



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

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March 29, 2023

This brochure provides information about the qualifications and business practices of Impact Partnership Wealth, LLC ("IPW"). If you have any questions about the contents of this brochure, please contact us at 800.380.5040. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Registration as an investment adviser does not imply a certain level of skill or training.

Additional information about Impact Partnership Wealth, LLC or IPW also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 313928.

## **Item 2      Material Changes**

### **Annual Update**

The Material Changes section of this brochure will be updated annually or when material changes occur since the previous release of the Firm Brochure. Each year, we will ensure that you receive a summary of any material changes to this and subsequent brochures by April 30th. We will further provide you with our most recent brochure at any time at your request, without charge. You may request a brochure by contacting us at (800) 380-5040.

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

Impact Partnership Wealth, LLC was established as a new Registered Investment Advisor in May 2021 with the Securities and Exchange Commission ("SEC"), under the rules and regulations of the US Investment Advisers Act of 1940, as amended (the "Advisers Act"). Impact Partnership Wealth will provide updates to this document annually within 120 days of the close of the fiscal year, or more frequently in the event of material changes.

This brochure will be amended anytime there is a material change and this section will include a summary of any material changes.

The following material changes have been made since the last annual update on March 31, 2022:

- The maximum total fee has been reduced to 1.65% (See Item 5).
- The firm has added Structured Notes as offerings to clients.

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#### **Item 4                      Advisory Business**

Impact Partnership Wealth, LLC (hereinafter called "IPW") is an investment adviser based in Kennesaw, Georgia, and incorporated under the laws of the State of Delaware. IPW's principal owners are Stephen Odom (Chief Executive Officer), David James Callanan (Partner) and Cody Foster (Partner). IPW is registered with the U.S. Securities and Exchange Commission and is subject to its rules and regulations. Founded in May 2021, IPW provides investment advisory services, which may include, but are not limited to, the review of client investment objectives and goals, recommending asset allocation strategies of managed assets among investment products such as cash, stocks, mutual funds and bonds, annuities, and/or preparing written investment strategies. Our investment advice is tailored to meet our clients' needs and investment objectives.

#### **Asset Management: Selection of Third-Party Money Managers**

IPW offers a total of nine (9) third-party money managers and our recommendation is based on the client's best interest and the client's investment goals and objectives.

IPW begins the process with personal discussions with the client in order to determine the goals and objectives based on the client's particular set of circumstances. Factors considered in recommending a third-party money manager include account size, risk tolerance, the opinion of each client and the investment philosophy of the selected third-party money management firm. IPW monitors the performance of the third-party money managers and has the discretionary authority to select/hire and fire model managers of any client of IPW. If IPW determines that a particular selected strategy is not providing sufficient management services to the client, or is not managing the client's portfolio, we will select another manager. Under this scenario, our firm assists the client in selecting a new program. Our clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated client's age, client's attitude towards risk tolerance, investment objectives, investment experience, investment time horizon, financial situation and needs, liquidity needs, other investments, tax status, time horizons, among other financial needs. As appropriate, we also review and discuss a client's prior investment history, as well as family composition and background.

One of the third-party money managers available is Market Guard (CRD# 153241), an affiliated investment adviser that provides model portfolios. Market Guard is solely owned by Bradley Jenkins (CRD#: 5767464), the sole owner of Jenkins Wealth, d/b/a Market Guard. Brad Jenkins is compensated through non-controlling ownership in IPW. This creates a conflict of interest because our decision to select Market Guard as a third-party money manager was based, at least in part, on the fact they are an affiliated company with IPW. Because of the fact we are affiliated companies, we have an indirect economic incentive to select and recommend Market Guard over the other eight (8) third-party money managers (registered investment adviser firms) offering the same or similar services including those that may do so for a lower fee. Market Guard will not receive additional compensation in relation to clients. Market Guard Model Portfolios are managed to specific equity and fixed income targets and are implemented through the use of ETFs (Exchange Traded Funds).

To help mitigate this conflict of interest, we have developed the following procedures:

- All third-party money managers, including Market Guard, are required to pass our initial due

diligence process and go through a periodic re-evaluation.

- Neither Market Guard, nor IPW, compensate or incentivize IPW employees to recommend Market Guard over other third-party money managers.
- Clients are never required or obligated to use Market Guard as a third-party money manager.
- The fee received by Market Guard from IPW is similar to the fee arrangements for other third-party money managers, therefore IPW does not receive any more or any less fee revenue for selecting MarketGuard over other third-party money managers.
- IPW has developed internal supervision policies and procedures that, among other things, require our investment adviser representatives to make investment recommendations in each client's best interest and to act as a fiduciary to each client.

You should be aware that there are thousands of other third-party money managers (registered investment adviser firms) operating in the U.S. who offer their own model portfolios. These other third-party money managers and their model portfolios are: 1) not recommended by our firm, 2) may be suitable for you and 3) may be less costly than arrangements recommended by IPW or its investment advisor representatives. It is important that you understand that there are no guarantees in terms of performance or rates of return that can be made concerning your financial goals or objectives and /or will be achieved through the use of any third-party money manager and their model portfolios recommended/selected for you. In short, no guarantees of performance can ever be offered by IPW or its investment adviser representatives.

Prospective clients or IPW clients choosing to implement IPW's recommendations through Market Guard, or any other of our other eight (8) third-party money managers should refer each to third-party money manager's (registered investment adviser firm) Firm Brochure and other documents for details regarding that firm's services and fees. To ensure you as our client have a good understanding of the relationships that exist between IPW and its third-party money managers, we are available to meet with you as our client on a regular basis, or as determined by you as our client, to review your account(s).

### **Financial Planning**

IPW offers financial planning services to clients. Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. Through the financial planning process, all questions, information and analysis are considered as they impact and are impacted by the entire financial and life situation of the client. Clients purchasing this service receive a written report which provides the client with a detailed written financial plan designed to assist the client achieve his or her financial goals and objectives.

In general, the financial planning process can address any or all of the following areas:

**PERSONAL:** We can review family records, budgeting, personal liability, estate information and financial goals.

**TAX & CASH FLOW:** We can analyze the client's income tax and spending and planning for past, current and future years; then illustrate the impact of various investments on the client's current income tax and future tax liability.

INVESTMENTS: We can analyze investment alternatives and their effect on the client's portfolio.

INSURANCE: We can review existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home and automobile.

RETIREMENT: We can analyze current strategies and investment plans to help the client achieve his or her retirement goals.

DEATH & DISABILITY: We can review the client's cash needs at death, income needs of surviving dependents, estate planning and disability income.

ESTATE: Some personnel that are appropriately licensed can assist the client in assessing and developing long-term strategies, including as appropriate, living trusts, wills, review estate tax, powers of attorney, asset protection plans, nursing homes, Medicaid and elder law.

IPW gathers required information through in-depth personal interviews. Information gathered includes the client's age, client's attitude towards risk tolerance, investment objectives, investment experience, investment time horizon, financial situation and needs, liquidity needs, other investments, tax status, time horizons, among other financial needs. As appropriate, we also review and discuss a client's prior investment history, as well as family composition and background.

IPW carefully reviews the documents supplied by the client, including a questionnaire completed by the client, and prepare a written report. Implementation of financial plan recommendations is entirely at the client's sole discretion.

If requested by client, a written financial plan is presented to the client within six (6) months of the contract date, provided that all information needed to prepare the written financial plan has been accurately and promptly provided by the client.

Financial Planning recommendations are not limited to any specific product or service offered by a broker-dealer firm or insurance company.

### **Wrap Fee Accounts**

IPW does recommend a Wrap Fee Program for the client's account(s). A "wrap fee program" for purposes of the SEC is a program under which investment advisory and brokerage execution services are provided for a single "wrapped" fee that is not based on the transactions in a client account. Clients with Wrap Fee Program accounts will be provided with IPW's Wrap Fee Brochure. This Brochure is for non-Wrap Fee Accounts.

As of December 31, 2022, IPW managed approximately \$291,965,318 on a discretionary basis.

## **Item 5        Fees and Compensation**

### **Asset Management: Selection of Third-Party Money Managers**

IPW's annual fees are based upon a percentage of assets under management not to exceed 1.65%. IPW absorbs the party third-party money manager fee(s); thus, we do not pass any of those fees on to the client.

Although IPW has established a maximum annual fee as stated above, we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs are considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets, related accounts, portfolio style, account composition, reports, among other factors. The specific annual fee schedule is identified in the contract between the adviser and each client.

Household Accounts: For the benefit of the client, we also group (household) certain related client accounts for the purposes of achieving the minimum account size for determining the annualized fee.

Discounts: Discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm.

### **Financial Planning Fees**

A financial plan fee is separate and distinct from assets under management ("AUM") fees. IPW's financial planning fee (the written financial plan) is determined based on the nature of the services being provided and the complexity of each client's circumstances. All financial planning fees are agreed upon by the client prior to entering into a contract with any client. Our financial planning fees are calculated and charged on a fixed-fee basis, ranging up to \$2,500. In certain circumstances, the financial planning fee may be waived as a result of the financial plan being administered. Although the length of time it will take to provide a written financial plan will depend on each client's personal situation, we will provide an estimate for the total hours at the start of the advisory relationship.

### **GENERAL INFORMATION**

Billing: Our services are billed monthly to the client in arrears and deducted from the client's account.

Termination of the Advisory Relationship: A client agreement may be canceled at any time, by either party, for any reason upon receipt of thirty (30) days written notice. Upon termination of any account, any prepaid, unearned fees will be promptly refunded. In calculating a client's reimbursement of fees, we will pro rate the reimbursement according to the number of days remaining in the billing period. Unless a client has received the firm's disclosure brochure (ADV Part 2) at least forty-eight (48) hours prior to signing the investment advisory contract, the investment advisory contract can be terminated without penalty within five (5) business days of entering into the investment advisory contract.

Mutual Fund Fees and Security Compensation: All fees paid to IPW for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. Those fees and expenses charged by mutual funds and/or ETFs are described in each fund's prospectus. Those fees charged by mutual funds and/or ETFs fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the mutual funds and/or ETFs also imposes sales charges, a client may pay an initial or deferred

sales charge. A client could invest in a mutual fund and/or ETFs directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review and evaluate both the fees charged by the mutual funds and/or ETFs and IPW's fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided. The firm will not receive compensation for sales of securities or other investment products.

**Additional Fees and Expenses:** In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Transaction fees are not applicable to Wrap Fee accounts, and the applicable clients will receive a Wrap Fee Brochure.

**Advisory Fees in General:** Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

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

IPW does not charge performance-based fees.

## **Item 7      Types of Clients**

IPW provides advisory services to the following types of clients:

Individuals (other than high net worth individuals), High net worth individuals, charitable organizations and corporations or other businesses. There is no minimum account requirement for our services.

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

### **METHODS OF ANALYSIS**

IPW uses the following methods of analysis in formulating our investment advice and/or managing client assets:

***Third-Party Money Manager Analysis.*** IPW examines the experience, expertise, investment philosophies, and past performance of independent third-party money managers (registered investment adviser firms) in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. IPW monitors the third-party money manager's underlying holdings, strategies, concentrations and leverage as part of our overall periodic risk assessment.

Additionally, as part of our internal due-diligence process, we have a vendor that from time to time surveys the third-party money manager's compliance and business enterprise risks on IPW's behalf. A risk of investing with a third-party money manager who has been successful in the past is that he/she may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a third-party money manager's portfolio, there is also a risk that a third-party manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the third-party manager's daily business and compliance or operational activities; thus, we may be unaware of the lack of internal



controls necessary to prevent business, legal, regulatory or reputational deficiencies.

Risks for all forms of analysis. Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

## **INVESTMENT STRATEGIES**

The nine (9) third-party money managers offered by IPW use various types of financial analysis, e.g. tactical, strategical analysis in evaluating investment portfolios (model portfolios). Please refer to the third-party money manager's ADV Part 2A Brochure for additional information.

## **RISKS**

Risk of Loss. The model portfolios and the individual securities investments contained within them are not guaranteed and you may lose money on your investments. Therefore, we ask that you work with us to help us understand your tolerance for risk - the loss of your investment principal. Further, clients should understand that investing in any securities, including mutual funds and/or ETFs, involves a risk of loss of both income and principal.

Below are some more specific risks of investing:

Equity Risk. Equity securities tend to be more volatile than other investment choices. The value of an individual mutual fund or ETF can be more volatile than the market as a whole. This volatility affects the value of the client's overall portfolio. Small- and mid-cap companies are subject to additional risks. Smaller companies may experience greater volatility, higher failure rates, more limited markets, product lines, financial resources, and less management experience than larger companies. Smaller companies may also have a lower trading volume, which may disproportionately affect their market price, tending to make them fall more in response to selling pressure than is the case with larger companies. In short, the market price of shares varies all the time depending on demand and supply. Equity Risk is the risk of loss because of a drop in the market price of shares. Equity Risk is a type of Unsystematic Risk and has the ability to be diversified away.

Inflation Risk: The risk of a loss in your purchasing power because the value of your investments does not keep up with inflation. Inflation erodes the purchasing power of money over time – the same amount of money will buy fewer goods and services. Inflation Risk is particularly relevant if you own cash or debt investments like bonds. Shares offer some protection against inflation because most companies can increase the prices they charge to their customers. Share prices should therefore rise in line with inflation. Real estate also offers some protection because landlords can increase rents over time.

Investment Companies Risk. When a client invests in open end mutual funds or ETFs, the client indirectly bears its proportionate share of any fees and expenses payable directly by those funds. Therefore, the client will incur higher expenses, many of which may be duplicative. In addition, the client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives). ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above or below their net asset value; (ii) the ETF may employ an investment strategy that utilizes high

leverage ratios; or (iii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are de-listed from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally. IPW has no control over the risks taken by the underlying funds.

**Fixed Income Risk.** The issuer of a fixed income security may not be able to make interest and principal payments when due. Generally, the lower the credit rating of a security, the greater the risk that the issuer will default on its obligation. If a rating agency gives a debt security a lower rating, the value of the debt security will decline because investors will demand a higher rate of return. As nominal interest rates rise, the value of fixed income securities is likely to decrease. A nominal interest rate is the sum of a real interest rate and an expected inflation rate.

**Management Risk.** IPW's investment approach may fail to produce the intended results. If our perception of the performance of a specific asset class or underlying fund is not realized in the expected time frame, the overall performance of client's portfolio may suffer.

**Market Risk.** The prices of securities in which clients invest may decline in response to certain events taking place around the world, including those directly involving the companies whose securities are owned by the client or an underlying fund; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and currency, interest rate and commodity price fluctuations. Investors should have a long-term perspective and be able to tolerate potentially sharp declines in market value. Market Risk cannot be 100% diversified away by an investor. Interest rate movements, economic recessions, and wars are examples Market Risk aka Systematic Risk.

**Municipal Securities Risk.** The value of municipal obligations can fluctuate over time, and may be affected by adverse political, legislative and tax changes, as well as by financial developments that affect the municipal issuers. Because many municipal obligations are issued to finance similar projects by municipalities (e.g., housing, healthcare, water and sewer projects, etc.), conditions in the sector related to the project can affect the overall municipal market. Payment of municipal obligations may depend on an issuer's general unrestricted revenues, revenue generated by a specific project, the operator of the project, or government appropriation or aid. There is a greater risk if investors can look only to the revenue generated by the project. In addition, municipal bonds generally are traded in the "over-the-counter" market among dealers and other large institutional investors. From time to time, liquidity in the municipal bond market (the ability to buy and sell bonds readily) may be reduced in response to overall economic conditions and credit tightening.

**Options Risk –** Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks. Options, like other securities, carry no guarantees, and investors should be aware that it is possible to lose all of your initial investment, and sometimes more. Since options derive their value from an underlying asset, which may be a stock or securities index, any risk factors that impact the price of the underlying asset will also indirectly impact the price and value of the option.

**Structured Notes Risk –** Structured notes are complex instruments consisting of a bond component and an imbedded derivative. As stated above, principal-protected notes offer full principal protection, even if the market is down at the note's maturity. Principal-at-risk notes offer no principal protection, and an investor can lose some or all of their invested principal at maturity. Additionally, structured notes lack liquidity, are not listed on securities exchanges, and you may be unable to sell the note prior to maturity. Investors who sell structured notes prior to

maturity are subject to secondary market risk, including the risk of loss, as the market price may be less than the initial principal or face value. Structured notes are also subject to credit and call risks. The credit risk involves a situation where, if the issuer were to default on its payment obligations, you may not receive any amount owed under the structured note and you could lose your entire principal investment. Additionally, structured notes are not FDIC insured. A call risk involves the risk of losing the opportunity to receive interest payments that would have been payable had the issuer not called the note prior to its maturity.

## **Item 9           Disciplinary Information**

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Our firm and our management personnel have no reportable disciplinary events to disclose.

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

Cody Foster and David Callanan (CRD#: 4237166) owners of Impact Partnership Wealth, LLC, ("IPW") have ownership interest in AE Financial Services, LLC, and Madison Avenue Securities, affiliated broker-dealers. David Callanan is a Registered Representative with Madison Avenue Securities and AE Financial Services, LLC and in this separate capacity, can affect securities transactions for which he will receive separate, yet customary compensation. As a result of this relationship, our owners will likely benefit if securities that are recommended during financial planning and consulting engagements are purchased through one of these broker/dealers. We do not typically utilize these broker/dealers as a broker-dealer for our asset management services. With respect to our financial planning and consulting services, our policy prohibits us from recommending that you purchase a security through either of these entities unless the purchase is in your best interest. Clients are not under any obligation to engage these individuals when considering implementation of such services. The implementation of any or all such services is solely at the discretion of the client.

David Callanan is also a controlling Manager of another investment adviser, VETA Investment Partners, LLC.

While Impact Partnership Wealth, LLC ("IPW") and these individuals endeavor at all times to put the interest of the clients first as part of our fiduciary duty, clients should be aware that the receipt of additional compensation itself creates a conflict of interest and may affect the judgment of these individuals when making recommendations.

Bradley Jenkins (CRD#: 5767464) is a non-controlling owner of IPW and the sole owner of Jenkins Wealth, d/b/a Market Guard™, an affiliated investment adviser (registered investment adviser firm). Mr. Jenkins provides model portfolios and investment products to IPW, our investment adviser representatives and our clients. Mr. Jenkins is compensated through his non-controlling ownership in IPW. Market Guard doesn't receive additional compensation in relation to IPW clients who are invested in the model portfolios of Market Guard. Market Guard's compensation is not based on the number of clients, production or volume. Clients choosing to implement Impact Partnership Wealth, LLC's ("IPW") recommendations through Market Guard should refer to Market Guard's Firm Brochure and other documents for details regarding that firm's services and fees.

Management and employees of our firm, in their individual capacities, are agents for various insurance companies. As such, these individuals can receive separate, yet customary commission compensation and/or bonuses

resulting from implementing product transactions on behalf of advisory clients. However, you as our client are not under any obligation to engage these individuals when considering the implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of you - the client. In addition, The Impact Partnership, LLC, is an affiliated insurance agency / Independent Marketing Organization ("IMO") who is affiliated with Impact Partnership Wealth, LLC ("IPW"). The insurance products that The Impact Partnership, LLC primarily offers are various forms of non-securities life insurance products and non-securities related fixed indexed annuities.

When acting in his or her separate capacity as an insurance agent, the investment adviser representative will sell, for commissions and/or bonuses, life insurance, annuities, and other insurance products to you which may be marketed/wholesaled by The Impact Partnership, LLC, an independent marketing organization. As such, your investment adviser representative in his or her separate capacity as an insurance agent, can suggest that you implement recommendations which include purchasing life insurance, annuities, or other insurance products which are marketed and wholesaled by The Impact Partnership, LLC. This receipt of commissions, bonuses, and/or free marketing materials creates an incentive for the investment adviser representative to recommend those products in his or her separate capacity as an insurance agent.

Cody Foster and David Callanan or their affiliates are also affiliates of Innovation Design Group, LLC, which are under common control. Innovation Design Group, LLC is an insurance agency that provides services to insurance companies concerning the product design and distribution of annuities. Innovation Design Group, LLC has participated in the design of a number of annuities issued by insurance companies that are either distributed exclusively by its affiliates The Impact Partnership, LLC, or Advisors Excel, LLC or distributed by a small group of independent marketing organization of which the Impact Partnership, LLC and Advisors Excel, LLC are members. In addition, Cody Foster and David Callanan also have ownership interest in Advisor Internet Marketing, LLC. Cody Foster and David Callanan are owners of Advisors Excel, LLC which is an Independent Marketing Organization ("IMO"). An IMO is a company established by independent insurance agent(s) that serves as a partnership between insurance carriers and independent insurance agents. Cody Foster and David Callanan are owners of AE Wealth Management, LLC (CRD #: 282580) which is an SEC registered investment adviser located in Topeka, Kansas and is an affiliated registered investment adviser firm of IPW. AEWM is under common control and ownership with Asset Marketing Systems Insurance Services, LLC ("AMSIS"). AMSIS is an insurance agency that markets/wholesales life insurance and fixed annuities to third-party insurance agents in exchange for a marketing and/or override fee from the issuer of such insurance/annuity products.

As a result of the above, the advice rendered to you could be biased. In the event your investment adviser representative receives a commission, bonuses, and/or free marketing materials in relation to a recommended product, that fact will be disclosed to you. Commissions are built into the product pricing and are not directly paid by you in the form of a reduction of premium amount. Commissions are set by the applicable insurance carrier.

Investment adviser representatives of IPW are eligible to receive incentives and other compensation based on achieving insurance carrier and third-party (which may include affiliates of Impact Partnership Wealth, LLC) criteria related to insurance transactions, including your insurance product purchase. These incentives are determined by criteria set by the insurance carrier or third party. The incentives likely include, but are not limited to, gifts, meals, or entertainment of reasonable value, participation in bonus programs, reimbursement for training, marketing, educational efforts, advertising, or travel expenses (trips) to conferences or events sponsored by third parties or insurance carriers.

You are under no obligation to implement any insurance or annuity transaction through your investment adviser representative in his or her capacity as an insurance agent or utilize insurance or annuity products wholesaled by our affiliated insurance entities. Quantum LLC and American Life and Security Company are also insurance company affiliates of IPW.

Impact Partnership Wealth, LLC ("IPW") has taken steps to manage these conflicts of interest by requiring that each investment adviser representative (i) only recommend insurance and annuities when in the best interest of the client and without regard to the financial interest of IPW and its independent investment adviser representative and/or independent insurance agents of The Impact Partnership, LLC, (ii) not recommend insurance and/or annuities which result in your investment adviser representative acting as an insurance agent and/or an affiliated insurance agency receiving unreasonable compensation related to the recommendation and (iii) disclose in writing to a client any material conflicts of interest related to insurance or annuity recommendations.

The above-named individuals or their affiliates offering the asset management services of Impact Partnership Wealth, LLC own or are affiliated with independent investment advisory firms (individually "Independent Investment Adviser" or collectively "Independent Investment Advisers"). These Independent Investment Advisers may utilize the financial planning and asset management services of our affiliated entities. Clients that engage such an Independent Investment Adviser will receive a copy of the Independent Investment Adviser's firm disclosure document and will execute a client agreement specifying the services provided and fees charged by the affiliated representatives and the role of Impact Partnership Wealth with respect to such services.

To the extent the above-named individuals or their affiliates recommends you use are affiliated advisory for its sub-advisory services, they will only do so if they believe that it is in your best interest based on the services, quality of programs, and benefits provided through by the affiliated advisor. You are under no obligation to use the services of the affiliated investment advisor.

#### *Sub-advisory Operational Services*

IPW has entered into a sub-advisory service relationship with AE Wealth Management, LLC ("AEWM") (CRD #: 301990) to provide certain sub-advisory services, administrative, operational, technical, and support services with respect to all of IPW's client accounts, or individuals related to non-affiliated independent RIA firms of IPW. The non-affiliated Independent RIA firms engage IPW to provide certain sub-advisory, administrative, technical, and support services with respect to some or all non-affiliated Independent RIA firm's client accounts. Specifically, AEWM shall provide IPW with the following services:

1. Transition support services, including onboarding support, transition pre and post planning and strategy, and training;
2. Technology Services and support, currently including but not limited to:
  - a. a web-based portal for access to IPW's platform provider;
  - b. a web-based portal for account and performance reporting, and
  - c. IPW reserves the right to discontinue or replace these systems in its discretion.
3. Relationship support services, including but not limited to making available a relationship team to support IPW in relation to services provided under this Agreement;
4. Operations support services, including operations processing and phone teams;
5. Billing services, including Client Account billing and payment of fees to IPW and service providers;
6. Case design and proposal generation services;

7. Trading services, including but not limited to the following:
  - a. Custodial relationship with TD Ameritrade and Fidelity Investments ("Fidelity");
  - b. Individual and block execution of securities transactions based upon the instructions of IPW;
  - c. Access to third party money managers and model portfolios;
  - d. Unified managed account design and maintenance; and
  - e. Transaction ticketing system with full audit trail.
8. Custodial relationship and custodial fee pricing benefitting from IPW's volume-based pricing with custodians; and
9. Product Shelf. Specifically, with respect to clients receiving services from IPW, IPW will make available model managers, portfolio managers, strategists, and third-party money managers to its clients while IPW retains the right to recommend and select/hire any of those entities on behalf of clients.

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

IPW has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

IPW and its employees owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the reporting and review of personal securities transactions reports by our firm's employees. In addition, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.

IPW's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by calling us at 800.380.5040.

IPW and its employees are prohibited from engaging in principal transactions and agency cross transactions.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Our firm and/or employees may buy or sell for their personal accounts securities that are identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting

from transactions placed on behalf of advisory accounts.

## **Item 12      Brokerage Practices**

IPW does not have any formal soft dollar agreements, however we do receive benefits from our custodians as described below.

IPW participates in the institutional customer program offered by TD Ameritrade Institutional, a division of TD Ameritrade, Inc. purchased by Charles Schwab & Co., Inc. ("TD Ameritrade/Schwab"), and Fidelity Brokerage Services/Fidelity Investments (collectively "Fidelity"), which are unaffiliated SEC-registered broker-dealers and FINRA members. TD Ameritrade/Schwab and Fidelity offer services to independent investment adviser firms which include custody of securities, trade execution, clearance and settlement of transactions. Impact Partnership Wealth, LLC receives some benefits from TD Ameritrade/Schwab and Fidelity through their institutional platforms.

While you are free to choose any broker-dealer or other service provider, we recommend that you establish an account with a brokerage firm with which we have an existing relationship. In order for IPW to provide asset management services, we request you utilize the brokerage and custodial services of TD Ameritrade/Schwab or Fidelity, for which we have existing relationships. There is no direct link between our firm's custodial relationships and the investment advice we give to our clients, although we receive economic benefits through our custodial agreements that are typically not available to retail investors. In considering which independent qualified custodian will be the best fit for IPW's business model, we evaluate the following factors, which is not an all-inclusive list:

- Financial strength
- Reputation
- Reporting capabilities
- Execution capabilities
- Pricing, and
- Types and quality of research

These benefits include the following products and services (provided without cost or at a discount): duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving adviser participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain Institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to IPW by third party vendors. TD Ameritrade/Schwab and/or Fidelity may also pay for business consulting and professional services received by IPW's related persons.

Some of the products and services made available by TD Ameritrade/Schwab and Fidelity may benefit IPW 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/Schwab or Fidelity. Other services made available by TD Ameritrade/Schwab and Fidelity are intended to help us manage and further develop our business enterprise. The benefits received by IPW through our custodial arrangements do not depend on the amount of brokerage transactions directed to TD Ameritrade/Schwab or Fidelity. Clients should be aware, however, that the receipt of economic benefits by IPW or our related persons in and of itself creates a conflict of interest and may

indirectly influence our recommendation of TD Ameritrade/Schwab or Fidelity for custody and brokerage services.

**Block Trading:** All our client orders are grouped and flow through our block trade process, meaning the orders will execute in the AEWB block account and then allocate to the end client. As a matter of policy and practice, IPW does generally block client trades (aka block-trading). Therefore, we normally do not implement client transactions separately for each account. Although we participate in block-trading across our client's accounts, we strive to avoid certain client trades being executed before others, at a different price and/or commission rate. In the event there is ever a security where there is only one (1) client trading the security the order will still execute through the block process even though it is just the single order.

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

#### **SELECTION and MONITORING of THIRD-PARTY MONEY MANAGERS**

**REVIEWS:** These client accounts should refer to the independent registered investment adviser firm's Firm Brochure (or other disclosure document used in lieu of the brochure) for information regarding the nature and frequency of reviews provided by that independent registered investment adviser.

Impact Partnership Wealth, LLC will provide reviews on an annual basis.

These accounts are reviewed by: Impact Partnership Wealth Investment Committee ("IPWIC"). The IPWIC is comprised of IPW's President- Thomas Zebley, IPW's CEO - Stephen Odom and IPW's Vice President - Michael Weinberger.

**REPORTS:** These clients should refer to the independent registered investment adviser firm's Firm Brochure (or other disclosure document used in lieu of the brochure) for information regarding the nature and frequency of reports provided by that independent registered investment adviser firm.

Impact Partnership Wealth, LLC will provide these client accounts with reports as contracted for at the inception of the advisory relationship.

#### **FINANCIAL PLANNING SERVICES**

**REVIEWS:** While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Financial Planning clients unless otherwise contracted for.

**REPORTS:** Financial Planning clients will receive a completed financial plan. Additional reports will not typically be provided unless otherwise contracted for.

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

Our firm may engage in promoter arrangements for client referrals. These individual promoters offer our services to the public. The Firm pays a referral fee to the promoter based on a portion of the management fees charged by the Firm and memorialized in a written agreement ("Promoter Agreement"). In all cases, the Firm will comply with the cash solicitation rules established by the SEC, state regulators and the client disclosure requirements. If a referred prospective client enters into an investment advisory agreement with the Firm, a referral fee is paid to



the referring party. The referral relationship will not result in clients being charged any fees over and above the normal advisory fees charged for the advisory services provided. The Firm will pay the promoter their share of the total fee. The Promoter Agreement requires that the promoter be appropriately registered under federal and state securities laws where applicable. Clients receive all related agreements and disclosures prior to or at the time of entering into an Investment Advisory Agreement with the Firm.

As a matter of firm practice, the advisory fees paid to us by clients referred by promoters are not increased as a result of any referral.

It is IPW's policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards, or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

The Impact Partnership, LLC - the independent marketing organization / insurance agency, provides Impact Partnership Wealth, LLC investment adviser representatives' bonus compensation based on the amount of annuity sales during a specific period of time which is a conflict of interest. They also provide indirect compensation by providing marketing assistance and business development tools to acquire new clients, technology with the goal of improving the client experience and Impact Partnership Wealth, LLC investment adviser representatives' efficiency, back office and operations support to assist in the processing of insurance (through The Impact Partnership, LLC) services for clients, business succession planning, business conferences and incentive trips for the firm. Although some of these services can benefit a client, other services obtained by Impact Partnership Wealth, LLC investment adviser representatives from The Impact Partnership, LLC such as marketing assistance, business development and incentive trips will not benefit an existing client and is a conflict of interest.

Impact Partnership Wealth, LLC investment adviser representatives have the opportunity to receive bonus payments from an insurance company or insurance marketing organization for selling a targeted number of annuities during a specified period of time which creates a conflict of interest. Impact Partnership Wealth, LLC investment adviser representatives may also receive bonuses based on their overall assets under management during a specific period of time. These bonuses may include cash payments and/or qualification for networking and business trips. These benefits are not a result of achieving sales quotas related to specific product lines. This presents a conflict of interest which Impact Partnership Wealth, LLC addresses by providing disclosures, following procedures and the firm's fiduciary obligation to each client.

Many of IPW's IARs serve, in a separate capacity, as insurance agents. When acting in a separate capacity as an insurance agent, your IAR will sell, for commissions and/or bonuses, life insurance, annuities, and other insurance products to you. IARs are also eligible to receive incentives and other compensation based on and related to insurance transactions. These incentives include, but are not limited to: gifts, meals, entertainment, participation in bonus programs, forgivable loans, reimbursement for training, marketing assistance, educational efforts, advertising, and travel expenses to conferences and events. Consequently, your IAR is incentivized to recommend that you purchase insurance products due to the receipt of commissions, bonuses, and other compensation. As a result, the objectivity of the advice rendered to you is biased.

At times, Impact Partnership Wealth, LLC investment adviser representatives receive expense reimbursement for travel and/or marketing expenses from distributors of investment and/or insurance products. Travel expense reimbursements are a result of attendance at due diligence and/or investment training events hosted by product sponsors. Marketing expense reimbursements are the result of informal expense sharing arrangements in which product sponsors will underwrite costs incurred for marketing such as client appreciation events, advertising,

publishing, and seminar expenses. Although receipt of these travel and marketing expense reimbursements are not predicated upon specific sales quotas, the product sponsor reimbursements are made by those sponsors for which sales have been made or for which it is anticipated sales will be made. This creates a conflict of interest in that there is an incentive to recommend certain products and investments based on the receipt of this compensation instead of what is in the best interest of clients. Impact Partnership Wealth, LLC attempts to control for this conflict by always basing investment decisions (recommendations) on the individual needs of clients.

#### **Item 15 Custody**

IPW does not have physical custody of any client funds and/or securities and does not take custody of client accounts at any time. Client funds and securities will be held with a bank, broker dealer, or other independent qualified custodian. However, by granting IPW written authorization to automatically deduct fees from client accounts, IPW is deemed to have limited custody. You will receive account statements from the independent, qualified custodian holding your funds at least quarterly. The account statement from your custodian will indicate the amount of advisory fees deducted from your account(s) each billing cycle. Clients should carefully review statements received from the custodian.

Some clients may execute limited powers of attorney or other standing letters of authorization that permit the firm to transfer money from their account with the client's independent qualified Custodian to third parties. This authorization to direct the Custodian may be deemed to cause our firm to exercise limited custody over your funds or securities and for regulatory reporting purposes, we are required to keep track of the number of clients and accounts for which we may have this ability. The account statements from your custodian(s) will indicate any transfers that may have taken place within your account(s) each billing period. You should carefully review account statements for accuracy.

#### **Item 16 Discretion**

Before IPW can buy or sell securities on your behalf, you must first sign our discretionary management agreement, a limited power of attorney, and/or trading authorization forms. By choosing to do so, you may grant the firm discretion over the selection and amount of securities to be purchased or sold for your account(s) without obtaining your consent or approval prior to each transaction. Clients may impose limitations on discretionary authority for investing in certain securities or types of securities (such as a product type, specific companies, specific sectors, etc.), as well as other limitations as expressed by the client. Limitations on discretionary authority are required to be provided to the IAR in writing. Please refer to the "Advisory Business" section of this Brochure for more information on our discretionary management services.

#### **Item 17 Voting Client Securities**

As a matter of firm policy, Impact Partnership Wealth, LLC does not vote proxies on behalf of clients. Therefore, it is your responsibility to vote all proxies for securities held in your Account. You will receive proxies directly from the qualified custodian or transfer agent; we will not provide you with the proxies. Although we do not vote client proxies, if you have a question about a particular proxy feel free to contact the custodian directly.

#### **Item 18 Financial Information**

As an advisory firm that maintains discretionary authority for client accounts, IPW is also required to disclose any

financial condition that is reasonable likely to impair our ability to meet our contractual obligations. Impact Partnership Wealth, LLC has no such financial circumstances to report.

Under no circumstances do we require or solicit payment of fees in excess of \$1,200 per client more than six (6) months in advance of services rendered. Therefore, we are not required to include a financial statement.

Impact Partnership Wealth, LLC has not been the subject of a bankruptcy petition at any time during the past ten (10) years.