

## Item 1- Cover Page



# KINGSVIEW

## WEALTH MANAGEMENT

**Kingsview Wealth Management, LLC**

**Firm CRD#: 148107**

**509 SE 7<sup>th</sup> Street, 2<sup>nd</sup> Floor**

**Grants Pass, OR 97526**

**P. 541-291-4405**

**F. 541-291-4415**

**<http://www.kingsview.com>**

**Date of ADV Part 2A Disclosure: March 23, 2020**

This brochure provides information about the qualifications and business practices of Kingsview Wealth Management, LLC. If you have any questions about the contents of this brochure, please contact us at: 541-291-4405, or by email: [info@kingsview.com](mailto:info@kingsview.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 Kingsview Wealth Management, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Registration as a registered investment advisor does not imply a certain level of skill or training.

## **Item 2 - Material Changes**

---

### **Material Changes since the Last Update**

The following material changes have been made to the information in this brochure since the last annual updating amendment of Kingsview Wealth Management, LLC dated July 5, 2019. Material changes relate to Kingsview Wealth Management, LLC's policies, practices or conflicts of interests.

- 1) No material changes

## Item 3 -Table of Contents

---

|                                                                           |    |
|---------------------------------------------------------------------------|----|
| Item 1 - Cover Page _____                                                 | 1  |
| Item 2 - Material Changes _____                                           | 2  |
| Item 3 - Table of Contents_____                                           | 3  |
| Item 4 - Advisory Business _____                                          | 4  |
| Item 5 - Fees and Compensation_____                                       | 8  |
| Item 6 - Performance-Based Fees_____                                      | 13 |
| Item 7 - Types of Clients_____                                            | 13 |
| Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss_____ | 13 |
| Item 9 - Disciplinary Information_____                                    | 22 |
| Item 10 - Other Financial Industry Activities and Affiliations_____       | 22 |
| Item 11 - Code of Ethics_____                                             | 23 |
| Item 12 - Brokerage Practices_____                                        | 24 |
| Item 13 - Review of Accounts_____                                         | 26 |
| Item 14 - Client Referrals and Other Compensation_____                    | 26 |
| Item 15 – Custody_____                                                    | 30 |
| Item 16 - Investment Discretion_____                                      | 30 |
| Item 17 - Voting Client Securities_____                                   | 30 |
| Item 18 - Financial Information_____                                      | 31 |
| Appendix 1 – Privacy of Client Financial Information_____                 | 32 |

## **Item 4 – Advisory Business**

---

### **Firm Description**

Kingsview Wealth Management, LLC, (“KWM”) is a registered investment advisor with the Securities and Exchange Commission (“SEC”). Registration as a registered investment advisor does not imply a certain level of skill or training. The firm was founded in 2008 and conducts business in the state of Oregon and other states, where the firm is currently notice filed.

### **Advisory Services Offered**

KWM provides advice by consultation with the client and may include: determination of financial objectives, identification of financial problems, cash flow management, tax planning, insurance review, investment management, education funding, retirement planning, and estate planning.

KWM is a financial planning and investment management firm. The firm does not sell annuities, insurance, stocks, bonds, mutual funds, limited partnerships, or other securities.

Investment advice is an integral part of financial planning. In addition, KWM advises clients regarding cash flow, college planning, retirement planning, tax planning and estate planning. Investment advice is provided, with the KWM IAR making the final decision on investment selection. KWM does not act as a custodian of client assets. KWM places trades for clients under a limited power of attorney arrangement.

An investment questionnaire is completed or the client is interviewed in order to evaluate each client's initial situation. Periodic reviews are also communicated to provide reminders of the specific courses of action that need to be taken. More frequent reviews can occur as needed.

KWM will work with client’s outside advisors (e.g., attorneys, accounts, insurance agents) as need or requested.

The initial meeting with an Investment Advisor Representative (IAR) which may be by telephone, is free of charge and is considered an exploratory interview to determine the extent to which financial planning and investment management may be beneficial to the client.

### **Principal Owners**

Direct Owner – Kingsview Partners

Indirect Owner – IB Group. Joshua Lewis, Managing Member

### **Types of Advisory Services**

KWM provides investment supervisory services, also known as asset management services, and furnishes investment advice through consultations by its IARs.

On more than an occasional basis, KWM furnishes advice to clients on matters not involving

securities, such as financial planning matters. In addition will discuss topics with clients related to taxation issues, and trust services that often include estate planning.

KWM offers custom investment portfolio construction tailored to each client's individual needs. KWM uses Mutual Funds, Equities, Fixed Income, Exchange Traded Funds (ETFs), Real Estate, Hedge Funds, Private Equity Funds, Venture Capital Funds, Private Placements, Commodities, Options, Non-US Securities, Index Funds, Derivatives, Inverse and Leveraged ETFs, Publicly Traded Master Limited Partnerships, Futures Contracts, Exchange Traded Notes, Closed-End Funds, Unit Investment Trusts, Non-Traded Real Estate Investment Trusts, and Multi-Strategy Funds to accomplish the client's objective. KWM may recommend investments, such as, Private Placements to Accredited Investors.

### **Portfolio Managed by IAR**

Portfolio Managed by IAR is a discretionary account that is managed at the discretion of an IAR who is either an independent contractor or employee of KWM. The investment management style can range from aggressive to conservative. At the discretion of the IAR, trades may be made in traditional equities (stocks), fixed income instruments (bonds), equity and or index options, mutual funds, unit investment trusts, futures, options on futures, or any other investment the IAR deems appropriate. Some investments utilized may include the use of margin or leverage. A KWM IAR may also use Kingsview Investment Management portfolios for an additional fee.

### **Kingsview Investment Management (KIM)**

KWM has an internal portfolio management group known as Kingsview Investment Management ("KIM"). KIM asset management services are offered to KWM clients through KWM IARs. KIM asset management services are also offered to non-KWM clients and unaffiliated advisors through model leases, solicitor agreements and model trading agreements. KWM clients utilizing asset management services provided by KIM will incur charges in addition to the KWM advisory fee.

This is a conflict of interest. Lower fees for comparable services may be available from other sources. You are not obligated to participate in KIM portfolios. Your KWM IAR will always act in your best interest.

### **Investments Strategies and Trades Initiated by Clients**

This service is meant to be only a part of the client's overall investment strategy and is considered an alternative, non-correlated asset class. Clients will do their own research and present their trading ideas and investment strategies to the IAR. The IAR will help the client determine if the trades or trading strategies are going to help the client reach their investment objectives.

The client may want to trade complex investment products and/or strategies. The IAR will provide a detailed explanation of these products and/or strategies and explain how they are designed to work. The IAR may help the client execute the trades and provide ongoing monitoring of the client's investment portfolio.

## **Selection of Other Advisors**

Commodity Trading Advisor Accounts and Third-Party Advisors – KWM has entered into agreements with third-parties offering managed account programs. Under these agreements, the third-parties have agreed to provide various types of money management programs and services to the clients of KWM.

***Commodity Trading Advisor Accounts*** - IARs may recommend and assist clients with establishing futures accounts managed by a Commodities Trading Advisor (CTA). The IAR may also be registered to sell futures as an Associated Person of a Introducing Broker. If the IAR is also registered to sell futures, he or she may receive usual and customary compensation associated with the trading of futures.

***Third Party Advisors*** - KWM enters into agreements with third-party advisors offering managed account programs. Under these agreements, the third-party advisors have agreed to provide various types of money management programs and services to the Clients of KWM. All managed account programs utilized by KWM selects will be licensed as investment advisors by their resident state or with the United States Securities and Exchange Commission.

KWM has entered into agreements with managed account programs for the provision of client services. KWM clients will enter into a direct contract with the managed account program. After gathering information about a client's financial situation and investment objectives, KWM may select a third-party advisor depending on the money management services required by the client. The compensation of both KWM and managed account program is fully disclosed to each client in the program.

KWM may or may not maintain the authority to hire and terminate the services of each managed account program employed by KWM.

Each program's fees are established and payable in accordance with the Form ADV Part 2 or other equivalent disclosure document of each managed account program selected by KWM. Fees for these programs may or may not be negotiable by KWM.

Prior to rendering investment management services, KWM will ascertain, in conjunction with the client, the client's financial situation, risk tolerance, and investment objective(s).

## **Financial Planning**

A financial plan is created by a KWM IAR to help the client without ongoing investment management after the financial plan is completed.

The financial plan may include, but is not limited to: a net worth statement; a cash flow statement; a review of investment accounts, including reviewing asset allocation and providing repositioning recommendations; strategic tax planning; a review of retirement accounts and plans including recommendations; a review of insurance policies and recommendations for changes, if necessary;

one or more retirement scenarios; estate planning review and recommendations; and education planning with funding recommendations.

Detailed investment advice and specific recommendations are provided as part of a financial plan. Implementation of the recommendations is at the discretion of the client. A conflict of interest exists because investment advice may involve investment advisory services for which KWM will charge an asset under management fee in addition to the financial planning fee. Additional conflicts of interest arise if the recommended plan involves the purchase of insurance products or investments into commodity futures. This is due to KWM's affiliations with properly licensed entities, that are entitled to receive compensation for such transactions. The client is under no obligation to follow the advisor's recommendation. The client is under no obligation to affect the transactions with KWM.

### **Ongoing Financial Consulting**

KWM IARs may offer clients an ongoing financial consulting relationship. Where the IAR provides ongoing advice and guidance with respect to the implementation of a client's overall financial plan. This service can include investment advice and financial planning.

### **ERISA 3(21)**

For employer sponsored retirement plans with participant-directed investments, KWM provides advisor services as an investment advisory services as defined under Section 3(21) of the Employee Retirement Income Security Act of 1974 ("ERISA").

When serving as an investment advisor in an ERISA 3(21) capacity, the plan sponsor retains decision making authority for the investments and may or may not accept recommendations offered by KWM. KWM can provide the following services to plan sponsors:

- Screen investments and make ongoing recommendations
- Monitor the investments and suggest replacement investment options when appropriate
- Provide investment monitoring reports
- Recommend non-discretionary model portfolios (asset allocation target date or risk based model portfolios)
- Act as service liaison between the plan and its service providers
- Conduct plan search or plan service vendor analysis
- Benchmark Plan fees compared to similar Plans in its peer group

Our goal in determining a plan's investment options is to provide a range of options across varying risk tolerances, time horizons and other investment criteria. Each plan's investment options may consist of mutual funds, model portfolios, or other similar investment funds. The investment funds from which KWM generally selects will be those that are available on the plan recordkeeper's investment platform.

We will perform on-going monitoring of the investment options within the plan. The ongoing monitoring of investments is a regular and disciplined process. Monitoring confirms that the criteria satisfied and that an investment option continues to be appropriate.

We may provide periodic education support and investment workshops designed for the plan participants, if provided for in our Agreement with the Plan Sponsor. Topics to be discussed will be determined in conjunction with the Plan Sponsor and in accordance with guidelines established in ERISA 404(c). The education support or investment workshops will not provide plan participants with individualized, tailored investment advice or individualized, tailored asset allocation recommendations.

### **Wrap Fee Programs**

KWM does not participate in any wrap fee programs.

### **Insured Cash Management Programs**

KWM IARs may offer an Insured Cash Management Program to their clients. This program offered by Cantor/Stone Castle provides favorable interest rates on cash balances and provides FDIC insurance up to \$25 million.

### **Assets Under Management**

As of December 31, 2019, KWM manages approximately \$1,460,387,068 on a discretionary basis and advises on an additional \$161,334,174.

## **Item 5 – Fees and Compensation**

---

KWM bases its fees on a percentage of assets under management and fixed fees.

The annual advisory fee for asset management services is negotiable. Current client relationships may exist where the fees are lower than the fee schedule below.

Clients who provide written notice terminating their advisory relationship with KWM will receive a refund prepaid fees at a pro-rata amount for the portion of the contract period following termination. Pre-paid advisory fee refunds due to clients who have terminated their contract before the end of a billing cycle will be eligible for a refund and will be issued a check within the first week of the next billing cycle. Lower fees for comparable services may be available from other sources.

Pre-paid financial planning fee refunds due clients who have terminated in writing the service before the end of the billing cycle will be issued a check within the first week of the next billing cycle.



### **Management Fees:**

Management fees are capped at 2.50% annual, based on the value of the account or related accounts, at the beginning of each quarter. The fee will be charged in advance. A client's starting quarter will be based upon the month they begin services with KWM. Fees will be deducted every 3 months after that initial month so a client will end up on one of three cycles.

1. Jan, Apr, Jul, Oct.
2. Feb, May, Aug, Nov.
3. Mar, Jun, Sep, Dec.

The first quarter's fees will be prorated for the days missed during the first month. All fees will be calculated based on the value at the beginning of each quarter. The management fee is disclosed in the firm's Investment Advisory Agreement. Clients will acknowledge the fee to be charged by initialing under the section where it is disclosed.

### **KWM's Standard Fee Schedule.**

First \$250,000 – 1.50% annual fee  
Next \$750,000 – 1.00% annual fee  
Any amount over \$1,000,000 – 0.75% annual fee

Fees for investment advisory services can be negotiable and are set at the discretion of the KWM IAR providing services. This fee is exclusive of a KIM model fee, or 3<sup>rd</sup> party money manager fee.

### **Portfolios Managed by IAR**

No additional management fee is charged for Portfolios Managed by IAR.

### **Portfolios Managed by KIM**

Management fees are capped at 2.10% annual, based on the value of the account or related accounts at the beginning of each quarter. The total fee is comprised of an advisory fee and a model fee. These fees are the combined fee for the IAR and KIM Portfolio manager's services and will not exceed the annual cap.

Each KIM managed portfolio strategy has its own model fee schedule.

#### **KIM CORE and Small Account Model**

First \$250,000 – 0.25% annual fee  
Next \$750,000 – 0.20% annual fee  
Any amount over \$1,000,000 – 0.15% annual fee

### **KIM Multi-Strategy**

First \$250,000 – 0.40% annual fee  
Next \$750,000 – 0.30% annual fee  
Any amount over \$1,000,000 – 0.20% annual fee

### **KIM Global Macro Trend, KIM Ambassador Income, KIM Blue Chips, KIM Blue Chips Elite, KIM ProCap, KIM Sector Alpha, and Dividend Plus**

First \$250,000 – 0.60% annual fee  
Next \$750,000 – 0.50% annual fee  
Any amount over \$1,000,000 – 0.40% annual fee

### **KIM Asset Protection**

1.00% annual fee

### **Investments Strategies and Trades Initiated by Clients**

0.50% annual fee

### **ERISA 3(21) Fees**

We charge an annual fee as negotiated with the client and disclosed in the ERISA 3(21) Advisory Agreement. The compensation method is explained and agreed upon in advance before any services are rendered. Fees range from 0.25% to 1.00% annually.

### **Commodity Trading Advisor Accounts and Third Party Advisors.**

The client will pay only those fees disclosed in the third party entity's documents. No additional management fees will be charged by KWM.

In order for an IAR to be compensated for a Commodity Trading Advisor account, he must also be registered as an Associated Person with an Introducing Futures Broker. The IAR acting as an Associated Person will earn the commissions generated by the futures trading done by the Commodities Trading Advisor. The IAR/Associated Person does not influence the number of transactions made by the Commodity Trading Advisor. In addition, the Commodity Trading Advisor may share his management fees with the Associated Person. KWM will not be compensated in any manner by the Commodity Trading Advisor.

Third Party Advisors share a percentage of the fees they charge clients with KWM that are referred by Investment Advisory Representatives of KWM. The percentage of the fee received by KWM will be disclosed to the client in the form of a solicitor's agreement.

## **Financial Planning**

The fee range is \$250 to \$5,000 and is negotiable.

In the event that the client's situation is substantially different than disclosed at the initial meeting, a revised fee will be provided for mutual agreement. The client must approve the change of scope in advance of the additional work being performed when a fee increase is necessary.

Fees are usually deducted from a designated client account to facilitate billing. The client must consent in advance to direct debiting of their investment account. 50% of the estimated fee is due upon signing of agreement. Payment of the remaining balance is expected upon financial plan completion.

If KWM does not manage a client's assets, the payment must be made by check. 50% of the estimated fee is due upon signing of agreement. Payment of the remaining balance is expected upon financial plan completion.

## **Ongoing Investment Consulting**

The fee range is from \$500 to \$12,500 per quarter based on the value of the assets under advisement. Advisor will not exercise discretion over these accounts or enter any trades. The advisor will consult with the client in person, by phone and/or email on an ongoing basis. The fee is negotiable.

Fees are billed either quarterly or annually in advance. A fee schedule will be supplied to the client with the investment consulting contract. Fees will be refunded on a pro-rata basis upon written notice of termination.

## **Insured Cash Management**

KWM may select Third Party Advisors that manage an Insured Cash Program. The fee received by KWM will be disclosed to the client prior to account opening.

## **Other Fees**

### **Ticket Charge**

Custodians may charge transaction fees on purchases or sales of certain exchange traded funds, listed securities, over-the-counter securities, mutual funds, or options on securities. These transaction charges are usually incidental to the purchase or sale of a security. The selection of the security is more important than the nominal fee that the custodian charges to buy or sell the security.

### **Accounting Fee**

KWM requires all accounts under management to be included in our accounting and performance reconciliation system. Each account will be assessed a flat, per quarter charge of up to \$15.00. This fee will be billed simultaneously with quarterly advisory fees and included within the total fees debited from client's account.

### **Expense Ratios**

Mutual funds generally pay an investment management fee to the investments advisers directing the management of their portfolios. This fee, among other ongoing operating expenses, make up each fund's expense ratio. These costs are paid out of the assets of the mutual fund. This means that clients pay two levels of advisory fees in connection with mutual funds held in their portfolios. KWM's fee and the fund's.

Performance figures quoted by mutual fund companies in various publications after their fees have been deducted.

### **Past Due Accounts and Termination of Agreements**

KWM reserves the right to stop work on any account that is more than 45 days overdue. In addition, KWM reserves the right to terminate any financial planning engagement where a client has willfully concealed or has refused to provide pertinent information about financial situations when necessary and appropriate, in KWM's judgment, to providing proper financial advice.

### **Outside Compensation for the Sale of Securities to Clients**

No KWM IAR receives outside compensation for the sale of securities to clients.

## **Item 6 – Performance-Based Fees**

---

KWM's fees are not based on a share of the capital gains or capital appreciation of managed securities.

KWM does not use a performance-based fee structure because of the potential conflict of interest.

## **Item 7 – Types of Clients**

---

KWM generally provides personalized, confidential financial planning and investment management services to individuals, pension and profit-sharing plans, endowments, trusts, and small businesses.

Client relationships vary in scope and length of service.

## **Account Minimums**

The minimum account size is \$25,000 of assets under management.

KWM has the discretion to waive the account minimum. Accounts of less than \$25,000 may be set up when the client and the advisor anticipate the client will add funds to the accounts bringing the total to \$25,000 within a reasonable time. Other exceptions will apply to employees of KWM and their relatives, or relatives of existing clients at KWM's discretion.

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

---

### **Methods of Analysis**

#### **Portfolio Managed by the IAR**

The security analysis methods for the IAR Account may include charting, fundamental analysis, technical analysis, and cyclical analysis. The main sources of information used by IARs to determine strategies, courses of action, allocations, include financial newspapers and magazines, inspections of corporate activities, research materials prepared by others, corporate rating services, timing services, annual reports, prospectuses, filings with the SEC, the internet and company press releases.

Investing in securities involves certain investment risks. Securities may fluctuate in value or lose value. Clients should be prepared to bear the potential risk of loss. KWM will assist clients in determining an appropriate strategy based on their tolerance for risk and other factors noted above. However, there is no guarantee that a client will meet their investment goals.

Each client engagement will entail a review of the client's investment goals, financial situation, time horizon, tolerance for risk and other factors to develop an appropriate strategy for managing a client's account. Client participation in this process, including full and accurate disclosure of requested information, is essential for the analysis of a client's account. The Advisor shall rely on the financial and other information provided by the client or their designees without the duty or obligation to validate the accuracy and completeness of the provided information. It is the responsibility of the client to inform the Advisor of any changes in financial condition, goals or other factors that may affect this analysis.

#### **Kingsview Investment Management Models**

### **Investment Strategies**

#### **Portfolio Managed by IAR**

Strategies may include long-term purchases, short-term purchases, trading, short sales, margin transactions, and option writing (including covered options, uncovered options or spreading

strategies). The investment strategy is developed by the individual IAR, reviewed by KWM management before it is presented to the client.

KWM IARs generally employ investment strategies that involve domestic equity and international market risks.

Certain strategies pursued above may involve foreign risks, currency conversion risks, leverage and other risks. Clients should read all material and understand the risks prior to making an investment. Certain strategies may have significant embedded risks that may compound gains and losses. Please remember that different types of investments involve varying degrees of risk, including the possible loss of principal and that past performance may not be indicative of future results. Therefore, it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies undertaken by KWM IARs) will be profitable.

### **Kingsview Investment Management Models**

#### **KIM Small Account Models (SAM)**

KIM Small Account Models are a diversified strategic asset allocation that via tracking software are rebalanced quarterly to target allocations by the portfolio manager provided the trades make economic sense. This investment program's major risks of loss are market risk, inflation risk and interest rate risk. Considering the diversified nature of these investment portfolios, there is a lesser risk of loss due to currency fluctuations and business risks.

#### **KIM CORE**

Once the KIM CORE portfolio is established, the positions are entered into the KWM proprietary tracking program. The tracking program automatically monitors each account's exchange traded funds positions in real time and alerts the investment manager when the current allocations have varied from the target allocations by a preset percentage. When this condition occurs, the investment manager generally makes adjustments by selling those securities that are overweighted and buys those that are underweighted. These adjustments may not be made if, at the discretion of the investment manager, the trades do not make economic sense due to small size of the trades. This investment program's major risks of loss are market risk, inflation risk and interest rate risk. Considering the diversified nature of these investment portfolios, there is a lesser risk of loss due to currency fluctuations and business risks.

#### **KIM Global Macro Trend**

KIM Global Macro Trend's trend following software will adequately position the portfolio with futures and options positioning either long or short. The portfolio is a momentum-based trading strategy and while stop losses and other risk measurements are in place, the allocations could leave an investor inversely or "short" positioned against major market indices. This investment program's major risks of loss are market risk, inflation risk and interest rate risk.

## **KIM Multi Strategy Portfolio Series**

KIM Multi-Strat offers a range of diversified positioning through manager style diversification in strategic, active and tactical approaches. This investment program's major risks of loss are market risk, inflation risk and interest rate risk. Considering the diversified nature of these investment portfolios, there is a lesser risk of loss due to currency fluctuations and business risks.

### **KIM Ambassador Income**

KIM Ambassador Income is an alternative to traditional fixed income allocations where more in-depth analysis is performed on interest rate policy and shape and poise of the yield curve to find investments that may be more attractive than conventional bond indices. This investment program's major risk of loss is primarily due to interest rate risk but also is affected by market risk and inflation risk.

### **KIM Blue Chips**

KIM Blue Chips focuses on the goal of picking the best areas of the equity market and avoiding the worst ones via individual stock positions which track company fundamentals. When conditions change with respect to our holdings, new positions are initiated and trades are performed. This investment program's major risks of loss are market risk, inflation risk and interest rate risk.

### **KIM Blue Chips Elite**

KIM Blue Chips focuses on the goal of picking the best areas of the equity market and avoiding the worst ones via a group of concentrated stock positions which track company fundamentals. When conditions change with respect to our holdings, new positions are initiated and trades are performed. This investment program's major risks of loss are market risk, inflation risk and interest rate risk.

### **KIM ProCap**

KIM ProCap uses exchange traded funds to express our opinion on the overall state of the economy through interpretation of macroeconomic data points like employment and output. The portfolio seeks to provide opportunistic positioning in equity and other risk assets during economic and market expansions and cash and fixed income during contractions. This investment program's major risks of loss are market risk, inflation risk and interest rate risk. Considering the diversified nature of these investment portfolios, there is a lesser risk of loss due to currency fluctuations and business risks.

### **KIM Sector Alpha**

KIM Sector Alpha portfolio uses macroeconomic data points like employment and output trends from the 10 sectors of the S&P 500 (and their various subsectors) to determine the best areas for investment. The analysis is performed with the goal to pick the best overall sectors of the equity market and avoid the worst ones that are showing least amounts of growth and

price appreciation. This investment program's major risks of loss are market risk, inflation risk and interest rate risk.

### **KIM Dividend Plus**

The Kingsview Dividend Plus portfolio focuses its selections on dividend paying stocks that historically increase their dividends while also providing above average growth to their annual cash flow. Relying on fundamental factors that are measured real-time, serve to guide the direction of investment. The analysis is performed on the Russell 1000 with the portfolio generally leading to investment in large cap "value" stocks.

### **Investment Strategies and Trades Initiated by Clients:**

Strategies may include long-term purchases, short-term purchases, trading, short sales, margin transactions, futures, and option writing (including covered options, uncovered options or spreading strategies). The investment strategy is developed by the client, with ongoing management advice from the IAR.

The IAR will not offer investment advice on the merits of individual trades chosen by the client. The IAR will help the client understand how the strategy is designed to work; the risk and type of loss associated with each trade and will provide ongoing advice as to how these investments fit into the overall investment portfolio.

### **Commodity Trading Advisor Accounts.**

The investment strategies employed by these investment entities will be explained to the client by the IAR and detailed in the disclosure documents provided by each individual advisor or fund.

These types of programs generally carry a HIGH DEGREE OF RISK and will be described in the disclosure documents supplied by each outside advisor. The IAR will discuss the risks involved in each program with the client before making a referral.

### **Risk of Loss**

All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

*Interest Rate Risk:* Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.

*Market Risk:* The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.

*Inflation Risk:* When any type of inflation is present, a dollar today will not buy as much as a dollar



next year, because purchasing power is eroding at the rate of inflation.

*Currency Risk:* Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.

*Reinvestment Risk:* This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.

*Business Risk:* These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity, no matter the economic environment.

*Liquidity Risk:* Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.

*Financial Risk:* Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

KWM's use of short sales, margin transactions, and options trading generally holds greater risk of capital loss. 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. They can be of bond "fixed income" nature or stock "equity" nature.

**Equity** investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and 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 market conditions and general economic environments.

**Fixed income** investments generally pay a return on a fixed schedule, though the amount of the payments can vary and 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.

**Hedge Funds** often engage in leveraging and other speculative investment practices that may increase the risk of investment loss; can be highly illiquid; are not required to provide periodic pricing or valuation information to investors; may involve complex tax structures and delays in distributing important tax information; are not subject to the same regulatory requirements as mutual funds; and often charge high fees. In addition, hedge funds may invest in risky securities and engage in risky strategies.

**Private Equity Funds:** In addition to the risks associated with hedge funds, there are risks specifically associated with investing in private equity. Capital calls can be made on short notice, and the failure to meet capital calls can result in significant adverse consequences, including but not limited to a total loss of investment.

**Venture Capital Funds** invest in start-up companies at an early stage of development in the interest of generating a return through an eventual realization event; the risk is high as a result of the uncertainty involved at that stage of development.

**Private placements** carry a substantial risk as they are subject to less regulation than are publicly offered securities, the market to resell these assets under applicable securities laws may be illiquid, due to restrictions, and liquidation may be taken at a substantial discount to the underlying value or result in the entire loss of the value of such assets.

**Commodities** are tangible assets used to manufacture and produce goods or services. Commodity prices are affected by different risk factors, such as disease, storage capacity, supply, demand, delivery constraints and weather. Because of those risk factors, even a well-diversified investment in commodities can be uncertain.

**Options** are contracts to purchase a security at a given price, risking that an option may expire out of the money resulting in minimal or no value. An uncovered option is a type of options contract that is not backed by an offsetting position that would help mitigate risk. The risk for a “naked” or uncovered put is not unlimited, whereas the potential loss for an uncovered call option is limitless. Spread option positions entail buying and selling multiple options on the same underlying security, but with different strike prices or expiration dates, which helps limit the risk of other option trading strategies. Option writing also involves risks including but not limited to economic risk, market risk, sector risk, idiosyncratic risk, political/regulatory risk, inflation (purchasing power) risk and interest rate risk.

**Non-U.S. securities** present certain risks such as currency fluctuation, political and economic change, social unrest, changes in government regulation, differences in accounting and the lesser degree of accurate public information available.

A **put** (or “put option”) is an option to sell assets at an agreed price on or before a particular date, and permit investors to hedge an investment they own or speculate in an investment they don’t own (i.e., a naked put). The seller’s potential loss on a naked put can be substantial. If the stock falls all the way to zero (bankruptcy), his loss is equal to the strike price (at which he must buy the stock to cover the option) minus the premium received.

**Index Funds** employ a strategy that aims to replicate the movements of an index of a specific financial market (which may include debt securities), or a set of rules of ownership that are held constant, regardless of market conditions. Products that utilize an index tracking strategy may suffer a risk of loss, including as a result of tracking error. Imperfect correlation between a portfolio of securities and those in the underlying index, rounding of prices, changes to the underlying index and regulatory requirements may cause tracking error, which is the divergence of the portfolio’s performance from that of the underlying index. This risk may be heightened during times of increased market volatility or other unusual market conditions. Tracking error also may result because a portfolio incurs fees and expenses while the underlying index does not.

**Derivatives** gain their value from another instrument and therefore can result in large losses because of the use of leverage, or borrowing. Derivatives allow investors to earn large returns from small movements in the underlying asset’s price. However, investors could lose large amounts if the price of the underlying moves against them significantly.

**Inverse ETFs** are designed to produce the inverse returns on a daily basis of whatever index they are tracking. For example, if the S&P 500 were to fall 10% in a given day, an S&P 500 inverse ETF would be up 10% that same day. Because inverse ETFs “reset” daily, their performance over longer periods of time -- over weeks or months or years -- can differ significantly from the performance (or inverse of the performance) of their underlying index or benchmark during the same period of time. This effect can be magnified in volatile markets.

**Leveraged 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). Leverage provides additional risk, as any losses sustained will constitute a greater percentage of principal than if leverage had not been employed. Additionally, if losses occur, the value of the account may fall below the lender's threshold thereby forcing the account holder to devote more assets to the account or sell assets on a shorter time frame than desired. Areas of concern for ETFs 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.

**Publicly traded master limited partnerships (MLPs)** own pipelines, storage tanks, and other cash-generating energy infrastructure and give practically all their income to shareholders in the form of distributions. They are structured differently from typical corporations and operate in a highly technical industry, and in some cases may use management incentive payments that encourage executives to take on more debt, which may increase the risk to investors. Furthermore, because production from shale drilling declines faster than that of crude from traditional wells, the high value and return of MLPs may not be sustained, and investors could lose money.

**Futures contracts** are agreements to buy or sell a specific amount of a commodity or a financial instrument at a particular price on a stipulated future date. Futures trading involves a high amount of leverage, with a relatively small amount of money used to establish a position in assets having a much greater value, and may involve significant losses during a very short period of time.

**Exchange Traded Notes (ETNs)** are unsecured, unsubordinated debt securities that were first issued by Barclays Bank PLC. This type of debt security differs from other types of bonds and notes because ETN returns are based upon the performance of a market index minus applicable fees, no period coupon payments are distributed and no principal protections exists. The purpose of ETNs is to create a type of security that combines both the aspects of bonds and exchange traded funds (ETF). Similar to ETFs, ETNs are traded on a major exchange, such as the NYSE during normal trading hours. However, investors can also hold the debt security until maturity. At that time the issuer will give the investor a cash amount that would be equal to principal amount (subject to the day's index factor). One factor that affects the ETN's value is the credit rating of the issuer. The value of the ETN may drop despite no change in the underlying index, instead due to a downgrade in the issuer's credit rating

**Closed-end funds and business development companies** are registered investment companies, like mutual funds. They carry the risk of capital loss and thus you may lose money. Like mutual funds, they have costs that lower investment returns. They can be of bond "fixed income" nature or stock "equity" nature (mentioned below). They have liquidity risks that mutual funds do not.

**Unit Investment Trusts** will, generally speaking, inherit the risks of the underlying securities, and may not be appropriate for investors seeking capital preservation. Complex UITs are subject to a number of risks that include increased volatility and greater potential for loss, and are not suitable for all investors.

An **American depositary receipt (ADR)** is a negotiable security that represents securities of a non-US company that trades in the US financial markets, which has certain of the same risks as investing directly in non-U.S. securities.

**Non-traded REITs** have additional risks resulting from their relative illiquidity. Furthermore, nontraded REITs typically have higher fees than traditional REITs. Additionally, nontraded REITs lack of mark-to-market pricing, an accounting practice that provides investors with an appraisal of a company's assets at the current market price.

**Multi-strategy funds** engage in a variety of investment strategies. The diversification benefits help to smooth returns, reduce volatility and decrease asset-class and single-strategy risks. Strategies adopted in a multi-strategy fund may include, but are not limited to, convertible bond arbitrage, equity long/short, statistical arbitrage and merger arbitrage.

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

## **Item 9 – Disciplinary Information**

---

Kingsview Wealth Management is required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of it or integrity of management.

On September 12<sup>th</sup> 2017 the National Futures Association (NFA) alleged that Kingsview Futures, LLC, an affiliated futures introducing broker and Josh Lewis, the managing member of Kingsview Partners failed to diligently supervise the firm's operations and activities in violation of NFA Compliance Rule 2-9(a). Without admitting or denying the allegations, Kingsview Futures, LLC agreed to pay a fine of \$50,000 to the NFA. Kingsview Futures, LLC and Josh Lewis also acknowledged that settlement would include a finding that Kingsview Futures, LLC failed to diligently supervise its operations and activities. [NFA Case No. 16-BCC-017](#)

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

---

### **Registration as a Broker/Dealer or Broker/Dealer Representative**

No KWM IAR is currently registered with a Broker/Dealer

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

KWM has arrangements that are material to its advisory business or its clients with related persons who are a commodity trading adviser, creates or packages limited partnerships. Commodities and Futures are regulated by the National Futures Association (NFA) and the Commodities and Futures

Trading Commission (CFTC).

Certain persons associated with KWM are Associated Persons with NFA registered Introducing brokers. These individuals receive usual and customary commissions on futures business that may or may not be related to advice given in connection with investments made at KWM.

### **Registration as Licensed Insurance Agent**

Most of the firm's IARs are licensed insurance agents. From time to time, they will offer clients advice or products from this activity. Clients should be aware that these services pay a commission and involve a possible conflict of interest, as commissionable products can conflict with the fiduciary duties of a registered investment adviser. Kingsview Wealth Management always acts in the best interest of the client; including in the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of Kingsview Wealth Management in their capacity as a licensed insurance agent.

Specific information on these individuals can be found in the provided ADV Part 2B (Supervised Persons Brochure).

### **Registration Relationships Material to the Advisory Business and Possible Conflicts of Interest**

Kingsview Trust and Insurance Services, LLC (KTI): Kingsview Partners the direct owner of KWM, also owns KTI an independent insurance agency. KTI offers fixed insurance products to KWM and non KWM clients through licensed insurance agents. Dually licensed IARs will be paid a commission for the sale of insurance products.

Mr. Lewis is the owner of Prosper Trading Academy, LLC, an investment education company. Customers may be referred by Prosper Trading Academy to KWM for advisory services. No compensation will be paid to Prosper Trading Academy by KWM.

Mr. Lewis is a Partner in Advantage Gold, LLC, a precious metals broker. Customers may be referred by Advantage Gold to KWM for advisory services. No compensation will be paid to the Advantage Gold by KWM.

Mr. Abaroa is a Wealth Instructor at Prosper Trading Academy. From time to time he will offer clients advice or products from this activity. Clients should be aware that Mr. Abaroa is compensated by Prosper Trading Academy for the sale of courses. Clients are in no way required to purchase or participate in any Prosper Trading Academy course. Mr. Abaroa is the owner of Knight Strategic Wealth, a DBA of KWM. Knight Strategic Wealth owns Armored Retirement, a financial education company. Clients are in no way required to purchase or participate in Armored Retirement courses.

### **Do Business As ("DBA") Names**

KWM also conducts business under the following names: Kingsview Asset Management, Norman

## **Item 11 – Code of Ethics**

KWM has implemented a Code of Ethics that defines our fiduciary commitment to each client. This Code of Ethics applies to all persons associated with KWM. The Code of Ethics was developed to provide general ethical guidelines and specific instructions regarding our duties to you, our client. KWM and its personnel owe a duty of loyalty, fairness and good faith towards each client. It is the obligation of KWM associates to adhere not only to the specific provisions of the Code but to the general principles that guide the Code. The Code of Ethics covers a range of topics that may include; general ethical principles, reporting personal securities trading, exceptions to reporting securities trading, reportable securities, initial public offerings and private placements, reporting ethical violations, distribution of the Code of Ethics, review and enforcement processes, amendments to Form ADV and supervisory procedures.

KWM has written its Code of Ethics to meet and exceed regulatory standards. To request a copy of our Code of Ethics, please contact us at (541)291-4405.

### **Personal Trading and Conflicts of Interest**

KWM allows supervised persons to purchase or sell the same securities that may be recommended to or purchased on behalf of clients. Owning the same securities, we recommend (purchase or sell) to you presents a potential conflict of interest that, as fiduciaries, we must disclose to you and mitigate through policies and procedures. By allowing KWM supervised persons to have personal accounts is a conflict of interest due to the potential that a KWM IAR may devote more time to monitor their personal accounts as opposed to spending that time on the review and monitoring of client accounts. Recommendations to a client involving individual stocks, options, bonds and other securities, could be a conflict of interest with the client because the KWM IAR may engage in front-running, or other activities that can cause harm to a client. As noted above, we have adopted, consistent with Section 204A of the Investment Advisers Act of 1940, a Code of Ethics, which addresses insider trading (material non-public information controls) and personal securities reporting procedures.

The Chief Compliance Officer of KWM is Sean McGillivray. He or his delegate reviews all employee trades each quarter. His trades are reviewed by Matthew Stolen. The personal trading reviews ensure that the personal trading of employees does not affect the markets, and that clients of the firm receive preferential treatment. Since most employee trades are small mutual fund trades or exchange-traded fund trades, the trades do not affect the securities markets.

We have also adopted written policies and procedures to detect the misuse of material, non-public information. KWM may have an interest or position in certain securities, which may also be recommended to you.

At no time, will KWM or any associated person of KWM, transact in any security to the detriment of any client.

## Item 12 – Brokerage Practices

---

### Recommendations of Brokerage Firms

KWM does not have discretionary authority to select the broker-dealer/custodian for custodial and execution services. The Client will select the broker-dealer or custodian (herein the "Custodian") to safeguard Client assets and authorize KWM to direct trades to this Custodian as agreed in the Investment Advisory Agreement. Further, KWM does not have the discretionary authority to negotiate commissions on behalf of our clients on a trade-by-trade basis. Where KWM does not exercise discretion over the selection of the Custodian, it may recommend the custodian[s] to Clients for execution and/or custodial services. Clients are not obligated to use the recommended Custodian and will not incur any extra fee or cost associated with using a broker not recommended by KWM. KWM may recommend a Custodian based on criteria such as, but not limited to, reasonableness of commissions charged to the Client, services made available to the client, and location of the Custodian's offices. KWM does not receive research services, other products, or compensation as a result of recommending a particular broker that may result in the client paying higher commissions than those obtainable through other brokers.

KWM typically recommends to Clients that they establish their brokerage account[s] at Interactive Brokers, LLC member FINRA/SIPC/NFA, Charles Schwab, member FINRA/SIPC, TD Ameritrade, member FINRA/SIPC, or Raymond James & Associates, member FINRA/SIPC (collectively "Custodians"). The Custodians are independent and unaffiliated FINRA registered broker-dealers. The Custodians offer services to independent investment Advisors, which include custody of securities, trade execution, clearance and settlement of transactions.

KWM receives some benefits from the Custodians through its custodial agreement with the respective custodian.

KWM considers a number of factors in selecting and/or recommending brokers and custodians for its Clients' accounts, including, but not limited to, execution capability, experience and financial stability, reputation and the quality of services provided. KWM is not affiliated with, or related to, any of the Custodians.

1. Soft Dollars-While KWM has no formal soft dollars program in which soft dollars are used to pay for third party services, KWM may receive research, products, or other services from its broker/dealer in connection with client securities transactions ("soft dollar benefits") consistent with (and not outside of) the safe harbor contained in Section 28(e) of the Securities Exchange Act of 1934, as amended, and may consider these benefits in recommending brokers. There can be no assurance that any particular client will benefit from any particular soft dollar research or other benefits. KWM benefits by not having to produce or pay for the research, products or services, and KWM will have an incentive to recommend a broker dealer based on receiving research or services. Clients should be aware that KWM's acceptance of soft dollar benefits may result in higher commissions charged to the client.

KWM may enter into soft dollar arrangements through which it may receive research, products, or other services from its broker/dealer or another third-party in connection with client securities transactions ("soft dollar benefits") within (but not outside of) the



safe harbor contained in Section 28(e) of the Securities Exchange Act of 1934, as amended. There can be no assurance that any particular client will benefit from soft dollar research, whether or not the client's transactions paid for it, and KWM does not seek to allocate benefits to client accounts proportionate to any soft dollar credits generated by the accounts. KWM benefits by not having to produce or pay for the research, products or services, and KWM will have an incentive to recommend a broker dealer based on receiving research or services. Clients should be aware that KWM's acceptance of soft dollar benefits may result in higher commissions charged to the client.

2. Brokerage Referrals—KWM receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

3. Directed Brokerage—KWM may permit clients to direct it to execute transactions through a specified broker-dealer. Clients must refer to their advisory agreements for a complete understanding of how they may be permitted to direct brokerage. If a client directs brokerage, the client will be required to acknowledge in writing that the client's direction with respect to the use of brokers supersedes any authority granted to KWM to select brokers; this direction may result in higher commissions, which may result in a disparity between free and directed accounts and trades for the client and other directed accounts may be executed after trades for free accounts, which may result in less favorable prices, particularly for illiquid securities or during volatile market conditions. Not all investment advisers allow their clients to direct brokerage.

### **Order Aggregation**

If KWM buys or sells the same securities on behalf of more than one client, it might, but would be under no obligation to, aggregate or bunch, to the extent permitted by applicable law and regulations, the securities to be purchased or sold for multiple Clients in order to seek more favorable prices, lower brokerage commissions or more efficient execution. In such case, KWM would place an aggregate order with the broker on behalf of all such clients in order to ensure fairness for all clients; provided, however, that trades would be reviewed periodically to ensure that accounts are not systematically disadvantaged by this policy. KWM would determine the appropriate number of shares to place with brokers and will select the appropriate brokers consistent with KWM's duty to seek best execution, except for those accounts with specific brokerage direction (if any).

## **Item 13 – Review of Accounts**

---

Account reviews are performed quarterly by the, Chief Compliance Officer (“CCO”) or their delegate. The CCO or their delegate will consider the client's current security positions and the likelihood that the performance of each security will contribute to the investment objectives of the client. Accounts in the KIM managed Portfolios are monitored daily using the firm's account tracking software. Account reviews are performed more frequently when market conditions dictate.

Other conditions that may trigger a review are changes in the tax laws, new investment information, and changes in a client's own situation.

Clients receive periodic communications on at least an annual basis. Advisory Service Agreement clients, Investment Management clients, and Retainer Agreement clients receive written quarterly updates. The written updates may include a net worth statement, portfolio statement and a summary of objectives and progress towards meeting those objectives.

## **Item 14 – Client Referrals and Other Compensation**

---

### **Incoming Referrals**

KWM may enter into referral agreements with third-party advisors under which the third-party advisor pays a fee to KWM for client referrals as permitted by Rule 206(4)-3 of the Investment Advisers Act of 1940, as amended. Third-party advisors have agreed to pay KWM a percentage of the revenue generated from the assets of Clients introduced to the third-party advisor by KWM. Clients referred to third party advisors will not be charged an amount in addition to the KWM management fee, nor will they be charged a higher management fee than other clients to cover the cost of solicitation of their accounts. KWM doesn't receive any economic benefit other than referral fees.

KWM will research third party advisors to insure they are properly registered and licensed before making any referrals.

Charles Schwab & Co., Inc. Advisor Services provides KWM with access to Charles Schwab & Co., Inc. Advisor Services' institutional trading and custody services, which are typically not available to Charles Schwab & Co., Inc. Advisor Services retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts at Charles Schwab & Co., Inc. Advisor Services. Charles Schwab & Co., Inc. Advisor Services includes brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. For KWM client accounts maintained in its custody, Charles Schwab & Co., Inc. Advisor Services generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through Charles Schwab & Co., Inc. Advisor Services or that settle into Charles Schwab & Co., Inc. Advisor Services accounts.

Charles Schwab & Co., Inc. Advisor Services also makes available to KWM other products and services that benefit KWM but may not benefit its clients' accounts. These benefits may include national, regional or KWM specific educational events organized and/or sponsored by Charles Schwab & Co., Inc. Advisor Services. Other potential benefits may include occasional business entertainment of personnel of KWM by Charles Schwab & Co., Inc. Advisor Services personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products

and services assist KWM in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts, if applicable), provide research, pricing information and other market data, facilitate payment of KWM's fees from its clients' accounts (if applicable), and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of KWM's accounts. Charles Schwab & Co., Inc. Advisor Services also makes available to KWM other services intended to help KWM manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, and human capital consultants, insurance and marketing. In addition, Charles Schwab & Co., Inc. Advisor Services may make available, arrange and/or pay vendors for these types of services rendered to KWM by independent third parties. Charles Schwab & Co., Inc. Advisor Services may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to KWM. KWM is independently owned and operated and not affiliated with Charles Schwab & Co., Inc. Advisor Services.

KWM participates in the institutional advisor program (the "TD Program") offered by TD Ameritrade. TD Ameritrade offers to independent investment advisor services which include custody of securities, trade execution, clearance and settlement of transactions. KWM receives some benefits from TD Ameritrade through its participation in the Program.

As part of the TD Program, KWM may recommend TD Ameritrade to clients for custody and brokerage services. There is no direct link between KWM's participation in the TD Program and the investment advice it gives to its clients, although KWM receives economic benefits through its participation in the TD Program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving KWM participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have KWM's fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to KWM by third party vendors. TD Ameritrade may also pay for business consulting and professional services received by KWM's related persons. Some of the products and services made available by TD Ameritrade through the TD Program may benefit KWM but may not benefit its client accounts. These products or services may assist KWM in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help KWM manage and further develop its business enterprise. The benefits received by KWM or its personnel through participation in the TD Program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, KWM endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt

of economic benefits by KWM or its related persons in and of itself creates a conflict of interest and may indirectly influence the KWM's choice of TD Ameritrade for custody and brokerage services.

KWM participates in the institutional advisor program (the "RJ Program") offered by Raymond James & Associates. Raymond James & Associates offers to independent investment advisor services which include custody of securities, trade execution, clearance and settlement of transactions. KWM receives some benefits from Raymond James & Associates through its participation in the RJ Program.

As part of the RJ Program, KWM may recommend Raymond James & Associates to clients for custody and brokerage services. There is no direct link between KWM's participation in the RJ Program and the investment advice it gives to its clients, although KWM receives economic benefits through its participation in the RJ Program that are typically not available to Raymond James & Associates retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving KWM participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have KWM's fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to KWM by third party vendors. Raymond James & Associates may also pay for business consulting and professional services received by KWM's related persons. Some of the products and services made available by Raymond James & Associates through the RJ Program may benefit KWM but may not benefit its client accounts. These products or services may assist KWM in managing and administering client accounts, including accounts not maintained at Raymond James & Associates. Other services made available by Raymond James & Associates are intended to help KWM manage and further develop its business enterprise.

Raymond James & Associates offers transition assistance or other financial incentives to KWM ("Transition Assistance"); KWM's Transition Assistance, if any, is determined based upon negotiations between Raymond James & Associates and KWM. Transition Assistance is used to assist in the setup of KWM offices, which include buildout costs, equipment, technology, ACAT reimbursement, etc. The receipt of such benefits is dependent on moving new clients assets to Raymond James & Associates and maintaining existing client assets with Raymond James & Associates.

Clients should be aware, however, that the receipt of economic benefits by KWM or its related persons in and of itself creates a conflict of interest and may indirectly influence the KWM's choice of Raymond James & Associates for custody and brokerage services.

### **Outgoing Referrals**

As disclosed in the written agreement between Client and KWM, KWM pays a portion of the advisory fee to a solicitor who referred Client to KWM. Any such referral fee is paid solely from

KWM's investment management fee, and does not result in any additional charge to the client. The solicitor is also required to provide the client with a copy of this disclosure brochure which meets the requirements of Rule 204-3 of the Investment Advisers Act of 1940 and a copy of the solicitor's disclosure brochure containing the terms and conditions of the solicitation arrangement including compensation. Any affiliated solicitor of KWM is required to disclose the nature of his/her relationship to prospective clients at the time of the solicitation and will provide all prospective clients with a copy of this disclosure brochure at the time of the solicitation. KWM will only engage in solicitor agreements with properly licensed and registered individuals and entities.

### **Salary Guarantees, Bonuses & Loans**

KWM may provide IARs with salary guarantees, bonuses or loans. These additional incentives are at the sole discretion of KWM and may be tied to the total assets under management by the IAR, the total amount of revenue generated by the IAR, or both. Clients should be aware of the possible conflict that performance-based incentives can create with the fiduciary duties of a registered investment advisor.

## **Item 15 – Custody**

---

All client assets are held at qualified custodians, which means the custodian provide account statements directly to clients at their address of record at least quarterly. When KWM deducts fees directly from client accounts at a selected custodian, KWM will be deemed to have limited custody of client's assets and must have written authorization from the client to do so. Clients are urged to compare the account statements received directly from their custodians to the performance report statements provided by KWM. All clients should review the statements received from the broker-dealer, Futures Commission Merchant or custodian.

## **Item 16 – Investment Discretion**

---

KWM accepts discretionary authority by a limited power of attorney signed by the client to manage securities and futures accounts on behalf of clients. A limited power of attorney is a trading authorization for this purpose. KWM has the authority to determine, without obtaining specific client consent, the securities and futures to be bought or sold, and the amount of the securities and futures to be bought or sold. However, KWM consults with the client prior to each trade to obtain concurrence if a blanket trading authorization has not been given.

Discretionary trading authority facilitates placing trades in clients accounts on their behalf so that KWM may promptly implement the investment policy that clients have approved in writing.

KWM usually recommends the custodian to be used and the commission rates paid to the custodian. KWM does not receive any portion of the transaction fees or commissions paid by the client to the custodian on certain trades.

## **Item 17 – Voting Client Securities**

---

KWM does not accept proxy voting responsibility for any Client. Therefore, although KWM may provide investment advisory services relative to Client investment assets, KWM Clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the Client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. KWM and/or the Client shall correspondingly instruct the Custodian of the assets to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets. Clients may contact KWM with questions about any proxy solicitations they receive.

## **Item 18 – Financial Information**

---

KWM does not have any financial impairment that will preclude the firm from meeting contractual commitments to clients.

KWM does not serve as a custodian for client funds or securities, and does not require prepayment of fees of more than \$1,200 per client, six months or more in advance.

Finally, KWM is not subject to a financial condition that is likely to impair our ability to meet contractual commitments to clients and we have not been subject of a bankruptcy petition at any time.

## Appendix 1 - Privacy of Client Financial Information

---

KWM is committed to maintaining the confidentiality, integrity and security of the personal information that is entrusted to us.

The categories of nonpublic information that we collect from you may include information about your personal finances, information about your health to the extent that it is needed for the financial planning process, information about transactions between you and third parties, and information from consumer reporting agencies, e.g., credit reports. We use this information to help you meet your personal financial goals.

With your permission, we disclose limited information to attorneys, accountants, and mortgage lenders with whom you have established a relationship. You may opt out from our sharing information with these nonaffiliated third parties by notifying us at any time by telephone 541-291-4405, mail, fax, or by sending an email to [info@kingsview.com](mailto:info@kingsview.com), or in person. With your permission, we share a limited amount of information about you with your brokerage firm in order to execute securities transactions on your behalf.

We maintain a secure office to ensure that your information is not placed at unreasonable risk. We employ a firewall barrier, secure data encryption techniques and authentication procedures in our computer environment.

We do not provide your personal information to mailing list vendors or solicitors. We require strict confidentiality in our agreements with unaffiliated third parties that require access to your personal information, including financial service companies, consultants, and auditors. Federal and state securities regulators may review our Company records and your personal records as permitted by law.

Personally identifiable information about you will be maintained while you are a client, and for the required period thereafter that records are required to be maintained by federal and state securities laws. After that time, information may be destroyed.

We will notify you in advance if our privacy policy is expected to change. We are required by law to deliver this *Privacy Notice* to you annually, in writing.