

## Item 1: Cover Page

# **Appendix 1 of Part 2A Wrap Fee Program Brochure**

September 10, 2021

## **Vimvest Securities, LLC**

SEC File No. 801-108517

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This wrap fee program brochure provides information about the qualifications and business practices of Vimvest Securities, LLC. If you have any questions about the contents of this brochure, please contact us at 941-925-2121 or email [support@vimvest.com](mailto:support@vimvest.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. Registration with the SEC or State Regulatory Authority does not imply a certain level of skill or expertise.

Additional information about Vimvest Securities, LLC also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2: Material Changes

This Firm Brochure is our disclosure document prepared according to regulatory requirements and rules. Consistent with the rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary.

We note the following material changes to this Vimvest Securities, LLC, disclosure statement since the last update issued on March 9, 2021:

The firm has ceased entering into or participating in any solicitor or referral relationships for raising capital in its affiliate, VimVest Holdings, LLC. Any payments made for raising capital in its affiliate will be paid pursuant to distributor agreements with registered FINRA broker-dealers.

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## Item 4: Services, Fees and Compensation

### A. Firm Description

Vimvest Securities, LLC ("Vimvest" or the "firm") is a Florida limited liability company. The firm was formed in June 2016, and the principal owner is Vimvest Holdings, LLC ("Holdings"). Holdings is principally and indirectly owned by Phillip Dickson, Stuart Dickson, Margaret Hixon, and Justin Bailey.

#### Advisory Services Offered

##### Portfolio Management Services

Vimvest provides portfolio management services to its clients via an online interface. Currently, the firm's only offering is a number of model portfolios (the "Portfolios") composed of exchange-traded funds ("ETFs"). This entails the use of algorithm-based portfolio management advice rather than in-person investment advice. Through the firm's online platform, clients will establish an investment advisory account with Vimvest.

As provided in the program agreement, Vimvest, either through Apex or Schwab, will provide clients with custodial and execution services necessary to effect trades in client accounts according to the level of account assets that are assigned by the client to the Portfolios in accordance with the terms of the program agreement. All clients receive Vimvest's discretionary advisory services over the internet. There is no minimum investment requirement.

Clients are given access through a computer app to a risk questionnaire to complete when they open an investment account. Based upon information input by the client, Vimvest, through the platform, generates an asset allocation and selects among Portfolios composed of 12 ETFs in a proportion to fulfill the specific client's system-generated asset allocation. Pursuant to the client's authority, Vimvest will have the limited authority, without further direction from client to allocate assets within the available Portfolio(s) selected by the client, which are composed of ETFs and cash ("portfolio components") that are constructed, monitored, and modified by Vimvest for the program. Clients also retain the ability to make adjustments to their profile, which in turn may result in a new asset allocation among the Portfolios made available through the platform.

Vimvest generally limits its investment advice to publicly traded ETFs and specifically utilizes a limited number of ETFs in its Portfolio structures depending on the level of risk tolerance a client is willing to assume. Vimvest utilizes modern portfolio theory and efficient frontier to construct its Portfolios as further described in Item 6 of this brochure.

It is important to note that when Portfolio changes are identified such as the addition of new clients, changes to an asset allocation and the underlying ETFs utilized, orders are aggregated and generated during the course of the applicable trading day, and a draft of the order file is sent to Vimvest for review and approval. Once approved, the trades are generally executed by 10AM EDT on the trading day the approval was processed. The firm, through its contractual commitments with clients, provides for a three-day trading window; therefore, please be aware

that as a result given market fluctuations, corrections to the trade file, etc., trades may be executed at prices higher or lower than the day the trade recommendations were generated.

Vimvest does not construct the Portfolios based on the specific investment objectives or limitations of the client, but instead constructs and continually rebalances the Portfolios among the portfolio components to achieve their differing investment objectives. Vimvest will have authority to buy or sell portfolio components directly for client accounts for the Portfolios, which are based upon client profile inputs selected by the client. The client will determine how much of the assets are allocated to each Portfolio via the platform's functionality based upon client profile inputs the client enters into the online interface. Vimvest does not have any authority respecting any client assets not in the account, and Vimvest will not have any authority to access any of the client's assets – in the account or otherwise – except for Vimvest's authorization to deduct its fees directly from the underlying program account. Similarly, Vimvest does not have authority to alter how much client assets are in particular Portfolios—it only has authority to rebalance assets once a client has determined how much to invest in the Portfolios.

The Portfolios are not a comprehensive asset management service. For example, the portfolio components are limited to cash and a limited number of ETFs, and therefore severely constrains the universe of potential investments in the Portfolios. The composition and operation of the Portfolios is done through automation, meaning their ability to achieve stated objectives is necessarily limited and subject to their design. The program limits Portfolio transactions at certain times of the trading day, and only rebalances Portfolios if certain events occur. Changes made to the client's allocation among Portfolios (including withdrawals, re-allocations, or deposits) will necessarily alter the outcomes of the investments allocations. Clients may only utilize the services of either Apex or Schwab for custodial and execution services, meaning neither Vimvest nor the client will be able to utilize custodian services and may incur transactions or other costs that are higher or lower than those of other custodians or broker-dealers.

Clients agree to promptly inform Vimvest, via the platform, if the information provided, including client's investment objectives, goals, risk tolerance, other personal and financial circumstances, time horizon, and investment experience becomes inaccurate, and to provide updated information, if any, about the client's financial circumstances and investment objectives.

### **Subadviser Services**

Vimvest, doing business as Vimvest for Advisors, offers the Portfolios as a subadviser to both affiliated and unaffiliated investment adviser and broker-dealer firms (the "Third Party Advisors") and their respective clients. In such an arrangement, the Third Party Advisors that Vimvest provides subadvised services to have sole client interfacing, suitability, and best interest obligations. Vimvest's sole responsibility is to manage the Portfolios made available by Vimvest in its wrap fee program and selected by the Third Party Advisor in accordance with such client's financial and risk profile information as collected and evaluated by the client facing adviser.

**Goal-Based Advisory Services through Apex Clearing**

Our goal-based software allows clients to set savings and or investment goals. The goals remain in place until the client either reaches their goals or proactively closes their goals. Clients may close their goals at any time. Absent an ACAT transfer, the client may choose to close one or more of the account's goals at any time, and once all goals have been closed there is a liquidation of any remaining long positions in the client portfolio. Upon settlement of the closing transaction(s), the money is returned to the client's bank account on record with Apex Clearing. For the avoidance of doubt, the closing of a goal triggers a liquidation of portfolio securities and transfer of all monies including the sale proceeds to the client's bank account on record with Apex Clearing.

**Fees and Compensation****Portfolio Management Services Fees**

The annual fee for the Portfolios is calculated using the value of the assets on the last business day of the prior billing period according to the following fee schedule, which represents the firm's maximum fees for individual services.

<u>Total Assets Under Management</u>	<u>Annual Fee Rate</u>
Up to \$100,000	0.00%
Over \$100,000	0.40%

Asset-based fees are always subject to the investment advisory agreement between the client and Vimvest. Such fees are payable quarterly in advance. The fees will be prorated if the investment advisory relationship commences otherwise than at the beginning of a calendar month.

The trading cost component of the above-mentioned advisory fees are estimated to range from \$50 to \$250 per account per year.

These fees include charges for all transaction costs such as commissions on purchase and sales of stocks, bonds, exchange-traded funds and options, and mutual fund transactions fees. Except as otherwise provided below, client will incur no charges other than the adviser's fee pursuant to the above fee schedule in connection with the maintenance of and activity in client's account. The wrap fee does not include annual account fees or other administrative fees, such as wire fees, charged by manager or brokerage firm; fees for securities transactions executed away from the custodian; certain odd-lot differentials, transfer taxes, transaction fees mandated by the Securities Act of 1934, postage and handling fees, and charges imposed by law with regard to transactions in the client's account; and advisory fees, expenses or sales charges (loads) of mutual funds (including money market funds), closed-end investment companies or other managed investments, if any, held in client's account. The wrap fee also does not cover certain costs associated with securities transactions in the over-the-counter market, such as fixed income securities where manager must approach a dealer or market maker to purchase or sell a security. Such costs include the dealer's mark-up, mark-down or spread and odd-lot differentials or transfer taxes imposed by law.

The client authorizes the qualified custodian to automatically deduct the fee and all other charges payable hereunder from the assets in the account when due with such payments to be reflected on the next account statement sent to the client. If insufficient cash is available to pay such fees, securities in an amount equal to the balance of unpaid fees will be liquidated to pay for the unpaid balance. Vimvest may modify the fee at any time upon 30 days' written notice to the client.

#### **Sub-adviser Services Fees**

For subadviser services provided to Third Party Advisor, Vimvest receives a share of the fees collected from the Third Party Advisor's client. Vimvest charges a maximum of 0.40% of the value of the portfolio assets it manages; the Third Party Advisor may charge up to an additional 1.00% above Vimvest's fee.

The notice of termination requirement and payment of fees for sub-adviser services will depend on the specific Third Party Advisor engaging Vimvest as sub-adviser. This relationship will be memorialized in each contract between Vimvest and each Third Party Advisor.

#### **Technology Fee**

Third Party Advisors are charged \$250 per month for the use of Vimvest's platform. The fee is billed monthly to the Third Party Advisor in accordance with the terms of its platform agreement.

### **B. Disclosure of Cost Difference if Services Purchased Separately**

Depending on a number of factors, such as the number, size and nature of the securities transactions in an advisory account, the overall fees and charges borne by the client over time could be more or less than what these fees and charges would be if the same services were provided on a separate basis. Bundled fees generally provide an economic incentive for the advisory firm to select investments and strategies that minimize trading costs. Frequent trading in an account where transaction fees are included as part of the overall advisory fee to the client drive trading costs higher and reduce the overall fee revenue to the advisor. As a result, higher trading costs in a bundled fee account have a negative impact on the advisory firm's profitability.

### **C. Additional Client Fees and Terms of Payment**

#### **Client Payment of Fees**

##### **Portfolio Management Services Fees**

Vimvest generally requires fees to be prepaid on a quarterly basis. Vimvest requires clients to authorize the direct debit of fees from their accounts. Exceptions may be granted subject to the firm's consent for clients to be billed directly for our fees. For directly debited fees, the custodian's periodic statements will show each fee deduction from the account. Clients may

withdraw this authorization for direct billing of these fees at any time by notifying us or their custodian in writing.

Vimvest will deduct advisory fees directly from the client's account provided that (i) the client provides written authorization to the qualified custodian, and (ii) the qualified custodian sends the client a statement, at least quarterly, indicating all amounts disbursed from the account. The client is responsible for verifying the accuracy of the fee calculation, as the client's custodian will not verify the calculation.

A client investment advisory agreement may be canceled at any time by the client, or by Vimvest with 30 days' prior written notice to the client. Upon termination of any account, any unearned, prepaid fees will be promptly refunded.

### **Subadviser Fees**

Subadviser fees are withdrawn from clients' accounts pursuant to the contractual relationship. Third Party Advisor fees are withdrawn from Third Party Advisor clients' accounts pursuant to the contractual relationship between Vimvest and the Third Party Advisor.

Vimvest will wrap third party fees (i.e., custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Vimvest will charge clients one fee, and pay all transaction fees using the fee collected from the client. Please note that any fees charged by the Third Party Advisors are separate and in addition to the wrap fees charged by Vimvest.

Accounts may be terminated by the end client at any time by the client or by a Third Party Advisor as governed by the sub-advisory agreement between Vimvest and the Third Party Advisor.

### **Prepayment of Client Fees**

Vimvest collects fees in advance. Refunds for fees paid in advance will be returned within fourteen days of the effective date of the termination via check, or return deposit back into the client's Apex account.

For all asset-based fees paid in advance, the fee refunded will be equal to unearned fees for the balance of the quarter beginning on the effective date of the termination through the last day of the quarter in which the termination became effective.

### **Additional Fees**

All fees paid for investment advisory services are separate and distinct from the fees and expenses charged by ETFs, separate account managers, investment advisers, broker-dealers, and custodians retained by clients. Such fees and expenses are described in each ETF prospectus, each separate account manager's Form ADV and Brochure and Brochure Supplement or similar disclosure statement, and by any broker-dealer or custodian retained by the client. Clients are advised to read these materials carefully before investing. A client using Vimvest's product offering may be precluded from using certain ETFs or separate account managers because of their lack of availability on our platforms or otherwise may not be offered by Vimvest's clearing firm, Apex.



Please refer to the Brokerage Practices section (Items 9.B.2 and 9.B.3) for additional information regarding the firm's brokerage practices.

#### **D. Compensation for Recommending the Vimvest Wrap Fee Program**

The Vimvest Wrap Fee Program is a proprietary product offered exclusively through Vimvest. As such, there are no conflicts of interest in that there are no commissions paid for selling the Vimvest Wrap Fee Program.

#### **E. External Compensation for the Sale of Securities to Clients**

Vimvest's advisory professionals are compensated based upon a percentage of the collected advisory fee revenue. Certain personnel are registered with an unaffiliated broker-dealer and may be paid sales, service, or administrative fees for the sale of mutual funds or other investment products. In addition, certain Vimvest advisory professionals may receive commission-based compensation for the sale of securities and insurance products. Investment adviser representatives, in their capacity as a registered representative of Viewtrade Securities, Inc. ("Viewtrade"), are prohibited from earning an advisory fee on the securities value transferred from an advisory client's Viewtrade brokerage account unless commissions earned on such securities transactions occurred at least a 12–18 months prior to the transfer. Please see Item 9.A.2 for detailed information and conflicts of interest.

#### **F. Client Assets Under Management**

As of December 31, 2020, Vimvest managed \$75,682,810 of discretionary assets and \$0 of non-discretionary assets.

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

Vimvest generally provides advisory services to the following types of clients:

- Individuals
- High-Net-Worth Individuals
- Corporate Entities
- Charitable Organizations
- Other Investment Advisers

Vimvest does not require a minimum account size.

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

### **A. Portfolio Manager Selection and Review**

The firm is the sole sponsor and sole portfolio manager for the Vimvest Wrap Fee Program.

### **B. Participation in Wrap Fee Programs**

Other than offering its Vimvest Wrap Fee Program, the firm does not participate in wrap fee programs.

### **C. The Firm Acts as Both a Wrap Fee Sponsor and Portfolio Manager**

The Vimvest Wrap Fee Program is a proprietary product offered exclusively through the firm. Other than offering its Vimvest Wrap Fee Program, the firm does not participate in wrap fee programs.

#### **Vimvest Wrap Fee Program**

Vimvest sponsors and manages a proprietary wrap fee program, which is an investment program where the investor pays one stated fee that includes management fees and transaction costs. Third Party Advisors' fees are in addition to Vimvest's wrap fee and charged separately by the Third Party Advisor. Vimvest manages the investments in the wrap fee program. Fees paid under the wrap fee program will be paid to Vimvest as a management fee.

A wrap fee program has a fee structure that provides clients with advisory and brokerage services for one all-inclusive bundled fee with no additional account activity charges for execution of trades. As such, Vimvest charges clients a single bundled fee that covers the investment advisory services it provides, as well as the brokerage and custodial services provided by its clearing firm, Apex Clearing. Third Party Advisor fees are in addition to the wrap fee charged by Vimvest.

Vimvest offers its proprietary advisory services through a wrap fee program because we believe it best allows us to achieve our mission of simplifying smart saving and investing for our clients. For example, the wrap fee gives clients the freedom to add to or withdraw money from their accounts and provide investment direction that impacts their account holdings without incurring any separate expenses for resulting trades.

Vimvest's Wrap Fee Program offers services to two types of clients:

- (1) A retail platform service whereby individuals, trusts, and other legal entities receive advisory services electronically from Vimvest (such clients are referred to as "Retail Clients")
- (2) An institutional platform whereby individuals, trusts, and other legal entities receive advisory services from Vimvest, as well as services from a Third Party Advisor, subject to Vimvest's approval, with which the individual, trust or legal entity has an independent relationship (such clients are referred to as "Institutional Clients"). Retail Clients and Institutional Clients are collectively referred to in this brochure as "clients."

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

Clients of Vimvest and clients of Third Party Advisors may change their profile inputs which would result in a revised portfolio allocation.

Clients should promptly update their profile information through the online Program portal. Failure to update profile information may result in a mismatch of their investment profile versus the Portfolios.

With respect to subadvised services, Third Party Advisor clients should inform their adviser to make any changes in their personal financial circumstances, investment objectives, goals, and tolerance for risk. It is the responsibility of either the Third Party Advisor or their client to promptly notify Vimvest of such changes via the online portal. Vimvest will remind clients on a quarterly basis of their obligation to inform us of any changes to their profile information. Vimvest will also contact clients at least annually to determine whether there have been any changes in personal financial circumstances, investment objectives, and tolerance for risk.

### **Management of Wrap Fee Program**

The Vimvest Wrap Fee Program is the only asset management program offered by the firm.

### **Performance-Based Fees and Side-by-Side Management**

Vimvest 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.

### **Methods of Analysis, Investment Strategies and Risk of Loss**

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear. There is no guarantee that any specific investment or strategy will be profitable for a particular client.**

### **Modern Portfolio Theory**

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 assets. Modern portfolio theory assumes that investors are risk averse, meaning that given two portfolios that offer the same expected return, investors will prefer the less risky one. Thus, an investor will take on increased risk only if compensated by higher expected returns. Conversely, an investor who wants higher expected returns must accept more risk. The exact trade-off will be the same for all investors, but different investors will evaluate the trade-off differently based on individual risk aversion characteristics. The implication is that a rational investor will not invest in a portfolio if a second portfolio exists with a more favorable risk-expected return profile – i.e., if for that level of risk an alternative portfolio exists which has better expected returns.

### **Long-Term Trading**

When constructing and monitoring its Portfolios, Vimvest utilizes a long-term investment strategy to capture rates of return which tend to smooth out the short-term volatility of the of the market and specific securities.

### **Exchange-Traded Funds**

Vimvest primarily uses individual exchange-traded funds ("ETFs") in constructing its Portfolios. A description of the criteria used in constructing its Portfolios follows.

Vimvest has formed relationships with third-party vendors that

- provide a technological platform for separate account management
- prepare performance reports
- perform or distribute research of individual securities
- perform billing and certain other administrative tasks

Vimvest may utilize additional independent third parties to assist it in constructing and monitoring Portfolios as appropriate under the circumstances.

Vimvest reviews certain quantitative and qualitative criteria related to ETFs and to construct and rebalance its Portfolios. Quantitative criteria may include

- the performance history of an ETF evaluated against that of its peers and other benchmarks
- an analysis of risk-adjusted returns
- an analysis of the manager's contribution to the investment return (e.g., manager's alpha), standard deviation of returns over specific time periods, sector and style analysis
- ETFs' embedded fees
- ETFs' underlying strategy and portfolio assets
- the relevant portfolio manager's tenure

Qualitative criteria used in selecting ETFs for Portfolios include the investment objectives and/or management style and philosophy of an ETF manager; an ETF manager's consistency of investment style; and employee turnover and efficiency and capacity.

Quantitative and qualitative criteria related to ETFs are reviewed by Vimvest on a quarterly basis or such other interval as appropriate under the circumstances. In addition, ETFs are reviewed to determine the extent to which their investments reflect efforts to time the market, or evidence style drift such that their portfolios no longer accurately reflect the particular asset category attributed to the ETF by Vimvest (both of which are negative factors in implementing an asset allocation structure).

Vimvest will regularly review the activities of ETFs utilized in the Portfolios. Clients should review and understand the disclosure documents of those mutual funds and ETFs, which contain information relevant to such retention or investment, including information on the methodology used to analyze securities, investment strategies, fees and conflicts of interest.

## **Investment Strategy, Method of Analysis, Material Risks**

Our investment strategies in the Portfolios are based upon the investment profile information provided by the client subject to the Platform constraints discussed in Item 4 of this brochure.

### **Concentration Risk**

There is an inherent risk for clients who have their investment portfolios heavily weighted in one security, one industry or industry sector, one geographic location, one investment manager, one type of investment instrument (equities versus fixed income). Clients who have diversified portfolios, as a general rule, incur less volatility and therefore less fluctuation in portfolio value than those who have concentrated holdings. Concentrated holdings may offer the potential for higher gain, but also offer the potential for significant loss.

## **Material Risks of Investment Instruments**

### **Exchange-Traded Funds**

ETFs are investment companies whose shares are bought and sold on a securities exchange. An ETF holds a portfolio of securities designed to track a particular market segment or index. Some examples of ETFs are SPDRs<sup>®</sup>, streetTRACKS<sup>®</sup>, DIAMONDS<sup>SM</sup>, NASDAQ 100 Index Tracking Stock<sup>SM</sup> ("QQQs<sup>SM</sup>") iShares<sup>®</sup> and VIPERs<sup>®</sup>. ETFs have embedded expenses that the client indirectly bears.

Investing in ETFs involves risk. Specifically, ETFs, depending on the underlying portfolio and its size, can have wide price (bid and ask) spreads, thus diluting or negating any upward price movement of the ETF or enhancing any downward price movement. Also, ETFs require more frequent portfolio reporting by regulators and are thereby more susceptible to actions by hedge funds that could have a negative impact on the price of the ETF. Certain ETFs may employ leverage, which creates additional volatility and price risk depending on the amount of leverage utilized, the collateral and the liquidity of the supporting collateral.

Further, the use of leverage (i.e., employing the use of margin) generally results in additional interest costs to the ETF. Certain ETFs are highly leveraged and therefore have additional volatility and liquidity risk. Volatility and liquidity can severely and negatively impact the price of the ETF's underlying portfolio securities, thereby causing significant price fluctuations of the ETF.

### **Proxy Voting**

Vimvest does not take discretion with respect to voting proxies on behalf of its clients. Vimvest will endeavor to make recommendations to clients on voting proxies regarding shareholder vote, consent, election or similar actions solicited by, or with respect to, issuers of securities beneficially held in the Portfolios. In no event will Vimvest take discretion with respect to voting proxies on behalf of its clients.

Except as required by applicable law, the firm will not be obligated to render advice or take any action on behalf of clients with respect to assets presently or formerly held in their accounts that become the subject of any legal proceedings, including bankruptcies.

From time to time, securities held in the accounts of clients will be the subject of class action lawsuits. The firm has no obligation to determine if securities held by the client are subject to a pending or resolved class action lawsuit. The firm also has no duty to evaluate a client's eligibility or to submit a claim to participate in the proceeds of a securities class action settlement or verdict. Furthermore, the firm has no obligation or responsibility to initiate litigation to recover damages on behalf of clients who may have been injured as a result of actions, misconduct, or negligence by corporate management of issuers whose securities are held by clients.

Where the firm receives written or electronic notice of a class action lawsuit, settlement, or verdict affecting securities owned by a client, it will forward all notices, proof of claim forms, and other materials to the client. Electronic mail is acceptable where appropriate and where the client has authorized contact in this manner.

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

The firm is the sole portfolio manager in the Vimvest Wrap Fee Program and does not share any personal information it collects from its clients other than as required by law or regulatory mandate. The firm may collect the following information in order to formulate its investment recommendations to clients:

- Income
- Employment and residential information
- Social security number
- Cash balance
- Security balances
- Transaction detail history
- Investment objectives, goals, and risk tolerance
- Sources of wealth and/or deposits
- Risk assessment
- Investment time horizon
- Income and liquidity needs
- Asset allocation
- Restrictions on management of accounts
- Client interview(s)
- Review of client's current portfolio
- Analysis of historical risk/return characteristics of various asset classes
- Analysis of the long-term outlook for global financial markets
- Analysis of the long-term global economic and political environments



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

The firm encourages communication with its clients and does not limit or condition the amount of time clients can spend with the firm's advisory professionals.

## Item 9: Additional Information

### A. Disciplinary and Other Financial Activities and Affiliations

#### Disciplinary

##### **Criminal or Civil Actions**

There is nothing to report for this item.

##### **Administrative Enforcement Proceedings**

There is nothing to report for this item.

##### **Self-Regulatory Organization Enforcement Proceedings**

There is nothing to report for this item.

#### Other Financial Activities and Affiliations

##### **Broker-Dealer or Representative Registration**

Members and registered advisory personnel of Vimvest are registered representatives of Viewtrade, a FINRA-registered broker-dealer and member of SIPC. Viewtrade is a financial services company engaged in the sale of investment products.

##### **Futures or Commodity Registration**

Neither the firm nor its affiliates are registered as a commodity firm, futures commission merchant, commodity pool operator or commodity trading advisor and do not have an application to register pending.

##### **Material Relationships Maintained by this Advisory Business and Conflicts of Interest**

##### ***Vimvest Holdings, LLC***

Vimvest Holdings, LLC ("Holdings") is the principal owner of Vimvest. Please be advised that Vimvest advisory clients may be solicited to invest in a private placement offering of Holdings. Vimvest advisory clients should be aware of certain conflicts of interest related to clients' investment in Holdings. First, Vimvest is incentivized to preference advisory clients who are investors in the affiliate versus those advisory clients that have not invested in the affiliate. Second, a failure to maintain sufficient growth capital could result in either a degradation of services or a failure to rollout new services, both of which may have been a factor in clients' evaluation to engage Vimvest.

##### ***HD Money, Inc.***

Certain managers, members, and registered employees of Vimvest are employees of HD Money, Inc., an affiliate investment adviser that provides investment management and financial planning services to its clients. In particular, HD Money outsources much of its

investment management services to Vimvest. Please be advised this represents a conflict of interest in that HD Money is under common control with Vimvest, thus creating an economic incentive for Vimvest to recommend its affiliate for investment advisory and financial planning services and conversely for HD Money professionals to recommend the investment management services of its affiliate, Vimvest. You are under no obligation to utilize an affiliate's services.

### ***Broker-Dealer Registration***

Certain managers, members, and registered personnel of Vimvest are associated persons of Viewtrade, a FINRA-registered broker-dealer and member of SIPC. As a result, such professionals, in their capacity as registered representatives of Viewtrade are subject to the oversight of Viewtrade and the Financial Industry Regulatory Authority, Inc. ("FINRA"). As such, clients of Vimvest should understand that their personal and account information is available to FINRA and Viewtrade personnel in the fulfillment of their oversight obligations and duties.

Vimvest professionals who effect transactions for advisory clients may receive transaction or commission compensation from Viewtrade. The recommendation of securities transactions for commission creates a conflict of interest in that Vimvest is economically incented to effect securities transactions for clients. Although Vimvest strives to put its clients' interests first, such recommendations may be viewed as being in the best interests of Vimvest rather than in the client's best interest. Vimvest advisory clients are not compelled to effect securities transactions through Viewtrade. In addition, although Vimvest strives to put its clients interest first, there is a conflict in that depending upon the nature and expected frequency of trading Vimvest may be economically incented to offer its services under asset-based fee arrangement as an investment advisory relationship or transaction-based commission arrangement through Viewtrade. Please consult with your financial advisor to determine which arrangement is appropriate for you.

### ***Insurance Sales***

Certain managers, members, and registered employees of Vimvest are licensed insurance agents through Vimvest Advisors, LLC, a wholly owned affiliate of Vimvest Holdings, LLC, and may offer insurance products through Financial Independence Group. Please be advised there is a conflict of interest in that there is an economic incentive to recommend insurance and other products where commissions or other additional compensation is received. Please also be advised that Vimvest strives to put its clients' interests first and foremost. Other than for insurance products that require a securities license, such as variable insurance products, clients may utilize any insurance carrier or insurance agency they desire. For products requiring a securities and insurance license, clients may be limited to those insurance carriers that have a selling agreement with Vimvest's employing broker-dealer.

### ***Recommendation or Selection of Other Investment Advisors and Conflicts of Interest***

Vimvest does not recommend separate account managers or other investment products in which it receives any form of referral or solicitor compensation from the separate account manager or client.

## **B. Code of Ethics, Brokerage Trading Practices, Account Reviews, and Financial and Related Matters**

### **Code of Ethics Description**

In accordance with the Advisers Act, the firm has adopted policies and procedures designed to detect and prevent insider trading. In addition, the firm has adopted a Code of Ethics (the "Code"). Among other things, the Code includes written procedures governing the conduct of the firm's advisory and access persons. The Code also imposes certain reporting obligations on persons subject to the Code. The Code and applicable securities transactions are monitored by the chief compliance officer of the firm. The firm will send clients a copy of its Code of Ethics upon written request.

The firm has policies and procedures in place to ensure that the interests of its clients are given preference over those of the firm, its affiliates and its employees. For example, there are policies in place to prevent the misappropriation of material non-public information, and such other policies and procedures reasonably designed to comply with federal and state securities laws.

### **Investment Recommendations Involving a Material Financial Interest and Conflicts of Interest**

The firm does not engage in principal trading (i.e., the practice of selling stock to advisory clients from a firm's inventory or buying stocks from advisory clients into a firm's inventory). Vimvest does recommend securities to advisory clients in which it has some affiliation, proprietary, or ownership interest.

### **Advisory Firm Purchase or Sale of Same Securities Recommended to Clients and Conflicts of Interest**

The firm, its affiliates, employees and their families, trusts, estates, charitable organizations and retirement plans established by it may purchase or sell the same securities as are purchased or sold for clients in accordance with its Code of Ethics policies and procedures. The personal securities transactions by advisory representatives and employees may raise potential conflicts of interest when they trade in a security that is:

- owned by the client, or
- considered for purchase or sale for the client.

Such conflict generally refers to the practice of front-running (trading ahead of the client), which the firm specifically prohibits. The firm has adopted policies and procedures that are intended to address these conflicts of interest. These policies and procedures:

- require our advisory representatives and employees to act in the client's best interest
- prohibit fraudulent conduct in connection with the trading of securities in a client account
- prohibit employees from personally benefitting by causing a client to act, or fail to act in making investment decisions
- prohibit the firm or its employees from profiting or causing others to profit on knowledge of completed or contemplated client transactions

- allocate investment opportunities in a fair and equitable manner
- provide for the review of transactions to discover and correct any trades that result in an advisory representative or employee benefitting at the expense of a client.

Advisory representatives and employees must follow the firm's procedures when purchasing or selling the same securities purchased or sold for the client.

#### **Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest**

The firm, its affiliates, employees and their families, trusts, estates, charitable organizations, and retirement plans established by it may effect securities transactions for their own accounts that differ from those recommended or effected for other the firm clients. The firm will make a reasonable attempt to trade securities in client accounts at or prior to trading the securities in its affiliate, corporate, employee or employee-related accounts. Trades executed the same day will likely be subject to an average pricing calculation. It is the policy of the firm to place the clients' interests above those of the firm and its employees.

#### **Factors Used to Select Broker-Dealers for Client Transactions**

##### **Custodian Recommendations**

For Vimvest asset management services, clients are required to establish brokerage accounts with either APEX Clearing or the Schwab Advisor Services division of Charles Schwab & Co., Inc. (hereinafter collectively referred to as "custodian"), FINRA registered broker-dealers, members SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Although Vimvest may recommend that clients establish accounts at the custodian, it is the client's decision to custody assets with the custodian. Vimvest is independently owned and operated and not affiliated with custodian. For Vimvest client accounts maintained in its custody, the custodian generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through the custodian or that settle into custodian accounts.

Vimvest considers the financial strength, reputation, operational efficiency, cost, execution capability, level of customer service, and related factors in recommending broker-dealers or custodians to advisory clients.

##### **How We Select Brokers/Custodians to Recommend**

Vimvest seeks to recommend a custodian/broker who will hold client assets and execute transactions on terms that are overall most advantageous when compared to other available providers and their services. We consider a wide range of factors, including, among others, the following:

- combination of transaction execution services along with asset custody services (generally without a separate fee for custody)
- capability to execute, clear, and settle trades (buy and sell securities for client accounts)

- capabilities to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- breadth of investment products made available (stocks, bonds, mutual funds, exchange-traded funds (ETFs), etc.)
- availability of investment research and tools that assist us in making investment decisions
- quality of services
- competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate them
- reputation, financial strength, and stability of the provider
- their prior service to us and our other clients
- availability of other products and services that benefit us, as discussed below

#### ***Soft Dollar Arrangements***

The firm does not utilize soft dollar arrangements.

#### ***Institutional Trading and Custody Services***

The custodian provides Vimvest with access to its institutional trading and custody services, which are typically not available to the custodian's retail investors. These services are not contingent upon Vimvest committing to a custodian any specific amount of business (assets in custody or trading commissions). The custodian's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

#### ***Other Products and Services***

Custodian also makes available to the firm other products and services that benefit the firm but may not directly benefit its clients' accounts. Many of these products and services may be used to service all or some substantial number of the firm's accounts, including accounts not maintained at custodian. The custodian may also make available to the firm software and other technology that

- provide access to client account data (such as trade confirmations and account statements)
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- provide research, pricing and other market data
- facilitate payment of the firm's fees from its clients' accounts
- assist with back-office functions, recordkeeping and client reporting

The custodian may also offer other services intended to help the firm manage and further develop its business enterprise. These services may include

- compliance, legal and business consulting
- publications and conferences on practice management and business succession
- access to employee benefits providers, human capital consultants and insurance providers

The custodian may also provide other benefits such as educational events or occasional business entertainment of the firm personnel. In evaluating whether to recommend that clients custody their assets at the custodian, the firm may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors it considers, and not solely the nature, cost or quality of custody and brokerage services provided by the custodian, which may create a potential conflict of interest.

### ***Independent Third Parties***

The custodian may make available, arrange, and/or pay third-party vendors for the types of services rendered to the firm. The custodian may discount or waive fees it would otherwise charge for some of these services or all or a part of the fees of a third party providing these services to the firm.

### ***Additional Compensation Received from Custodians***

The firm may participate in institutional customer programs sponsored by broker-dealers or custodians. The firm may recommend these broker-dealers or custodians to clients for custody and brokerage services. There is no direct link between the firm's participation in such programs and the investment advice it gives to its clients, although the firm receives economic benefits through its participation in the programs that are typically not available to retail investors. These benefits may 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 the firm 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
- Discounts on compliance, marketing, research, technology, and practice management products or services provided to the firm by third-party vendors

The custodian may also pay for business consulting and professional services received by the firm's related persons, and may pay or reimburse expenses (including travel, lodging, meals

and entertainment expenses for the firm's personnel to attend conferences). Some of the products and services made available by such custodian through its institutional customer programs may benefit the firm but may not benefit its client accounts. These products or services may assist the firm in managing and administering client accounts, including accounts not maintained at the custodian as applicable. Other services made available through the programs are intended to help the firm manage and further develop its business enterprise. The benefits received by the firm or its personnel through participation in these programs do not depend on the amount of brokerage transactions directed to the broker-dealer.

The firm also participates in similar institutional advisor programs offered by other independent broker-dealers or trust companies, and its continued participation may require the firm to maintain a predetermined level of assets at such firms. In connection with its participation in such programs, the firm will typically receive benefits similar to those listed above, including research, payments for business consulting and professional services received by the firm's related persons, and reimbursement of expenses (including travel, lodging, meals and entertainment expenses for the firm's personnel to attend conferences sponsored by the broker-dealer or trust company).

As part of its fiduciary duties to clients, the firm endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by the firm or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the firm's recommendation of broker-dealers for custody and brokerage services.

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

The firm does not engage in the practice of directing brokerage commissions in exchange for the referral of advisory clients.

#### **Directed Brokerage**

##### ***Firm Recommendations***

Vimvest typically requires Apex Clearing or Schwab as custodian for its clients' funds and securities activity and to execute securities transactions on its clients' behalf.

##### ***Client-Directed Brokerage***

Occasionally, clients may direct the firm to use a particular broker-dealer to execute portfolio transactions for their account or request that certain types of securities not be purchased for their account. Clients who designate the use of a particular broker-dealer should be aware that they will lose any possible advantage the firm derives from aggregating transactions. Such client trades are typically effected after the trades of clients who have not directed the use of a particular broker-dealer. The firm loses the ability to aggregate trades with other the firm advisory clients, potentially subjecting the client to inferior trade execution prices as well as higher commissions.



## **Aggregating Securities Transactions for Client Accounts**

### **Best Execution**

The firm recognizes that the analysis of execution quality involves a number of factors, both qualitative and quantitative. The firm will follow a process in an attempt to ensure that it is seeking to obtain the most favorable execution under the prevailing circumstances when placing client orders. These factors include but are not limited to the following:

- The financial strength, reputation and stability of the broker
- The efficiency with which the transaction is effected
- The ability to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any)
- The availability of the broker to stand ready to effect transactions of varying degrees of difficulty in the future
- The efficiency of error resolution, clearance and settlement
- Block trading and positioning capabilities
- Performance measurement
- Online access to computerized data regarding customer accounts
- Availability, comprehensiveness, and frequency of brokerage and research services
- Commission rates
- The economic benefit to the client
- Related matters involved in the receipt of brokerage services

Consistent with its fiduciary responsibilities, the firm seeks to ensure that clients receive best execution with respect to clients' transactions by blocking client trades to reduce commissions and transaction costs. To the best of the firm's knowledge, these custodians provide high-quality execution, and the firm's clients do not pay higher transaction costs in return for such execution.

Commission rates and securities transaction fees charged to effect such transactions are established by the client's independent custodian and/or broker-dealer. Based upon its own knowledge of the securities industry, the firm believes that such commission rates are competitive within the securities industry. Lower commissions or better execution may be able to be achieved elsewhere.

### **Security Allocation**

Since the firm manages accounts with similar investment objectives through the Portfolios, Vimvest may aggregate orders for securities for such accounts when rebalancing the Portfolios. In such event, allocation of the securities so purchased or sold, as well as expenses incurred in the transaction, is made by Vimvest in the manner it considers to be the most equitable and consistent with its fiduciary obligations to such accounts.

The firm's allocation procedures seek to allocate investment opportunities among clients in the fairest possible way, taking into account the clients' best interests. The firm will follow

procedures to ensure that allocations do not involve a practice of favoring or discriminating against any client or group of clients. Account performance is never a factor in trade allocations.

The firm's advice to certain clients and entities and the action of the firm for those and other clients are frequently premised not only on the merits of a particular investment, but also on the suitability of that investment for the particular client in light of his or her applicable investment objective, guidelines and circumstances. Thus, any action of the firm with respect to a particular investment may, for a particular client, differ or be opposed to the recommendation, advice, or actions of the firm to or on behalf of other clients.

### **Order Aggregation**

Orders for the same security entered on behalf of more than one client will generally be aggregated (i.e., blocked or bunched) subject to the aggregation being in the best interests of all participating clients. Subsequent orders for the same security entered during the same trading day may be aggregated with any previously unfilled orders. Subsequent orders may also be aggregated with filled orders if the market price for the security has not materially changed and the aggregation does not cause any unintended duration exposure. All clients participating in each aggregated order will receive the average price and, subject to minimum ticket charges and possible step outs, pay a pro rata portion of commissions.

To minimize performance dispersion, "strategy" trades should be aggregated and average priced. However, when a trade is to be executed for an individual account and the trade is not in the best interests of other accounts, then the trade will only be performed for that account. This is true even if the firm believes that a larger size block trade would lead to best overall price for the security being transacted.

When Portfolio changes are identified, such as the addition of new clients, changes to an asset allocation, and the underlying ETFs utilized, orders are aggregated and generated during the course of the applicable trading day, and a draft of the order file is sent to Vimvest for review and approval. Once approved, the trades are generally executed by 10AM EDT on the trading day the approval was processed. The firm, through its contractual commitments with clients, provides for a three-day trading window; therefore, please be aware that as a result given market fluctuations, corrections to the trade file, etc., trades may be executed at prices higher or lower than the day the trade recommendations were generated.

### **Allocation of Trades**

All allocations will be made prior to the close of business on the trade date. In the event an order is "partially filled," the allocation will be made in the best interests of all the clients in the order, taking into account all relevant factors including, but not limited to, the size of each client's allocation, clients' liquidity needs and previous allocations. In most cases, accounts will get a pro forma allocation based on the initial allocation. This policy also applies if an order is "over-filled."

The firm acts in accordance with its duty to seek best price and execution and will not continue any arrangements if the firm determines that such arrangements are no longer in the best interest of its clients.

## **Review of Accounts**

### **Schedule for Periodic Review of Client Accounts or Financial Plans and Advisory Persons Involved**

The firm provides model-based Portfolios to its clients. Model Portfolios are driven by the clients' investment profile as communicated by the advisory client or Third Party Advisor as applicable. Model Portfolios are algorithm driven based upon the clients' profile information. The model Portfolio algorithms are reviewed by the investment team chaired by Phillip Dickson, Co-CEO. The frequency of reviews is ongoing based upon the risk characteristics of each asset allocation, market and economic events, ETFs employed for use within the model Portfolios, and modern portfolio theory.

### **Review of Client Accounts on Non-Periodic Basis**

Vimvest may perform ad hoc reviews on an as-needed basis if there have been material changes in how Vimvest formulates investment advice or macroeconomic or market-related factors.

### **Content of Client-Provided Reports and Frequency**

The client's independent custodian provides account statements directly to the client no less frequently than quarterly. The custodian's statement is the official record of the client's securities account and supersedes any statements or reports created on behalf of the client by Vimvest.

## **Economic Benefits Provided to the Advisory Firm from External Sources and Conflicts of Interest**

Other than the disclosures stated in Items 9.A.2 and 9.B.2 of this brochure, the firm does not receive referral payments from third-party service providers. You are under no obligation to utilize any service provider recommended to you by Vimvest or its affiliates.

### **Advisory Firm Payments for Client Referrals**

Vimvest does not pay for client referrals.

## **Financial Information**

### **Balance Sheet**

Vimvest does not require the prepayment of fees of \$1,200 or more, six months or more in advance, and as such is not required to file a balance sheet.

**Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients**

On April 29, 2020, Vimvest received a Paycheck Protection Program ("PPP") loan in the amount of \$557,518 through the U.S. Small Business Administration, which was part of the economic relief provided under the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Due to the economic uncertainties surrounding the current COVID-19 pandemic and in an abundance of caution, Vimvest believes it was necessary and prudent to apply for and accept the PPP loan to support ongoing operations. Vimvest used the PPP funds to fund payroll for its employees, including a portion of the salaries of employees who are primarily responsible for performing advisory functions. As of the date of this brochure the loan has been forgiven.

Please be advised the firm's financials are rolled up into the overall enterprise. As a result of significant technology investments, which have been offset by a capital raise of its affiliate VimVest Holdings, LLC, the enterprise is showing significant losses which could impair the firm's ability to provide services. We believe our ongoing capital raising efforts will provide sufficient capital for our ongoing investment in technology. However, should we fail to meet our ongoing technology investment expenses through additional capital raising, our ability to provide services to you could be impaired.

**Bankruptcy Petitions During the Past Ten Years**

There is nothing to report for this item.