

**Firm Brochure**  
**Form ADV Part 2A**  
**Item 1 - Cover Page**

# **Integrated Advisors Network**

**75 Malaga Cove, Suite 11**  
**Palos Verdes Estates, CA 90274**  
**Phone: (855) 729-4222**  
**Fax: (888) 474-3767**

**[www.integratedadvisorsnetwork.com](http://www.integratedadvisorsnetwork.com)**

This brochure provides information about the qualifications and business practices of Integrated Advisors Network, LLC. If you have any questions about the contents of this brochure, please contact us at (855) 729-4222 or by email at [schin@integratedadvisorsnetwork.com](mailto:schin@integratedadvisorsnetwork.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 the Adviser is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

**March 23, 2021**

## **Item 2 - Material Changes**

### **Annual Update**

The Material Changes section of this brochure will be updated annually when material changes occur since the previous release of the Firm Brochure.

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

Effective January 1, 2021 Mixed Colors LLC owns 43% of Integrated Advisors Network LLC.

### **Full Brochure Available**

Whenever you would like to receive a complete copy of our Firm Brochure, please contact us by telephone at (855) 729-4222 or email [schin@integratedadvisorsnetwork.com](mailto:schin@integratedadvisorsnetwork.com).

### **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 .....	7
Item 6 - Performance Fees.....	8
Item 7 - Types of Clients .....	9
Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss.....	9
Item 9 - Disciplinary Information.....	11
Item 10 - Other Financial Industry Activities and Affiliations.....	11
Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .....	12
Item 12 - Brokerage Practices .....	13
Item 13 - Review of Accounts .....	15
Item 14 - Client Referrals and Other Compensation .....	15
Item 15 - Custody.....	15
Item 16 - Investment Discretion.....	16
Item 17 - Voting Client Securities.....	16
Item 18 - Financial Information .....	16
Business Continuity Plan .....	18
Information Security Program.....	18
Privacy Practices.....	18

## **Item 4 - Advisory Business**

### **Firm Description**

Integrated Advisors Network, LLC, hereinafter (“IAN” or “the Adviser”) was organized as a Limited Liability Company in the State of Delaware in 2014 and is a SEC registered investment adviser (such registration does not imply that the Adviser has attained a certain level of skill or training).

The Adviser provides investment management services to individuals and wealthy individuals on a separate account management basis. The Adviser is a fee-only investment management. The Firm does not sell securities on a commission basis. The Firm is not affiliated with any entities that sell financial products or securities. The Adviser does not act as a custodian of client assets, and the client always maintains asset control.

The Adviser does have discretion of client accounts and but if non-discretionary assets are accepted the Adviser will seek client approval prior to placing a trade on behalf of the client. The Adviser does have discretion over which brokerage firms to trade with and the resulting commissions to be paid and/or where the account is held in custody and the resulting expenses related to that custodianship.

In some cases, the Adviser does act as a sponsor and can provide investment advice to WRAP programs.

The Adviser provides investment advice under the following dba's: Abundantia Capital Corporation, All Source Investment Management, Andersen Capital Management, Archer Bay Capital, B&B Strategic Partners, Burns-Blackburn Group, Capital City Financial Partners, Echelon Investment Management, Ely Prudent Portfolios, Financial Foundations, Inc., Long Course Capital Management, Menlo Oaks Capital Group, MDK Private Wealth Management, Miller Pacific Financial Advisers, Nspire Wealth, Open Network Financial Consulting, Progression Asset Management, Select Wealth Advisers, Shields Capital Advisers, Sztrom Wealth Management, Vineyard Asset Management, Vineyard Global Advisers, Vineyard Wealth Advisers, Wheeler Wealth Advisory, Yorkshire Wealth Management, and Zimmerman Wealth Advisory Group.

Other professionals (e.g., lawyers, accountants, insurance agents, etc.) are engaged directly by the client on an as-needed basis. Any conflicts of interest arising out of the Adviser's or its associated persons are disclosed in this brochure.

### **Principal Owners**

Mixed Colors LLC owns 43%, Linda Pix owns 17%, and Michael Young owns 40% of the equity securities of the Firm.

### **Types of Advisory Services**

The Adviser provides investment supervisory services, also known as asset management services, for separately managed accounts of its clients. As of February 28, 2021, Integrated Advisors Network collectively managed approximately \$2.5 billion in assets on a discretionary basis and \$215 million on a non-discretionary basis.

### **Tailored Relationships**

The goals and objectives for each client are documented in our client relationship management system. Investment policy statements are created that reflect the stated goals and objectives. Clients may impose restrictions on investing in certain securities or types of securities.

### **Assignment of Investment Management Agreements**

Agreements may not be assigned without client consent.

## ***Types of Agreements***

### **Investment Management Agreement**

As part of the investment management service, all aspects of the client's financial affairs are reviewed, realistic and measurable goals are set, and objectives to reach those goals are defined. As goals and objectives change over time, suggestions are made and implemented on an ongoing basis. The Adviser periodically reviews a client's financial situation and portfolio through regular contact with the client, which often includes an annual meeting with the client.

The scope of work and fee for an Advisory Service Agreement is provided to the client in writing prior to the start of the relationship. The agreement sets forth the services to be provided, the fees for the service and the agreement may be terminated by either party in writing at any time.

### **Financial Planning Agreement**

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.

The financial planning may be the only service provided to the client and does not require that the client use or purchase the investment advisory services offered by the Adviser or any of the insurance products or other products and services offered by the associated persons of the Adviser. There is an inherent conflict of interest for the Adviser whenever a financial plan recommends using professional investment management services or the purchase of insurance products or other financial products or services. The Adviser or its associated persons may receive compensation for financial planning and the provision of investment management services and/or the sale of insurance and other products and services. The Adviser does not make any representation that these products and services are offered at the lowest available cost—the client may be able to obtain the same products or services at a lower cost from other providers. However, the client is under no obligation to accept any of the recommendations of the Adviser or use the services of the Adviser in particular.

## **Asset Management**

Investments may also include equities (stocks), warrants, corporate debt securities, investment company securities (variable life insurance, variable annuities, and mutual funds shares), and U.S. government securities.

Assets are invested primarily in no-load or low-load mutual funds and exchange-traded funds, usually through brokers or fund companies. Fund companies charge each fund shareholder an investment management fee that is disclosed in the fund prospectus. Brokerages may charge a transaction fee for the purchase of some funds.

Stocks and bonds may be purchased or sold through a brokerage account when appropriate. The brokerage firm charges a fee for stock and bond trades. The Adviser does not receive any compensation, in any form, from fund companies.

Initial public offerings (IPOs) are not available through the Adviser.

## **Managed Account Solutions Program (MAS)**

The Managed Account Solutions Program (MAS) allows you to establish an account utilizing Mutual Fund Programs (MFS), Separately Managed Account Programs (SMA), and Unified Managed Account Programs (UMA), developed by third-party money managers that are registered investment advisers

(collectively referred to as sub-advisers) through your representative and the Adviser. The Adviser acts as the investment adviser for all MAS accounts and your adviser acts in a referral capacity when referring you into MAS account portfolios.

MAS is sponsored by Envestnet (Program Sponsor), who is registered with the SEC as an investment adviser and engages in the business of providing investment advisory services and multi-product online technology services and products to adviser's and their end customers. Clients establishing a MAS Program account receive a copy of Envestnet's Disclosure Brochure in addition to our Firm's Disclosure Brochure. The Adviser and Envestnet are separate, non-affiliated entities.

The broker-dealer/custodians maintain custody of funds and securities. The broker-dealer/custodians does not provide and is not registered to provide, investment advisory services to the Adviser or the Adviser's clients. The Adviser is authorized to deduct fees directly from client accounts to pay for investment management services.

Your adviser will assist you in establishing the MAS account through compiling pertinent financial and demographic information on the New Account Application and Risk Tolerance Questionnaire to develop an investment program that will meet your goals and objectives. You will also provide other supporting documents and financial information that we may reasonably request. A MAS Investment Strategy Proposal or Investment Policy Statement is generated from the application and questionnaire provided by you. It summarizes recommended investment strategies and sets out objectives and restrictions in the management of your account. For information about the investment strategies employed in a MAS Program account, please refer to the section titled "Methods of Analysis, Investment Strategies and Risk of Loss."

## **Description of Investment Strategies**

### *Mutual Fund Account Program*

Sub-advisers provide us with mutual fund and exchange traded fund asset allocation model portfolios based on the information, research, asset allocation methodology and investment strategies of the sub-advisers. Your initial Mutual Fund Account Programs are described in your MAS Investment Strategy Proposal.

### *SMA Program*

In an SMA Program account, the client is offered access to an actively managed investment portfolio chosen from a roster of sub-advisers from a variety of disciplines. An SMA account is a portfolio of individually owned securities that can be tailored to fit the client's investing preferences. Envestnet retains the sub-advisers for portfolio management services in connection with the SMA program through separate agreements entered into between Envestnet and the sub-adviser on terms and conditions that Envestnet deems appropriate. Clients may also select individual funds through the SMA Program. Your initial SMA portfolios are described in your MAS Investment Strategy Proposal.

### *Unified Managed Account Program*

Sub-advisers provide us with access to Unified Managed Account portfolios. These portfolios combine specialized institutional asset class managers, mutual funds and/or exchange-traded funds. The Adviser serves as the overlay manager to manage separate account positions in a comprehensive asset allocation portfolio of securities in a single brokerage account. Your initial Unified Managed Account Programs are described in your MAS Investment Strategy Proposal.

### *Adviser Directed Account Programs*

Adviser directed accounts are managed by your representative based on the financial information and investment objectives you provide. Your representative designs one or more investment management and asset allocation portfolios for you. Your initial Adviser Directed Account Programs are described in your MAS Investment Strategy Proposal.

### *MAS Program Miscellaneous*

Trading by third-party money managers may trigger wash sale rule implications. A wash sale occurs when a security is sold at a loss, and then the same or substantially identical security is repurchased within a short time period. The third-party money manager may not necessarily manage accounts in the MAS Program in a manner to avoid wash sale implications. You are encouraged to consult with a tax adviser to discuss any tax implications involving your portfolios in these and in all advisory programs.

### *WRAP Fee Programs*

Generally, The Adviser considers the Managed Account Solutions Program to be a WRAP fee program through which investment advisory services and execution of the client's transactions are provided for specified fees that are not based directly upon transactions in the client's account. The Adviser receives a portion of the WRAP fee for investment management services we provide. The Adviser and the representative do not manage WRAP fee accounts differently from other programs. For a complete description of the WRAP program, the WRAP fee, and what services are included in the WRAP fee, refer to ADV Part 2A, Appendix 1, the WRAP Fee Program Brochure.

### **Termination of Agreements**

A Client may terminate any of the aforementioned agreements at any time by notifying the Adviser in writing. Clients shall be charged pro-rata for services provided through to the date of termination. If the client made an advance payment, the Adviser would refund any unearned portion of the advance payment.

The Adviser may terminate any of the aforementioned agreements at any time by notifying the client in writing. If the client made an advance payment, the Adviser would refund any unearned portion of the advance payment.

The Adviser reserves the right to terminate any engagement where a client has willfully concealed or has refused to provide pertinent information about financial situations when necessary and appropriate, in the Adviser's judgment, to providing proper financial advice. Any unused portion of fees collected in advance will be refunded.

## **Item 5 - Fees and Compensation**

### **Investment Management**

The Adviser bases its fees on a percentage of assets under management. Although the Advisory Service Agreement is an ongoing agreement and constant adjustments are required, the length of service to the client is at the client's discretion. The client or the investment manager may terminate an Agreement by written notice to the other party. Fees are collected in advance therefore at termination, any unearned fees as determined on a pro-rata basis for the portion of the quarter completed shall be refunded to the client. The investment management fees are negotiable at the sole discretion of the Adviser and fees for comparable services may be available from other sources.

The Adviser fee for portfolio management services is based on a percentage of the client's assets that are to 2.95%. The Adviser's fee may be negotiable, depending on individual client circumstances. The Adviser's fee will vary depending on the particular investment adviser representative managing the client's account and the program option that is chosen and may be higher or lower than other clients pay for similar services. Separate account managers may charge a separate fee that is in addition to our fee. The total fee and fee-paying arrangements will be clearly set forth in the Investment Management Agreement you sign with our firm.

### **Fee Billing**

Investment management fees are billed quarterly, both in arrears and in advance. For advance fee billing accounts, we invoice you before the three-month billing period has begun, based on the asset value of your

account on the last day of the previous quarter. Payment in full is expected upon invoice presentation. Fees are deducted from the client account to facilitate billing as authorized by the investment management agreement.

### **Other Fees**

Unless the client portfolio account is in a wrap program, the client will likely incur fees from brokerages, custodians, administrators, and other service providers. These fees are incurred as a result of managing a client account and are charged by the service provider. The amount and nature of these fees are based on the service provider's fee schedule(s) at the provider's sole discretion. These fees are separate and distinct from any fees charged by the Adviser.

The Adviser's services are charged on a fee only basis and no associated persons shall earn compensation based on a securities transaction (i.e. commission) including asset-based sales charges or service fees from the sale of mutual funds. The Adviser may include mutual funds, variable annuity products, ETFs, and other managed products or partnerships in clients' portfolios. Clients may be charged for the services by the providers/managers of these products in addition to the management fee paid to the Adviser. The Adviser, from time to time, may select or recommend to separately managed clients the purchase of proprietary investment products. To the extent the client's separately managed portfolio includes such proprietary products, the Adviser will adjust the client's fee associated with the client's separately managed account. The fees and expenses charged by the product providers are separate and distinct from the management fee charged by the Adviser. These fees and expenses are described in each mutual fund's or underlying annuity fund's prospectus or in the offering memorandums of a partnership. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. No-load or load waived mutual funds may be used in client portfolios, so there would be no initial or deferred sales charges; however if a fund that imposes sales charges is selected, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund or variable annuity or investment partnership directly, without the services of the Adviser. Accordingly, the client should review both the fees charged by the funds and the applicable program fee charged by the Adviser to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

If it is determined that a client portfolio shall contain corporate debt or other types of over the counter securities, the client may pay a mark-up or mark-down or a "spread" to the broker or dealer on the other side of the transaction that is built into the purchase price of the security.

The Adviser is a fee-only investment management and financial planning firm. The firm does not sell securities on a commission basis. However, there may be some associated persons who are in other fields where they receive commissions as compensation. The investment management services are provided through separately managed accounts for each client. The Adviser does not act as a custodian of client assets, and the client always maintains asset control. The Adviser has discretion of client accounts and places trades for clients under a limited power of attorney.

### **Item 6 - Performance Fees**

Fees are not based on a share of the capital gains or capital appreciation of managed securities. However, the Adviser may employ certain types of investments that do charge a performance fee in which the Adviser does not participate. For these investments, refer to their offering or private placement memorandum for an explanation and amounts of the performance fees.



## **Item 7 - Types of Clients**

### **Description**

The Adviser generally provides investment advice to individuals, pension and profit-sharing plans, trusts, estates, or charitable organizations, corporations, or business entities. Client relationships vary in scope and length of service.

### **Account Minimums**

To open and maintain a portfolio management account, the Adviser generally requires that the client represents and warrants that the value of their account initially is at least \$50,000. At the Adviser's discretion, we may accept clients with smaller accounts.

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

### **Methods of Analysis**

Security analysis methods may include fundamental analysis, technical analysis, and cyclical analysis. The main sources of information include financial newspapers and magazines, inspections of corporate activities, research materials prepared by others, corporate rating services, annual reports, prospectuses, filings with the Securities and Exchange Commission, and company press releases.

### **Investment Strategies**

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 primary investment strategy used on client accounts is strategic asset allocation. This means that we use passively managed index and exchange-traded funds as the core investments and then add actively-managed funds where there are greater opportunities to make a difference. Portfolios are globally diversified to control the risk associated with traditional markets.

The investment strategy for a specific client is based upon the objectives stated by the client during consultations. The client may change these objectives at any time. Each client executes an Investment Policy Statement that documents their objectives and their desired investment strategy.

The Adviser's strategies do not involve frequent trading.

Strategies may include long-term purchases, short-term purchases, short sales and margin transactions.

### **Market, Security and Regulatory Risks**

Any investment with the Adviser involves significant risk, including a complete loss of capital and conflicts of interest. All investment programs have certain risks that are borne by the investor, which are described below:

#### **Market Risks:**

Competition. The securities industry and the varied strategies and techniques to be engaged in by the Adviser are extremely competitive and each involves a degree of risk. The Adviser will compete with firms, including many of the larger securities and investment banking firms, which have substantially greater financial resources and research staff.

Market Volatility. The profitability of the Adviser substantially depends upon it correctly assessing the future price movements of stocks, bonds, options on stocks, and other securities and the movements of interest rates. The Adviser cannot guarantee that it will be successful in accurately predicting price and

interest rate movements.

Integrated Advisors Network's Investment Activities. The Adviser's investment activities involve a significant degree of risk. The performance of any investment is subject to numerous factors which are neither within the control of nor predictable by the Adviser. Such factors include a wide range of economic, political, competitive, technological, and other conditions (including acts of terrorism and war) that may affect investments in general or specific industries or companies. The securities markets may be volatile, which may adversely affect the ability of the Adviser to realize profits.

Material Non-Public Information. By reason of their responsibilities in connection with other activities of the Adviser and/or its affiliates, certain principals or employees of the Adviser and/or its affiliates may acquire confidential or material non-public information or be restricted from initiating transactions in certain securities. The Adviser will not be free to act upon any such information. Due to these restrictions, the Adviser may not be able to initiate a transaction that it otherwise might have initiated and may not be able to sell an investment that it otherwise might have sold.

Accuracy of Public Information. The Adviser selects investments, in part, on the basis of information and data filed by issuers with various government regulators or made directly available to the Adviser by the issuers or through sources other than the issuers. Although the Adviser evaluates all such information and data and sometimes seeks independent corroboration when it's considered appropriate and reasonably available, the Adviser is not in a position to confirm the completeness, genuineness, or accuracy of such information and data, and in some cases, complete and accurate information is not available.

Investments in Undervalued Securities. The Adviser intends to invest in undervalued securities. The identification of investment opportunities in undervalued securities is a difficult task, and there are no assurances that such opportunities will be successfully recognized or acquired. While investments in undervalued securities offer opportunities for above-average capital appreciation, these investments involve a high degree of financial risk and can result in substantial losses. Returns generated from the Adviser's investments may not adequately compensate for the business and financial risks assumed.

Small Companies. The Adviser may invest a portion of its assets in small and/or unseasoned companies with small market capitalization. While smaller companies generally have the potential for rapid growth, they often involve higher risks because they may lack the management experience, financial resources, product diversification, and competitive strength of larger companies. In addition, in many instances, the frequency and volume of their trading may be substantially less than is typical of larger companies. As a result, the securities of smaller companies may be subject to wider price fluctuations.

Market or Interest Rate Risk. The price of most fixed income securities moves in the opposite direction of the change in interest rates. For example, as interest rates rise, the price of fixed income securities falls. If the Adviser holds a fixed-income security to maturity, the change in its price before maturity may have little impact on the Adviser's performance; however, if the Adviser has to sell the fixed income security before the maturity date, an increase in interest rates could result in a loss to the Adviser.

Fixed Income Call Option Risk. Many bonds, including agency, corporate and municipal bonds, and all mortgage-backed securities, contain a provision that allows the issuer to "call" all or part of the issue before the bond's maturity date. The issuer usually retains this right to refinance the bond in the future if market interest rates decline below the coupon rate. There are three disadvantages to the call provision. First, the cash flow pattern of a callable bond is not known with certainty. Second, because the issuer will call the bonds when interest rates have dropped, the Adviser is exposed to reinvestment rate risk – the Adviser will have to reinvest the proceeds received when the bond is called at lower interest rates. Finally, the capital appreciation potential of a bond will be reduced because the price of a callable bond may not rise much above the price at which the issuer may call the bond.

Inflation Risk. Inflation risk results from the variation in the value of cash flows from a security due to inflation, as measured in terms of purchasing power. For example, if the Adviser purchases a 5-year bond in which it can realize a coupon rate of 5%, but the rate of inflation is 6%, then the purchasing power of the

cash flow has declined. For all but inflation-linked bonds, adjustable bonds or floating rate bonds, the Adviser is exposed to inflation risk because the interest rate the issuer promises to make is fixed for the life of the security.

### **Regulatory Risks:**

Strategy Restrictions. Certain institutions may be restricted from directly utilizing investment strategies of the type in which the Adviser may engage. Such institutions, including entities subject to ERISA, should consult their own advisers, counsel, and accountants to determine what restrictions may apply and whether an investment in the Adviser is appropriate.

Trading Limitations. For all securities, instruments and/or assets listed on an exchange, including options listed on a public exchange, the exchange generally has the right to suspend or limit trading under certain circumstances. Such suspensions or limits could render certain strategies difficult to complete or continue and subject the Adviser to loss. Also, such a suspension could render it impossible for the Adviser to liquidate positions and thereby expose the Adviser to potential losses.

Conflicts of Interest. In the administration of client accounts, portfolios and financial reporting, the Adviser faces inherent conflicts of interest which are described in this brochure. Generally, the Adviser mitigates these conflicts through its Code of Ethics which provides that the client's interest is always held above that of the Firm and its associated persons.

Supervision of Trading Operations. The Adviser, with assistance from its brokerage and clearing firms, intends to supervise and monitor trading activity in the portfolio accounts to ensure compliance with firm and client objectives. Despite the Adviser's efforts, however, there is a risk that unauthorized or otherwise inappropriate trading activity may occur in portfolio accounts.

Depending on the nature of the investment management service selected by a client and the securities used to implement the investment strategy, clients will be exposed to risks that are specific to the securities in their particular investment portfolio.

### **Security Specific Risks:**

Liquidity. Liquidity is the ability to readily convert an investment into cash. Securities, where there is a ready market that is traded through an exchange, are generally more liquid. Securities traded over the counter or that do not have a ready market or are thinly traded are less liquid and may face material discounts in the price level in a liquidation situation.

Currency. 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.

Limited Liquidity of Interests. An investment in a partnership usually involves substantial restrictions on liquidity and its interests are not freely transferable. There is no market for these interests and no market should be expected to develop. Additionally, transfers are usually subject to the consent of the general partner at the general partner's sole discretion.

## **Item 9 - Disciplinary Information**

The Adviser and its employees have not been involved in legal or disciplinary events related to past or present investment clients.

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

### **Brokerage Affiliations**

Associated persons of the Adviser are registered representatives of a broker dealer. They may offer securities and receive normal and customary commissions as a result of securities transactions. A conflict

of interest may arise as these commissionable securities sales may create an incentive to recommend products based on the compensation they may earn and may not necessarily be in the best interests of the client. However, clients of the Adviser are not required to use the brokerage services offered by the registered representatives associated with the Adviser. The Adviser does not make any representation that the brokerage services are at the lowest cost available and clients may be able to obtain those services and/or products at a more favorable rate from other brokerages. The brokerage activities provided by these individuals are entirely separate and distinct from the advisory services provided by the Adviser.

The Adviser mitigates these conflicts through its procedures to review client accounts relative to the client or investors personal financial situation to ensure the investment management service provided is appropriate. Further, the Adviser is committed to its obligation to ensure associated persons adhere to the firm's Code of Ethics and to ensure that the firm and its associated persons fulfill their fiduciary duty to clients or investors.

### **Affiliations**

Investment adviser representatives of the Adviser may be licensed to sell insurance products through various independent insurance agencies. In some instances, certain investment adviser representatives may sell insurance products through their independently owned insurance agency. In either case, these investment adviser representatives, in their capacity as independent insurance agents, may sell insurance products to advisory clients. These individuals will receive normal and customary commissions as a result of selling insurance as well as advisory fees for providing advisory services through the Adviser. Clients are hereby advised that such commissions and advisory fees are separate and apart from the fees charged by the Firm. Clients are under no obligation, contractually or otherwise, to purchase insurance products or receive investment advice through these associated persons in their separate capacities as insurance agents and/or advisory representatives of the Adviser. However, if the client freely chooses to implement the plan through such individuals, the investment adviser used will be the Adviser, and commissions/fees will be earned in addition to any fees paid for advisory services provided by the Firm.

The adviser also has affiliations with two other investment advisory firms, Mission Institutional Advisers, LLC and Specialized Advisers, LLC through common ownership.

### **Non-Financial Affiliations**

The Adviser has arrangements that are material to its advisory or its clients with a related person who provides compliance services to financial services firms. The affiliated entity, ComplianceWorks Inc., created and maintains the compliance program for the firm.

The Adviser or its related personnel's affiliation with a compliance services firm is a conflict of interest as related personnel receive compensation for its activities in that area. However, clients of the Adviser do not pay any additional amount over and above their investment management fee for the use of ComplianceWorks whose fees are based on market rates for such services.

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

### **Code of Ethics**

The Adviser has adopted a Code of Ethics which establishes standards of conduct for its supervised persons. The Code of Ethics includes general requirements that such supervised persons comply with their fiduciary obligations to clients and applicable securities laws, and specific requirements relating to, among other things, personal trading, insider trading, conflicts of interest, and confidentiality of client information. It requires supervised persons to report their personal securities transactions and holdings quarterly to the Adviser's Compliance Officer and requires the Compliance Officer to review those reports. It also requires

supervised persons to report any violations of the Code of Ethics promptly to the Adviser's Compliance Officer. Each supervised person of the Adviser receives a copy of the Code of Ethics and any amendments to it and must acknowledge in writing having received the materials. Annually, each supervised person must certify that he or she complied with the Code of Ethics during that year. Clients and prospective clients may obtain a copy of the Adviser's Code of Ethics by contacting the Compliance Officer of the Adviser.

**Participation or Interest in Client Transactions.**

Under the Adviser's Code of Ethics, the Adviser and its managers, members, officers, and employees may invest personally in securities of the same classes as are purchased for clients and may own securities of the issuers whose securities are subsequently purchased for clients. The Adviser may decline any proposed trade by an employee that involves a security that is being or has been purchased or sold by the Adviser on behalf of any client or is being considered for purchase or sale. The Adviser and its managers, members, officers, and employees may also buy or sell specific securities for their own accounts based on personal investment considerations, which the Adviser does not deem appropriate to buy or sell for clients.

### **Personal Trading**

The Chief Compliance Officer of the Adviser is Soth Chin. He reviews all employee trades each quarter. He will not have a personal brokerage account other than one with only mutual fund investments as positions. The employee personal trading reviews ensure that the personal trading of employees does not affect the markets, and that clients of the firm receive preferential treatment.

## **Item 12 - Brokerage Practices**

### **Brokerage Selection and Soft Dollars**

The Adviser has the authority over the selection of the broker to be used and the commission rates to be paid without obtaining specific client consent. The Adviser may recommend brokerage firms as qualified custodians and for trade execution. The Adviser does not receive fees or commissions from any of these arrangements.

In selecting brokers or dealers to execute transactions, Adviser will seek to achieve the best execution possible, but this does not require it to solicit competitive bids and does not have an obligation to seek the lowest available commission cost. The Adviser does not use soft dollars in connection with services.

### **Research and Other Benefits**

The Adviser may receive certain benefits from the recommended broker-dealer/custodians. These benefits do not depend on the amount of transactions we direct to the broker-dealer/custodian. These benefits may include: A dedicated trading desk that services our clients, a dedicated service group and an account services manager dedicated to our accounts, access to a real time order matching system, ability to block client trades, electronic download of trades, balances and positions in the broker- dealer/custodian's portfolio management software, access to an electronic interface with broker- dealer/custodian's software, duplicate and batched client statements, confirmations and year-end summaries, and the ability to have advisory fees directly debited from client accounts (in accordance with federal and state requirements.)

The Adviser participates in the institutional adviser program (the "Program") offered by unaffiliated SEC-registered broker-dealer and FINRA members. The broker dealer/custodians offer to independent investment advisers services which include custody of securities, trade execution, clearance and settlement of transactions. The Adviser receives some benefits from the broker dealer/custodians through its participation in their Programs. The Adviser may recommend the broker dealer/custodians to clients for custody and brokerage services. There is no direct link between the Adviser's participation in the program and the investment advice it gives to our clients, although the Adviser receives economic benefits through its participation in the program that are typically not available to the broker dealer/custodians 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 adviser 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 advisory 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 us by third party vendors. The broker dealer/custodians may also have paid for business consulting and professional services received by our related persons. Some of the products and services made available by the broker dealer/custodians through the program may benefit the Adviser but may not benefit our client accounts. These products or services may assist the Adviser in managing and administering client accounts, including accounts not maintained at the broker dealer/custodians. Other services made available by the broker dealer/custodians are intended to help the Adviser manage and further develop its business enterprise. The benefits received by the Adviser or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to the broker dealer/custodians. As part of its fiduciary duties to clients, the Adviser endeavors at all times to put the interests of its clients first. You should be aware, however, that the receipt of economic benefits by the Adviser or our related persons in and of itself creates a potential conflict of interest and may indirectly influence our choice of the broker dealer/custodians for custody and brokerage services.

### **Order Aggregation**

The nature of the clients and/or trading activity on behalf of client accounts are such that trade aggregation does not garner any client benefit (in regard to mutual fund or exchange traded funds for example).

### **Directing Brokerage for Client Referrals**

The Adviser and its associated persons do not receive client referrals from broker dealers or third parties as consideration for selecting or recommending brokers for client accounts.

### **Directed Brokerage**

The Adviser allows clients to direct brokerage, but the Adviser does not require clients to direct brokerage. In the event that a client directs the Adviser to use a particular broker or dealer, the Adviser may not be authorized under those circumstances to negotiate commissions and may not be able to obtain volume discounts or best execution. In addition, under these circumstances a disparity in commission charges may exist between the commissions charged to clients who direct the Adviser to use a particular broker or dealer and other clients who do not direct Adviser to use a particular broker or dealer which may result in higher trading expenses to the client who directs brokerage. The Adviser may place orders for transactions in certain securities initially only for those accounts which are held in custody at banks or at brokerage firms that permit the Adviser to place trades for accounts held in custody at that firm with other brokerage firms. Therefore, accounts held in custody at firms which do not permit the Adviser to place transactions with other brokerage firms may not be able to participate in the initial transaction and may not be able to participate in the same gains or losses as other Clients whose accounts are not so restricted. In cases where trading or investment restrictions are placed on a Client's account, the Adviser may be precluded from aggregating that Client's transaction with other accounts which may result in less favorable security prices and/or higher transaction costs.

## **Item 13 - Review of Accounts**

### **Periodic Reviews**

Account reviewers are the registered Investment Adviser Representatives who review accounts not less than once a year. They are instructed to 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. Client accounts reviewed by the Investment Adviser Representative responsible for the account and the CCO also performs random reviews.

### **Review Triggers**

Accounts are reviewed annually or 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 financial or personal situation.

### **Regular Reports**

Clients receive periodic reports on at least a quarterly basis. The written reports may include account valuation, performance stated in dollars and as a percent, net worth statement, portfolio statement, and a summary of objectives and progress towards meeting those objectives. Clients receive statements of account positions no less than quarterly from the account custodian.

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

### **Incoming Client Referrals**

The Adviser receives client referrals which may come from current clients, estate planning attorneys, accountants, employees, personal friends of employees and other similar sources. The firm does not compensate referring parties for these referrals.

### **Referrals to Third Parties**

The Adviser has entered into several agreements where it solicits clients and refers them to third party investment advisers. The Adviser will only refer clients to investment advisers that are registered with the Securities and Exchange Commission (SEC) or with the applicable state(s). Currently, the Adviser receive a split of management fees that ranges between 15% and 50%. The Adviser is required to present a disclosure to all prospects and clients which details the compensation to the Adviser and other general terms of the relationship between the third party and the Adviser. The Adviser has clients and prospects sign this disclosure and return it to the third-party adviser. The agreement between the Adviser and the third-party adviser(s) may be terminated by either party's written notice.

## **Item 15 - Custody**

### **Custody Policy**

The Adviser does not accept or permit the Firm or its associated persons from obtaining custody of client assets including cash, securities, acting as trustee, provide bill paying service, have password access to control account activity or any other form of controlling client assets. All checks or wire transfer to fund client accounts are required to be made out to/sent to the account custodian.

The Adviser is considered to have custody of clients' funds or securities when clients have standing authorizations with their custodian to move money from a client's account to a third-party ("SLOA") in



which the adviser may have some discretion in transferring the funds on behalf of the client. These SLOAs have been put in place upon the client's written request and signature. For instance, the amount or timing of the transfers may not be on the SLOA submitted to the custodian; however, at a future date, a client will contact the Adviser requesting that the adviser submit instructions to the custodian to remit a specific dollar amount from the account to the designated third-party (both of which are identified in the SLOA that is on file). The Adviser meets the seven conditions the SEC has set forth that are intended to protect client assets in such situations.

### **Account Statements**

All assets are held at qualified custodians and the custodians provide account statements not less than quarterly to clients at their address of record. Clients should carefully review such statements for any discrepancies or inaccuracies.

### **Performance Reports**

Pursuant to recent amendments to Rule 206(4) under the Investment Advisers Act of 1940, the Securities and Exchange Commission now requires advisers to urge clients to compare the information set forth in their statement from the Adviser with the statements received directly from the custodian to ensure accuracy of all account transactions.

## **Item 16 - Investment Discretion**

The Adviser contracts for limited discretionary authority to transact portfolio securities accounts on behalf of clients. Discretionary authority is granted either by the Adviser's investment management agreement and/or by a separate limited power of attorney where such document is required. The Adviser has the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. The firm's discretionary authority regarding investments may however, be subject to certain limitations. These limitations are recognized as the restrictions and prohibitions placed by the Client on transactions in certain types of business or industries. All such restrictions are to be agreed upon in writing at the account's inception.

The Adviser will consult with the client where discretion is not obtained prior to each trade in order to obtain client approval for the transaction(s).

The client authorizes the discretion to select the custodian to be used and the commission rates paid to the Adviser. The Adviser 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**

The Adviser will not vote nor advise clients how to vote proxies for securities held in client accounts. The client clearly keeps the authority and responsibility for the voting of these proxies. The Adviser does not give any advice or take any action with respect to the voting of these proxies. For accounts subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), the plan fiduciary specifically keeps the authority and responsibility for the voting of any proxies for securities held in plan accounts. The Adviser promptly passes along any proxy voting information to the clients or their representatives.

## **Item 18 - Financial Information**

The Adviser does not have any financial impairment that will preclude the firm from meeting contractual commitments to clients. The Adviser meets all net capital requirements that it is subject to and the Adviser



has not been the subject of a bankruptcy petition in the last 10 years.

The Adviser is not required to provide a balance sheet as it 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, and six months or more in advance.

## **Business Continuity Plan**

The Adviser has a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, services, or key people.

### **Disasters**

The Business Continuity Plan covers natural disasters such as snowstorms, hurricanes, tornados, and flooding. The Plan covers man-made disasters such as loss of electrical power, loss of water pressure, fire, bomb threat, nuclear emergency, chemical event, biological event, T-1 communications line outage, Internet outage, railway accident, and aircraft accident. Electronic files are backed up daily and archived offsite.

### **Alternate Offices**

Alternate offices are identified to support ongoing operations in the event the main office is unavailable. It is our intention to contact all clients within five days of a disaster that dictates moving our office to an alternate location.

### **Summary of Business Continuity Plan**

A summary of the Business Continuity Plan is available upon request to IAN's Chief Compliance Officer.

## **Information Security Program**

### **Information Security**

The Adviser maintains an information security program to reduce the risk that your personal and confidential information may be breached.

## **Privacy Practices**

Below is a summary of the Adviser's Privacy Policy regarding client personal information.

### ***The Adviser:***

- a) Collects non-public personal information about its clients from the following sources:
  - Information received from clients on applications or other forms;
  - Information about clients' transactions with the Adviser, its affiliates and others;
  - Information received from our correspondent clearing broker with respect to client accounts;
  - Medical information submitted as part of an insurance application for a traditional life or variable life policy; and
  - Information received from service bureaus or other third parties.
- b) The Adviser will not share such information with any affiliated or nonaffiliated third party except:
  - When necessary to complete a transaction in a customer account, such as with the clearing firm or account custodians;
  - When required to maintain or service a customer account;
  - To resolve customer disputes or inquiries;

- With persons acting in a fiduciary or representative capacity on behalf of the customer;
  - With rating agencies, persons assessing compliance with industry standards, or to the attorneys, accountants and auditors of the firm;
  - In connection with a sale or merger of The Adviser's business;
  - To protect against or prevent actual or potential fraud, identity theft, unauthorized transactions, claims or other liability;
  - To comply with federal, state or local laws, rules and other applicable legal requirements;
  - In connection with a written agreement to provide investment management or advisory services when the information is released for the sole purpose of providing the products or services covered by the agreement;
  - In any circumstances with the customer's instruction or consent.
- c) Restricts access to confidential client information to individuals who are authorized to have access to confidential client information and need to know that information to provide services to clients.
- d) Maintains physical, electronic, and procedural security measures that comply with applicable state and federal regulations to safeguard confidential client information.