

# Apex Advisers LLC

## Firm Brochure

*This brochure provides information about the qualifications and business practices of Apex Advisers LLC. If you have any questions about the contents of this brochure, please contact us at (585) 383-5540 or by email at: [elizabeth@apexadvisers.com](mailto:elizabeth@apexadvisers.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 Apex Advisers LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Apex Advisers LLC's CRD number is: 149362*

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

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## **Item 2: Material Changes**

There are material changes in this brochure since Apex Advisers LLC's last annual update filing in February 2020. The material changes relate to the inclusion of disclosures at Item 4 regarding instances when we recommend clients "roll over" their account(s) from a current retirement plan to an individual retirement account managed by Apex Advisers. Please see Item 4 for more information.

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## Item 4: Advisory Business

### A. Description of the Advisory Firm

This firm has been in business since February 2, 2009, and the principal owner is Elizabeth A. Barrett.

### B. Types of Advisory Services

Apex Advisers LLC (hereinafter "AA") offers the following services to advisory clients:

#### *Investment Supervisory Services*

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

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

AA evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. AA will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

#### *Retirement Plan Rollover Recommendations*

To the extent we recommend you roll over your account from a current retirement plan to an individual retirement account ("Rollover IRA"), managed by AA please know that AA and our investment adviser representatives have a conflict of interest. We can earn increased investment advisory fees by recommending that you roll over your account at the retirement plan to a Rollover IRA managed by AA. We will earn fewer investment advisory fees if you do not roll over the funds in the retirement plan to a Rollover IRA managed by AA.

Thus, we have an economic incentive to recommend a rollover of funds from a retirement plan to a Rollover IRA which is a conflict of interest because our recommendation that you open an IRA account to be managed by our firm can be based on our economic incentive and not based exclusively on whether or not moving the IRA to our management program is in your overall best interest.

We have taken steps to manage this conflict of interest. we have adopted an impartial conduct standard whereby our investment adviser representatives will (i) provide investment advice to a retirement plan participant regarding a rollover of funds from the retirement plan in accordance with the fiduciary status described below, (ii) not recommend investments which result in AA receiving unreasonable compensation related to the rollover of funds from the retirement plan to a Rollover IRA, and (iii) fully disclose compensation received by AA and our supervised persons and any material conflicts of interest related to recommending the rollover of funds from the retirement plan to a Rollover IRA and refrain from making any materially misleading statements regarding such rollover.

To the extent we provide you investment advice as a participant in a retirement plan regarding whether to maintain investments and/or proceeds in the retirement plan, roll over such investment/proceeds from the retirement plan to a Rollover IRA or make a distribution from the retirement plan, AA here by acknowledges our fiduciary obligations to you with regard to our investment advice about whether to maintain, roll over or distribute proceeds from the retirement plan, and as such a fiduciary with respect to its investment advice to you about whether to maintain, roll over or distribute proceeds from the retirement plan.

Our investment advisor representatives shall act with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims, based on the investment objectives, risk, tolerance, financial circumstances, and a client's needs, without regard to the financial or other interests of AA or our affiliated personnel.

### ***Services Limited to Specific Types of Investments***

AA limits its investment advice and/or money management to mutual funds, equities, bonds, fixed income, ETFs, REITs, insurance products including annuities, and government securities. AA can use other securities as well to help diversify a portfolio when applicable.

### **C. Client Tailored Services and Client Imposed Restrictions**

AA offers the same suite of services to all its clients. However, specific client financial plans and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

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

### **D. Wrap Fee Programs**

AA does not participate in any wrap fee programs.

### **E. Amounts Under Management**

AA has the following assets under management:

<b>Discretionary Amounts:</b>	<b>Non-discretionary Amounts:</b>	<b>Date Calculated:</b>
\$77,396,710	\$637,692	12/31/2020



## Item 5: Fees and Compensation

### A. Fee Schedule

#### *Investment Supervisory Services Fees*

Total Assets Under Management	Annual Fee
\$500,000 - \$1,000,000	1.00%
\$1,000,001 - \$2,000,000	0.75%
\$2,000,001 - \$3,000,000	0.60%
\$3,000,001 - \$5,000,000	0.45%
Above \$5,000,000	Negotiable

These fees are negotiable, and the final fee schedule is attached as Exhibit II of the Investment Advisory Contract. There is a minimum annual fee of \$3,000. Fees are paid quarterly in advance, and clients may terminate their contracts with thirty days' written notice. Refunds are given on a prorated basis, based on the number of days remaining in a quarter at the point of termination. Clients may terminate their contracts without penalty, for full refund, within 5 business days of signing the advisory contract. Advisory fees are withdrawn directly from the client's accounts with client written authorization.

## **B. Payment of Fees**

### ***Payment of Investment Supervisory Fees***

Advisory fees are withdrawn directly from the client's accounts with client written authorization. Fees are paid quarterly in advance.

Advisory fees may be invoiced and billed directly to the client with payments due in advance upon receipt of the fee statement. Clients may select the method in which they are billed.

## **C. Clients Are Responsible For Third Party Fees**

Clients are responsible for the payment of all third-party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by AA. Please see Item 12 of this brochure regarding broker/custodian.

## **D. Prepayment of Fees**

AA collects fees in advance and in arrears. Fees that are collected in advance will be refunded based on the prorated amount of work completed at the point of termination and the total days during the billing period. Fees will be returned within fourteen days to the client via check.

## **E. Outside Compensation For the Sale of Securities to Clients**

Neither AA nor its supervised persons accept any compensation for the sale of securities or other investment products, including asset-based sales charges or services fees from the sale of mutual funds.

## **Item 6: Performance-Based Fees and Side-By-Side Management**

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

## **Item 7: Types of Clients**

AA generally provides investment advice and/or management supervisory services to the following Types of Clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals

### ***Minimum Account Size***

There is an account minimum, \$500,000, which can be waived by the investment advisor, based on the needs of the client and the complexity of the situation.

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

### **A. Methods of Analysis and Investment Strategies**

#### ***Methods of Analysis***

AA uses various sources of information including commercially available software technology; security rating services and specific investment analysis that clients may request.

#### ***Investment Strategies***

AA uses long term trading and short-term trading strategies.

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

### **B. Material Risks Involved**

#### ***Investment Strategies***

Long term trading is designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Short term trading generally hold greater risk and clients should be aware that there is a chance of material risk of loss using any of those strategies.

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

### **C. Risks of Specific Securities Utilized**

AA generally seeks investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international equity markets.

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

## **Item 9: Disciplinary Information**

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of this advisory business or the integrity of our management.

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

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

Neither AA nor its representatives are registered as a broker/dealer or as representatives of a broker/dealer.

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

Neither AA nor its representatives are registered as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor.

### **C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

Neither AA nor its representatives provide or are actively involved in other financial industry activities or businesses.

#### **D. Selection of Other Advisors or Managers and How This Adviser is Compensated for Those Selections**

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

### **Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

#### **A. Code of Ethics**

We have a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Clients and prospective clients request a copy of our Code of Ethics from management.

#### **B. Recommendations Involving Material Financial Interests**

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

#### **C. Investing Personal Money in the Same Securities as Clients**

From time to time, representatives of AA will buy or sell securities for themselves that they also recommend to clients. AA will always document any transactions that could be construed as conflicts of interest and will always transact client business before their own when similar securities are being bought or sold.

#### **D. Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, representatives of AA will buy or sell securities for themselves at or around the same time as clients. AA will trade client's non-mutual funds and non-ETF securities before they trade their own.

## Item 12: Brokerage Practices

### A. Factors Used to Select Custodians and/or Broker/Dealers

The Custodian, Schwab Institutional, a division of Charles Schwab & Co., Inc., has been chosen based on their relatively low transaction fees, name recognition, powerful background and access to mutual funds and ETFs. AA will never charge a premium or commission on transactions, beyond the actual cost imposed by Custodian.

#### 1. *Research and Other Soft-Dollar Benefits*

AA receives no research, product, or service other than execution from a broker-dealer or third-party in connection with client securities transactions ("soft dollar benefits").

#### 2. *Brokerage for Client Referrals*

AA receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

#### 3. *Clients Directing Which Broker/Dealer/Custodian to Use*

AA will not allow clients to direct AA to use a specific broker-dealer to execute transactions. Clients must use AA recommended custodian (broker-dealer). Not all investment advisers require their clients to direct brokerage. By requiring clients to use our specific custodian, AA may be unable to achieve most favorable execution of client transactions and this may cost clients money over using a lower-cost custodian.

### B. Aggregating (Block) Trading for Multiple Client Accounts

AA maintains the ability to block trade purchases across accounts but will rarely do so. While block trading may benefit clients by purchasing larger blocks in groups, we do not feel that the clients are at a disadvantage due to the best execution practices of our custodian.

## **Item 13: Reviews of Accounts**

### **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

Client accounts are reviewed at least monthly only by Elizabeth A. Barrett, Principal. Elizabeth A. Barrett is the chief advisor and is instructed to review clients' accounts with regards to their investment policies and risk tolerance levels. All accounts at AA are assigned to this reviewer.

### **B. Factors That Will Trigger a Non-Periodic Review of Client Accounts**

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

### **C. Content and Frequency of Regular Reports Provided to Clients**

Each client will receive at least quarterly a written report detailing the client's account which will come from the custodian.

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

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

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

### **B. Compensation to Non -Advisory Personnel for Client Referrals**

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

## **Item 15: Custody**

AA does not take custody of client accounts at any time. Custody of client's accounts is held primarily at Schwab Institutional, a division of Charles Schwab & Co., Inc. Clients will receive account statements from the custodian and should carefully review those statements.

## **Item 16: Investment Discretion**

For those client accounts where AA provides ongoing supervision, the client has given AA written discretionary authority over the client's accounts with respect to securities to be bought or sold and the amount of securities to be bought or sold. Details of this relationship are fully disclosed to the client before any advisory relationship has commenced. The client provides AA discretionary authority via a limited power of attorney in the Investment Advisory Contract and in the contract between the client and the custodian.

## **Item 17: Voting Client Securities (Proxy Voting)**

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

## **Item 18: Financial Information**

### **A. Balance Sheet**

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

### **B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients**

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

### **C. Bankruptcy Petitions in Previous Ten Years**

AA has never been the subject of a bankruptcy petition.