

# Vest ADV Form

Part 2A

March 1, 2017

Vest Technologies Inc. doing business as Vest  
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## **Material Changes**

There are no material changes at this time.

## **Program Brochure**

This wrap fee program brochure provides information about the qualifications and business practices of Vest Technologies, Inc., doing business as or otherwise known as “Vest”, or Vest Technologies (CRD #287508). If you have any questions about the contents of this Brochure, please contact us via email at [support@vest.technology](mailto:support@vest.technology). 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.

Vest Technologies is applying for status as a Registered Investment Adviser. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with information that you may use to determine whether to hire or retain them.

Additional information about Vest is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by using a unique identifying number, known as CRD number. The CRD number for Vest is 287508. The SEC’s website also provides information about any persons affiliated with Vest who are registered, or are required to be registered, as Investment Adviser Representatives of Vest.

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## About (Section 1)

Vest Technologies, Inc., doing business as or otherwise known as “Vest”, or Vest Technologies (CRD #287508), was founded in 2017 by Michael Willingham, Gavan Gooch, and Connor Johns.

Vest is a Registered Investment Adviser (“Adviser”) which offers a wrap fee program through an online web-based application for its advisory clients. We will be registered through and regulated by the United States Securities and Exchange Commission (“SEC”).

### Advisory Business

We plan to provide automated active-portfolio management services utilizing our proprietary trading systems for individuals and high net worth individuals. Our focus is on providing artificial intelligence (AI) based systems that are designed to build and preserve your wealth. We will provide our web-based portfolio management services in programs that bundle or “wrap” services (investment strategy, trade execution, custody, etc.) together and charge a monthly fee based on the value of assets under management.

Portfolio management is the professional management of securities in order to meet your specific investment goals. With a Wrap Fee Account, you will use our web-based software application to access our smart portfolios. The allocation between portfolios will be recommended based on your investment guidelines and financial parameters. This program enables you to pursue your investment objectives with us as manager all in one consolidated portfolio. The investments in each smart portfolio account will be automated, utilizing buy and sell indicators stocks, based on trend following strategies.

You will input information such as your age, financial circumstances, and investment goals into the system via an interactive questionnaire. Based on the information you provide, the software will analyze your situation and provide you with a mix of investment portfolios available through our application. You shall not have the ability to impose restrictions on the management of your account.

As part of the portfolio management services, the application will:

- Review your current financial situation
- Monitor and track your assets under management
- Provide portfolio statements and asset allocation statements as needed

You are obligated to enter any new information into the web-based application promptly when your financial situation, goals, objectives, personal circumstances, or needs change.

The funds in your account will be held in a separate account, in your name, at an independent custodian, and not with us. All accounts managed through the application are required to use DriveWealth as the independent custodian.

You will also receive our Advisory Agreement detailing the services you will receive, fees you will be charged, and the conditions of the relationship.

## **Fees and Compensation (Section 2)**

A wrap fee program (“bundled”) allows you to pay a specified fee for investment management services and the execution of transactions. The fee is not based directly upon transactions in your account. The fee is bundled with our costs for executing transactions in your account(s).

The minimum account opening balance is \$25.00. For accounts with balances less than \$5,000, Vest will charge a subscription fee of \$1 per month in advance. Each month subscription of access will last 30 days, starting the day the account is charged. Subscription fees are not prorated for partial months, or if the account is closed in the middle of the month. However, currently all new accounts will receive 90 days of service without a subscription charge.

For accounts with more than \$5,000, the fee charged will be based upon the amount of money you invest. Fees are charged monthly, in advance. Fees will be calculated on the average daily balance of the previous month and will be billed within ten (10) days of the anniversary date on which your account was opened according to the fee schedule as follows:

### **Fee Schedule**

Assets Under Management	Fee Charged
\$25-\$5,000	\$1/month
\$5000-Up	.25% of total AUM per year

The fees shown above are annual fees and are not negotiable.

For those accounts with a balance of under \$5,000, you will authorize Vest and the Custodian to directly debit the \$1 Minimum Subscription Payment for Service from your Funding Account (“Bank Account”) to pay us. Alternatively, we reserve the right to assess the Subscription payment from your Vest account by instructing the custodian to deduct the fee from the assets in your account. In the event we cannot deduct the \$1 Minimum Subscription Payment for Service from your Funding Account or your Vest account according to the outlined monthly schedule, we reserve the right to assess the Subscription Payment in arrears and/or terminate your access to our services. Termination of accounts will be undertaken at our sole discretion.

You acknowledge that the Minimum Subscription Payment for Service of \$1 per month for accounts with a balance of less than \$5,000.00 may equate to a significant fee on a percentage basis, depending on the amount you have invested. For example, the minimum investment amount is \$25.00. If you invest \$25.00 and do not make any other Deposits, then, without taking into account other charges or fees directly or indirectly payable by your Vest Account (as described below), you will have paid Vest regarding the Minimum Subscription Payment for Service an amount equal to the full amount of your investment (i.e. \$25.00) within twenty-five months of your initial Deposit. This may potentially be a greater fee than you would pay to other investment advisers which permit you to invest such an amount.

For accounts with a balance of \$5,000 or more, you will authorize the custodian to directly debit Wrap Fees from your account held at the Custodian and to pay us. This is an advisory fee paid from funds held in the Custodian's custody. Fees are prorated for each contribution and withdrawal made during the applicable calendar month (with the exception of small inconsequential contributions and withdrawals). Each time you use our Services you reaffirm your agreement that we may charge your accounts, as applicable. In the event we cannot charge your applicable accounts, we reserve the right to terminate your access to our Services.

Vest reserves the right to waive the Fee or any part thereof for any period for any client at its sole discretion.

To this end, Vest may, from time to time, elect to launch programs or initiatives whereby Fees may be waived, in whole or in part, for certain categories of client (such as students, clients below a certain age and/or military veterans). Any such initiative is entirely discretionary to Vest, and may be expanded, narrowed, suspended, cancelled or modified at any time by Vest, and will be subject to any rules, guidelines and/or terms and conditions created by Vest in connection therewith (which rules, guidelines and/or terms may be included in website landing pages, on Vest's Website generally and/or elsewhere). To the extent any such program or initiative is cancelled or terminated, clients will once again be charged the then-current Fees on a going-forward basis.

Vest shall have sole discretion in determining whether or not any existing client or potential client meets the requirements to participate in and/or benefit from any such program or initiative, and Vest shall not be liable to you or any other party in connection with any such decision and/or in connection with the administration of any such program or initiative.

Either party may terminate the relationship through our App at any time. We request 72 hours' notice to terminate the relationship.

We believe our wrap fee is reasonable considering the fees charged by other investment advisers offering similar services/programs.

Since the Adviser does not charge Clients fees based on trading activity, the Adviser may have an incentive to limit trading activities in Client account(s) because the Adviser is charged for executing trades.

By participating in a wrap fee program, Clients may end up paying more or less than they would through a non-wrap fee program where a lower advisory fee is charged, but trade execution costs are passed directly through to the Client by the executing broker. Clients could also invest in ETFs and stocks directly, without the Adviser's services. In that case, Clients would not receive the services provided by the Adviser which are designed, among other things, to assist in determining which investments are appropriate for the portfolio and the Client's Account.

There are other fees that Clients may be charged by other parties. In our wrap fee program, we include all trade charges for your account. However, our fees do not include other related costs and expenses. You may incur certain charges imposed by custodians, and other third parties. These include custodial fees, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. All of these fees are in addition to the management fee you pay us. You should review all fees charged to fully understand the total amount of fees you will pay.

### **Performance-Based**

There are no performance based fees at this time.

## **Types of Clients (Section 3)**

Vest will provide services to any type of client as long as they are able to open a minimum account and meet all of the requirements. Vest's goal is to expand the marketplace of alternative investment solutions to the average investor. Vest will also provide services to high-net worth and institutional investors.

### **Account Requirements**

There are no minimum account size requirements; however, there is a minimum first time investment of \$25.

## **Portfolio Manager Selection and Evaluation (Section 4)**

We do not utilize outside portfolio managers. All client accounts are managed in-house by Vest via our interactive web-based software application.

Vest's sole advisory service is portfolio management services provided through its Wrap Fee Programs. Please refer to Section 2 for all information pertaining to our advisory business. We tailor our recommendations to meet the financial objectives and risk tolerance of the individual client needs and clients are allowed to impose restrictions on investing in certain securities or types of securities.

## **Methods of Analysis and Investment Strategies (Section 5)**

Our allocations are geared toward specific sectors and investment portfolios. We use proprietary buy-sell strategies to help generate alpha from collections of stocks we chose, available through the application. To determine which strategies to use for each portfolio, we utilize historic data, quantitative analysis, and artificial intelligence. The risk in utilizing this form of analysis is that the strategies may not perform as expected, as past performance is no indication of future results and that assumptions may prove to be incorrect.

In order to perform this analysis, we use many resources, such as:

- Proprietary in house research
- Third Party research
- Nationally recognized statistical rating organizations
- Financial newspapers and magazines (e.g. Wall Street Journal, Forbes, etc.)
- Annual reports, prospectuses, filings with the Securities and Exchange Commission
- Research materials prepared by others
- Company press releases
- Inspections of corporate activities

The investment strategies we use to implement any investment advice given to you include, but are not limited to:

- Long term purchases - securities held at least a year
- Short term purchases - securities sold within a year

## **Risk of Loss (Section 6)**

We cannot guarantee our analysis methods and buy-sell strategies will yield a return. In fact, a loss of principal is always a risk. Investing in securities involves a risk of loss that you should be prepared to bear. You need to understand that investment decisions you make for your account are subject to various market, currency, economic, political and business risks. The investment decisions you make based on our services and application will not always be profitable nor can we guarantee any level of performance.

Clients need to remember that past performance is no guarantee of future results. All investments carry some level of risk. You may lose some or all of the money you invest, including your principal, because the value of your investments may fluctuate. Dividend or interest payments may also fluctuate, or stop completely, as market conditions change.

Before you invest, be sure to read the investment's prospectus to learn about its investment strategy and the potential risks. Investments with higher rates of return may take risks that are beyond your comfort level and are inconsistent with your financial goals.

While past performance does not necessarily predict future returns, it can tell you how volatile (or stable) an investment has been over a period of time. Generally, the more volatile a fund, the



higher the investment risk. If you'll need your money to meet a financial goal in the near-term, you probably can't afford the risk of an investment with a volatile history because you will not have enough time to ride out any declines in the stock market.

## **Client Information Provided to Portfolio Managers (Section 7)**

The Adviser has access to all Client information obtained by the Adviser with respect to the particular Client accounts that they manage. The Adviser does not provide Client information to any other portfolio managers.

## **Client Contact with Portfolio Managers (Section 8)**

Clients may contact Vest Client Services via email at [support@vest.technology](mailto:support@vest.technology) with respect to technical questions regarding the web-based application. Vest provides investment advice only through its web-based software application.

### **Investment Discretion**

Vest, as a registered investment advisor, has full discretion on when securities are bought or sold. Vest does this by utilizing our proprietary automation software that uses quantitative strategies and artificial intelligence to determine buy and sell signals based on proprietary, third-party, and market data.

## **Additional Information (Section 9)**

### **Voting Client Securities**

Vest does not, under any circumstance, have authority to nor vote proxies on behalf of clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in your portfolios. We are authorized to instruct the custodian to forward you copies of all proxies and shareholder communication relating to your accounts. Vest is not required to take any action or give any advice with respect to any securities of companies who are named in class action lawsuits. Vest will, however, forward any information the Adviser receives regarding class action legal matters involving any security held in the portfolio, at the client's discretion.

### **Client Referrals and Other Compensation**

Vest does not receive compensation for referring clients to another adviser nor do we pay compensation to other advisers for referring clients to us.

## Disciplinary Information and Code of Ethics

Registered Investment Advisers are required to disclose any material facts regarding legal or disciplinary events that would be material to your evaluation of us or the integrity of our management. We currently have no information to disclose concerning Vest or any of our investment advisers. We adhere to high ethical standards at Vest.

We have a strong code of ethics at Vest. This Code of Ethics was designed to protect the client's confidentiality, to prohibit insider trading, to report on any gifts or business entertainment items, and to adhere to our commitment of fiduciary duty to you, the client. The following acts are prohibited:

- Creating untrue statements about material facts.
- Engaging in fraudulent or deceitful acts, practice, or course of business
- Participating in client accounts
- Conducting manipulative or malicious practices
- Omitting material facts to the state in light of circumstances requiring full disclosure
- Doing anything that may cause a conflict of interest between the adviser and client

## Brokerage Practices and Custody

Vest has selected DriveWealth as the custodian/broker-dealer. Vest chose DriveWealth based on their low transaction costs, access to desired markets and securities, trading platforms, and support services.

Vest did not chose DriveWealth on whether or not we will receive client referrals from the broker-dealer. Vest chose DriveWealth because it was best suited for our qualitative and quantitative needs.

Vest does not allow clients to use their own custodian. Vest uses DriveWealth Exclusively

## **Related Persons (Section 10)**

The only related persons with control over the Registered Investment Adviser is the Founder and CEO Michael Willingham. Michael Willingham has no prior investments that would interfere with his control of Vest, nor cause a conflict of interest. Michael Willingham has no participation or interests in any other businesses whatsoever. Michael Willingham is devoting all of his time to managing Vest Technologies.

## Other Financial Industry Activities and Affiliations

The management persons of Vest have no other business activities or affiliations to disclose.

## **Participation or Interest in Client Accounts (Section 11)**

Our web-based application may recommend securities to you that we have purchased for our own accounts.

We may trade securities in our account during our trading windows when we buy and sell for all accounts. This policy is meant to prevent us from benefiting as a result of transactions placed on behalf of advisory accounts.

No securities for our personal portfolio(s) shall be bought or sold where this decision is substantially derived, in whole or in part, from the role of Investment Advisory Representative(s) of Vest, unless the information is also available to the investing public on reasonable inquiry. In no case, shall we put our own interests ahead of yours.

### **Conflicts of Interest**

Vest representatives may employ the same strategy for personal investment account as the application does for clients. However, orders will not be placed in a way to benefit from the purchase or sale of a security. We act in a fiduciary capacity. If a conflict of interest arises between us and you, we shall make every effort to resolve the conflict in your favor.

## **Review of Accounts (Section 12)**

Vest provides all clients with continuous access via our web-based application to reporting information about their account status, securities positions, and balances. Reviews of the portfolios offered through our application will be conducted at least annually. Reviews will be conducted by our Chief Operating Officer. You are encouraged to update the application should there be a change in your objectives or circumstances.

## **Financial Information (Section 13)**

We are required to provide you with certain financial information or disclosures about our financial condition, which is available on request. We have no financial obligation or commitment that would impair our ability to meet any contractual and fiduciary commitments to you, our client. We have not been the subject of any bankruptcy proceedings.