

**Hoyem Wealth Management, LLC**

**FORM ADV PART 2A  
BROCHURE**

**This brochure provides information about the qualifications and business practices of Hoyem Wealth Management, LLC. If you have any questions about the contents of this brochure, please contact David Hoyem at (847) 672-1342 and at [davidhoyem@unitedconveyor.com](mailto:davidhoyem@unitedconveyor.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 Hoyem Wealth Management, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD number for Hoyem Wealth Management, LLC is 150882.**

**The Adviser is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.**

**March 26, 2020**

## Material Changes

Form ADV Part 2A, Item 2

This Item will be used to provide our clients with a summary of new and/or updated information. We will inform you of the revision(s) based on the nature of the updated information.

Consistent with the new rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary.

This brochure dated March 26, 2020 contains the following material change from the brochure dated March 25, 2019 which was filed with our last annual updating amendment:

- We have updated our assets under management.

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## Advisory Business

Form ADV Part 2A, Item 4

Hoyem Wealth Management, LLC (HWM) is an investment adviser providing investment management services to individuals, pension and profit-sharing plans, trusts, estates, and charitable organizations. HWM is owned by David S. Hoyem and has been in existence since 2009.

HWM, depending upon the engagement, offers its services on a fee basis which may include fixed fees as well as fees based upon assets under management. Prior to engaging HWM to provide any of the foregoing investment advisory services, the client will be required to enter into one or more written agreements with HWM setting forth the terms and conditions under which HWM shall render its services (collectively the "Agreement").

HWM shall provide its clients wealth management services with discretionary and/or non-discretionary management of investment portfolios in accordance with the investment objective(s) of the client. The objective of HWM is to invest in securities and funds that are suitable for customers and tailors its investment services accordingly.

HWM offers advice on many types of securities but primarily allocates clients' management assets among mutual funds in accordance with the investment objectives of the client. HWM's typical client will be invested in a portfolio of Mutual Funds that will cover various asset classes based on clients' investment objectives. Investments are selected based on long-term performance that exceeds the performance of peer funds.

HWM's clients are advised to notify it of any changes in their other financial situations or if they wish to impose any reasonable restrictions on their accounts. HWM will seek to accommodate restrictions.

HWM may only implement its investment management recommendations after the client has arranged for and furnished HWM with all information and authorization regarding accounts with appropriate financial institutions. Financial institutions shall include, but are not limited to, TD Ameritrade, any other broker-dealer recommended by HWM, broker-dealer directed by the client, trust companies, banks, etc. (collectively referred to herein as the "Financial Institution(s)"), as described more thoroughly as in section 12 of this disclosure document.

HWM provides a copy of this ADV Part 2A and its privacy policy notice to each client prior to or simultaneously with the execution of the Agreement. Any client who has not received this ADV Part 2A at least 48 hours prior to executing the Agreement shall have

five business days to terminate the Agreement without penalty. Neither HWM nor the client may assign the Agreement without the consent of the other party.

#### Tax Preparation Services

HWM may provide its clients with a broad range of non-investment related services including tax preparation services. David Hoyem or HWM may charge a separate fee for these services which shall be agreed upon prior to rendering the services.

#### **Assets Under Management**

As of December 31, 2019, HWM had \$274,012,190 in client assets under management on a discretionary basis.

## Fees and Compensation

Form ADV Part 2A, Item 5

### Management Fees

For the services previously listed, HWM shall charge an annual fee based upon a percentage of the market value of the assets being managed by HWM. HWM's annual fee is exclusive of and in addition to brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. However, HWM shall not receive any portion of these commissions, fees, and costs. HWM's annual fee shall be prorated and charged quarterly, in arrears, based upon the market value of the assets on the last day of the previous quarter. The annual fee shall vary (between 0.30% and 1.00%) depending upon the market value of the assets under management and the type of wealth management services to be rendered, as follows:

<u>Portfolio Value</u>	<u>Annual Fee</u>
Up to \$100,000.....	1.00%
\$100,001 - \$250,000.....	0.75%
\$250,001 - \$1,000,000.....	0.50%
\$1,000,001 - \$5,000,000.....	0.35%
Above \$5,000,000.....	0.30%

Certain wealth management accounts may be subject to a fixed fee, which shall be negotiated prior to rendering the services.

HWM shall generally recommend that clients utilize the brokerage and clearing services of TD AMERITRADE Institutional, a division of TD AMERITRADE, Inc. ("TD Ameritrade") for investment management accounts. HWM's Agreement and/or the separate agreement with the Financial Institution(s) may authorize HWM through the Financial Institution(s) to debit the client's account for the amount of HWM's fee and to directly remit that management fee to HWM in accordance with applicable custody rules. The Financial Institution(s) recommended by HWM have agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to HWM.

The client may make additions to and withdrawals from the account at any time, subject to HWM's right to terminate an account. Clients may withdraw account assets on notice to HWM, subject to the usual and customary securities settlement procedures. However, HWM designs its portfolios as long-term investments and asset withdrawals may impair

the achievement of a client's investment objectives.

For the initial quarter of investment management services, the first quarter's fees shall be calculated on a *pro rata* basis. The Agreement between HWM and the client will continue in effect until terminated by either party pursuant to the terms of the Agreement. HWM's annual fee shall be prorated through the date of termination and any remaining balances shall be charged or refunded to the client, as appropriate and in a timely manner.

Additions may be in cash or securities provided that HWM reserves the right to liquidate any transferred securities or decline to accept particular securities into a client's account. HWM may consult with its clients about the options and ramifications of transferring securities. However, clients are advised that when transferred securities are liquidated, they are subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications.

### **Transaction Costs**

Clients may incur certain charges imposed by the financial institution(s) and other third parties such as custodial fees, charges imposed directly by a mutual fund or exchange traded fund in the account, which are disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), 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. Additionally, for assets outside of any wrap fee programs, clients may incur brokerage commissions and transaction fees. Such charges, fees and commissions are exclusive of and in addition to HWM's fee.

### Performance-Based Fees and Side-By-Side Management

Form ADV Part 2A, Item 6

HWM does **not** accept performance-based fees which are fees based on a share of capital gains or capital appreciation of the assets of a client.



### **Types of Clients**

Form ADV Part 2A, Item 7

HWM provides investment advice to individuals, high net worth individuals, pension and profit-sharing plans, and trusts, estates, or charitable organizations.

## Methods of Analysis, Investment Strategies and Risk of Loss

Form ADV Part 2A, Item 8

HWM uses fundamental methods of analysis. The main sources of information HWM uses to formulate investment advice include financial newspapers, magazines and independently prepared research materials. The investment strategies used to implement any investment advice given to clients include long term purchases that are held at least a year.

**Disciplinary Information**

Form ADV Part 2A, Item 9

Neither HWM nor its owner, David S. Hoyem, has any disciplinary information to report.

### **Other Financial Industry Activities and Affiliations**

Form ADV Part 2A, Item 10

HWM may provide its clients with a broad range of non-investment related consulting services, including tax services. HWM may charge a separate fee for these services that is not related to the fees charged for investment advice. Any additional fees for non-investment related consulting services shall be agreed upon prior to rendering the services. HWM anticipates that it will devote approximately ten percent (10%) of its time to such services.

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

Form ADV Part 2A, Item 11

HWM and persons associated with HWM (“Associated Persons”) are permitted to buy or sell securities that it also recommends to clients consistent with the HWM’s policies and procedures.

HWM has adopted a code of ethics that sets forth the standards of conduct expected of its Associated Persons and requires compliance with applicable securities laws (“Code of Ethics”). In accordance with Section 204A of the Advisers Act, its Code of Ethics contains written policies reasonably designed to prevent the unlawful use of material non-public information by HWM or any of its Associated Persons. The Code of Ethics also requires that certain of HWM’s personnel (called “Access Persons”) report their personal securities holdings and transactions and obtain pre-approval of certain investments such as initial public offerings and limited offerings. Clients may contact HWM to request a copy of its Code of Ethics.

Unless specifically permitted in HWM’s Code of Ethics, none of HWM’s Access Persons may effect for themselves or for their immediate family (i.e., spouse, minor children, and adults living in the same household as the Access Person) any transactions in a security which is being actively purchased or sold, or is being considered for purchase or sale, on behalf of any of HWM’s clients.

When HWM is purchasing or considering for purchase any security on behalf of a client, no Access Person may effect a transaction in that security prior to the completion of the purchase or until a decision has been made not to purchase such security. Similarly, when HWM is selling or considering the sale of any security on behalf of a client, no Access Person may effect a transaction in that security prior to the completion of the sale or until a decision has been made not to sell such security. These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, banks’ acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, repurchase agreements listed twice; (iii) shares used by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

## Brokerage Practices

Form ADV Part 2A, Item 12

HWM shall generally recommend that clients utilize the brokerage and clearing services of TD AMERITRADE Institutional, a division of TD AMERITRADE, Inc. (“TD Ameritrade”) for investment management accounts. Except as provided for in any applicable wrap fee program, the brokerage commissions and/or transaction fees charged by TD Ameritrade or any other designated broker-dealer are exclusive of and in addition to HWM’s fee.

Factors which HWM considers in recommending TD Ameritrade or any other broker-dealer to clients include their respective financial strength, reputation, execution, pricing, research, and service. TD Ameritrade enables HWM to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. The commissions and/or transaction fees charged by TD Ameritrade may be higher or lower than those charged by other broker-dealers.

The commissions paid by HWM’s clients shall comply with HWM’s duty to obtain “best execution.” However, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where HWM determines, in good faith, that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full capability, commission rates, and responsiveness. Consistent with the foregoing, while HWM will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client transactions.

### **Directed Brokerage**

Generally, HWM does not accept clients who direct their brokerage away from TD Ameritrade. If the client requests HWM to arrange for the execution of securities brokerage transactions for the client’s account, HWM shall direct such transactions through broker-dealers that HWM reasonably believes will provide best execution. HWM shall periodically and systematically review its policies and procedures regarding

recommending broker-dealers to its client in light of its duty to obtain best execution.

In that case, HWM will not be able to “batch” client transactions for execution through other broker-dealers with orders for other accounts managed by HWM (as described below). As a result, the client may pay higher commissions or other transaction costs or greater spreads or receive less favorable net prices on transactions for the account than would otherwise be the case. Subject to its duty of best execution, HWM may decline a client’s request to direct brokerage if, in HWM’s sole discretion, such directed brokerage arrangements would result in additional operational difficulties.

### **Aggregation**

Transactions for each client generally will be effected independently due to the individualized advice given to each client. Therefore, HWM does not aggregate trades.

### **Allocations**

HWM will effect client transactions individually. Therefore, there will be no allocation of client trades.

### **Soft Dollars**

HWM receives no research or related support as soft dollars.

## Review of Accounts

Form ADV Part 2A, Item 13

For those clients to whom HWM provides investment management services, HWM monitors those portfolios as part of an ongoing process while regular account reviews are conducted on at least a quarterly basis. For those clients to whom HWM provides financial planning services, reviews are conducted on an “as needed” basis. Such reviews are conducted by the Principal of HWM, David S. Hoyem. All investment advisory clients are encouraged to discuss their needs, goals, and objectives with HWM and to keep HWM informed of any changes thereto. HWM shall contact ongoing investment advisory clients at least annually to review its previous services and/or recommendations and to discuss the impact resulting from any changes in the client’s financial situation and/or investment objectives.

Unless otherwise agreed upon, clients are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer or custodian for the client accounts. Those clients to whom HWM provides investment advisory services will also receive a report from HWM that may include such relevant account and/or market-related information such as an inventory of account holdings and account performance on a quarterly basis. It is the responsibility of the client to check the accuracy of the reports sent by HWM by comparing them to the reports provided by the custodian.



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

Form ADV Part 2A, Item 14

HWM does not receive an economic benefit or other compensation for providing investment advice or other advisory services to its clients, and does not compensate any person either directly or indirectly for client referrals.

## **Custody**

Form ADV Part 2A, Item 15

HWM does not have custody of client funds. Each client's custodian sends, at least quarterly, a statement detailing the clients' holdings, transactions, and values for a particular period. Clients should carefully review those statements.

From time to time or for a client meeting, HWM may prepare reports or statements for clients. HWM urges its clients to compare the account statements they receive from the qualified custodian with those they receive from HWM.

### Investment Discretion

Form ADV Part 2A, Item 16

HWM only manages accounts on a discretionary basis and will place trades without first obtaining client consent or approval prior to each transaction. Clients may specify investment objectives, guidelines, and/or impose certain conditions or investment parameters for your account(s).

### **Voting Client Securities**

Form ADV Part 2A, Item 17

HWM does not vote proxies on behalf of its clients.

**Financial Information**

Form ADV Part 2A, Item 18

HWM has no financial information to disclose.

## Additional Information

Form ADV Part 2A, Item 19

### **PRIVACY NOTICE (Regulation S-P)**

Pursuant to Regulation S-P adopted by the Securities and Exchange Commission, it is the policy of Hoyem Wealth Management, LLC to keep confidential nonpublic personal information (“*information*”) pertaining to each current and former client (i.e. *information* and records pertaining to personal background, investment objectives, financial situation, investment holdings, account numbers, account balances, etc.) unless Hoyem Wealth Management, LLC is (1) previously authorized by the client to disclose *information* to individuals and/or entities not affiliated with Hoyem Wealth Management, LLC, including, but not limited to the client’s other professional advisors and/or service providers (i.e., attorney, accountant, insurance agent, broker-dealer, investment adviser, account custodian, etc.); (2) required to do so by judicial or regulatory process; or (3) permitted to do so in accordance with the parameters of regulation S-P. The disclosure of *information* contained in any document completed by the client for processing and/or transmittal by continuation/termination of a business relationship between the client and nonaffiliated third party service provider (i.e. broker-dealer, investment adviser, account custodian, insurance company, etc.), including *information* contained in any document completed and/or executed by the client for Hoyem Wealth Management (i.e. Advisory agreement, client information form, etc.) shall be deemed as having been automatically authorized by the client with respect to the corresponding nonaffiliated third party service provider. Each individual and/or entity affiliated with Hoyem Wealth Management is aware of Hoyem Wealth Management’s *privacy policy*, and has acknowledged his/her/its requirement to comply with the same. In accordance with the Hoyem Wealth Management, LLC’s *privacy policy*, each such affiliated individual and/or entity shall have access to *information* to the extent reasonably necessary for Hoyem Wealth Management, LLC to perform its services for the client, and to comply with applicable regulatory procedures and requirements.

If you have any questions, please contact David S. Hoyem at (847) 672-1342, or at [davidhoyem@unitedconveyor.com](mailto:davidhoyem@unitedconveyor.com).