

# APEX WEALTH ADVISORS LLC

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FORM ADV PART 2A  
FIRM BROCHURE  
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This brochure provides information about the qualifications and business practices of Apex Wealth Advisors LLC. If you have any question about the contents of this brochure, please contact us at (818) 577-0628. 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.

Apex Wealth Advisors LLC is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training.

Additional information about Apex Wealth Advisors LLC is available on the SEC's website [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. Apex Wealth Advisors, LLC's CRD number is 316564.

## Item 2 - Material Changes

We do not have any material changes to report because this is our Initial Brochure. In the future, this Item will discuss only specific material changes that are made to the Brochure and provide you with a summary of these changes. We will also reference the date of our last annual update to this Brochure.

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## Item 4 – Advisory Business

### OWNERSHIP/ADVISORY HISTORY

Apex Wealth Advisors LLC (“We”) was formed as an Arizona Limited Liability Company in August 2021. We became registered as an investment adviser with the Securities and Exchange Commissions in October 2021. Our members are Leonard Williamson, Jacob Schisler and Joel Barlow. Jacob Schisler as the Chief Compliance Officer. Additional information about our members can be found under Item 19 along with their attached brochure supplements.

### ADVISORY SERVICES OFFERED

#### FINANCIAL PLANNING

Our comprehensive financial planning services involve a review of your financial situation, goals, and risk tolerance. Through a series of personal interviews and/or the use of questionnaires, we will collect pertinent data, identify goals, objectives, financial problems, and potential solutions. With this information, we tailor your financial plan and the advice we give to you. Our advice may cover any of the following topics: net worth statement; cash flow analysis; tax analysis; insurance and long-term care analysis; tax planning strategies; retirement planning; 401k review; financial goal setting; risk management, college savings, and other needs identified during our meetings with you. You will receive a written financial plan following our meetings.

With our financial consulting services, we focus on a single topic or multiple topics as identified in our meetings with you. The chosen topics are written in the financial planning and consulting agreement. Typically, we meet with you to discuss your questions, conduct research on the chosen topics and present the findings to you through a second meeting. Upon completion of the delivery of the recommendation, the engagement is concluded.

#### INVESTMENT MANAGEMENT AND USE OF SUB-ADVISERS

Our portfolio management services are offered to assist with the ongoing management of your investment accounts. We work with you to understand your investment objectives, time frame and risk tolerance. With this information, we create a customized portfolio using a combination of model portfolios that include the use of a sub-adviser, describe below. We base our recommendation on a variety of factors including, but not limited to, performance risk, fees, tax efficiency or different investment strategies, as well as your input and preferences regarding the strategies.

The sub-adviser offers multiple investment strategies. Once a sub-adviser is selected, we continue to monitor them to ensure that they adhere to the philosophy and investment style for which they were selected. We will retain discretionary authority to hire and fire the sub-adviser and when necessary, reallocate your assets to a new sub-adviser. The sub-adviser will have full discretion to select the securities and execute transactions without prior permission from you prior to each transaction. A complete description of the sub-adviser’s services and fees will be disclosed in the sub-adviser’s Form ADV Part 2A or equivalent brochure which will be provided to you.

#### TAILORED SERVICES

The goals and objectives for each client are documented before any investing takes place. You may impose restrictions on investing in certain securities or types of securities.

#### WRAP PROGRAM

We do not sponsor a wrap program.

#### CLIENT ASSETS MANAGED

As of the date of this brochure, we currently do not manage client assets as we are a newly formed investment adviser.

### Item 5 – Fees and Compensation

#### FINANCIAL PLANNING SERVICES

Our comprehensive financial planning service is charged on a fixed fee basis ranging from \$2,000 to \$20,000. The fee is negotiable and will vary depending on the complexity of your individual circumstances and the number of areas covered by the written financial plan. Typically, we will collect the fee at the delivery of the written financial plan. However, you may have the option for us to collect half of the agreed upon fee upon engagement and the other half at the delivery of the written financial plan.

Our financial consulting services are offered at an hourly rate of \$500. The fee is negotiable. At the beginning of engagement, we will provide you with a written estimate of the number of ours we believe the services will take. We will track the time we spend collecting your information, analyzing and research the chosen topics, and the time presenting the findings to you. Typically, we collect the fee at the final meeting; however, you may have the option to for us to collect half of the estimated fee upon engagement and the remaining balance at the final meeting.

Your financial planning agreement will show you how much will be charged to complete the scope of services and when the fee will be collected.

#### INVESTMENT MANAGEMENT AND USE OF SUB-ADVISER SERVICES

We charge an annual management fee based on the percentage of assets under management as reported by the custodian. Our maximum annual fee is 2.25% which includes the sub-adviser's fee. The fee is negotiable.

The fee will be calculated and collected by the sub-adviser on a quarterly, in arrears based on the average daily market value of the assets held in the account over the calendar quarter. The sub-adviser will then remit our portion of the fee to us. An example of the fee calculation is as follows: fees for a given day with assets under management of \$100,000 is \$8.93 (\$100,000 multiplied by 2.25% divided by 252 business days equals \$8.93); the daily fee is then multiplied by 63 business days in a quarter (\$8.93 multiplied by 63 equals a total quarterly fee of \$562.59). The total fee is then deducted on a quarterly basis. Cash balances and investments in money market funds are counted toward the account value and are included in the management fee calculations.

You will be asked to authorize the sub-adviser with the ability to instruct the custodian to directly deduct the management fee from your account.

Additionally, you may incur certain charges imposed by custodians or brokers, such as ticket charges, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fee, which are disclosed in each fund's prospectus. Such charges, fees and commissions are exclusive of, and in addition to, our fee and we will not receive any portion of these commissions, fees, and costs. For more information about our brokerage practice please see Item 12.A.

#### TERMINATION OF SERVICES

You may terminate any service for any reason within the first five (5) business days after signing an advisory contract, without any cost of penalty. Thereafter, the advisory contract may be terminated by either party at any time by providing the other party ten (10) days' written notice. To cancel the advisory contract, you must notify us in writing at Apex Wealth Advisors LLC, 43508 North Third Ave., New River, AZ 85087. When we charge in advance for financial planning, you will receive a prorated refund of any unearned fees based on the percentage of work completed on the plan.

#### OTHER SECURITIES COMPENSATION

Our associates are or may be registered representatives of Great Point Capital, LLC, a registered broker-dealer member FINRA/SIPC. Through Great Point Capital, LLC, they may sell securities to our clients for a commission. This causes a conflict of interest because the commissions from Great Point Capital, LLC are separate from the fees outlined above. They attempt to mitigate any conflicts of interest to the best of their ability and through the implementation of policies and procedures that address the conflict. Additionally, you are informed that you always have the right to choose whether to act on the recommendation or you have the right to purchase recommended securities from any registered representative or broker-dealer.

### **Item 6 – Performance-Based Fees and Side by Side Management**

We do not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client) or provide side by side management.

### **Item 7 – Types of Clients**

We offer our services to individuals, high net worth individuals, charities, and pension and profit-sharing plans. We do not require a minimum account size.

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

#### METHODS OF ANALYSIS AND INVESTMENT STRATEGIES

When we create your portfolio, we use asset allocation as our investment strategy. Asset allocation is an investment strategy that aims to balance risk and reward by apportioning a portfolio's assets according to an individual's goals, risk tolerance and investment horizon. The

asset classes typically include equities, fixed-income, international, and cash and equivalents. The risk associated with asset allocation is that each class has different levels of risk and return, so each will behave differently over time. There is no guarantee that diversification among asset classes will grow a portfolio.

Additionally, with respect to our use of sub-advisers, we attempt to match your individualized needs, goals, and objectives with the sub-adviser's method of investment analysis and investment strategies. Please refer to the sub-adviser's ADV Part 2A – Item 8.A for a full description of their methods of analysis and investment strategies.

#### INVESTMENT RISKS

All investment programs have certain risks that are borne by you and **investing in securities involves risk of loss that clients should be prepared to bear**. Our goal is to reduce the risk of loss, but not at the expense of portfolio growth. Recommended investment strategies seek to balance risks and rewards to achieve investment objectives. To manage risk, we rebalance model portfolios on an “as needed” basis to bring the asset allocations back to their intended balances. you should feel free to ask questions about risks that you do not understand; we would be pleased to discuss them.

#### RECOMMENDED SECURITIES

Several types of securities may be used your portfolios including, but not limited to, exchange traded funds (ETFs). Some of the risk associated with these securities include:

- **Credit risk:** This is the risk that an issuer of a bond could suffer an adverse change in financial condition that results in a payment default, security downgrade, or inability to meet a financial obligation.
- **Inflation risk:** This is the risk that inflation will undermine the performance of an investment and/or the future purchasing power of a client's assets.
- **Interest rate risk:** The chance that bond prices overall will decline because of rising interest rates.
- **International investing risk:** Investing in the securities of non-U.S. companies involves special risks not typically associated with investing in U.S. companies. Foreign securities tend to be more volatile and less liquid than investments in U.S. securities, and may lose value because of adverse political, social, or economic developments overseas or due to changes in the exchange rates between foreign currencies and the U.S. dollar. In addition, foreign investments are subject to settlement practices, as well as regulatory and financial reporting standards, that differ from those of the U.S.
- **Manager risk:** The chance that the proportions allocated to the various securities will cause the client's account to underperform relevant to benchmarks or other accounts with a similar investment objective.
- **Stock market risk:** The chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising stock prices and periods of falling stock prices.

- **Mutual fund manager risk:** The chance that the proportions allocated to the various mutual funds will cause the client's account to underperform relevant to benchmarks or other accounts with similar investment objectives.
- **Exchange Traded Funds (ETFs) risk:** ETFs are typically investment companies that are legally classified as open-end mutual funds or unit investment trusts; however, they differ from traditional investment companies because ETF shares are listed on a securities exchange. Shares can be bought or sold through the trading day like share of other publicly traded companies. ETF shares may trade at a discount or premium to their net asset value. This difference between the bid price and the asking price is often referred to as the "spread". The spread varies over time based on the ETF's trading volume and market liquidity and is generally lower if the ETF has a lot of trading volume and market liquidity and higher if the ETF has little trading volume and market liquidity. Although many ETFs are registered as investment companies under the Investment Company Act of 1940 like traditional mutual funds, some ETFs, including those that invest in commodities, are not registered as investment companies.

## Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment adviser. We do not have information applicable to this Item.

## Item 10 – Other Financial Industry Activities and Affiliations

### BROKER DEALER AFFILIATION

Our associates are or may be registered representatives of Great Point Capital, LLC. Please see Item 5 – Other Securities Compensation for additional details.

### FUTURES/COMMODITIES FIRM AFFILIATION

We are not affiliated with a futures or commodities broker.

### OTHER INDUSTRY AFFILIATIONS

Our owners or associates are independent insurance agents, and they may recommend the sale of insurance products to you. This other business activity pays them commissions that are separate from the fees described in Item 5, above. The commissions give them a financial incentive to recommend and sell you the insurance products. We attempt to mitigate any conflicts of interest to the best of our ability by placing your interest ahead of our own and through the implementation of policies and procedures that address the conflict. Additionally, you are informed that you always have the right to choose whether to act on the recommendation and you have the right to purchase recommended insurance through any licensed insurance agent.

Our owner, Joel Barlow, is a CPA and may provide tax preparation and accounting services to you. This other business activity pays him fees that are separate from the fees described in Item 5, above. The fees give him a financial incentive to recommend and sell tax preparation and accounting services. Mr. Barlow attempts to mitigate any conflicts of interest to the best of his



ability by placing his interests ahead of his own and through the implementation of policies and procedures that address the conflict. Additionally, you are informed that you always have the right to choose whether to act on the recommendation or you have the right to purchase tax and accounting services through any CPA practice.

#### RECOMMENDATION OF THIRD-PARTY INVESTMENT ADVISER

We may use the services of a sub-adviser to manage some or all your assets on a discretionary basis and in accordance with your investment objectives. We will ensure that the sub-adviser is properly registered or exempt from registration in your state of residence prior to making any recommendations. A detailed description of these services can be found under Items 4 and 5 above.

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

#### DESCRIPTION

Our Code of Ethics establishes ideals for ethical conduct based upon fundamental principles of openness, integrity, honesty, and trust. We will provide a copy of our Code of Ethics to any client or prospective client upon request.

Our Code of Ethics covers all supervised persons, and it describes our high standard of business conduct and fiduciary duty to our clients. The Code of Ethics includes, among other things, provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition on rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures. All supervised persons must acknowledge the terms of the Code of Ethics annually or as amended.

#### MATERIAL INTEREST IN SECURITIES

We do not have a material interest in any securities.

#### INVESTING IN OR RECOMMENDING THE SAME SECURITIES

Our staff is permitted to engage in personal securities transactions. These transactions create potential conflicts of interest if they were to trade in advance in a security that is owned by you or considered for purchase or sale on your behalf. We have adopted policies and procedures that are reasonably designed to effect transactions for you in a manner consistent with the fiduciary duty owed to each client. Our staff who buys or sells the same securities bought or sold for a client may do so only if they comply with our written policies and procedures.

### Item 12 – Brokerage Practices

#### RECOMMENDATION CRITERIA

We do not maintain custody of your assets. Your assets must be maintained in an account at a “qualified custodian”, which is generally a broker-dealer or bank. We recommend that you use TD Ameritrade, Inc. and/or Fidelity, unaffiliated SEC-registered broker-dealers and members of

FINRA/SIPC. TD Ameritrade offers to independent investment advisers services which include custody of securities, trade execution, clearance, and settlement of transactions. We may receive some benefits from TD Ameritrade through our participation in the Program, which are described in Item 14.

#### RESEARCH AND SOFT DOLLARS

“Soft dollars” are defined as a form of payment investment firms can use to pay for goods and services such as news subscriptions or research. When an investment firm gives its business to a particular brokerage firm, the brokerage firm in return can agree to use some of its revenue to pay for these types of services. We do not receive any soft dollars.

#### BROKERAGE FOR CLIENT REFERRALS

We do not receive client referrals or any other incentive from any broker-dealer or custodian.

#### TRADE AGGREGATION

We may aggregate transactions in equity and fixed income securities for a client with other clients to improve the quality of execution. When transactions are so aggregated, the actual prices applicable to the aggregated transactions will be averaged, and each client account will be deemed to have purchased or sold its proportionate share of the securities involved at the average price obtained. We may determine not to aggregate transactions, for example, based on the size of the trades, the number of accounts, the timing of the trades, the liquidity of the securities or the discretionary or non-discretionary nature of the trades. If we do not aggregate orders, some clients purchasing securities around the same time may receive a less favorable price than other clients. This means that the practice of not aggregating may cost clients more money.

## Item 13 – Review of Accounts

#### PERIODIC REVIEWS

Our owners and associates conduct annual reviews of the sub-adviser’s model portfolios. We also attempt to meet with you either in person or by telephone annually.

#### OTHER REVIEWS

Additional reviews are conducted periodically depending on market conditions, economic or political events, or by changes in a client’s financial situation (such as retirement, termination of employment, physical move, or inheritance).

#### REPORTS

You will receive a written financial plan if you engage in our Comprehensive Financial Planning services. The sub-adviser will send you quarterly performance reports. You will also receive at least quarterly account statements from your custodian. We urge you to carefully review these statements.

## Item 14 – Client Referrals and Other Compensation

### OTHER COMPENSATION

We participate in TD Ameritrade's institutional customer program, and we may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between our participation in the program and the investment advice we give to clients, although we receive economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate account statements and confirmations; research related products and tools; consulting services; access to a trading desk serving our 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. TD Ameritrade may also have paid for business consulting and professional services received by our related persons. Some of the products and services made available by TD Ameritrade through the program may benefit us but may not benefit our client accounts. These products or services may assist us in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help us manage and further develop its business enterprise. The benefits received by us or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, our endeavors always to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by us or its related persons in and of itself creates a potential conflict of interest and may indirectly influence our choice of TD Ameritrade for custody and brokerage services.

### CLIENT REFERRALS

We do not pay for client referrals or use solicitors.

## Item 15 – Custody

Your funds, securities and accounts are held at a qualified custodian. We do not take possession of your securities. However, you will be asked to authorize the sub-adviser with the ability to instruct the custodian to deduct our management fee from your account. This authorization will apply to our management fee only. This is considered a limited form of custody. You may terminate this authorization at any time. You will also receive at least quarterly account statements from the custodian that holds and maintains the assets in your account. We urge you to carefully review these account statements.

## Item 16 – Investment Discretion

We offer discretionary and non-discretionary investment management services. With discretionary investment management services, you must sign the investment management agreement to grant us discretionary power over your account. Our investment management agreement contains a limited power of attorney that allows us to select the security, the amount, and the time of the purchase or sale in your account. It also allows us to place each trade without your prior approval. Additionally, the agreement provides us with the ability to delegate our discretionary power to the sub-adviser. Your custodian may request that you sign the custodian's limited power of attorney. This varies with each custodian. We discuss all limited powers of attorney with you prior to their execution. In all cases, however, our discretion will be exercised in a manner consistent with the state investment objectives for your account and any other investment policies, limitations, or restrictions.

## Item 17 – Voting Client Securities

We do not vote proxy votes for any client. All proxy materials are mailed or emailed directly to you from the custodian. Any proxy materials received by us will be forwarded to you for response and voting. In the event you have a question about a proxy solicitation, feel free to contact us at any time.

## Item 18 – Financial Information

### BALANCE SHEET

We do not require or solicit prepayment of more than \$1200 in fees per client, six months or more in advance. Therefore, we are not required to provide a balance sheet.

### FINANCIAL CONDITION

We are required in this Item to provide you with certain financial information or disclosures about our financial condition if we have a financial commitment that impairs our ability to service you. We do not have a financial commitment that impairs our ability to service our clients.

### BANKRUPTCY

We have not been the subject of a bankruptcy proceeding.