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If you have any questions about the contents of this Brochure, please contact us at [info@quienna.com](mailto:info@quienna.com)

This brochure serves as a replacement to Part II of Form ADV Uniform Application for Investment Adviser Registration, which gives information about the investment adviser firm Quienna Wealth Management Inc. and its business for the prospective Clients. This information has not been approved or verified by any governmental authority. Registration of an investment adviser does not imply that the adviser possesses a certain level of skill or training.

Additional information about Quienna Wealth Management Inc. is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). CRD number (#283236).

## Item 2 – Material Changes

December 2016 – Modification of investment strategy to allow investments in assets other than those included in a default portfolio.

December 2016 – Quiena no longer offers non-discretionary advisory services.

December 2016 – Minimum account balance was changed to USD1.

December 2016 – Quiena now offers the option to open brokerage accounts with two or more brokers in the US.

April 2017 – Quiena started to charge a setup fee to clients with an initial investment of less than USD 10,000.

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## Item 4 – Advisory Business

Quiena Wealth Management Inc. (the “Investment Adviser” or simply “Quiena”) is a federal covered Investment advisory firm which was organized as a Delaware corporation in December 2015, and offers to its clients investment advisory services exclusively through its automated web-based platform using proprietary algorithms to identify personal needs and goals, and advises about the statistically optimal investments to satisfy those needs by using well known portfolio allocation models such as Modern Portfolio Theory (MTP) and Risk Parity Model. Quiena Wealth Management Inc. is primarily owned by its employees.

- Quiena offers an automated discretionary portfolio management:

Quiena begins by assessing a client’s risk profile through an online questionnaire via our website which gauges the client’s desire to maximize returns vs. their desire to minimize losses. Then Quiena automatically generates different model investment portfolios that fit our client’s needs explaining the implications regarding risk and return for each one. Our client chooses one of the model investment portfolios. Quiena allows clients to update their risk profiles or even edit the investment vehicles or assets, which will change their portfolio composition as a client is transitioned to a different model portfolio based on the new risk profile.

To invest capital into the model investment portfolio chosen by our clients, Quiena will require our clients to open an investment account with one of the brokers/custodians we choose to work with. Quiena will have discretionary power over the account which will be used to transfer orders to the market in behalf of the client, in order to keep the portfolio balanced in all times, and to display important information about the account in the client’s Quiena dashboard.

Quiena will ensure that the following conditions are met and maintained:

- Quiena will manage and offer advice on each client's account on the basis of the client's financial situation and investment objectives and any reasonable investment restrictions the client may impose;
- The client will update his/her profile in Quiena’s website if there have been changes in the client's financial situation or investment objectives and whether the client wishes to impose investment restrictions or modify existing restrictions. Quiena will take into account client’s requirements, and ensure that these changes are taken into account in the investment management/advice of the account, always giving the client the information and power to choose the portfolio that serves his/her needs better.
- Each client will receive a quarterly statement with a description of all account activity and;
- Each client will retain certain indicia of ownership of the securities and funds in the account, e.g., the ability to withdraw securities, among others.

Quiena will primarily use ETFs in order to build model portfolios, but it will allow clients to include other investment vehicles whose allocations will be computed by the portfolio models used by

Quiena. Quiena may impose restrictions to use this service discretionarily based on the financial situation of each client or risk profile.

Please contact Nicolas Galarza Ricci, Chief Compliance Officer, if you have any questions about this Brochure. Additional information about Quiena is available on the Internet at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number for Quienna Wealth Management Inc. is #283236.

### **Legal concepts that apply to the advisory agreement**

Investment account assets shall consist of (i) all such cash and investments of the Client as the Client may place under the supervision of Quiena from time to time, plus (ii) all investments, reinvestments and proceeds of the sale thereof, including, without limitation, all dividends and interest on investments, and all appreciation thereof and additions thereto, less depreciation thereof and withdrawals therefrom (the “Investment Account Assets”).

If a discretionary power agreement over the client’s account is signed: In its full and absolute discretion and without any obligation on its part to give prior notice to the Client, Quiena shall have sole, complete and full power and authority to invest and reinvest all of the Investment Account Assets in such securities as Quiena in its sole and absolute discretion shall consider to be in the best interest of the Client, always based on the instructions and information given by the client to Quiena through their website.

In connection therewith, Quiena shall have sole, complete and full power and authority to use to: (i) issue orders for the Managed Account to a broker or dealer; (ii) instruct the Custodian to exercise or abstain from exercising any option, privilege or right held in the Managed Account; (iii) monitor the correct collection of income on the Managed Account by the Custodian; and (iv) take any other action with respect to securities or other property in the Managed Account as needed to serve the best interest of the Client. Quiena shall further be free to make investment changes regardless of the resulting rate of portfolio turnover, when it, in its sole discretion, shall determine that such changes will promote the investment objective of the Managed Account.

Quiena reserves the right to advise Clients with respect to any other type of investment deemed appropriate based on the Client’s stated goals and objectives. Quiena may also provide advice on any type of investment held in a Client’s Investment Account Assets at the inception of the advisory relationship or with respect to any investment for which the Client requests advice.

Quiena does not guarantee any specific level of performance, the success of any investment decision or strategy that Quiena may use, or the success of Quiena’s overall management of the Client. The Client understands that investment decisions made for the Client by Quiena are subject to various market, currency, economic, political and business risks, and that those investment decisions will not always be profitable. Clients are responsible for notifying Quiena of any changes to their financial situation or investment objectives.

## Item 5 – Fees and Compensation

Quiena's standard fee schedule is as follows, even though Quiena may offer a discount on the fees paid to some of its clients, based on their financial situation, or size of the account.

Quiena charges an initial set up fee of \$50, plus an annual management fee of 1.2% of Assets under Management in the discretionary account, which will be charged once a month with the following formula:

- $(1.2\% / 252 \text{ [trading days in a year]}) * 21 \text{ [trading days in a month]}$

Quiena's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to Quiena's fee, and Quiena does not receive any portion of these commissions, fees, and costs. Clients have the option to purchase investment products that Quiena recommends through other brokers or agents that are not affiliated with Quiena.

Item 12 further describes the factors that Quiena considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).

Quiena's fees are computed and automatically debited monthly in advance and will be calculated based on the net liquidation value of the client account's assets at the last day of the prior month. The fee for the month in which assets were first deposited into the account will be based on the net liquidation value of the account on the day the assets were deposited in the account and prorated for the number of days the account was open during the month. If the account is terminated prior to the end of a month, the fee for that month will not be returned.

The management fee is a percentage of the value of the account, as it is defined in page 7, *Legal concepts that apply to the advisory agreement*.

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

Quiena does not charge performance-based fees. Quiena does not advise hedge funds or provide advice to clients other than the strategies offered through its web-based platform.

## Item 7 – Types of Clients

Quiena accepts individuals, High Net Worth individuals, trusts and other entities (subject to approval) who may not be US residents as clients for both of our management and advice service options. The minimum account size is \$1.00. Quiena reserves the right to terminate its services to a client if an account falls below the minimum, but may choose to, at its discretion, continue providing investment advice to the client. In addition, although Quiena may terminate services to a client, the custodian and/or broker chosen by the client may choose to continue its service to the client.



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

For its portfolio management services, Quiena begins with an allocation of ETFs, computed based on portfolio theory and models such as, but not limited to, Modern Portfolio Theory or Risk Parity Model, in order to build a theoretical optimal portfolio that will achieve clients' risk and return goals. Rebalancing orders will be placed once the actual allocation deviates from the targeted allocation by more than 10%.

If Quiena has granted permissions to a client, and he/she decides to use our customized investment portfolio service, where the original allocation in ETFs is complemented with investment vehicles chosen by the client, Quiena's platform will use historical data from that instrument to compute risks and expected return, and it will use the same models mentioned before to create a new optimal model portfolio. Accounts under the discretionary management agreement will be rebalanced automatically after the client confirms the operation from Quiena's website.

### Risk Considerations

Quiena cannot guarantee any level of performance or that any Client will avoid a loss of Account assets. Any investment in securities involves the possibility of financial loss that Clients should be prepared to bear.

When evaluating risk, financial loss may be viewed differently by each Client and may depend on many different risk items, each of which may affect the probability of adverse consequences and the magnitude of any potential losses. The following risks may not be all-inclusive, but should be considered carefully by a prospective Client before retaining Quiena's services. These risks should be considered as possibilities, with additional regard to their actual probability of occurring and the effect on a Client if there is in fact an occurrence.

**MARKET RISK:** The price of any security or the value of an entire asset class can decline for a variety of reasons outside of Quiena's control, including, but not limited to, changes in the macroeconomic environment, unpredictable market sentiment, forecasted or unforeseen economic developments, interest rates, regulatory changes, and domestic or foreign political, demographic, or social events. If a Client has a high allocation in a particular asset class it may negatively affect overall performance to the extent that the asset class underperforms relative to other market assets. Conversely, a low allocation to a particular asset class that outperforms other asset classes in a particular period will cause that Client Account to underperform relative to the overall market.

**ADVISORY RISK:** There is no guarantee that Quiena's judgment or investment decisions about particular securities or asset classes will necessarily produce the intended results. Quiena's judgment may prove to be incorrect, and a Client might not achieve her investment objectives. Quiena may also make future changes to the investing algorithms and advisory services that it provides. In addition, it is possible that Clients or Quiena itself may experience computer equipment

failure, loss of internet access, viruses, or other events that may impair access to Quiena's software based financial advisory service. Quiena and its representatives are not responsible to any Client for losses unless caused by Quiena breaching its fiduciary duty.

**VOLATILITY AND CORRELATION RISK:** Clients should be aware that Quiena's asset selection process is based in part on a careful evaluation of past price performance and volatility in order to evaluate future probabilities. However, it is possible that different or unrelated asset classes may exhibit similar price changes in similar directions which may adversely affect a Client, and may become more acute in times of market upheaval or high volatility. Past performance is no guarantee of future results, and any historical returns, expected returns, or probability projections may not reflect actual future performance.

**LIQUIDITY AND VALUATION RISK:** High volatility and/or the lack of deep and active liquid markets for a security may prevent a Client from selling her securities at all, or at an advantageous time or price because Quiena and the Client's Broker may have difficulty finding a buyer and may be forced to sell at a significant discount to market value. Some securities (including ETFs) that hold or trade financial instruments may be adversely affected by liquidity issues as they manage their portfolios. While Quiena values the securities held in Client Accounts based on reasonably available exchange-traded security data, Quiena may from time to time receive or use inaccurate data, which could adversely affect security valuations, transaction size for purchases or sales, and/or the resulting advisory fees paid by a Client to Quiena.

**CREDIT RISK:** Quiena cannot control and Clients are exposed to the risk that financial intermediaries or security issuers may experience adverse economic consequences that may include impaired credit ratings, default, bankruptcy or insolvency, any of which may affect portfolio values or management. This risk applies to assets on deposit with any Broker utilized by Client, notwithstanding asset segregation and insurance requirements that are beneficial to Broker clients generally. In addition, exchange trading venues or trade settlement and clearing intermediaries could experience adverse events that may temporarily or permanently limit trading or adversely affect the value of Client securities. Finally, any issuer of securities may experience a credit event that could impair or erase the value of the issuer's securities held by a Client. Quiena seeks to limit credit risk by generally adhering to the purchase of ETFs, which are subject to regulatory limits on asset segregation and leverage such that fund shareholders are given liquidation priority versus the fund issuer; however, certain funds and products may involve higher issuer credit risk because they are not structured as a registered fund.

**LEGISLATIVE AND TAX RISK:** Performance may directly or indirectly be affected by government legislation or regulation, which may include, but is not limited to: changes in investment advisor or securities trading regulation; change in the U.S. government's guarantee of ultimate payment of principal and interest on certain government securities; and changes in the tax code that could affect interest income, income characterization and/or tax reporting obligations (particularly for ETF securities dealing in natural resources). Quiena does not engage in financial or tax planning, and in

certain circumstances a Client may incur taxable income on her investments without a cash distribution to pay the tax due.

**FOREIGN INVESTING AND EMERGING MARKETS RISK:** Foreign investing involves risks not typically associated with U.S. investments, and the risks may be exacerbated further in emerging market countries. These risks may include, among others, adverse fluctuations in foreign currency values, as well as adverse political, social and economic developments affecting one or more foreign countries. In addition, foreign investing may involve less publicly available information and more volatile or less liquid securities markets, particularly in markets that trade a small number of securities, have unstable governments, or involve limited industry. Investments in foreign countries could be affected by factors not present in the U.S., such as restrictions on receiving the investment proceeds from a foreign country, foreign tax laws or tax withholding requirements, unique trade clearance or settlement procedures, and potential difficulties in enforcing contractual obligations or other legal rules that jeopardize shareholder protection. Foreign accounting may be less transparent than U.S. accounting practices and foreign regulation may be inadequate or irregular.

**ETF RISK INCLUDING N.A.V. AND TRACKING ERROR:** ETF performance may not exactly match the performance of the index or market benchmark that the ETF is designed to track because 1) the ETF will incur expenses and transaction costs not incurred by any applicable index or market benchmark; 2) certain securities comprising the index or market benchmark tracked by the ETF may, from time to time, temporarily be unavailable; and 3) supply and demand in the market for either the ETF and/or for the securities held by the ETF may cause the ETF shares to trade at a premium or discount to the actual net asset value of the securities owned by the ETF. Certain ETF strategies may from time to time include the purchase of fixed income, commodities, foreign securities, American Depositary Receipts, or other securities for which expenses and commission rates could be higher than normally charged for exchange-traded equity securities, and for which market quotations or valuation may be limited or inaccurate. An ETF typically includes embedded expenses that may reduce the fund's net asset value, and therefore directly affect the fund's performance and indirectly affect a Client's portfolio performance or an index benchmark comparison. Expenses of the fund may include investment advisor management fees, custodian fees, brokerage commissions, and legal and accounting fees. ETF expenses may change from time to time at the sole discretion of the ETF issuer. Quiena discloses each ETF's current information, including expenses, on the Site. ETF tracking error and expenses may vary.

**INFLATION, CURRENCY, AND INTEREST RATE RISK:** Security prices and portfolio returns will likely vary in response to changes in inflation and interest rates. Inflation causes the value of future dollars to be worth less and may reduce the purchasing power of an investor's future interest payments and principal. Inflation also generally leads to higher interest rates, which in turn may cause the value of many types of fixed income investments to decline. In addition, the relative value of the U.S. dollar-denominated assets primarily managed by Quiena may be affected by the risk that currency devaluations affect Client purchasing power.

## **Item 9 – Disciplinary Information**

Neither Qienna Wealth Management Inc. nor any of its owners have been involved in any legal or disciplinary events. No disciplinary events have been recorded by any state or the SEC. No prospective Client has threatened Quiena or its owners with disciplinary activities

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

Qienna Wealth Management Inc. has no other financial industry activities or affiliations at this time.

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

Quiena has adopted a Code of Ethics (the “Code”) pursuant to Rule 204A-1 of the Investment Advisers Act and Rule 17j-1 of the Investment Company Act. Quiena’s Code sets forth standards of ethical and business conduct expected of access persons and addresses conflicts that may arise from personal trading by Quiena personnel to ensure that Quiena’s fiduciary obligations to its clients are met as well as compliance with federal securities laws. The Code includes a personal trading policy and policies and procedures to detect and prevent insider trading. Additionally, the Code defines material, nonpublic information and the restrictions on trading on any such knowledge. The Code also includes policies and procedures on serving as officers, trustees and/or directors of outside organizations and participating in outside business activities. Additionally, the Code sets forth specific restrictions and limitations as to which employees may make political contributions, as well as preclearance requirements for certain political contributions.

All Quiena personnel must acknowledge understanding and agree to comply with the Code initially upon employment and must certify on an annual basis that they have read and understand the code and have complied with it.

Conflicts of Interest Clients or investors should carefully consider the conflicts of interest described here as applicable.

### **Other Investment Accounts**

The Client must understand that Quiena or any of its owners may take actions for their own accounts that differ from advice given to or action taken for the Client since the decision to take any position is based on the individual client’s goals and risk tolerance. Quiena is not obligated to buy, sell or recommend for the Client any security or other investment that Quiena or any of its owners may buy, sell or recommend for their own accounts. The Agreement does not limit or restrict in any way Quiena or any of its owners from buying, selling or trading in any securities or other investments for their own accounts.

Conflicts of interest may arise in the allocation of investment opportunities among accounts that Quiena advises. Quiena will seek to allocate investment opportunities believed appropriate for the Client’s account and other accounts advised by Quiena among such accounts equitably and in a manner consistent with the best interests of all accounts involved. But, there can be no assurance that a particular investment opportunity that comes to the attention of Quiena will be allocated in any particular manner.

Additionally, the Code requires access persons to submit transactions reports and initial and annual holding reports showing all transactions in which the person has, or by reason of such transaction acquires, any direct or indirect beneficial ownership in covered securities, with limited exceptions

for securities such as shares of mutual funds. This enables Quiena to determine with reasonable assurance any indications of front-running or other appearance of a conflict of interest.

## Item 12 - Brokerage Practices

In determining the brokers and dealers through whom securities transactions for client accounts are to be executed, Quiena seeks to negotiate a combination of the most favorable commission and the best price obtainable on each transaction (generally defined as best execution). Consequently, Quiena selects brokers and dealers primarily on the basis of their execution, trading expertise and service capabilities. There may be occasions when the transaction costs charged by the broker/dealer may be greater than those which another broker/dealer may charge if Quiena determines, in good faith, that the amount of such transaction costs are reasonable in relation to the value of the brokerage and research services provided by the executing broker. The broker/dealer selected by Quiena does not make available to the adviser other products or services that benefit Quiena that may not directly benefit its clients' accounts. We do not direct clients to a particular brokerage firm in return for any products, research or other services. Quienna Wealth Management does not receive client referrals from any brokerage firm nor do we recommend a particular brokerage firm based on receiving such referrals. In addition, we do not permit, recommend, request or require that our clients direct us to a specific brokerage firm to execute transactions.

Quiena uses the brokerage and custody services offered by Interactive Brokers LLC and DriveWealth, LLC for discretionary accounts. Interactive Brokers and DriveWealth are FINRA and SEC registered broker/dealers.



## Item 13 - Review of Accounts

Quiena monitors and reviews all the clients' accounts on a continuous basis using proprietary software and software offered by the broker/dealer to do so. The account review includes monitoring for account restrictions, consistency with investment objectives and strategy descriptions. Adjustments may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment. Clients receive quarterly accounts statements directly from the Custodian. Quiena urges clients to carefully review official custodial records.

Even though Quiena usually informs to its clients about the status of the accounts, market conditions, and other variables that can affect the client's investments in a monthly basis, the adviser must inform about this information at least quarterly, at the same time the statements are sent. Communication with clients will be thorough Quiena's website and email, although sometimes Quiena may reach clients by phone.

## Item 14 – Client Referrals and Other Compensation

Quiena does not receive compensation (sales awards or other prizes) from anyone who is not a client in return for providing investment advice to our clients.

Quiena expects from time to time to run promotional campaigns to attract Clients to use our services on the site. These promotions may include additional Account services or products offered on a limited basis to select Clients, more favorable fee arrangements, and/or reduced or waived advisory fees for Clients.

These arrangements may create an incentive for a third-party or other existing Client to refer prospective Clients to Quiena, even if the third-party would otherwise not make the referral. These arrangements may also create a conflict of interest for a Client to maintain a certain level of assets managed through Quiena if doing so would result in eligibility to receive an incentive, bonus or additional compensation.

Quiena may also pay pre-determined fees to third-parties for driving new users to Quiena, which may be in the form of so-called CPM, CPC or CPA arrangements (respectively, impressions, clicks or actions through other websites). Quiena engages solicitors whom it pays for Client referrals. Quiena discloses this practice in writing to the affected Clients and complies with the requirements of Rule 206(4)-3 under the Investment Advisers Act of 1940, as amended, to the extent required by applicable law.

## Item 15 – Custody

If a client chooses to use our discretionary account management services, custody of the Client's assets will be maintained at the Broker/dealer selected by the client under the recommendation of Quiena. The Client agrees to inform Quiena immediately if it is dissatisfied with Quiena's decisions or actions, or if it dissatisfied with Broker/dealer's handling of the Investment Account. The Client authorizes Quiena to give the Custodian instructions for the purchase, sale, conversion, redemption, exchange or retention of any security, cash or cash equivalent or other investment for the Client.

Quiena shall at no time have custody or physical control of any of the Investment Account Assets and it is the responsibility of the Client to reach an agreement with the Custodian.

Quiena will not deduct any fee or charge directly from the client's account, but instead the client may choose to authorize to the custodian to do so on his/her behalf in order to pay for advisory fees.

## Item 16 - Investment Discretion

When a client gets into a discretionary advisory agreement with Quiena he/she will grant, in writing, discretionary authority to Quiena at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account. When selecting securities, and determining amounts, Quiena observes the investment policies, limitations and restrictions specified on the investment plan selected by the client through Quiena's website.

## Item 17 - Voting Client Securities

The Client agrees that Quiena shall not have the authority or the responsibility to vote proxies on the Client's behalf for securities held in the Client's account. Quiena is authorized and directed to instruct the Custodian to forward promptly to the Client copies of all proxies and shareholder communications relating to securities held in the Client's account (other than materials relating to legal proceedings). The Client agrees that Quiena will not be responsible or liable for any proxies where it or the Custodian has not received such proxies or related shareholder communications on a timely basis. Quiena shall not be required to advise the Client or act for the Client in any legal proceedings, including bankruptcies or class actions, involving securities held in the Client's account.

## Item 18 - Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about their financial condition if they require prepayment of advisory fees of \$1200 or more per client, six months or more in advance. Since Quiena does not require any payment in advance that exceeds \$1200, this item is not applicable. Quienna Wealth Management Inc. has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

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