



## Form ADV Part 2A

Equus Private Wealth Management, LLC

CRD# 144367

55 N. 4<sup>th</sup> Street, Carbondale, CO 81623

970-963-9254

[www.equusprivatewealth.com](http://www.equusprivatewealth.com)

March 2021

This brochure provides information about the qualifications and business practices of Equus Private Wealth Management, LLC. If you have any questions about the contents of this brochure, please contact Chief Compliance Officer, Matt Owings at 970-963-5810 or [matt@equusprivatewealth.com](mailto:matt@equusprivatewealth.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority.

Additional information about Equus Private Wealth is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Equus Private Wealth Management, LLC is a SEC registered investment advisor. Registration with the SEC does not imply a certain level of skill or training.

## **Material Changes**

This section outlines significant changes to the Equus Private Wealth Management, LLC Form ADV Part 2 since the last issuance in March 2020:

- No material changes

## Table of Contents

Material Changes .....	2
ITEM 4: Advisory Business.....	4
ITEM 5: Fees and Compensation.....	4
ITEM 6: Performance-Based Fees.....	6
ITEM 7: Types of Clients.....	6
ITEM 8: Methods of Analysis, Investment Strategies, and Risk of Loss .....	6
ITEM 9: Disciplinary Information .....	7
ITEM 10: Other Financial Industry Activities and Affiliations.....	7
ITEM 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .....	7
ITEM 12: Brokerage Practices.....	9
ITEM 13: Review of Accounts.....	9
ITEM 14: Client Referrals and Other Compensation.....	10
ITEM 15: Custody .....	10
ITEM 16: Investment Discretion .....	10
ITEM 17: Voting Client Securities.....	10
ITEM 18: Financial Information .....	10
Form ADV: Part 2B Supplement .....	11

## ITEM 4: Advisory Business

Equus Private Wealth Management, LLC is an investment advisor that provides investment supervisory services with a focus on fixed-income investing. Established April 20, 2007, Ron Speaker is the principal owner of the firm.

Equus provides investment advisory services for individuals, households and family offices. We build custom fixed-income portfolios for high-net-worth individuals or families with a need for income and capital preservation. Our primary business is managing municipal bond portfolios. In addition, we offer the ability to diversify into various other fixed-income products depending on the clients' unique objectives and risk tolerances. ~~with a focus on Colorado municipal bonds. Our competitive advantage is borne through its dedication to fundamental analysis, independence and reasonable fee structure. It remains our goal to be Colorado's expert on our state's municipal bond market. Clients generally include high net worth individuals and/or Family Office's representing such individuals.~~ Client portfolios are customized based on investment objectives defined by each client. Examples of objective criteria include maturity preferences, issuer concentration levels, asset class exposures and credit quality. In general, client portfolios are restricted to the following fixed-income products:

1. Corporate Bonds
2. Convertible Bonds
3. Mortgage-backed Securities
4. U.S. Agency Securities
5. U.S. Government Treasury Securities
6. Preferred Stocks
7. Bank Loans
8. Master Limited Partnerships
9. Common Stock Associated with Master Limited Partnerships
10. Emerging Market Debt
11. Mutual Funds and Exchange Traded Funds/Notes (associated fixed-income asset classes)

Equus Private Wealth also manages three tax-deferred accounts. Equus may accept additional non-municipal accounts depending on overall client objectives.

Our advice is limited to fixed-income products only. As of March 11, 2020, Equus Private Wealth maintained \$183,768,701 of assets under management (AUM). All assets under management are considered discretionary.

## ITEM 5: Fees and Compensation

Equus is compensated by management fees charged at a fixed rate based on the assets under management. Our standard fee schedule is shown below:

### Standard fee schedule:

Municipal Credit/Multi-Fixed	
<u>ASSETS</u>	<u>FIXED RATE %</u>
up to \$25,000,000	0.50%

\$25,000,001 to \$50,000,000	0.40%
\$50,000,001 & above	negotiable

Management fees are the only types of fees charged by Equus. Management fees are calculated each month based on the total value of assets under management (AUM), including accrued interest or balances held in cash and money market funds. Market value of municipal securities is provided by an independent third party chosen by the custodian. Equus will not charge a fee until the month that the account is at least 50% invested. If the account falls below 50% invested, the account is charged a fee for that month, but not in subsequent months until the account reaches the 50% invested position again. Assets under management for the period are calculated as an average balance using the following formula:

$$\text{Average Assets Under Management Balance} = (\text{Previous Month's Balance} + \text{Current Month's Balance}) / 2$$

The monthly fee is then calculated using the following formula:

$$\text{Monthly Fee Calculation} = ((\text{Average AUM Balance} \times \text{Annual Management Fee} / \text{Days in Year})) \times \text{Days per Month}$$

Unique client circumstances may cause Equus to deviate from the standard schedules described above. Any deviation will be recorded as an addendum to our investment advisory agreement. Under rare circumstances, certain assets may be excluded from a fee calculation.

Although fees are calculated monthly, fees are invoiced quarterly in arrears. The invoice displays the management fee for each of the months within the quarter followed by a total fee amount for the quarter. The quarterly invoice describes how the fee was calculated and the value of the assets used to calculate the fee. Fees are negotiable on accounts greater than \$50 million and prepayments are not accepted.

Clients choose to pay their fee directly or allow Equus to deduct the management fee from their custodial account upon approval. For those clients with brokerage custody accounts, Equus can deduct management fees from client accounts per processes defined by the broker custodian. Equus has defined an internal process of requiring written (email) approval of the management fee invoice from the customer prior to the fee being deducted from the client's account. Clients can choose to forego the invoice approval through written (email) communication with Equus. Clients may terminate their relationship with Equus at any time. In the event of termination, fees will be calculated pro-rata based on the number of days of service provided in the final month.

In addition to the Equus management fee, clients are also subject to custody fees, transaction-based fees, and product-level fees (i.e. load charges and expenses associated with mutual funds and ETFs).

Equus Private Wealth Management, LLC. does not receive any compensation from third parties when purchasing or selling securities on behalf of our clients.

## ITEM 6: Performance-Based Fees

Equus Private Wealth Management, LLC. does not participate in any form of performance-based compensation structure such as compensation based on a share of capital gains or capital appreciation of client assets.

## ITEM 7: Types of Clients

Clients of Equus Private Wealth Management, LLC are typically high-net-worth individuals, households and trusts. Frequently, Equus works with family offices or other advisory firms to provide services to the end client. Additionally, Equus would be willing to provide service to the following other types of clients:

1. Pension and Profit-Sharing Plans
2. Corporations or Business Entities

A minimum opening account balance of \$5,000,000 is required for new clients. This amount is negotiable.

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

Our strategy incorporates our fundamental dedication to due diligence which includes personal inspections of operations, interviews with management, and in-depth modeling analysis. We utilize local, regional, national, and online brokerage platforms to access the municipal bond market. Our research process varies depending on the required due diligence of the investment. Below is a list of potential research activities for each issuer:

- Analyzing current economic conditions at the national, state, and local level.
- Considering the industry related to the bond and issuer's position within the industry.
- Structure evaluation (coupon, duration, maturity, etc.)
- Creating a financial model of the issuer.
- Meeting face to face with the management of the issuer.
- Visiting the project.
- External resources.
- Monitoring trading activity (Bloomberg, EMMA).
- Tracking state and local budgets and financial disclosures (EMMA, google alerts).
- Ongoing credit surveillance (EMMA, google alerts, news flow, etc.)

### Risk of Loss

As with any investment in securities, a risk of loss exists. Prior to investing, clients must be prepared to bear any losses.

### Risks Associated with Fixed-Income Investing

Risks associated with investing in bonds include:

- *Interest Rate Risk* – When the yield on a bond increases, the price of that bond declines.
- *Call Risk* – The risk that the issuer repays the bond earlier than its stated maturity date exposing the investor to reinvestment rate risk.
- *Reinvestment Rate Risk* – The risk of being forced to reinvest coupon cash flow or maturing bonds at lower yields reducing future income return. This risk is more apparent in declining interest rate environments.

- *Liquidity Risk* – This relates to the timing of converting a bond holding into cash. Higher-yielding, lower-rated, non-rated, or certain bond restrictions (minimum denomination requirements) limit or reduce the liquidity of bond holdings.
- *Default Risk* – This risk involves the probability of an issuer failing to make a required bond interest or principal payments or both.
- *Credit Ratings Risk* – The risk that a rating agency downgrades the bond could negatively affect the price of the bond.
- *Legislative Risk* – If marginal income-tax rates decrease, the tax-exempt benefit of a municipal bond would also decrease. Additionally, a change in the tax benefit of owning municipal bonds either by eliminating the benefit altogether or limiting the tax exemption to a certain amount would have negative consequences.

## **ITEM 9: Disciplinary Information**

There are no legal or disciplinary events outstanding that relate to Equus Private Wealth Management, LLC or any employee of Equus Private Wealth Management, LLC.

In January 1993, while employed by Janus Capital, the SEC found that Mr. Speaker made two personal trades without disclosing the trade or obtaining prior consent. Janus was found to have failed to reasonably supervise Mr. Speaker. The regulatory action was settled on January 13, 1997 and resulted in a total fee of \$62,199. Mr. Speaker was responsible for paying \$37,199, while Janus Capital paid the remaining \$25,000. In accordance with the settlement, Janus Capital and Mr. Speaker neither admitted nor denied the allegation.

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

Equus Private Wealth Management, LLC does not engage in any other financial industry activities beyond the services described in this document, nor does Equus Private Wealth Management, LLC maintain any affiliations with any other financial industry company.

Ron Speaker does act as a co-trustee for an estate of an individual that is related to BlackRock, a financial services technology company. BlackRock is a broker-dealer registered with FINRA and the SEC under CRD 38642. Mr. Speaker does not receive any compensation for his role of co-trustee. No other affiliation exists between BlackRock and Equus Private Wealth Management, LLC.

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

### **Equus Code of Ethics**

Equus has a duty to exercise its authority and responsibility for the benefit of its clients, to place the interests of its clients first, and to refrain from having outside interests that conflict with the interests of its clients. Equus must avoid any circumstances that might adversely affect or appear to affect its duty of complete loyalty to its clients.

Equus recognizes that our business survives only if we act with the highest ethical standards in all of our business relationships. Our business is based on trust that is earned every day. We hold ourselves accountable to the highest moral and ethical standard in everything we do. We will not engage in any behavior that would compromise the integrity of our firm or relationship with our clients.

- This Code of Ethics (“the Code”) has been adopted by Equus as investment adviser to its clients pursuant to Rule 204A-1 under the Advisers Act. The Code applies to all Equus supervised persons (the “Supervised Persons”), and in some cases, particularly to Equus’s “access persons.” The Chief Compliance Officer (CCO) administers the Code.
- Equus will provide a copy of its code to any client or prospective client upon request.

### **Participation or Interest in Client Transactions and Personal Trading**

Equus restricts employees from purchasing individual fixed-income securities for their personal accounts that are similar to and sometimes the same as securities eligible for client accounts. These include individual municipal and corporate bonds and preferred stocks which are our primary areas of investments on our clients’ behalf. This restriction does not apply to fixed-income ETFs and mutual funds as well as common stocks, futures, options and US government securities. When trading in fixed-income ETFs and MLPs, preclearance is required. There is a risk that an employee’s participation in such transactions conflicts with a client portfolio.

<b>Prohibited</b>	<b>Allowed with Preclearance</b>	<b>Allowed without Preclearance</b>	<b>Exempt Securities</b>
Individual municipal and corporate bonds/notes and preferred stocks	Fixed-income ETFs, MLPs	Individual equities, Equity ETFs, Options, Futures, Commodities, Bank CD’s	US Government securities, Money market funds, Unaffiliated mutual funds

Within the bounds of its Code of Ethics, the Adviser has no obligation to provide a particular client with any particular investment opportunity or to refrain from taking advantage of an investment opportunity that could be beneficial to the account of another client or its own account.

At times, the Adviser may buy or sell the same security at the same time for some clients but not others, or for its own account, or for some, but not other, clients. At times, the Adviser may buy or sell securities in some accounts but not others because of differences in substance, timing and amount, due to investment objectives or other factors affecting the appropriateness or suitability of particular investment activities to the accounts or to limitations on the availability of particular investment or transactional opportunities.

The Adviser allocates transactions and opportunities among the various accounts it manages in a manner it believes to be as equitable as possible, considering each account’s objectives, programs, limitations and capital available for investment. However, all accounts may not necessarily invest in the same securities, including the Adviser buying and selling for its own account. When allocating trades that involve employee participation, Equus will always place client interests ahead of employee interests.

For illiquid securities (i.e. municipal bonds), Equus utilizes a rotation-based methodology that incorporates historical pro-rata allocations. Accounts that have participated in fewer trades as a percentage of their account size are given the highest priority. Clients have different minimum positions sizes based on the size of their account.

- Equus will provide a copy of its allocation policy and/or employee trading policy to any client or prospective client upon request.



## **ITEM 12: Brokerage Practices**

Equus is independently owned and operated and is not affiliated with any broker-dealer. Even though you have a custody relationship with a qualified custody bank, we anticipate that most trades will be executed by other brokerage firms. When purchasing and selling securities on behalf of our clients, Equus uses multiple brokerages including online brokerage platforms. Equus does not receive any compensation from brokers. All brokerage decisions are based strictly on obtaining the most favorable trading execution for our clients. A list of brokers used to purchase and sell securities will be made available upon request. Factors considered are access to products, trade execution issues, overall knowledge of the market including specific credits, quality of service, competitiveness of pricing, reputation, financial strength and security.

A broker is compensated by charging commissions or other fees on trades that it executes. Our recommended custodian is Charles Schwab and we may transact through Schwab either as a broker or through a Prime Brokerage relationship. Schwab charges a flat dollar amount per trade as a “Prime Broker” or “Trade Away” fee for trades executed at another brokerage firm.

Equus does not maintain any soft dollar arrangements with any of the brokers it utilizes when executing client trades. Equus does obtain a limited amount of general industry research materials from brokers, but it is not in exchange for directing business to specific brokers.

Equus does not allow clients to choose their own broker-dealers or limit the number of broker-dealers from whom we purchase bonds.

Equus does not receive client referrals from brokerage firms.

## **ITEM 13: Review of Accounts**

Equus periodically reviews client portfolios. The process of reviewing client accounts is part of the weekly and monthly operational activities including portfolio review, account reconciliation, trade allocation, statement preparation, and compliance activities. The following employees are responsible for client account reviews:

- Ron Speaker, CEO
- Matthew Owings, CCO
- Scott Hanley, Analyst
- John Sellman, Associate

On a weekly basis, or as often as necessary, all accounts are reviewed for consistency with the client’s investment strategy, asset allocation, and unique objective parameters. More frequent reviews may be triggered by changes in a client’s financial situation, state of residence or material geopolitical or macroeconomic events.

Equus produces client statements each month. The statements are designed to allow clients to view the status of their account in summary on the first page and obtain details on the following pages. The summary information includes account balances and performance. The detailed information includes overall holdings, trades, maturities, and other portfolio analytics. Monthly reports are reviewed by at least two Equus team members.

The client also receives monthly statements and trade confirmations from their custodian/broker-dealer.

In addition to monthly reports, Equus offers a secure client portal creating convenient access to portfolio details on a daily basis.

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

Equus Private Wealth Management, LLC does not engage any outside sales personnel, nor does Equus refer its clients to other service providers in exchange for a commission or other monetary benefit.

#### **ITEM 15: Custody**

Custody is defined as any legal or actual ability by our firm to access client funds or securities. All client funds are held in a custody account with a qualified custodian. Equus does not take possession of client assets. However, under current SEC rules, Equus is deemed to have constructive custody of client assets solely due to our ability to deduct management fees in arrears directly from client accounts. Equus has defined a process of requiring written approval of the invoice from the customer prior to the fee being deducted from the client's account.

Our firm recommends Charles Schwab as a custodian. We receive an economic benefit from Schwab in the form of support products and services it makes available to us and other independent investment advisers whose clients maintain their accounts at Schwab. You do not pay more for assets maintained at Schwab as a result of these arrangements.

Clients will receive account statements at least quarterly from their custody bank. They will be sent to the email or postal mailing address you provided or are available on the custodian's website log-in portal. We urge our clients to compare the statements produced by Equus with the statement prepared by the qualified custodian. Balances and positions should reconcile unless a trade is outstanding between the month-end reporting cycles.

Should you notice any discrepancies, please notify us and the custodian as soon as possible.

#### **ITEM 16: Investment Discretion**

As defined in the investment advisory agreement, Equus Private Wealth Management, LLC is provided by its clients the discretion and consent to buy and sell securities of any dollar amount as long as the client's investment objectives are honored. Equus maintains full discretion in terms of brokers or dealers used in the transactions as well as commissions that are paid to the brokers or dealers.

The full discretionary trading authorization maintained by Equus is limited to trading only. Equus does not maintain actual access to client funds. Clients must execute the 'Full Discretionary Trading Authorization' form prior to Equus assuming the authority to execute trades.

#### **ITEM 17: Voting Client Securities**

Generally, we do not have the authority to vote client securities. Most fixed-income securities that Equus invests in on behalf of its clients do not involve a voting responsibility. For the few occasions where a vote is required, it is the general policy of Equus that Equus will not vote proxies. Clients will receive notifications for proxy votes from their custodian. They may contact us with questions about a solicitation.

#### **ITEM 18: Financial Information**

Equus does not require its clients to pay for services in advance and, therefore, is not required to include our firm's balance sheet with this brochure. Equus has no financial impairments that would preclude the firm from

meeting contractual commitments to clients nor has Equus or its principals ever been the subject of a bankruptcy petition.

## **Form ADV: Part 2B Supplement**

### **Ron Speaker – CRD# 2660164**

Additional information about Ron Speaker is available at [www.advisorinfo.sec.gov](http://www.advisorinfo.sec.gov).

55 N. 4<sup>th</sup> Street, Carbondale, CO 81623

970-963-9254

[www.equusprivatewealth.com](http://www.equusprivatewealth.com)

#### **Educational Background and Business Experience**

Ronald V. Speaker is a graduate of the University of Colorado with a degree in Business Administration with a major in Finance. Prior to starting Equus, Mr. Speaker spent twenty-one years with Janus Capital Group. He served in several roles but was primarily the portfolio manager of the Janus Flexible Bond Fund and manager of individual private accounts focused on fixed income securities. Mr. Speaker had previously managed the Janus Federal Tax-Exempt fund, the Janus High-Yield fund, Janus Intermediate Government Securities fund, Janus Short-Term Bond fund and Western Reserve Life Bond fund.

Ron Speaker is a CFA Charterholder and is a member of CFA Society Colorado.

#### **Disciplinary Information**

There are currently no legal or disciplinary actions outstanding related to Ron Speaker.

#### **Other Business Activity**

Ron Speaker is not involved in any other business activities beyond his involvement with Equus Private Wealth Management, LLC.

#### **Additional Compensation**

Ron Speaker does not receive compensation from outside sources.

**Supervision**

Ron Speaker's activities, including providing advice to clients, are supervised by Chief Compliance Officer Matt Owings. Matt Owings can be reached at 970-963-5810.

**Requirements for State-Registered Advisors**

Ron Speaker has not been involved in any reportable events that require disclosure by the state of Colorado. Reportable events that require disclosure by the state of Colorado include arbitration claims, bankruptcy filings and civil, self-regulatory organization, or administrative proceeding.

**Matthew Owings – CRD# 5632831**

Additional information about Matt Owings is available at [www.advisorinfo.sec.gov](http://www.advisorinfo.sec.gov).

55 N. 4<sup>th</sup> Street, Carbondale, CO 81623

970-963-5810

[www.equusprivatewealth.com](http://www.equusprivatewealth.com)

**Educational Background and Business Experience**

Matthew Owings has been with Equus since February 2008. He is a graduate of the University of Kansas with a degree in Finance. Mr. Owings has held multiple roles in his 10+ years with Equus including credit analyst, trader, portfolio manager, business development and Chief Compliance Officer.

Matthew is a CFA charterholder and a member of the CFA Society Colorado.

**Disciplinary Information**

There are currently no legal or disciplinary actions outstanding related to Matthew Owings.

**Other Business Activity**

Matt Owings is not involved in any other business activities beyond his involvement with Equus Private Wealth Management, LLC.

**Additional Compensation**

Matthew Owings does not receive any compensation from sources outside of Equus Private Wealth Management, LLC.

**Supervision**

Matthew Owings' activities, including providing advice to clients and his role as Chief Compliance Officer, are supervised by Chief Executive Officer, Ron Speaker. Ron Speaker can be reached at 970-963-9254.

#### **Requirements for State-Registered Advisors**

Matt Owings has not been involved in any reportable events that require disclosure by the state of Colorado. Reportable events that require disclosure by the state of Colorado include arbitration claims, bankruptcy filings and civil, self-regulatory organization, or administrative proceeding.

### **Scott Hanley– CRD# 6411502**

Additional information about Scott Hanley is available at [www.advisorinfo.sec.gov](http://www.advisorinfo.sec.gov).

55 N. 4<sup>th</sup> Street, Carbondale, CO 81623

970-963-2674

[www.equusprivatewealth.com](http://www.equusprivatewealth.com)

#### **Educational Background and Business Experience**

Scott is a graduate of Colorado State University with a degree in Political Science. Prior to joining Equus, Mr. Hanley worked for the Thompson Divide Coalition in Carbondale, Colorado, as Deputy Director. He was also the Deputy Finance Director/Policy Director for Sale Pace for Congress in Pueblo, Colorado, Chief of Staff for State Representative John Kefalas in Denver, Colorado and Chief of Staff for State Representative Roger Wilson in Denver, Colorado. Mr. Hanley brings an in-depth understanding of key state and local issues with his prior political experience and time spent at the state legislature.

Scott is a CFA charterholder and is a member of CFA Society Colorado.

#### **Disciplinary Information**

There are currently no legal or disciplinary actions outstanding related to Scott Hanley.

#### **Other Business Activity**

Scott Hanley is not involved in any other business activities beyond his involvement with Equus Private Wealth Management, LLC.

#### **Additional Compensation**

Scott Hanley does not receive any compensation from sources outside of Equus Private Wealth Management, LLC.

**Supervision**

Scott Hanley's activities, including providing advice to clients, are supervised by Chief Executive Officer, Ron Speaker. Ron Speaker can be reached at 970-963-9254.

**Requirements for State-Registered Advisors**

Scott Hanley has not been involved in any reportable events that require disclosure by the state of Colorado. Reportable events that require disclosure by the state of Colorado include arbitration claims, bankruptcy filings and civil, self-regulatory organization, or administrative proceeding.

**John Sellman- CRD# 6353493**

55 N. 4<sup>th</sup> Street, Carbondale, CO 81623

970-963-9274

[www.equusprivatewealth.com](http://www.equusprivatewealth.com)

**Educational Background and Business Experience**

Mr. Sellman received his bachelor's degree in Finance and Economics from Temple University in Philadelphia, Pennsylvania. He had previously interned with Lockwood Advisors, The Federal Reserve Bank of Philadelphia, Bank of New York Mellon, and JP Morgan Private Bank.

John is a Level III Candidate in the CFA Program.

**Disciplinary Information**

There are currently no legal or disciplinary actions outstanding related to John Sellman.

**Other Business Activity**

John Sellman is not involved in any other business activities beyond his involvement with Equus Private Wealth Management, LLC.

**Additional Compensation**

John Sellman does not receive any compensation from sources outside of Equus Private Wealth Management, LLC.

**Supervision**

John Sellman's activities are supervised by Chief Executive Officer, Ron Speaker. Ron Speaker can be reached at 970-963-9254.

**Requirements for State-Registered Advisors**

John Sellman has not been involved in any reportable events that require disclosure by the state of Colorado. Reportable events that require disclosure by the state of Colorado include arbitration claims, bankruptcy filings and civil, self-regulatory organization, or administrative proceeding.