

**Part 2A of Form ADV: Firm Brochure**

Item 1 Cover Page

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March 28, 2022

**This brochure provides information about the qualifications and business practices of Compass Investments LLC. If you have any questions about the contents of this brochure, please contact us at: 570-772-8250 or e-mail: [JReed@compassinvestmentsllc.com](mailto:JReed@compassinvestmentsllc.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Additional information about Compass Investments LLC is also available on the SEC's website at: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

Item 2 Material Changes

Compass Investments is required to disclose any material changes here in Item 2.  
There are currently no material changes to report.

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A. Compass Investments LLC was established on August 31, 2006 and serves an extremely diverse client base. Each of the firm's investment advisors has a unique set of clients, ranging from military personnel to artists, and from business owners to high-tech professionals. While each advisor employs his or her own individual approach to investment management, all are united under Compass Investment's mission to provide the highest quality service, tailored to the goals and needs of the client, while upholding the strictest standards of ethics and best practices. Julia C. Reed is the principal owner of Compass Investments. There are no intermediate subsidiary relationships.

B. Compass Investments LLC is first and foremost a money management firm. Each of its advisors uses a variety of methods (explained in Item 8) without specializing in any one type of service. Secondly, Compass advisors offer varying degrees of financial planning to its clients. Issues typically addressed include tax implications of different investment options; how much to save for retirement or for college; reasonable withdrawal rates from an investment portfolio for those in or near retirement; whether to take out an equity loan or withdraw funds from an investment account for a needed purchase; and other topics raised by clients.

C. The investment management that Compass Investments LLC provides for its clients takes into consideration each client's individual situation. In order to best serve the client, Compass advisors assess a variety of factors to determine an investment plan: risk tolerance, the needs of each client and/or the client's investment goals, how many years before the client is likely to need their investment funds, how involved the client wants to be in the investment process, the likelihood of clients reaching their goals through a combination of investment returns and savings.

D. Compass Investments LLC does not participate in a wrap fee program.

E. As of December 31, 2021 Compass Investments LLC managed \$83,808,904 of current clients' assets. All assets under management are managed under a discretionary basis.

Item 5 Fees and Compensation

A. Fees are deducted quarterly in arrears based on a calculated percentage of discretionary assets under management and generally fees vary from 0.50% to 1.35% per annum of the market value of a client's assets managed by Compass. The fee range stated is a guide. Fees are negotiable, and may be higher or lower than this range, based on the nature of the account. Factors affecting fee percentages include the size of the account, complexity of asset structures, and other factors.

B. Management fees are deducted from the clients' accounts. Clients may request that they be invoiced for fees. The client can select either account fee deduction or invoice.

C. In addition to the advisory fees that each client pays, there are additional fees or expenses that clients may be subject to. The fees that a client can see on their statements are: brokerage charges for buying and selling individual stocks, bonds and electronically traded funds (ETF's); transaction charges for the purchase or sale of certain mutual funds; and (rarely) an annual fee for holding an alternative asset in their account. Fees that a client does not see on their statement are primarily the expense fees that mutual funds charge in order to do their work: management fees, administrative fees, 12(b)(1) fees, trading fees, etc. Compass Investments does not receive any compensation from these mutual fund fees. Charles Schwab receive 12(b)(1) fees from many mutual funds, and in exchange Charles Schwab & CO make those funds available to investors on a "no-transaction fee" basis. There are currently no custodial fees charged by Schwab for maintaining retirement accounts.

D. This item is not applicable.

Item 6 *Performance-Based Fees* and Side-By-Side Management

We do not accept performance-based fees or participate in side-by-side management. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees.

Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Our fees are calculated as described in the Fees and Compensation section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

We offer investment advisory services to individuals, trusts, estates, charitable organizations, self-employed persons and other business entities.

We may combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts to meet the stated minimum as well as to meet a lower fee threshold.

The minimum amount required to open an account is \$50,000. If an account drops below \$50,000 due to client withdrawals, Compass Investments may, at its discretion, after discussing with the client the likelihood and timing of future deposits into the account, discontinue the advisory relationship.

There are currently some remaining households with less than \$50,000.00 of current assets. With the raising of the minimum account size to \$50,000.00 Compass Investments LLC does not believe it is fair to disengage long term clients because of their current financial situation.

There may be an exception to the initial minimum account size requirement based on extenuating circumstances, such as: a valued client referral, expected larger deposit of money into an account in a reasonable time frame, and potential for greater assets based on financial circumstances. An example would be that a person is anticipating leaving their current job and wants to rollover their 401K to one of the qualified custodians for Compass Investments LLC to manage.

The Firm employs a wide range of methods to evaluate investments and manage portfolios, including fundamental analysis, some aspects of technical analysis and study of price trends, and analysis of economic, market, industry, firm, and product cycles and trends. The Firm's investment philosophy is eclectic and opportunistic, with an emphasis on seeking a margin of safety in price.

Typical sources of information include company SEC filings, press releases, company websites, company earnings calls, financial news and quotation services, financial data providers, financial newspapers and magazines, corporate rating services, analyst research reports, financial weblogs, internet discussion boards, and financial websites.

Some Advisers do subscribe to various investment advisory newsletters and based on the information published in those newsletters may make specific recommendations. Some examples of current newsletters that are subscribed to are: Stansberry Research, The Street Authority, Agora Financial, Active Trading Partners, St. Paul's Research, and the American Association of Individual Investors.

The Firm continually adapts its investment strategies to market conditions and individual client needs. Years of experience have shown that no one approach works at all times for all clients.

Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio.

#### Risk of Loss

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

Item 9      Disciplinary Information

Julia C. Reed, Principal, Compass Investments LLC, has been registered since 2006 and has been providing investment advisory services since then. Neither she nor any of the associated persons of the firm have any reportable disciplinary information.

Item 10 Other Financial Industry Activities and Affiliations

Neither the principal of Compass, nor any related persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

As discussed in Item 8, Compass may recommend the use of one or more third party managers. Compass has a referral arrangement with Efficient Advisors, LLC. Compass refers clients to Efficient Advisors, who in turn manages a 401k plan, and in return Compass receives a referral fee.

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

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for our Associated Persons. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All of our Associated Persons are expected to adhere strictly to these guidelines. Persons associated with our firm are required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm. Our Code of Ethics is available to you upon request. You may obtain a copy of our Code of Ethics by contacting Julia Reed at 570-772-8250. From time to time, Compass or persons associated with Compass may buy or sell securities that are recommended to its Clients or securities in which its Clients are invested. Please note that Client accounts will have priority when it comes to the purchase and/or sale of securities over trades conducted in the accounts of associated persons of Compass. Our firm or persons associated with our firm may buy or sell securities for you at the same time we or persons associated with our firm buy or sell such securities for our own account. We may also combine our orders to purchase securities with your orders to purchase securities (“block trading”). Please refer to the “Brokerage Practices” section in this Brochure for information on our block trading practices. A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To mitigate this conflict of interest, it is our policy that neither our Associated Persons nor we shall have priority over your account in the purchase or sale of securities.

The brokerage firm of Charles Schwab & Co., Inc is recommended to clients. The client signs a Limited Power of Attorney allowing Compass Investments discretion to manage the account.

In choosing these custodians as the required broker-dealers for client transactions, Compass Investments assessed the following factors: robustness of the trading platform, breadth of investment options available to clients, ease of use of the advisor-side technology, ease of integration with other required software platforms, the reputation of the firm, the firm's commitment to work with individual advisors, the firm's commitment to continue to improve its platform, the effectiveness of the client-side interface, and the transaction fee structure. Compass believes that both custodians offer the best balance of all the above factors, and that the transaction fees charged for stock, bond and certain mutual fund transactions are reasonable.

Not all advisors require their clients to execute transactions through a specified broker-dealer. Using a different broker-dealer could result in a more favorable execution of transactions at lower cost to clients. Compass Investments LLC receives no economic advantages from using Schwab. The choice to recommend Schwab as the broker-dealer is based on an assessment of the totality of advantages for using their services, not solely on most favorable execution.

#### Block Trades

We may combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as "block trading"). We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. The distribution of the shares purchased is typically proportionate to the size of the account, but it is not based on account performance or the amount or structure of management fees.

We highly recommend that clients sign up for electronic delivery of documents from the custodian in order to reduce their trading costs.

Certain financial advisors will monitor client accounts on a continuous basis and will conduct account reviews at least annually and upon your request to ensure that the advisory services provided to you are consistent with your current investment needs and objectives.

More frequent account reviews are triggered by such factors as: a) awareness of a material change in a client's circumstances or investment objectives, b) significant changes in market conditions, c) changes in the portfolio manager's assessment of a security held in an account, and d) divergence of an account's investment performance from management's expectations.

We will provide you with quarterly performance reports in conjunction with account reviews. Reports we provide to you will contain relevant account and/or market-related information such as an inventory of account holdings and account performance, etc. These reports are generated by the Assetbook Portfolio Management System. The reports will be both written and in graph format.

In addition, you will receive trade confirmations and monthly statements from your account custodian. You should compare our statements with the statements from your account custodian to reconcile the information reflected on each statement.

Clients may be introduced to Compass via other third parties. If a client is introduced to Compass by either an unaffiliated or an affiliated solicitor, Compass may pay that solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, and any corresponding state securities law requirements. Unaffiliated or affiliated solicitors will be licensed in accordance with applicable state laws. Any such referral fee shall be paid solely from Compass' investment management fee, and shall not result in any additional charge to the client. If the client is introduced to Compass by an unaffiliated solicitor, the solicitor, at the time of the solicitation, shall disclose the nature of the solicitor relationship, and shall provide each prospective client with a copy of Compass' ADV, and a copy of the written disclosure statement from the solicitor to the client disclosing the terms of the solicitation arrangement between Compass and the solicitor, including the compensation to be received by the solicitor from Compass.

We will either send you an invoice by mail, e-mail or posting through the Client Access Portal in Assetbook for the payment of our advisory fees, or we will deduct our fee directly from your account through the qualified custodian holding your funds and securities. This ability to deduct our advisory fees from your accounts causes our firm to exercise limited custody over your funds or securities.

**We do not have physical custody of any of your funds and/or securities. Your funds and securities will be held with the qualified account custodian.**

You will receive account statements from your account custodian on a monthly basis. The account statements will indicate the amount of our advisory fees deducted from your account(s) each billing period. You should carefully review account statements for accuracy. We will also provide statements to you reflecting the amount of advisory fee deducted from your account by either postal mail, e-mail, or posting through the Client Access Portal in Assetbook.

You should compare our statements with the statements from your account custodian(s) to reconcile the information reflected on each statement. If you have a question regarding your account statement or if you did not receive a statement from your custodian, please contact Julia C. Reed at 570-772-8250.

Compass Investments LLC accepts discretionary authority on the accounts of its clients. Such authority is granted by clients either on the original account application in the Authorizations section, or is granted by a client signing a Limited Power of Attorney form. Clients can place limits on the types of securities purchased by an advisor, and these limitations are typically spelled out in the client questionnaire.

Limitations include, but are not limited to: socially responsible investment restrictions, investments only in certain sectors, asking to be consulted before an actual purchase or sale is executed, etc.

### Proxy Voting

We will not vote proxies on behalf of your advisory accounts. On rare occasions and only at your request, we will offer you advice regarding corporate actions and the exercise of your proxy voting rights. You can contact your adviser to discuss proxy materials at toll-free: 570-772-8250.

If you own shares of common stock or mutual funds, you are responsible for exercising your right to vote as a shareholder. You will receive your voting materials from the custodian of your accounts.

We are not required to provide financial information to our clients because we do not:

- require the prepayment of more than \$1,200 in fees and six or more months in advance,
- or take custody of client funds or securities,
- or have a financial condition that is reasonably likely to impair our ability to meet our commitments to you.