

F3 Investment Management, LLC Wrap Fee Program Brochure

This wrap brochure provides information about the qualifications and business practices of F3 Investment Management, LLC. If you have any questions about the contents of this brochure, please contact us at (920) 944-4803 or by email at jdesmidt@f3logicllc.com. 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 F3 Investment Management, LLC is also available on the SEC's website at www.adviserinfo.sec.gov. F3 Investment Management, LLC's CRD number is: 294021.

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Registration does not imply a certain level of skill or training.

Version Date: 4/23/2018

Item 2: Material Changes

F3 Investment Management, LLC has not yet filed an annual updating amendment to this Wrap Fee Program Brochure. Therefore there are no material changes to this brochure to report.

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Item 4: Services Fees and Compensation

F3 Investment Management, LLC (hereinafter “F3 IM”) offers the following services to advisory clients:

A. Description of Services

F3 IM participates in and sponsors wrap fee programs, which means F3 IM will wrap third party fees (i.e., custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.) for wrap fee portfolio management accounts. F3 IM will charge clients one fee, and pay all transaction fees using the fee collected from the client. Accounts participating in the wrap fee program are not charged higher advisory fees based on trading activity, but clients should be aware that F3 IM has an incentive to limit trading activities for those accounts since the firm absorbs those transaction costs.

Certain other fees are not included in the wrap fee and are paid for separately by the client. These include, but are not limited to, margin costs, charges imposed directly by a mutual fund or exchange traded fund, 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.

The fee schedule is set forth below:

Total Assets Under Management	Annual Fees
All Assets	1.50%

These fees are negotiable depending upon the needs of the client and complexity of the situation and the final fee schedule is attached as Exhibit II of the client contract. F3 IM uses the last day of previous quarter for purposes of determining the market value of the assets upon which the advisory fee is based.

Advisory fees are withdrawn directly from the client’s accounts with client’s written authorization or may be invoiced to the client and paid by check, cash, credit card, or wire and clients may select the method in which they are billed quarterly in advance. Refunds are given on a prorated basis, based on the number of days remaining in the billing period on the effective date of termination. The fee refunded will be the balance of the fees collected in advance minus the daily rate* times the number of days in the billing period up to and including the effective date of termination. (*The daily rate is calculated by dividing the annual fee by 365).

Fixed Fees

The fixed fee for portfolio management services will be between \$500 and \$10,000. Fixed fees for portfolio management services will be paid monthly or quarterly in advance by ACH payment.

Clients may terminate the contract without penalty, for full refund, within five business days of signing the contract. Thereafter, clients may terminate the contract with thirty days' written notice.

B. Contribution Cost Factors

The program may cost the client more or less than purchasing such services separately. There are several factors that bear upon the relative cost of the program, including the trading activity in the client's account, the adviser's ability to aggregate trades, and the cost of the services if provided separately (which in turn depends on the prices and specific services offered by different providers).

C. Additional Fees

Clients who participate in the wrap fee program will not have to pay for transaction or trading fees. However, clients are still responsible for all other account fees, such as annual IRA fees to the custodian, transition fees if the account is moved to another broker, or mutual fund fees.

D. Compensation of Client Participation

Neither F3 IM, nor any representatives of F3 IM receive any additional compensation beyond advisory fees for the participation of client's in the wrap fee program. However, compensation received may be more than what would have been received if client paid separately for investment advice, brokerage, and other services. Therefore, F3 IM may have a financial incentive to recommend the wrap fee program to clients.

Item 5: Account Requirements and Types of Clients

F3 IM generally provides its wrap fee program services to the following types of clients:

- ❖ High-Net-Worth Individuals

There is no account minimum.

Item 6: Portfolio Manager Selection and Evaluation

A. Selecting/Reviewing Portfolio Managers

F3 IM will not select any outside portfolio managers for management of this wrap fee program. F3 IM will be the sole portfolio manager for this wrap fee program.

Standards Used to Calculate Portfolio Manager Performance

F3 IM will use industry standards to calculate portfolio manager performance.

Review of Performance Information

F3 IM/third party reviews the performance information to determine and verify its accuracy and compliance with presentation standards. The performance information is reviewed quarterly and is reviewed by F3 IM.

B. Related Persons

F3 IM and its personnel serve as the portfolio managers for all wrap fee program accounts. This is a conflict of interest in that no outside adviser assesses F3 IM's management of the wrap fee program. However, F3 IM addresses this conflict by acting in its clients' best interest consistent with its fiduciary duty as sponsor and portfolio manager of the wrap fee program.

C. Advisory Business

F3 IM offers portfolio management services to its wrap fee program participants as discussed in Section 4 above.

Wrap Fee Portfolio Management

F3 IM offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. F3 IM creates an Investment Policy Statement for each client, which outlines the client's current situation (income, tax levels, and risk tolerance levels) and then constructs a plan (the Investment Policy Statement) to aid in the selection of a portfolio that matches each client's specific situation. Portfolio management includes, but is not limited to, the following:

- | | |
|-----------------------|--------------------------------|
| • Investment strategy | • Personal investment policy |
| • Asset allocation | • Asset selection |
| • Risk tolerance | • Regular portfolio monitoring |

F3 IM evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

Portfolio management accounts participating in the wrap fee program will not have to pay for transaction or trading fees. F3 IM will charge clients one fee, and pay transaction fees using the advisory fee collected from the client. Certain other fees are not included in the wrap fee and are paid for separately by the client. These include, but are not limited to, margin costs, charges imposed directly by a mutual fund or exchange traded fund, 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.

Accounts participating in the wrap fee program are not charged higher advisory fees based on trading activity, but clients should be aware that F3 IM has an incentive to limit trading activities for those accounts since the firm absorbs those transaction costs. To address this conflict, F3 IM will always act in the best interest of its clients consistent with its fiduciary duty as an investment adviser.

Performance-Based Fees and Side-By-Side Management

F3 IM does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

Services Limited to Specific Types of Investments

F3 IM generally limits its investment advice to mutual funds, fixed income securities, real estate funds, equities, ETFs (including ETFs in the gold and precious metal sectors) and treasury inflation protected/inflation linked bonds. F3 IM may use other securities as well to help diversify a portfolio when applicable.

Client Tailored Services and Client Imposed Restrictions

F3 IM will tailor a program for each individual client. This will include an interview session to get to know the client's specific needs and requirements as well as a plan that will be executed by F3 IM on behalf of the client. F3 IM will not use "model portfolios" but rather a specific set of recommendations for each client based on their personal restrictions, needs, and targets.

Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent F3 IM from properly servicing the client account, or if the restrictions would require F3 IM to deviate from its standard suite of services, F3 IM reserves the right to end the relationship.

Wrap Fee Programs

F3 IM sponsors and acts as portfolio manager for this wrap fee program. F3 IM manages the investments in the wrap fee program, but does not manage those wrap fee accounts any differently than non-wrap fee accounts. The fees paid to the wrap account program will be given to F3 IM as a management fee.

Amounts Under Management

F3 IM has the following assets under management:

Discretionary Amounts:	Non-Discretionary Amounts:	Date Calculated:
\$0	\$0	April 2018

Methods of Analysis and Investment Strategies

F3 IM's methods of analysis include Charting analysis, Cyclical analysis, Fundamental analysis, Modern portfolio theory, Quantitative analysis and Technical analysis.

Charting analysis involves the use of patterns in performance charts. F3 IM uses this technique to search for patterns used to help predict favorable conditions for buying and/or selling a security.

Cyclical analysis involves the analysis of business cycles to find favorable conditions for buying and/or selling a security.

Fundamental analysis involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

Modern portfolio theory is a theory of investment that attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, each by carefully choosing the proportions of various asset.

Quantitative analysis deals with measurable factors as distinguished from qualitative considerations such as the character of management or the state of employee morale, such as the value of assets, the cost of capital, historical projections of sales, and so on.

Technical analysis involves the analysis of past market data; primarily price and volume.

Investment Strategies

F3 IM uses long term trading and short term trading.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

Material Risks Involved

Charting analysis strategy involves using and comparing various charts to predict long and short term performance or market trends. The risk involved in using this method is that only past performance data is considered without using other methods to crosscheck data. Using charting analysis without other methods of analysis would be making the assumption that past performance will be indicative of future performance. This may not be the case.

Cyclical analysis assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy are two-fold: 1) the markets do not always repeat cyclical patterns; and 2) if too many investors begin to implement this strategy, then it changes the very cycles these investors are trying to exploit.

Fundamental analysis concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

Modern portfolio theory assumes that investors are risk averse, meaning that given two portfolios that offer the same expected return, investors will prefer the less risky one. Thus, an investor will take on increased risk only if compensated by higher expected returns. Conversely, an investor who wants higher expected returns must accept more risk. The exact trade-off will be the same for all investors, but different investors will evaluate the trade-off differently based on individual risk aversion characteristics. The implication is that a rational investor will not invest in a portfolio if a second portfolio exists with a more favorable risk-expected return profile – i.e., if for that level of risk an alternative portfolio exists which has better expected returns.

Quantitative analysis Investment strategies using quantitative models may perform differently than expected as a result of, among other things, the factors used in the models, the weight placed on each factor, changes from the factors' historical trends, and technical issues in the construction and implementation of the models.

Technical analysis attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not take into account new patterns that emerge over time.

Investment Strategies

Long term trading is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the

investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

Short term trading risks include liquidity, economic stability, and inflation, in addition to the long term trading risks listed above. Frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

Risks of Specific Securities Utilized

Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) are not guaranteed or insured by the FDIC or any other government agency.

Mutual Funds: Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond “fixed income” nature (lower risk) or stock “equity” nature.

Equity investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.

Fixed income investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best known type of fixed income security. In general, the fixed income market is volatile and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.

Exchange Traded Funds (ETFs): An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance. Precious Metal ETFs (e.g., Gold,

Silver, or Palladium Bullion backed “electronic shares” not physical metal) specifically may be negatively impacted by several unique factors, among them (1) large sales by the official sector which own a significant portion of aggregate world holdings in gold and other precious metals, (2) a significant increase in hedging activities by producers of gold or other precious metals, (3) a significant change in the attitude of speculators and investors.

Real estate funds (including REITs) face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.

Past performance is not a guarantee of future returns. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

Voting Client Proxies

F3 IM will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

Item 7: Client Information Provided to Portfolio Managers

All client information material to managing the portfolio (including basic information, risk tolerance, sophistication level, and income level) is provided to the portfolio manager. The portfolio manager will also have access to that information as it changes and is updated.

Item 8: Client Contact with Portfolio Managers

F3 IM places no restrictions on client ability to contact its portfolio managers. F3 IM's representative, Jon Patrick DeSmidt can be contacted during regular business hours and contact information is on the cover page of Jon Patrick DeSmidt's Form ADV Part 2B brochure supplement.

Item 9: Additional Information

A. Disciplinary Action and Other Financial Industry Activities

Criminal or Civil Actions

There are no criminal or civil actions to report.

Administrative Proceedings

There are no administrative proceedings to report.

Self-regulatory Organization Proceedings

There are no self-regulatory organization proceedings to report.

Registration as a Broker/Dealer or Broker/Dealer Representative

As a registered representative of Independent Financial Group, Jon Patrick DeSmidt accepts compensation for the sale of securities.

As a registered representative of Independent Financial Group, Richard Gerard DeSalvo accepts compensation for the sale of securities.

Registration as a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor

Neither F3 IM nor its representatives are registered as or have pending applications to become a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor.

Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests

Jon Patrick DeSmidt is a registered representative of Independent Financial Group and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. F3 IM always acts in the best interest of the client, including with respect to the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of F3 IM in such individual's capacity as a registered representative.

Richard Gerard DeSalvo is a registered representative of Independent Financial Group and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. F3 IM always acts in the best interest of the client, including with respect to the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of F3 IM in such individual's capacity as a registered representative.

Richard Gerard DeSalvo is an investment adviser representative with another investment advisory firm, Richard DeSalvo Consulting, LLC, and from time to time, may offer clients advice or products from those activities and clients should be aware that these services may involve a conflict of interest. F3 IM always acts in the best interest of the client and clients are in no way required to use the services of any representative of F3 IM in connection with such individual's activities outside of F3 IM.

Selection of Other Advisors or Managers and How This Adviser is Compensated for Those Selections

F3 IM does not utilize nor select other advisors or third party managers. All assets are managed by F3 IM management.

B. Code of Ethics, Client Referrals, and Financial Information

Code of Ethics

We have a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Our Code of Ethics is available free upon request to any client or prospective client.

Recommendations Involving Material Financial Interests

F3 IM does not recommend that clients buy or sell any security in which a related person to F3 IM or F3 IM has a material financial interest.

Investing Personal Money in the Same Securities as Clients

From time to time, representatives of F3 IM may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of F3 IM to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. F3 IM will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

Trading Securities At/Around the Same Time as Clients' Securities

From time to time, representatives of F3 IM may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of F3 IM to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, F3 IM will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

Frequency and Nature of Periodic Reviews and Who Makes Those Reviews

Client accounts are reviewed at least quarterly only by Jon DeSmidt, Chief Compliance Officer. Jon DeSmidt is the chief advisor and is instructed to review clients' accounts with regards to their investment policies and risk tolerance levels. All accounts at F3 IM are assigned to this reviewer.

Factors That Will Trigger a Non-Periodic Review of Client Accounts

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

Content and Frequency of Regular Reports Provided to Clients

Each client will receive at least quarterly from the custodian, a written report that details the client's account including assets held and asset value which will come from the custodian.

Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)

F3 IM does not receive any economic benefit, directly or indirectly from any third party for advice rendered to F3 IM clients.

Compensation to Non – Advisory Personnel for Client Referrals

F3 IM does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

Balance Sheet

F3 IM does not require nor solicit prepayment of more than \$1,200 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients

Neither F3 IM nor its management have any financial conditions that are likely to reasonably impair our ability to meet contractual commitments to clients.

Bankruptcy Petitions in Previous Ten Years

F3 IM has not been the subject of a bankruptcy petition in the last ten years.

Item 10: Requirements for State Registered Advisers
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Material Relationships (If Any) With Issuers of Securities

Neither F3 IM, nor its management persons, has any relationship or arrangement with issuers of securities.