refund of the unearned portion of the advisory fees charged in advance at the beginning of the quarter.

Planning & Consulting clients may terminate their agreement at any time prior to our rendering services by providing written notice. For purposes of calculating refunds, all work performed by us up to the point of termination shall be calculated at the hourly fee currently in effect. Clients will receive a pro-rata refund of unearned fees based on the time and effort expended by our firm.

### **Commissionable Securities Sales**

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Representatives of our firm are registered representatives of International Assets Advisory, LLC ("IAA"), member FINRA/SIPC. As such they are able to accept compensation for the sale of securities or other investment products, including distribution or service ("trail") fees from the sale of mutual funds. Clients should be aware that the practice of accepting commissions for the sale of securities presents a conflict of interest and gives our firm and/or our representatives an incentive to recommend investment products based on the compensation received. Our firm generally addresses commissionable sales conflicts that arise when explaining to clients these sales create an incentive to recommend based on the compensation to be earned and/or when recommending commissionable mutual funds, explaining that "no-load" funds are also available. Our firm does not prohibit clients from purchasing recommended investment products through other unaffiliated brokers or agents.

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

Performance based fees can only be assessed to clients with at least \$1,000,000 under management with our firm or a net worth of at least \$2,000,000. A performance fee is a fee based on a share of capital gains on or capital appreciation of the managed assets of a client.

In addition to the advisory fee charged in Item 5 of this brochure, our firm charges up to 20% of the net profits (i.e., profits after our management fee has been deducted) achieved for the previous quarter's account management. The performance fee is payable only if the net profits in the client account(s) exceed the performance calculation of the previous year (a "high water mark"). At our discretion, our firm may waive all or any portion of the performance fee or may agree with a client to other changes to the performance fee by written agreement only.

In charging performance fees to some client accounts, our firm faces a conflict of interest as our firm can potentially receive greater fees from client accounts having a performance-based compensation structure than from accounts only charged an advisory fee. As a result, there exists an incentive to direct the best investment ideas to, or to allocate or sequence trades in favor of, the account that pays a performance fee. Our firm has taken important steps to ensure that our performance based accounts are not favored over our client's non-performance fee based accounts.

Performance based and non-performance based accounts are periodically review and compared. In the event that our firm finds performance based accounts are being unduly (i.e., consistently) favored over non-performance based accounts, our firm would take action to address the situation on a case-by-case basis. This could include allowing non-performance based accounts to trade before performance based accounts to the extent practicable, or if the problem persists, not allowing new performance based accounts, waiving our performance based fees or cancelling our performance based fee arrangements altogether and in some cases, termination of firm personnel.

Our firm also makes use of block trades and allocations made based on client's risk tolerance, investment objectives and restrictions. Our firm will periodically review block trade allocations to detect whether profitable trades are being disproportionately allocated to performance based accounts, while unprofitable trades are being disproportionately allocated to pure-fee based accounts with no performance fee. If a problem is detected in the allocation of block trades, our firm will take measures as previously described above.

## Item 7: Types of Clients & Account Requirements

Our firm has the following types of clients:

- Individuals and High Net Worth Individuals;
- Trusts, Estates or Charitable Organizations;
- Professional Athletes;
- Pension and Profit Sharing Plans;
- Corporations, Limited Liability Companies and/or Other Business Types.

Our firm does not impose requirements for opening and maintaining accounts or otherwise engaging us.



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

### Methods of Analysis

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We use the following methods of analysis in formulating our investment advice and/or managing client assets:

**Charting:** In this type of technical analysis, we review charts of market and security activity in an attempt to identify when the market is moving up or down and to predict when how long the trend may last and when that trend might reverse.

**Cyclical Analysis:** In this type of technical analysis, we measure the movements of a particular stock against the overall market in an attempt to predict the price movement of the security.

**Fundamental Analysis:** We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell). Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

**Technical Analysis:** We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement. Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

**Asset Allocation:** Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to the client's investment goals and risk tolerance. A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

**Mutual Fund and/or ETF Analysis:** We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy. A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate

from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

**Quantitative Analysis:** We use quantitative analysis that may include mathematical analysis in an attempt to identify the impact of interest rate changes on individual securities and portfolios of securities. The results of our quantitative analysis are taken into consideration in the decision to buy or sell securities and in the management of portfolio characteristics. A risk in using quantitative analysis is that the methods or models used may be based on assumptions that prove to be incorrect.

**Qualitative Analysis:** We use qualitative analysis to evaluate individual securities, focusing on non-quantifiable factors such as quality of management and others not readily subject to measurement, and incorporate that analysis into our security selection process. A risk in using qualitative analysis is that our subjective judgment may prove incorrect.

**Asset Allocation:** We generally focus on identifying an appropriate allocation of securities, maturities, market sectors and yield curve positioning suitable for the client's investment goals and risk tolerance. While asset allocation is recognized by professional investment advisers as a prudent approach, a risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the allocation will change over time due to market movements in the various sectors, which, if not corrected, may no longer be appropriate for the client's goals.

**Outside Money Manager Analysis:** We examine the experience, expertise, investment philosophies, and past performance of independent money managers utilized by our firm in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We monitor the manager's underlying holdings, strategies, concentrations and leverage as part of our overall periodic risk assessment. Additionally, as part of our due-diligence process, we survey the manager's compliance and business enterprise risks. A risk of investing with an outside manager who has been successful in the past is that he/she may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in an outside manager's portfolio, there is also a risk that a manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the manager's daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

**Risks for All Forms of Analysis:** Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

### **Investment Strategies We Use**

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We use the following strategies in managing client accounts, provided that such strategies are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations. Typically we employ this strategy when we believe the securities to be currently undervalued, and/or we want exposure to a particular asset class over time, regardless of the current projection for this class.

**Long-Term Purchases:** When utilizing this strategy, we may purchase securities with the idea of holding them for a relatively long time (typically held for at least a year). A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantages of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell. Typically we employ this sub-strategy when we believe the securities to be well valued; and/or we want exposure to a particular asset class over time, regardless of the current projection for this class. The potential risks associated with this investment strategy involve a lower than expected return, for many years in a row. Lower-than-expected returns that last for a long time and/or that are severe in nature would have the impact of dramatically lowering the ending value of your portfolio, and thus could significantly threaten your ability to meet financial goals.

**Short-Term Purchases:** When utilizing this strategy, we may also purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase. The potential risk associated with this investment strategy is associated with the currency or exchange rate. Currency or exchange rate risk is a form of risk that arises from the change in price of one currency against another. The constant fluctuations in the foreign currency in which an investment is denominated vis-à-vis one's home currency may add risk to the value of a security. Currency risk is greater for shorter term investments, which do not have time to level off like longer term foreign investments.

**Trading:** We purchase securities with the idea of selling them very quickly (typically within 30 days or less). We do this in an attempt to take advantage of our predictions of brief price swings. Trading involves risk that may not be suitable for every investor, and may involve a high volume of trading activity. Each trade generates a commission and the total daily commission on such a high volume of trading can be considerable. Active trading accounts should be considered speculative in nature with the objective being to generate short-term profits. This activity may result in the loss of more than 100% of an investment.

**Short Sales:** We borrow shares of a stock for your portfolio from someone who owns the stock on a promise to replace the shares on a future date at a certain price. Those borrowed shares are then sold. On the agreed-upon future date, we buy the same stock and return the shares to the original owner. We engage in short selling based on our determination that the stock will go down in price after we have borrowed the shares. If we are correct and the stock price has gone down since the shares were purchased from the original owner, the client account realizes the profit. The two primary perceived risks of short selling are that the in the long term, markets trend upward and short selling can expose investors to potentially unlimited risk. Due to the "upside gap", sellers risk not being able to react until after a significant loss has already been incurred.

**Margin Transactions:** We will purchase stocks for your portfolio with money borrowed from your brokerage account. This allows you to purchase more stock than you would be able to with your available cash, and allows us to purchase stock without selling other holdings. Margin accounts and transactions are risky and not necessarily for every client. The potential risks associated with these transactions are (1) You can lose more funds than are deposited into the margin account; (2) the force sale of securities or other assets in your account; (3) the sale of securities or other assets without contacting you; and (4) you may not be entitled to choose which securities or other assets in your account(s) are liquidated or sold to meet a margin call.

**Option Writing:** We may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset. The two types of options are calls and puts. A call gives us the right to buy an asset at a certain price within a specific period of time. We will buy a call if we have determined that the stock will increase substantially before the option expires. A put gives us the holder the right to sell an asset at a certain price within a specific period of time. We will buy a put if we have determined that the price of the stock will fall before the option expires. We will use options to "hedge" a purchase of the underlying security; in other words, we will use an option purchase to limit the potential upside and downside of a security we have purchased for your portfolio. We use "covered calls", in which we sell an option on security you own. In this strategy, you receive a fee for making the option available, and the person purchasing the option has the right to buy the security from you at an agreed-upon price. We use a "spreading strategy", in which we purchase two or more option contracts (for example, a call option that you buy and a call option that you sell) for the same underlying security. This effectively puts you on both sides of the market, but with the ability to vary price, time and other factors. The potential risks associated with these transactions are that (1) all options expire. The closer the option gets to expiration, the quicker the premium in the option deteriorates; and (2) Prices can move very quickly. Depending on factors such as time until expiration and the relationship of the stock price to the option's strike price, small movements in a stock can translate into big movements in the underlying options.

**Fixed Income Portfolio Management Investment Strategies:** We believe that a conservative, risk-averse approach to fixed income management will provide both steady incremental outperformance, and low relative volatility. The disciplined process we employ in an effort to realize this philosophy is generally grounded in four key decisions:

- Constraint of portfolio duration within a narrow range relative to the benchmark in order to limit exposure to market and interest rate risk.
- Strategic allocations to key sectors to add value relative to the benchmark.
- Proactive management of term structure to add value in different yield curve environments.
- Security selection based on rigorous credit and relative value analysis and broad diversification of nongovernment issuers.

Within our Fixed Income strategy, we use the following sub-strategies in managing client accounts, provided that such sub-strategies are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations.

**Duration Constraints:** We adhere to a discipline of generally maintaining duration within a narrow band around benchmark duration in order to limit exposure to market risk. Our portfolio management team rebalances client portfolios to their current duration targets on a periodic basis. The risk of constraining duration is that the client may not participate fully in a large rally in bond prices.

**Sector Allocation:** We allocate client assets to various sectors of the fixed income market, including US Treasury obligations, federal agency securities, corporate notes, mortgage-backed securities and others, based on our quantitative and qualitative analysis in order to manage client exposure to a given sector and to provide exposure to sectors we believe have good value. The risk of sector allocation is that clients may not participate fully in an increase in value in any specific sector.

**Security Selection:** A proprietary credit evaluation process drives our security selection process. The system uses both internally and externally generated credit research to evaluate securities we are considering for purchase. Based on research we conduct internally, our Credit Committee selects securities for our Approved list. The ultimate decision to purchase or sell a security is based on the firm's evaluation of the current price for the security. The risk of security selection is that the methods of analysis employed will not provide accurate measurement of the risk association with each individual security.

### **Risk of Loss**

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

### **Description of Material, Significant or Unusual Risks**

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Our firm generally invests client cash balances in money market funds, FDIC Insured Certificates of Deposit, high-grade commercial paper and/or government backed debt instruments. Ultimately, our firm tries to achieve the highest return on client 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, services, as applicable.

## **Item 9: Disciplinary Information**

Our firm and management personnel have nothing to disclose under the aforementioned standard.

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

As mentioned in Item 5 representatives of our firm are registered representatives of International Assets Advisory, LLC, member FINRA/SIPC, and licensed insurance agents. As a result of these transactions, they receive normal and customary commissions. A conflict of interest exists as these commissionable securities sales create an incentive to recommend products based on the compensation earned. To mitigate this potential conflict, our firm will act in the client's best interest.

Mr. Kane is a licensed real estate agent. This activity is exclusively reserved for personal transactions. Clients will not be solicited to conduct real estate business through Mr. Kane.

Please see Item 4 above for more information about the selection of outside money managers.

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

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. Our fiduciary duty is the underlying principle for our firm's Code of Ethics, which includes procedures for personal securities transaction and insider trading. Our firm requires all representatives 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 with our firm, and at least annually thereafter, all representatives of our firm will acknowledge receipt, understanding and compliance with our firm's Code of Ethics. Our firm and representatives 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. 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.

Our firm recognizes that the personal investment transactions of our representatives demands the application of a Code of Ethics with high standards and requires that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, our firm also believes that if investment goals are similar for clients and for our representatives, it is logical, and even desirable, that there be common ownership of some securities.

In order to prevent conflicts of interest, our firm has established procedures for transactions effected by our representatives for their personal accounts<sup>1</sup>. In order to monitor compliance with our personal trading policy, our firm has pre-clearance requirements and a quarterly securities transaction reporting system for all of our representatives.

Neither our firm nor a related person recommends, buys or sells for client accounts, securities in which our firm or a related person has a material financial interest without prior disclosure to the client.

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.

Likewise, related persons of our firm buy or sell securities for themselves at or about the same time they buy or sell the same securities for client accounts. 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. Further, our related persons will refrain from buying or selling the same securities prior to buying or selling for our clients in the same day. If related persons' accounts are included in a block trade, our related persons will always trade personal accounts last.

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<sup>1</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.

## Item 12: Brokerage Practices

### Selecting a Brokerage Firm

Our firm does not maintain custody of client assets. Client assets must be maintained by a qualified custodian. Our firm seeks to recommend a custodian who will hold client assets and execute transactions on terms that are overall most advantageous when compared to other available providers and their services. The factors considered, among others, are these:

- Timeliness of execution
- Timeliness and accuracy of trade confirmations
- Research services provided
- Ability to provide investment ideas
- Execution facilitation services provided
- Record keeping services provided
- Custody services provided
- Frequency and correction of trading errors
- Ability to access a variety of market venues
- Expertise as it relates to specific securities
- Financial condition
- Business reputation
- Quality of services

With this in consideration, our firm has an arrangement with Charles Schwab & Co., Inc. (“Schwab”), a FINRA-registered broker-dealer, member SIPC, both independently owned and operated. Schwab offers services to independent investment advisers which includes custody of securities, trade execution, clearance and settlement of transactions. Schwab enables us to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. Schwab does not charge client accounts separately for custodial services. Client accounts will be charged transaction fees, commissions or other fees on trades that are executed or settle into the client’s custodial account. Transaction fees are negotiated with Schwab and are generally discounted from customary retail commission rates. This benefits clients because the overall fee paid is often lower than would be otherwise.

Schwab may make certain research and brokerage services available at no additional cost to our firm. Research products and services provided by Schwab may include: research reports on recommendations or other information about particular companies or industries; economic surveys, data and analyses; financial publications; portfolio evaluation services; financial database software and services; computerized news and pricing services; quotation equipment for use in running software used in investment decision-making; and other products or services that provide lawful and appropriate assistance by Schwab to our firm in the performance of our investment decision-making responsibilities. The aforementioned research and brokerage services qualify for the safe harbor exemption defined in Section 28(e) of the Securities Exchange Act of 1934.

Schwab does not make client brokerage commissions generated by client transactions available for our firm’s use. The aforementioned research and brokerage services are used by our firm to manage accounts for which our firm has investment discretion. Without this arrangement, our firm might be compelled to purchase the same or similar services at our own expense.

As part of our fiduciary duty to our clients, our firm will endeavor at all times to put the interests of our clients first. Clients should be aware, however, that the receipt of economic benefits by our firm or our related persons creates a potential conflict of interest and may indirectly influence our firm's choice of Schwab as a custodial recommendation. Our firm examined this potential conflict of interest when our firm chose to recommend Schwab and have determined that the recommendation is in the best interest of our firm's clients and satisfies our fiduciary obligations, including our duty to seek best execution.

Our non-wrap fee clients may pay a transaction fee or commission to Schwab that is higher than another qualified broker dealer might charge to effect the same transaction where our firm determines in good faith that the commission is reasonable in relation to the value of the brokerage and research services provided to the client as a whole.

In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Although our firm will seek competitive rates, to the benefit of all clients, our firm may not necessarily obtain the lowest possible commission rates for specific client account transactions.

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### **Soft Dollars**

Our firm does not receive soft dollars in excess of what is allowed by Section 28(e) of the Securities Exchange Act of 1934. The safe harbor research products and services obtained by our firm will generally be used to service all of our clients but not necessarily all at any one particular time.

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### **Client Brokerage Commissions**

This item is not applicable, as our firm's first fiscal year has not yet been completed.

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### **Client Transactions in Return for Soft Dollars**

This item is not applicable, as our firm's first fiscal year has not yet been completed.

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### **Brokerage for Client Referrals**

Our firm does not receive brokerage for client referrals.

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### **Directed Brokerage**

Neither our firm nor any of our firm's representatives have discretionary authority in making the determination of the brokers-dealers and/or custodians with whom orders for the purchase or sale of securities are placed for execution, and the commission rates at which such securities transactions are effected. Our firm routinely recommends that clients direct us to execute through a specified broker-dealer. Our firm recommends the use of Schwab. Each client will be required to establish their account(s) with Schwab if not already done. Please note that not all advisers have this requirement.



## **Client-Directed Brokerage**

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Our firm does not allow client-directed brokerage outside our recommendations.

## **Aggregation of Purchase or Sale**

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Our firm provides investment management services for various clients. There are occasions on which portfolio transactions may be executed as part of concurrent authorizations to purchase or sell the same security for numerous accounts served by our firm, which involve accounts with similar investment objectives. Although such concurrent authorizations potentially could be either advantageous or disadvantageous to any one or more particular accounts, they are affected only when our firm believes that to do so will be in the best interest of the effected accounts. When such concurrent authorizations occur, the objective is to allocate the executions in a manner which is deemed equitable to the accounts involved. In any given situation, our firm attempts to allocate trade executions in the most equitable manner possible, taking into consideration client objectives, current asset allocation and availability of funds using price averaging, proration and consistently non-arbitrary methods of allocation.

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

Our management personnel or financial advisors review accounts on at least an annual basis for our Asset Management clients. The nature of these reviews is to learn whether client accounts are in line with their investment objectives, appropriately positioned based on market conditions, and investment policies, if applicable. Our firm does not provide written reports to clients, unless asked to do so. Verbal reports to clients take place on at least an annual basis when our Asset Management clients are contacted.

Our firm 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.

Retirement Plan Consulting clients receive reviews of their retirement plans for the duration of the service. Our firm also provides ongoing services where clients are met with upon their request to discuss updates to their plans, changes in their circumstances, etc. Retirement Plan Consulting clients do not receive written or verbal updated reports regarding their plans unless they choose to engage our firm for ongoing services.

Financial Planning clients do not receive reviews of their written plans unless they take action to schedule a financial consultation with us. Our firm does 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. Financial Planning clients do not receive written or verbal updated reports regarding their financial plans unless they separately engage our firm for a post-financial plan meeting or update to their initial written financial plan.

## Item 14: Client Referrals & Other Compensation

### Schwab

We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors that have their clients maintain accounts at Schwab. These products and services, how they benefit us, and the related conflicts of interest are described above (*see Item 12 – Brokerage Practices*). The availability to us of Schwab's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

### Referral Fees

Our firm pays 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 the referred client. In this regard, our firm maintains 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, our firm ensures that no solicitation fees are paid unless the solicitor is registered as an investment adviser representative of our firm. If our firm is paying solicitation fees to another registered investment adviser, the licensure of individuals is the other firm's responsibility.

## Item 15: Custody

Our firm does not have custody of client funds or securities. All of our clients receive account statements directly from their qualified custodians at least quarterly upon opening of an account. If our firm decides 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. Clients are encouraged to raise any questions with us about the custody, safety or security of their assets and our custodial recommendations.

## Item 16: Investment Discretion

Our firm does not take investment discretion of Client asset enrolled in our firm's non-wrap Asset Management Service. Our firm will not be authorized to execute securities transactions, determine which securities are bought and sold, and the total amount to be bought and sold without first seeking client's consent.

## Item 17: Voting Client Securities

Our firm does 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, our firm will forward them to the appropriate client and ask the party who sent them to mail them directly to the client 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

### **Inclusion of a Balance Sheet**

Our firm does not require nor is prepayment solicited for more than \$1,200 in fees per client, six months or more in advance. Therefore our firm has not included a balance sheet for our most recent fiscal year.

### **Disclosure of Financial Condition**

Our firm has nothing to disclose in this regard.

### **Bankruptcy Petition**

Our firm is not required to provide financial information in this Brochure because:

- Our firm does not require the prepayment of more than \$1,200 in fees and six or more months in advance.
- Our firm does not take custody of client funds or securities.
- Our firm does not have a financial condition or commitment that impairs our ability to meet contractual and fiduciary obligations to clients.

Our firm has never been the subject of a bankruptcy proceeding.