



**IPI Wealth Management, Inc.**

Strategic Lifestyle and Wealth Management™

ADV PART 2A APPENDIX 1

WRAP FEE PROGRAM BROCHURE

March 18, 2020

## **IPI INTELLIGENT SOLUTIONS (“IIS”)**

The ADV Part 2A Appendix 1, also known as our Wrap Brochure, provides information about the qualifications and business practices of IPI Wealth Management, Inc. and its sponsored wrap program, IPI Intelligent Solutions (“IIS”).

IIS is an automated investment advisory service of IPI Wealth Management, Inc. (“IPI Wealth”), which is an SEC-registered investment adviser.

For any questions regarding the content of this Brochure, please contact us at IPI Wealth Management, Inc., 226 W. Eldorado St., Decatur, IL 62522, [www.investment-planners.com](http://www.investment-planners.com) or 217-425-6340. The information in this Brochure has not been approved or verified by the Securities and Exchange Commission or any or any state securities authority. Additional information about IPI Wealth Management, Inc. is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## 2. MATERIAL CHANGES

IPI Wealth will update this ADV Part 2A Appendix 1 Wrap Fee Program Brochure if there have been material changes.

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## 4. SERVICES, FEES AND COMPENSATION

IIS is an online automated investment advisory service offered by IPI Wealth. Through the IIS program, a client can purchase various mutual funds and other investment funds in a model portfolio which is based on the client's stated risk tolerance and investment goals.

IPI Wealth acts as a non-discretionary investment advisor for clients of IIS. This online service provides do-it-yourself tools and resources, supplemented by optional telephone and email consultation with IPI Wealth's financial advisors, to establish risk-based investment portfolios for financial planning. IPI Wealth has partnered with TD Ameritrade to act as custodian for IIS accounts, and Envestnet Asset Management, Inc. ("Envestnet") to provide and maintain the service's website, applications and proprietary algorithms for portfolio creation. Envestnet will periodically rebalance the client portfolios based on these algorithms.

Clients of IIS will be charged a fee based on the month end balance of the client's investment portfolio during the previous period. These fees are due monthly in advance and are not negotiable. Fees for the calendar month in which an IIS account is first opened and for the month in which an IIS account is terminated shall be appropriately pro-rated based on the number of calendar days in the partial month, and the remainder of prepaid fees shall be refunded to the client. The minimum amount to invest in the IIS ETF model is \$2,000 and the minimum investment for the IIS mutual fund model is \$10,000.

The annual Program Fee is 1.45% and includes, but is not limited to, the following:

Platform Fee	.10% annualized
Sub-Manager	.10% annualized
Sponsor	.10% annualized
Custodian	.15% annualized
Advisory Fee	1.0% annualized

The Program Fee covers investment advice, the ongoing management of the program accounts assets, as well as trade execution, clearance, settlement and custodial services provided by TD Ameritrade. The Program Fee does not cover the expenses of the mutual funds or ETFs (collectively “Funds”) in which the Program Account invests, including commission and other transaction-related charges Funds incur.

Additionally, the Program Fee does not cover certain execution costs that may be charged to Clients, including:

- (a) broker-dealer spreads and certain markups or markdowns paid to market makers;
- (b) transfer taxes;
- (c) fees charged by exchanges on a per transaction basis or other fees required by law;
- (d) any other fees that TD Ameritrade may charge, as may be outlined from time-to-time in TD Ameritrade’s separate fee schedule; and
- (e) any other charges imposed by law or otherwise agreed to with regard to a Client’s Program Account.

The Program Fee may cost a client more or less than purchasing such services separately depending on several factors including the fees TD Ameritrade charges for custody and trading and the trading activity in a client’s account.

IPI Wealth’s financial advisors will receive compensation as a result of a client’s participation in the Program in the amount of 1% annualized assets under management paid on a quarterly basis. The amount of this compensation may be more than what a financial advisor would receive if a client participated in another program or paid separately for investment advice, brokerage and other services.

## 5. ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS

IPI Wealth provides investment advisory services to individuals and families who have at a minimum \$2,000 to invest in the program for the ETF model and a \$10,000 minimum to invest in the mutual fund model. Investnet is to be paid a Platform Fee of .10% annualized for its technology and a Sub-Manager fee of .10% annualized for its asset management. Please note Investnet charges a \$30 per year minimum for the Platform Fee, which will affect accounts that have less than \$30,000 in Program Assets.

## 6. PORTFOLIO MANAGER SELECTION AND EVALUATION

### ASSET ALLOCATION STRATEGY

IPI Wealth uses Investnet to provide and maintain the IIS website, applications and proprietary algorithms through which client portfolios are created. The investment portfolios available for selection were selected by IIS and are created and managed by Investnet. Please see the Investnet Form ADV Part 2 for additional information.

IIS offers several different investment models. A six-step process is run annually using statistically advanced techniques to combine information coming from theory, data, forecasts by recognized economic analysts, and Investnet’s own views into overall estimates of the capital market assumptions which are the basic inputs into portfolio modeling. The assumptions include: expected returns, standard deviations, and correlations for each asset class. These inputs are then used to create portfolios at various risk levels using a mean/variance optimization (MVO) approach.

The models presented to a client for selection are chosen based on the results of the questionnaire completed during the account opening process. The investment portfolio models are created, will be managed, and may be periodically rebalanced or otherwise modified by, Envestnet. IIS offers two investment portfolio models to choose from: Passive Exchange Traded Fund (ETF) portfolio and Actively Managed Mutual Fund portfolio. Based on the results of client risk tolerance questionnaire, a client will also select a risk model within their chosen portfolio: aggressive, growth, moderate growth, moderate, conservative growth, conservative, or capital preservation. A description of these models follows:

## **Passive ETF**

### ■ *Capital Preservation ETF Portfolio -*

The *Capital Preservation ETF Portfolio* seeks to provide principal protection by investing primarily in fixed-income securities (bonds). This strategy is designed for investors with little or no tolerance for principal volatility and who are willing to accept lower returns in exchange for increased stability.

Passive Exchange-Traded Funds (ETF) management is the lowest-cost investment option. Because the fund manager is trying to match, instead of outperform, the returns of the market through assembling a portfolio of securities that closely mirror the companies on an index (such as the S & P 500) they incur minimal management costs. ETFs are also tax efficient because they trade their holdings less than actively managed funds, which creates fewer taxable events. With an ETF portfolio, you will generally only incur taxes if and when you sell the shares.

### ■ *Conservative ETF Portfolio –*

The *Conservative ETF Portfolio* seeks to provide portfolio stability and income generation with modest portfolio appreciation by investing primarily in fixed-income securities (bonds). This strategy is designed for investors with a need for regular income in the form of dividends and interest, as well as some desire for modest growth from the stock portion of their portfolio.

Passive Exchange-Traded Funds (ETF) management is the lowest-cost investment option. Because the fund manager is trying to match, instead of outperform, the returns of the market through assembling a portfolio of securities that closely mirror the companies on an index (such as the S & P 500) they incur minimal management costs. ETFs are also tax efficient because they trade their holdings less than actively managed funds, which creates fewer taxable events. With an ETF portfolio, you will generally only incur taxes if and when you sell the shares.

### ■ *Conservative Growth ETF Portfolio -*

The *Conservative Growth ETF Portfolio* seeks to provide portfolio growth and income generation by investing in a combination of both equity (stocks) and fixed-income securities (bonds) in equal weights. This strategy is designed for investors who desire capital appreciation balanced with income and portfolio stability.

Passive Exchange-Traded Funds (ETF) management is the lowest-cost investment option. Because the fund manager is trying to match, instead of outperform, the returns of the market through assembling a portfolio of securities that closely mirror the companies on an index (such as the S & P 500) they incur minimal management costs. ETFs are also tax efficient because they trade their holdings less than actively managed funds, which creates fewer taxable events. With

an ETF portfolio, you will generally only incur taxes if and when you sell the shares.

- *Moderate ETF Portfolio -*

The *Moderate ETF Portfolio* includes both equity (stocks) and fixed-income securities (bonds), with a greater weighting to equities. It is designed for investors with a need for both portfolio appreciation and income generation. Investors should have a mid- to long-term investment time horizon and be willing to take on some risk in pursuit of better returns.

Passive Exchange-Traded Funds (ETF) management is the lowest-cost investment option. Because the fund manager is trying to match, instead of outperform, the returns of the market through assembling a portfolio of securities that closely mirror the companies on an index (such as the S & P 500) they incur minimal management costs. ETFs are also tax efficient because they trade their holdings less than actively managed funds, which creates fewer taxable events. With an ETF portfolio, you will generally only incur taxes if and when you sell the shares.

- *Moderate Growth ETF Portfolio -*

The *Moderate Growth ETF Portfolio* is heavily weighted to equity securities (stocks) with a modest investment in fixed-income securities (bonds) for portfolio diversification. It is designed for investors with a desire for portfolio appreciation with modest income generation as a secondary objective. Investors should have a long-term investment time horizon and be willing to take on risk in pursuit of better returns.

Passive Exchange-Traded Funds (ETF) management is the lowest-cost investment option. Because the fund manager is trying to match, instead of outperform, the returns of the market through assembling a portfolio of securities that closely mirror the companies on an index (such as the S & P 500) they incur minimal management costs. ETFs are also tax efficient because they trade their holdings less than actively managed funds, which creates fewer taxable events. With an ETF portfolio, you will generally only incur taxes if and when you sell the shares.

- *Growth ETF Portfolio –*

The *Growth ETF Portfolio* seeks to provide portfolio appreciation by investing primarily in equity securities (stocks). Only a small percentage of the portfolio is invested in fixed income securities (bonds) for diversification purposes. This strategy is designed for investors with a relatively long-term investment time horizon as well as the temperament and resources to withstand market volatility.

Passive Exchange-Traded Funds (ETF) management is the lowest-cost investment option. Because the fund manager is trying to match, instead of outperform, the returns of the market through assembling a portfolio of securities that closely mirror the companies on an index (such as the S & P 500) they incur minimal management costs. ETFs are also tax efficient because they trade their holdings less than actively managed funds, which creates fewer taxable events. With an ETF portfolio, you will generally only incur taxes if and when you sell the shares.

- *Aggressive ETF Portfolio –*

The *Aggressive ETF Portfolio* seeks to provide above-average returns by being fully invested in equity securities (stocks). This portfolio is designed for investors who want to maximize capital appreciation over a long-term investment horizon, and have the temperament and resources to

withstand the volatility inherent in equity investing.

Passive Exchange-Traded Funds (ETF) management is the lowest-cost investment option. Because the fund manager is trying to match, instead of outperform, the returns of the market through assembling a portfolio of securities that closely mirror the companies on an index (such as the S & P 500) they incur minimal management costs. ETFs are also tax efficient because they trade their holdings less than actively managed funds, which creates fewer taxable events. With an ETF portfolio, you will generally only incur taxes if and when you sell the shares.

## **Active Strategic**

### ■ *Capital Preservation Active Mutual Fund Portfolio -*

The *Capital Preservation Active Mutual Fund Portfolio* seeks to provide principal protection by investing primarily in fixed-income securities (bonds). This strategy is designed for investors with little or no tolerance for principal volatility and who are willing to accept lower returns in exchange for increased stability.

Active mutual fund managers make proactive trading decisions in order to maximize returns and outperform the market. Active mutual funds have slightly higher fees than passive funds.

### ■ *Conservative Active Mutual Fund Portfolio –*

The *Conservative Active Mutual Fund Portfolio* seeks to provide portfolio stability and income generation with modest portfolio appreciation by investing primarily in fixed-income securities (bonds). This strategy is designed for investors with a need for regular income in the form of dividends and interest, as well as some desire for modest growth from the stock portion of their portfolio.

Active mutual fund managers make proactive trading decisions in order to maximize returns and outperform the market. Active mutual funds have slightly higher fees than passive funds.

### ■ *Conservative Growth Active Mutual Fund Portfolio -*

The *Conservative Growth Active Mutual Fund Portfolio* seeks to provide portfolio growth and income generation by investing in a combination of both equity (stocks) and fixed-income securities (bonds) in equal weights. This strategy is designed for investors who desire capital appreciation balanced with income and portfolio stability.

Active mutual fund managers make proactive trading decisions in order to maximize returns and outperform the market. Active mutual funds have slightly higher fees than passive funds.

### ■ *Moderate Active Mutual Fund Portfolio -*

The *Moderate Active Mutual Fund Portfolio* includes both equity (stocks) and fixed-income securities (bonds), with a greater weighting to equities. It is designed for investors with a need for both portfolio appreciation and income generation. Investors should have a mid- to long-term investment time horizon and be willing to take on some risk in pursuit of better returns.

Active mutual fund managers make proactive trading decisions in order to maximize returns and outperform the market. Active mutual funds have slightly higher fees than passive funds.

- *Moderate Growth Active Mutual Fund Portfolio -*

The *Moderate Growth Active Mutual Fund Portfolio* is heavily weighted to equity securities (stocks) with a modest investment in fixed-income securities (bonds) for portfolio diversification. It is designed for investors with a desire for portfolio appreciation with modest income generation as a secondary objective. Investors should have a long-term investment time horizon and be willing to take on risk in pursuit of better returns.

Active mutual fund managers make proactive trading decisions in order to maximize returns and outperform the market. Active mutual funds have slightly higher fees than passive funds.

- *Growth Active Mutual Fund Portfolio –*

The *Growth Active Mutual Fund Portfolio* seeks to provide portfolio appreciation by investing primarily in equity securities (stocks). Only a small percentage of the portfolio is invested in fixed income securities (bonds) for diversification purposes. This strategy is designed for investors with a relatively long-term investment time horizon as well as the temperament and resources to withstand market volatility. Active mutual fund managers make proactive trading decisions in order to maximize returns and outperform the market. Active mutual funds have slightly higher fees than passive funds.

- *Aggressive Active Mutual Fund Portfolio –*

The *Aggressive Active Mutual Fund Portfolio* seeks to provide above-average returns by being fully invested in equity securities (stocks). This portfolio is designed for investors who want to maximize capital appreciation over a long-term investment horizon, and have the temperament and resources to withstand the volatility inherent in equity investing.

Active mutual fund managers make proactive trading decisions in order to maximize returns and outperform the market. Active mutual funds have slightly higher fees than passive funds.

## **DUE DILIGENCE**

Envestnet performs the research and due diligence that drives the evaluation and approval process of investment strategies offered through IPI Intelligent Solution. Although different investment vehicles demand unique due diligence requirements, all of Envestnet's evaluations and approvals follow a comprehensive process. Envestnet's goal is to identify investment quality by employing comprehensive quantitative and qualitative analysis, sound judgment, and an objective, transparent methodology to deliver a broad list of approved managers across asset classes, risk tolerances, styles, philosophies, and vehicles. Additionally, the Envestnet Research Team may select third-party SMAs, strategists, and mutual funds that integrate sustainable, responsible, or impact considerations into their investment approach.

## **CLIENT RISK PROFILING**

The final piece of the equation is aligning a portfolio solution with a client's specific needs and objectives. Envestnet uses a risk tolerance questionnaire to assist advisors in discussions with clients and as a tool to help gauge the relative risk tolerance of their clients as it relates to sensitivity to losses, time-horizons and other factors that impact the evaluation. The end result of any risk tolerance questionnaire on the Envestnet platform is a numerical value that can range from 1-100. This value is compared to the firm's risk scale in order to determine the investment



objective of the client. The Envestnet platform is designed to ensure that the risk tolerance of the client lines up appropriately with the risk score of the proposed investment solution.

## **PERFORMANCE**

The value of investments and the income derived from them can go down as well as up. Future returns are not guaranteed and a loss of principal may occur. All investment performance can be affected by changes in the economy and financial markets and the extent and timing of investor participation in securities markets. The value of an investment fund changes as its asset values go up or down. The timing of an investment will also affect performance.

International investments involve risk of capital loss from unfavorable fluctuation in currency values, from differences in generally accepted accounting principles, or from economic and/or political instability in other nations.

## **RISK OF LOSS**

Past performance is not indicative of future results. Therefore, you should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, and bonds, etc.) and pooled vehicles involves risk of loss. Further, depending on the different types of investments there will be varying degrees of risk. You should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, we are unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines.

**Non-U.S. Investments.** Your account may be invested in instruments issued by non-U.S. companies and governments, including those in developing nations and emerging markets. Such investments involve a number of risks not usually associated with investing in securities of U.S. companies or the U.S. government. Those risks include, among other things, trade balances and imbalances and related economic policies, currency exchange rate fluctuations, imposition of exchange control regulation, withholding taxes, limitations on the repatriation of funds or other assets to the U.S., possible nationalization of assets or industries, political difficulties and political instability, any of which could lead to substantial losses.

**Extraordinary Events.** Global terrorist activity and armed conflicts may negatively affect general economic conditions, including sales, profits and production, and may materially affect prices and/or impair our trading facilities and infrastructure or the trading facilities and infrastructure of the exchanges or markets on which we trade.

**Regulatory Developments.** The legal, tax and regulatory environment worldwide in the financial industry is evolving, and changes in regulations affecting the financial industry, including IIS and IPI Wealth and the issuers of financial instruments held in your account, may have a material adverse effect on our ability to pursue the investment strategies described above or the value of the instruments held in your account. There has been an increase in scrutiny of the financial industry by governmental agencies and self-regulatory organizations. Various national governments have expressed concern regarding the disruptive effects of speculative trading and the need to regulate the financial markets in general. New laws and regulations or actions taken by regulators that restrict our ability to pursue our investment strategies or conduct business with broker-dealers and other counterparties could adversely affect your account.



**Exchange Traded Funds.** Investing in Exchange Traded Funds offers potential diversification but also has risks. Diversification does not assure better performance and cannot eliminate the risk of investment losses. International investments may involve risk of capital loss from unfavorable fluctuation in currency values, from differences in generally accepted accounting principles, or from economic or political instability in other nations.

**Impact Investing.** Socially responsible, or impact, investing carries its own risks. An investment portfolio devoted to impact oriented assets may omit certain sectors and have limited diversification. Impact investments in burgeoning sectors or communities may fail to materialize stated goals. Political and currency risk should also be taken into account if such investments are in overseas projects.

## **RISKS SPECIFIC TO IIS**

The online, automated process used to determine a client's risk tolerance and to assist in selecting an investment model portfolio may not elicit the same information as a face-to-face interview would.

There is no guarantee that your investment objectives or performance goals can be met. The investments in a client's account are not insured by the Federal Deposit Insurance Corporation (FDIC) or any other insurer, carry no bank or government guarantees, and are not a deposit or other obligation of, or guaranteed by, a bank.

IIS makes no representation or warranty about how the investments in your Account will perform either alone or in comparison to an investment index.

If a client provides false, inaccurate, or incomplete information to IPI Wealth, or fails to update previously provided information that is no longer accurate or complete based on changes in circumstances, the recommendations IPI Wealth provides may not match the client's investment needs. If a material change occurs to a client's goals, financial circumstances, or investment objectives, the client must promptly update the information on IIS's Website and carefully consider whether the investment model portfolio continues to be appropriate. Updating client information on the Website will not automatically cause any change in the investments in the client account. Only the client can select a different investment portfolio by following the prompts and instructions online at the Website. IPI Wealth will not change investment portfolios on a client's behalf. IPI Wealth's investment portfolio recommendations will not be based on assets or liabilities held outside of the client's account with IPI Wealth.

## **7. CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGER(S)**

Portfolio Managers have access to potentially all client information with respect to clients whose accounts they manage through the IIS website powered by Envestnet that is used to monitor and manage client activity from the required account opening documentation. Such information includes client identifying information such as name, address, and tax ID and investment profile information such as investment objective and risk tolerance. Updated information would be provided by the client through the IIS website to the Portfolio Manager as needed.

## 8. CLIENT CONTACT WITH PORTFOLIO MANAGER(S)

Portfolio Managers are not generally available to clients. IPI Wealth financial advisors are readily available to address questions or concerns regarding investments in the client's IIS account. Financial advisors routinely communicate with clients to solicit information regarding any changes to a client's financial circumstances or investment objectives. If you need to change your investment objectives or restrictions as well as changes in your financial condition, please contact your IPI Wealth financial advisor.

## 9. ADDITIONAL INFORMATION

### **Disciplinary Information**

A registered investment advisor is required to disclose all legal or disciplinary events that would be material to the evaluation of it as an investment advisor or regarding the integrity of its management. IPI Wealth does not have a history of any legal or disciplinary events.

### **OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

IPI Intelligent Solutions is a trade name of IPI Wealth Management, Inc, which provides IPI Wealth's investment advisory services on a non-discretionary basis. IPI Wealth is affiliated by common ownership with Investment Planners, Inc., a registered broker/dealer and member of FINRA and SIPC. Investment Planners, Inc. does not receive revenue from the IIS program.

IPI Wealth's financial advisors are independent investment advisor representatives ("IARs") with IPI Wealth. The IARs may also be registered representative of Investment Planners, Inc. where they can earn commissions on securities transactions and 12b-1 fees for mutual funds that may be recommend by them in their capacity as representatives of Investment Planners.

Compensation paid to Investment Planners indirectly benefits us. These relationships create a potential conflict of interest in our recommending of services. We address these potential conflicts by disclosing these relationships and the compensation we will earn or benefit from when/if you engage services with Investment Planners.

If you choose to follow our advice or recommendations, you are under no obligation to purchase financial products from or use the services of our firm, any affiliate of our firm, any representative associated with our firm or any other firm with whom our representatives may be employed. The fees and costs necessary to implement our recommendations may vary significantly among financial product and service providers and neither our firm nor persons associated with us are the lowest cost provider. If you do use our firm or any persons associated with us to implement our advice or recommendations, we will receive additional compensation as a result of those transactions.

### **CODE OF ETHICS, PARTICIPATION OF INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

IPI Wealth has adopted a Code of Ethics (the "Code"). Our Code reflects our expectations of appropriate ethical conduct by our employees. The Code provides guidance and specific standards of conduct for situations where violations, inadvertent or otherwise, could occur in the conduct of business. Employees must avoid situations where their personal interests conflict with the interests of the company or our clients. The Code describes appropriate conduct surrounding personal investments and trading activities. In addition, the Code prohibits dishonest and

fraudulent acts and reaffirms our commitment to client confidentiality. Every employee is required annually to sign a statement acknowledging that he or she agrees to follow the standards set forth in the Code. A copy of our Code of Ethics is available upon request.

Employees of the Company, from time to time, purchase or sell shares for their own accounts of some of the same publicly traded securities which are held in our clients' accounts. Given the large size of these Companies and the daily trading volume they experience, we do not believe there is a material risk that employees' personal trades placed at or near the time of client trades would in any way be detrimental to our clients. Our policy prohibits insider trading by any of our employees. The Code is designed to provide that the personal securities transactions, activities, and interests of the employees of IPI Wealth will not interfere with making decisions in the best interest of our advisory clients. At the same time our Code allows employees to invest for their own accounts.

IPI Wealth has a fiduciary relationship with all of its clients. We honor this duty to put our clients' interests first and strive to avoid even the appearance of a conflict of interest.

## **BROKERAGE PRACTICES**

IPI Wealth has entered into a contract with TD Ameritrade ("TDA"), a registered broker-dealer, to act as the primary custodian and broker for clients' securities. IIS clients sign a separate contract with TDA. TDA provides custody and brokerage services, monthly reporting to clients, and daily electronic reporting to us and our clients (via web based access). Each client maintains one or more separate accounts with TDA for this purpose. The amount of TDA's fee is set forth in the contract clients sign with TDA. We believe our selection of TDA as custodian and broker is in the best interests of our clients because of the scope, quality and price of TDA's services and its integration with Envestnet.

## **COMPENSATION**

IPI Wealth is independently owned and operated and not affiliated with TDA. We do not receive any commissions, fees or other monetary compensation from TDA. TDA generally does not charge separately for custody of client assets, but is compensated by clients based on a percentage of assets held in a client's account.

## **BEST EXECUTION**

IPI Wealth uses TDA as the broker for client accounts. In all cases, we attempt to obtain best execution for trades in client accounts. We believe best execution includes not only price, but also account access, reporting and related services provided by the custodian. Third-party investment managers making trades on behalf of our clients are responsible for obtaining best execution for those trades. Please refer to the Form ADV Part 2 brochures for Envestnet and TDA for more information on best execution.

## **REVIEW OF ACCOUNTS**

In providing recommended investment portfolios for selection through an online, automated process, IPI Wealth acts as a non-discretionary investment advisor—the client's selection of an investment portfolio is their decision. Clients will be able to access the Account via IIS's Website, to make deposits and withdrawals and to change the investment portfolio selection. In addition to the ability to track performance online, clients will receive monthly custodial statements, quarterly electronic performance reports and annual tax reports. Clients may elect to make recurring automatic deposits to or withdrawals from the Account.

To facilitate IIS's provision of investment portfolios to Clients, we license software, tools and services from third-party providers.

IPI Wealth uses Envestnet to provide and maintain the Website, applications and proprietary algorithms through and on the basis of which: (1) IIS Accounts are opened, accessed and managed by Client; (2) investment portfolios are automatically recommended online in response to information provided by Client; (3) and planning, budgeting and tracking tools are accessed and used. The investment portfolios available for selection by Clients were selected by IPI Wealth and are created and managed by Envestnet. Client agrees that Client will abide by Envestnet's Terms of Use while using IIS's Services, and that IPI Wealth and its officers, directors, agents and affiliates are third-party beneficiaries of the provisions contained in Envestnet's Terms of Use.

IPI Wealth uses Envestnet, to provide account aggregation services. If Client uses IIS's aggregation services, Client agrees that Client will abide by Envestnet's Terms of Use, and that IPI Wealth and its officers, directors, agents and affiliates are third-party beneficiaries of the provisions contained in Envestnet's Terms of Use.

IPI Wealth is not responsible for and cannot guarantee the accuracy of information that we receive when providing account aggregation services. We may not be able to foresee or anticipate technical or other difficulties that may result in failure to obtain data from a client's voluntary use of the aggregation services. IPI Wealth will typically not attempt to refresh the data from accounts more than once a day, and may do so less often due to connectivity issues, access restrictions imposed by other parties, or other reasons. IPI Wealth assumes no responsibility for the timeliness, accuracy, deletion, non-delivery or failure to store any user data, loss of user data, communications or personalization settings. We recommend that clients confirm the accuracy of data regarding accounts other than the IIS Account through sources independent of IPI Wealth.

## **CLIENT REFERRALS AND OTHER COMPENSATION**

IPI Wealth has the ability to compensate certain non-employee individuals for the referral of clients. These individuals are referred to as "solicitors." As of the date of this Brochure, IPI Wealth does not utilize any solicitors. If we do so in the future, we will have a written contract with the solicitor that specifies the amount of compensation he or she will receive. This compensation would not affect the fees that any client pays to us. Any clients referred to us by a solicitor will be provided with a written disclosure with details of the compensation arrangement between the solicitor and IPI Wealth before they sign a contract with us.

## **CUSTODY**

TD Ameritrade serves as custodian for IIS accounts and IIS clients execute a separate contract directly with them. TD Ameritrade will provide account statements, at least quarterly, directly to clients of IIS. Clients should carefully review these statements to be certain that they understand them and to be sure the assets and transactions reported are what they expect them to be.

## **INVESTMENT DISCRETION**

IPI Wealth acts as a non-discretionary investment advisor for clients of IIS. Once clients create an account with IIS and complete the associated account questionnaire, they are responsible for selecting and determining which portfolios best match their goals and risk tolerance level. IPI

Wealth does not have the authority to obtain control or possession of the assets in an IIS account.

### **VOTING CLIENT SECURITIES**

Proxies for the mutual funds and exchange traded funds in the client portfolio will be voted by Envestnet. Clients may request information on how they voted specific proxies in their account and may request a copy of their Proxy Voting Policy by contacting IIS directly.

### **FINANCIAL INFORMATION**

IPI Wealth has no known financial condition that we believe is likely to impair our ability to meet our commitments to our investment advisory clients. Additionally, we have not been the subject of any bankruptcy petition during the past ten years. We are fully able at all times to meet our contractual commitments.