

**Independence Square Holdings, LLC**  
**Doing Business as: Independence Square Advisors**



**FORM ADV PART 2A**  
**Appendix 1**  
**Wrap Fee Program Brochure**

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This wrap fee program brochure provides information about the qualifications and business practices of Independence Square Advisors. If you have any questions about the contents of this brochure, please contact Independence Square Advisors at (610) 520-1500 or through our website at <https://indsquare.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. Registration does not imply a certain level of skill or training. Additional information about Independence Square Advisors also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2: Material Changes**

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This is Independence Square Advisors' first Wrap Fee Program Brochure and therefore there are no changes to disclose. In the future, this section will point out material changes that have been made to this Brochure since the date of the last Brochure and provide a summary of the changes.

If you would like another copy of this Brochure, please download it from the SEC website as indicated in Item 1, or you may contact our principal office at (610) 520-1500 or [info@indsquare.com](mailto:info@indsquare.com).

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## **Item 4: Services, Fees and Compensation**

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### **Services**

Independence Square Holdings, LLC, dba Independence Square Advisors (hereinafter “INDSQUARE”) offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. This Brochure provides a description of the advisory services offered under the Independence Square Advisors Wrap Program. For more information about INDSQUARE’s other investment advisory services, you can view our Form ADV Part 2A, which you can obtain at: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

An investment adviser representative recommending the wrap fee program receives compensation as a result of a client’s participation in the program. The amount of this compensation may be more than what the person would receive if the client participated in other programs or paid separately for investment advice, brokerage, and other services. Therefore, investment adviser representatives may have a financial incentive to recommend the wrap fee program over other programs or services.

In the Independence Square Advisors Wrap Program, INDSQUARE provides ongoing investment advice and management of assets in the client’s account. INDSQUARE provides advice on the purchase and sale of various types of investments, such as mutual funds, exchange traded funds (“ETFs”), variable annuity subaccounts, equities, and fixed income securities. Advice is tailored to the individual needs of the client based on the investment objective chosen by the client. Clients may impose restrictions on investing in certain securities or groups of securities by indicating in the written advisory agreement.

- INDSQUARE provides services on a discretionary basis. The client authorizes INDSQUARE to have discretion by signing an advisory agreement.
- Assets for the program accounts are held at LPL Financial (“LPL”) as custodian. LPL also acts as the executing broker-dealer for transactions made in program accounts and provides other administrative services as described throughout this Brochure.
- Clients receive individual performance reports and transaction reports, quarterly at minimum. These performance reports are intended to inform clients as to how their investments have performed for a period, both on an absolute basis and compared to leading investment indices.

### **Fees**

In the Independence Square Advisors Wrap Program, clients pay a single advisory fee for advisory services and execution of transactions. Clients do not pay brokerage commissions, markups, or transaction charges for execution of transactions in addition to the advisory fee. The advisory fee is negotiable between the client and INDSQUARE and is set out in the advisory agreement.

The advisory fee is a percentage based on the value of all assets in the account, including cash holdings. The advisory fee is calculated using the value of the assets in the Account on the last business day of the prior billing period.

These fees are generally negotiable, and the final fee schedule will be memorialized in the client's advisory agreement. Clients may terminate the agreement without penalty for a full refund of INDSQUARE's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract immediately upon written notice.

The maximum advisory fee is 2.5%, with no minimum.

The advisory fee may be higher than the fee charged by other investment advisers for similar services. The advisory fee is paid to INDSQUARE and is shared between INDSQUARE and its associated persons. INDSQUARE does not accept performance-based fees for program accounts.

- The advisory fee is deducted from the account by LPL as the custodian of assets, based on a written authorization from the client.
- LPL calculates and deducts the advisory fee quarterly in advance.
- If the advisory agreement is terminated before the end of the quarterly period, client is entitled to a pro-rated refund of any pre-paid quarterly advisory fee based on the number of days remaining in the quarter after the termination date.

Although clients do not pay a transaction charge for transactions in a program account, clients should be aware that INDSQUARE pays LPL transaction charges for the transactions. The transaction charges paid by INDSQUARE vary based on the type of transaction (e.g., mutual fund, equity or fixed income security) and range from \$0 to \$50.

- Because INDSQUARE pays the transaction charges in program accounts, there is a conflict of interest.
- Clients should understand that the cost to INDSQUARE of transaction charges may be a factor INDSQUARE considers when deciding which securities to select and how frequently to place transactions in a program account.

### **Mutual Fund Share Class Disclosure and Fiduciary Duty (12b-1 Fees)**

Section 206 of the Investment Advisers Act of 1940 ("Advisers Act") imposes a fiduciary duty to act in a client's best interests and specifically prohibits investment advisers, directly or indirectly, from engaging in any transaction, practice, or course of business which operates as a fraud or deceit upon any client or prospective client.

When selecting a mutual fund for a client's advisory account, the investment adviser representative has a fiduciary duty to select the share class that helps manage the overall fee structure of the account.

Ticket charges for A shares held in a wrap fee program require special consideration because the ticket charges are included as part of the wrap fee program and paid by the adviser.

Consequently, A shares do not offer the same level of benefit to a client that they do in a non-wrap fee account.

Additionally, the advisor now has an incentive to not trade as frequently to avoid the ticket charges which can compromise the active management of an advisory account. This conflict is mitigated by an investment adviser representative's fiduciary duty to act in a client's best interest while also considering the higher asset management fee charged for wrap fee accounts.

- Mutual funds normally offer multiple share classes, including lower-cost share classes that do not charge 12b-1 fees and are therefore less expensive.
- Investment adviser representatives ("IARs") will invest client funds in 12b-1 fee paying share classes even when a lower-cost share class is available as appropriate to account for the overall fee structure of the account.
- IARs benefit from investing clients in 12b-1 fee paying share classes because they avoid paying LPL's transaction charges.
- 12b-1 fee paying mutual funds (A Share mutual funds) do not always have an otherwise equivalent lower cost share class alternative.
- Not all investors will qualify for the lower cost alternative (I Share mutual funds), which can have a higher minimum investment amount.
- 12b-1 fees are not retained by INDSQUARE or IARs.
- 12b-1 fees are retained by the custodian, LPL Financial, an unaffiliated member FINRA/SIPC broker-dealer.
- LPL Financial does not share 12b-1 fees with the individual IARs of INDSQUARE even if they also function in the capacity of a registered representative of LPL Financial.

Depending on the anticipated trading volume, and the asset management fee that is determined based on account size, complexity and time requirements, investment adviser representatives have a fiduciary duty to determine the mutual fund share class that is in the best interest of each client as part of the overall fee analysis.

### **Other Types of Fees and Charges**

Wrap program accounts will incur additional fees and charges from parties other than INDSQUARE, as noted below. These fees and charges are in addition to the advisory fee paid to INDSQUARE and INDSQUARE does not share in any portion of these third-party fees.

LPL, as the custodian and broker-dealer providing brokerage and execution services on program accounts, may impose certain fees and charges. LPL notifies clients of these charges at account opening and makes available a list of these fees and charges on its website at [www.lpl.com](http://www.lpl.com). LPL will deduct these fees and charges directly from the client's program account.

There are other fees and charges that are imposed by other third parties that apply to investments in program accounts. Some of these fees and charges are described below.

- If a client's assets are invested in mutual funds or other pooled investment products, clients

should be aware that there will be two layers of advisory fees and expenses for those assets. Client will pay an advisory fee to the fund manager and other expenses as a shareholder of the fund. Client will also pay INDSQUARE the advisory fee with respect to those assets. Most of the mutual funds available in the program may be purchased directly. Therefore, clients could generally avoid the second layer of fees by not using the management services of INDSQUARE and instead making their own investment decisions.

- Certain mutual funds impose fees and charges such as contingent deferred sales charges, early redemption fees and charges for frequent trading. These charges may apply if client transfers into or purchases such a fund with the applicable charges in a program account.
- Although only no-load and load-waived mutual funds can be purchased in a program account, client should understand that some mutual funds pay asset-based sales charges or service fees (e.g., 12b-1 fees) to the custodian with respect to account holdings.
- If client holds a variable annuity as part of an account, there are mortality, expense and administrative charges, fees for additional riders on the contract and charges for excessive transfers within a calendar year imposed by the variable annuity sponsor.

Further information regarding fees assessed by a mutual fund or variable annuity is available in the product prospectus, which is available upon request from INDSQUARE or from the product sponsor directly.

### **Other Important Considerations**

- The advisory fee is an ongoing wrap fee for investment advisory services, the execution of transactions and other administrative and custodial services. The advisory fee may cost the client more than purchasing the program services separately, for example, paying an advisory fee plus commissions for each transaction in the account. Factors that bear upon the cost of the account in relation to the cost of the same services purchased separately include the type and size of the account, historical and/or expected size or number of trades for the account, and number and range of supplementary advisory and client-related services provided to the client.
- The advisory fee also may cost the client more than if assets were held in a traditional brokerage account. In a brokerage account, a client is charged a commission for each transaction, and the representative has no duty to provide ongoing advice with respect to the account. If the client plans to follow a buy and hold strategy for the account or does not wish to purchase ongoing investment advice or management services, the client should consider opening a brokerage account rather than a wrap program account.
- INDSQUARE and its IARs receive compensation as a result of the client's participation in the program. This compensation includes the advisory fee and may also include other compensation, such as bonuses, awards or other things of value offered by LPL to the Advisor or its associated persons. The amount of this compensation may be more or less than what the Advisor would receive if the client participated in other LPL programs, programs of other investment advisers,

or paid separately for investment advice, brokerage, and other client services. Therefore, INDSQUARE may have a financial incentive to recommend a program account over other programs and services.

- The investment products available to be purchased in the program can be purchased by clients outside of a program account, through broker-dealers or other investment firms not affiliated with INDSQUARE.

## **Item 5: Account Requirements and Types of Clients**

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There is generally no account minimum required for the program; however, certain minimums may apply to specific investments. The program is available for individuals, corporations, and high net worth individuals as well as charitable organizations and other clients that may have interest.

## **Item 6: Portfolio Manager Selection and Evaluation**

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In the Independence Square Advisors Wrap program, INDSQUARE does not select, review, or recommend other investment advisers or portfolio managers but is subject to its own review. In the Independence Square Advisors Wrap program, INDSQUARE provides ongoing investment advice and management on assets in the client's Strategic Wealth Management II (SWM II) account held at LPL Financial. Strategic Wealth Management II is the name of the account custodied at LPL. More specific account information and acknowledgements are further detailed on the account application.

- Assets managed in a wrap fee account are not managed differently from a non-wrap fee account. However, INDSQUARE may charge a higher fee, up to 2.5% and receive a portion of the wrap fee for services provided.
- INDSQUARE 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.
- Neither the firm or any supervised persons manages side-by-side accounts that are charged a performance-based fee and accounts that are charged another type of fee, such as an hourly or flat fee or an asset-based fee.
- An advisor recommending the wrap fee program receives compensation as a result of a client's participation in the program. The amount of this compensation may be more than what the person would receive if the client participated in other programs or paid separately for investment advice, brokerage, and other services. Therefore, advisors may have a financial incentive to recommend the wrap fee program over other programs or services.
- There may be additional fees on assets held in the wrap program, such as mutual fund expenses and mark-ups, mark-downs, or spreads paid to market makers. A more detailed description of these fees and circumstances is detailed in Item 4 above.



Investment adviser representatives are restricted to providing services and charging fees in accordance with the details in this document and the advisory agreement. However, the exact services rendered to and the fees charged to a particular client are dependent upon the representative that is working with the client. IARs are instructed to consider the individual needs of each client when recommending an advisory platform. Investment strategies and recommendations are tailored to the individual needs of each client.

For more information about the IAR managing the account, client should refer to the Brochure Supplement for the associated person, which client should have received along with this Brochure at or before the time client opened the account.

### **Types of Advisory Services**

Investment adviser representatives provide advice on the purchase and sale of various types of investments, such as mutual funds, exchange-traded funds ("ETFs"), variable annuity subaccounts, real estate investment trusts ("REITs"), equities, and fixed income securities. The advice is tailored to the individual needs of the client based on the investment objective chosen by the client in order to help assist clients in attempting to meet their financial goals. Accounts are reviewed on a regular basis and rebalanced as necessary according to each client's investment profile.

INDSQUARE evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. INDSQUARE 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.

INDSQUARE seeks to make investment decisions that are in accordance with the fiduciary duties owed to its accounts and without consideration of INDSQUARE's economic, investment, or other financial interests. To meet its fiduciary obligations, INDSQUARE attempts to avoid, among other things, investment or trading practices that systematically advantage or disadvantage certain client portfolios, and accordingly, INDSQUARE's policy is to seek fair and equitable allocation of investment opportunities/transactions among its clients to avoid favoring one client over another over time. It is INDSQUARE's policy to allocate investment opportunities and transactions it identifies as being appropriate and prudent, including initial public offerings ("IPOs") and other investment opportunities that might have a limited supply, among its clients on a fair and equitable basis over time.

### **Client-Tailored Services and Client-Imposed Restrictions**

INDSQUARE will tailor a program for each individual client. This will include an interview session to get to know the client's specific needs and requirements as well as a plan that will be executed by INDSQUARE on behalf of the client. INDSQUARE may use model allocations together with a specific set of recommendations for each client based on their personal restrictions, needs, and targets. Clients may impose restrictions on investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent INDSQUARE from properly servicing the client account, or if the restrictions would require INDSQUARE to deviate from its standard suite of services, INDSQUARE reserves the right to end the relationship.

### **Methods of Analysis**

INDSQUARE's methods of analysis include: Charting analysis, Cyclical analysis, Fundamental analysis, Modern portfolio theory, Quantitative analysis, and Technical analysis.

**Charting analysis** involves the use of patterns in performance charts. INDSQUARE uses this technique to search for patterns used to help predict favorable conditions for buying and/or selling a security.

**Cyclical analysis** involves the analysis of business cycles to find favorable conditions for buying and/or selling a security.

**Fundamental analysis** involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

**Modern portfolio theory** is a theory of investment that attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, each by carefully choosing the proportions of various asset.

**Quantitative analysis** deals with measurable factors as distinguished from qualitative considerations such as the character of management or the state of employee morale, such as the value of assets, the cost of capital, historical projections of sales, and so on.

**Technical analysis** involves the analysis of past market data, primarily price and volume.

### **Investment Strategies**

INDSQUARE uses long term trading, short term trading, short sales, margin transactions and options trading (including covered options, uncovered options, or spreading strategies).

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

### **Voting Client Securities**

INDSQUARE 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 and retain sole responsibility for voting. Clients should direct all proxy questions to the issuer of the security.

## **Item 7: Client Information Provided to Portfolio Managers**

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In the Independence Square Advisors Wrap program, INDSQUARE is responsible for account management; there is no separate portfolio manager involved. INDSQUARE obtains the necessary financial data from the client and assists the client in setting an appropriate investment objective for the account. INDSQUARE obtains this information by having the client complete an advisory agreement and other documentation.

Clients are encouraged to contact INDSQUARE if there have been any changes in the client's financial situation or investment objectives, or if they wish to impose any reasonable restrictions on the management of the account or reasonably modify existing restrictions. Clients should be aware that the investment objective selected for the program is an overall objective for the entire account and may be inconsistent with a particular holding or the account's performance at any time. Client should further be aware that achievement of the stated investment objective is a long-term goal for the account.

INDSQUARE policy requires an annual client meeting (one review every 12 months) to determine if there have been any changes in the client's financial situation, investment objectives, or restrictions. In addition, the meeting should incorporate the account performance, appropriateness of the account, and any other information determined pertinent to the client situation. The annual meeting may occur by phone, in person, via e-mail, or via video conference and documentation will be maintained to evidence that, at a minimum, the following topics were reviewed:

- The client's financial status
- Risk Tolerance
- Time Horizon
- Investment Objective and Goals
- Asset Allocation and/or Account Holdings

Additionally, on a quarterly basis, IARs should review the performance of the client's advisory account and investment objectives.

## **Item 8: Client Contact with Portfolio Managers**

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Client should contact INDSQUARE or their IAR directly at any time with questions regarding their program account.

## **Item 9: Additional Information**

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### **Disciplinary Information**

There is no disciplinary information to report.

## **Other Financial Industry Activities and Affiliations**

INDSQUARE is only in the business of providing investment advice. However, certain representatives of INDSQUARE are registered representatives of LPL Financial. These representatives accept compensation for the sale of securities.

Some IARs may also sell or recommend investment and insurance products in their capacity as registered broker/dealer representatives of LPL Financial and as licensed insurance agents. Investments in these third party products are not considered when calculating the fee that INDSQUARE will charge you. However, INDSQUARE IARs receive compensation from the sale of these third party products, the amount of which varies depending on the type of product purchased. IARs acting as a broker agent (as opposed to investment advisor representative and/or insurance agent capacity) may therefore have a financial incentive to sell products for which the IAR will receive greater compensation than with other products. INDSQUARE always acts in the best interest of the client and clients are in no way required to utilize the services of any representative of INDSQUARE in connection with such individual's activities outside of INDSQUARE.

Certain INDSQUARE IARs are also IARs of LPL Financial's investment advisory business in connection to discretionary ERISA plans and, as such, serve as "Investment Managers" per ERISA Rule 3(38). In these circumstances, the IARs are supervised by LPL and are required to follow LPL's policies and procedures when acting in such a capacity.

## **Code of Ethics**

INDSQUARE has 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. INDSQUARE's Code of Ethics is available free upon request to any client or prospective client.

## **Participation or Interest in Client Transactions**

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

## **Personal Trading**

From time to time, representatives of INDSQUARE may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of INDSQUARE to buy or sell the same securities before or after recommending the same securities to clients, resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create

a conflict of interest. INDSQUARE will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

### **Review of Accounts**

All client accounts for which INDSQUARE's advisory services are provided on an ongoing basis are reviewed at least annually by Valerie Speare, Chief Compliance Officer, or Zachary Mineur, Chief Investment Officer, with regard to clients' respective investment policies and risk tolerance levels. All accounts at INDSQUARE are assigned to these reviewers.

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

Each client for which INDSQUARE's advisory services are provided on an ongoing basis will receive a quarterly report detailing the client's account(s), including assets held, asset value, and calculation of fees. This written report will come from the custodian.

### **Client Referrals and Other Compensation**

INDSQUARE may enter into solicitation agreements pursuant to which it compensates third-party intermediaries for client referrals that result in the provision of investment advisory services by INDSQUARE. INDSQUARE will disclose these solicitation arrangements to affected investors, and any cash solicitation agreements will comply with rules set forth under the Advisers Act and statutory law. Solicitors introducing clients to INDSQUARE may receive compensation from INDSQUARE, such as a retainer, a flat fee per referral and/or a percentage of introduced capital. Such compensation will be paid pursuant to a written agreement with the solicitor and generally may be terminated by either party. The cost of any such fees will be borne entirely by INDSQUARE and not by any affected client.

### **Financial Information**

INDSQUARE neither requires nor solicits prepayment of more than \$1,200 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet with this brochure.

In light of the COVID-19 pandemic and historic decline in market values, INDSQUARE has elected to participate in the CARES Act's Paycheck Protection Program ("PPP") to strengthen its balance sheet. INDSQUARE intends to use this loan predominantly to continue payroll for the firm and may ultimately seek loan forgiveness per the terms of the PPP. Due to this and other measures taken internally, INDSQUARE has been able to operate and continue serving its clients.

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