



## Form ADV Part 2

### Client Brochure

A Registered Investment Advisor  
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This brochure provides information about the qualifications and business practices of Helium Investments Inc. an SEC registered investment advisor. Registration does not imply a certain level of skill or training. Questions concerning this brochure should be directed to [support@heliuminvestments.com](mailto:support@heliuminvestments.com). Additional information is also available at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)



## Item 2 – Material Changes

### Current Version

February 6<sup>th</sup>, 2017 - - - Initial Version

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## Item 4 – Advisory Business

### General Description

Founded in March 2016, Helium Investments is a fin-tech portfolio manager. We use a proprietary behavioral risk model to determine client risk appetite. Our investing philosophy is based off academic research papers that conclude the majority of active fund managers do not outperform the market and therefore we allocate funds to our model portfolios using passively managed indexed ETF's.

### Financial Advisory Services

Helium Investments provide clients with a range of advisory solutions.

1) Clients receive a comprehensive portfolio review for their current portfolio.

A phone call or an online in-depth questionnaire is completed that gathers the client's unique financial circumstances (net assets, liquidation requirements, time horizon, income, etc), along with basic personal information such as age, marital status, etc. Through a propriety risk modeling algorithm, an assessment is generated to determine the client suitable risk appetite. A portfolio with Helium Investments is constructed using low cost passively managed indexed diversified ETF's. Model portfolios are offer to the client, along with a summary of fee differences and potential savings. Clients also have the option to purchase as a percentage of their holdings - Interest Based portfolios geared towards a particular investment group such as Clean Energy.

2) Existing clients receive continuous advice about their portfolio in relation to their goals and financial circumstances. Client accounts are continuously monitored and IA's will call or send an email to clients with relation to their account performance, under certain conditions.

### Investment Management Services

Assets under management with clients of Helium Investments are managed solely on a discretionary basis by model portfolios offered by us.

Helium designs its model portfolios identifying:

- 1) Optimal asset classes in which to invest
- 2) ETF's or other instruments to represent each of those asset classes
- 3) Optimizing asset classes for a specific risk level.
- 4) Asset diversification

Management includes optimization of existing model portfolios to keep in line with the level of acceptable risk called periodic rebalancing and yearly client suitability updates. Tax loss harvesting and portfolio rebalancing are standard features available to all account holders.

Client portfolio rebalancing is checked quarterly at 5% drift to ensure the portfolio stays in line with the defined investment objectives.



Helium Investments does not manage assets on a non-discretionary basis.



## Item 5 – Fees and Compensation

### General

Helium Investments does not charge a fee for advice provided to new, existing clients or potential clients seeking advice for their existing portfolio held with another financial institution for up to 1 hour per year. Clients also have access to financial advice provided by a registered financial advisor.

Helium fees are wholly generated for Investment Management services, derived by assets under management.

There are fees charged by third parties and not Helium Investments. These include the financial institution holding client assets (the custodian) and by the individual ETF providers. These fees are disclosed online and the fees incurred during each month are included on monthly statements.

### Investment Management Fee

Helium Investments charges a fee based on the assets under management from %0.25 to %0.50 per year depending on the assets under management. This fee is calculated from the daily net liquidation value and collected no later than 10 business days from the end of the previous month.

### Fees charged by Financial Institutions

There are fees charged by our custodian – Interactive Brokers for client accounts and services. The fees associated with holding an account are covered by Helium Investments. Fees associated with trades, some types of transfers and rebalancing are to be paid by the client. These fees vary based on the size of the transaction. This fee is not shared with Helium Investments.

Clients may incur charges imposed by the ETF providers which typically range from %0.05 - %0.25 of holdings of any given ETF. This fee is not shared with Helium Investments.



## Item 6 – Performance Based fees and Side-by-Side Management

### General

Helium Investments does not charge performance based fees.





## Item 7 – Types of Clients

### General

Helium Investments is an online financial advisor that offers low cost passively managed indexed diversified ETF's and environmental, social and corporate governance portfolios (Interest Based Portfolios) to individual clients. We conduct an online questionnaire to determine the most suitable risk adjusted portfolio for clients and assign this portfolio to various types of accounts. We support Traditional IRA's, Roth IRA's, Beneficiary IRA's, Rollover IRA's and unregistered accounts. There is currently no account minimum, however funds are only invested after the account reaches \$100.

Every client account is reviewed by an IA, for completeness, suitability and accuracy of the algorithm chosen model portfolio suitable for the client.

We do not offer trusts, corporate account or joint accounts at this time.



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

### Methods of Analysis

For Portfolios – Helium Investments uses expert portfolio managers to demine the makeup of our Risk Adjusted Model Portfolios. They have been analyzed and back tested against the last 10 years to determine suitability. Various factors are taken into account including measuring risk utilizing standard deviation and correlations, liquidity and fees.

For Investors – Helium Investments uses the KYC (Know Your Client) process to find the suitable portfolio for that individual's savings goals. The KYC consists of basic personal information (name, age, address, etc.), financial information (net worth, net income, liabilities, etc.) and a risk appetite questionnaire. Both the Risk Appetite and Risk Tolerance are on a scale of 1-5, with 1 being the least risky.

### Investment Strategies

Securities offered in model portfolios are passively managed long ETF's. Investing in a well-diversified portfolio of broad market index exchange-traded funds and seeking to achieve long-term returns and steady income superior to typical bank interest rates, actively managed funds and with lower volatility than the equities markets. The model portfolios and individual ETF's are monitored daily by portfolio managers.

We will offer 5 portfolios with a mix of Equity and Fixed Income ETF's ranging from 70% Fixed Income and 30% Equities to 70% Equities and 30% Fixed Income.

Tax loss harvesting, a standard industry practice of selling a losing asset and replacing it with a new asset of the same class, hereby 'realizing' the loss and offsetting some gains in the year for tax purposes is a standard feature.

Rebalancing, the process of selling or buying assets when a model portfolio security class gain or loss has drifted more than certain percentage out of line with the model portfolio's original design. This feature is standard and helps keep assets in a model portfolio in line with the level of risk the client can tolerate.

### Risk of Loss

As with any investment there is a risk that loss can occur.

The following risks should be considered:

Market Risk - The price of any security or the value of an entire asset class can decline for a variety of reasons outside of Helium Investment's control including, but not limited to, predicted or unpredicted changes in the macroeconomic environment, unpredictable market sentiment, forecasted or unforeseen



economic developments, changing interest rates, regulatory changes, and domestic, foreign, or global political, demographic, or social events.

**Advisory Risk** –There is no guarantee that Helium Investment’s judgment, models, or investment decisions about particular securities or asset classes will necessarily produce the intended or expected results. Helium Investment’s judgment may prove to be incorrect, and a Client might not achieve his investment objectives.

**Technology Risk** - Helium may experience computer equipment failure, loss of internet access, viruses, or other events that may impair access to Helium’s software-based or web-based financial advisory service.

**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 his securities at all or at an advantageous time or price because Helium and the Client’s Broker may have difficulty finding a buyer and may be forced to sell at a discount to market or previously quoted value. Some securities (including ETFs) that hold or trade financial instruments may be adversely affected by liquidity issues as they manage and rebalance their portfolios.

**Credit Risk** – 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 value or management.

**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 adviser 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.

An algorithm determines the suitable level of risk based on the KYC questionnaire and savings objectives. Because savings objectives vary and depending on age, retirement savings could for example be in a higher risk category than savings for a car.

Clients can request a change to a less risky portfolio online. A registered IA is notified and reviews the request.

When requesting a change to a riskier portfolio, Helium Investments reverts to the KYC process to determine risk appetite and suitability, then the determination is completed and approved by a registered IA.



## Item 9 – Disciplinary Information

### General

Helium Investments is required to disclose any legal or disciplinary action with relation to its business practices and integrity of management.

We have no legal, financial or other disciplinary item to report. This statement applies to both our firm and every employee of our firm.



## Item 10 – Other Financial Industry Activities and Affiliations

### General

Helium Investments is not controlled and does not control any other entities.



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

### General

We hold professionalism and ethical business practices in the highest regard. We have developed a 200+ page internal Policies & Procedures document that every client facing employee must read. These Policies & Procedures outline our commitment to our clients and include:

- Employees are not allowed to purchase any security offered by Helium Investments
- Employees are not allowed to disclose any information relating to client accounts to a 3<sup>rd</sup> party
- Statements and tax forms are delivered in a timely manner
- Supervised persons comply with regulations in the jurisdiction of the client
- Investment Advisors and any employee of Helium Investments is strictly forbidden to disseminate non-public information
- Client funds transfers and orders are placed in a timely fashion,

Clients may request a redacted version of our Policies & Procedures in writing to:

Helium Investments  
250 University Ave  
Suite 200  
Toronto, Ontario  
M5H 3E5



## Item 12 – Brokerage Practices

### General

Helium Investments uses Interactive Brokers LLC as our custodian on a fully disclosed basis. Client accounts are held in kind at Interactive Brokers, a SIPC member firm and insured for up to \$250k in the unlikely event of insolvency. Orders and client transactions are processed solely by Interactive Brokers.

Clients must agree to Interactive Brokers disclosures during the signup process which are also available on our website.

Helium Investments is not real-time with respect to transfer and order processing. Transfers are collected and performed nightly, typically before 5AM the next business day. Broker orders are generated and fulfilled on a best effort basis the next business day after client funds have been received by the custodian.

In an effort to gain best execution pricing, client orders may be aggregated prior to being processed by the broker.



## Item 13 – Review of Client Accounts

### General

Clients have access to real time information about their account balances, transfers, securities positions and more online and with our iOS and Android mobile applications. Clients are also notified online and in the app about when rebalancing occurs.

Clients are reminded that accounts with \$0 balance will be closed after 90 days.

Client suitability information is updated annually. Clients are reminded to update their suitability information 30 days before their anniversary date. Helium Investment's recommendations are dependent on receiving timely and accurate information from clients. If clients provide inaccurate information or fails to update information, it could materially impact the applicability of the recommendations.





## Item 14 – Client Referrals and Other Compensation

### General

No employee of Helium Investments is directly compensated for a client signup or based on the amount of funds under management.

From time to time Helium Investments will engage in promotions where existing clients can receive a bonus deposit or an amount of funds managed for free, depending on the number of clients they refer. We call this a referral bonus.

Helium Investments does not work with unaffiliated solicitors and no compensation is given outside of the referral bonus arrangement, with the exception of advertising partners which are paid one of: a flat fee for advertising (such as a newspaper), cost per click or cost per million impressions (such as online advertising).



## Item 15 – Custody

### General

Helium Investments uses Interactive Brokers LLC as our custodian. Clients can request access to the account that has been setup in their name with Interactive Brokers and can opt to receive a mailed monthly statement from us, in addition to the quarterly branded statement received from Interactive Brokers.

Clients can review the agreements of Interactive Brokers available on our website.

## Item 16 – Investment Discretion

### General

Helium Investments has full authority to act as Discretionary Portfolio Manager with respect to client accounts.

This means that Helium Investments has full discretion to choose:

- The model portfolio
- The securities to be bought or sold
- The amount of securities to be bought or sold
- When orders are submitted

Clients must sign the IPS (Investor Policy Statement), IMA (Investment Management Agreement) and RD (Relationship Disclosure) agreement prior to account opening.



## Item 17 – Voting Client Securities

### General

Helium Investments is required to disclose if it accepts authority to vote client securities. We do not vote client securities on behalf of our clients. Clients receive proxy materials directly from the Financial Institutions / ETF Providers.



## Item 18 – Financial Information

### General

Helium Investments is not required to disclose any financial information as we do not collect the prepayment of advisory fees and do not have any adverse financial conditions that would impair our ability to meet our contractual commitments to clients.