

# DISCLOSURE BROCHURE

## FORM ADV PART 2A

**5T Wealth, LLC**

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**December 2023**

This Disclosure Brochure provides information about the qualifications and business practices of 5T Wealth, LLC. If you have any questions about the contents of this Disclosure Brochure, please contact us at (707) 224-1340. The information in this Disclosure Brochure has not been approved or verified by the United State Securities and Exchange Commission or by any state securities authority. Registration does not imply a certain level of skill or training.

Additional information about 5T Wealth, LLC also is available on the SEC's website at [www.advisorinfo.sec.gov](http://www.advisorinfo.sec.gov).

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## Material Changes

Since the posting of our most recent required annual amendment to this Disclosure Brochure Form ADV Part 2A in February 2023 the following material changes have been made:

- In October 2023, the firm establish a referral (promoter) relationship with another investment advisory firm. Please refer to the ***Client Referrals and Other Compensation*** section for more specific information.
- As a part of the relationship reference above 5T has also established an additional custodial relationship with Charles Schwab & Co. Please refer to the ***Brokerage Practices*** section for more specific information.

This brochure provides prospective clients with information about 5T Wealth, LLC (5T) that should be considered before or at the time of obtaining advisory services from 5T. Please be advised that 5T will not assign its duties to you or any other party without your consent.

You need to review this information and acknowledge receipt of this brochure where indicated.

Please retain a copy of this brochure for your future reference.

## Advisory Business

5T is a Limited Liability Corporation wholly owned by Paul Krsek, Meghan Krsek, Hien Scozzafava and Christopher Roth and is registered with the Securities and Exchange Commission (SEC). 5T owns no subsidiaries and has been in business since 1998.

### ***Asset Management Services:***

The majority of our clients utilize our asset management services. The assets of these discretionary clients will be placed into one or more of our investment strategies. Each strategy is centered on a portfolio management style utilizing fundamental research and quantitative and technical analysis.

We have contracted with an unaffiliated firm (Pontera) to allow us to provide an additional service for accounts not directly held in our custody, but where we do have discretion, and may leverage an Order Management System to implement tax-efficient asset location and opportunistic rebalancing strategies on behalf of the client. These are primarily 401(k) accounts, HSAs, and other assets we do not custody. We regularly review the available investment options in these accounts, monitor them, and rebalance and implement our strategies in the same way we do other accounts, though using different tools as necessary

### ***Financial Planning & Wealth Management:***

5T provides a broad range of services from actively managing client's financial assets to assisting them in achieving their long term goals and objectives related to total wealth management, including tax, legal, trusts and estate planning solutions. While 5T does not provide tax or legal advice, we collaborate with your other advisors including lawyers, accountants and banking institutions to provide total wealth management solutions.

We serve clients throughout the United States including individual investors, family trusts, charitable trusts, retirement plans and endowments. Among our clients there is significant diversity in age, location and lifestyle.

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However, the overwhelming majority of our clients are owners of their own businesses or retired from running their own business.

### ***Family Office Services:***

In addition to wealth management services and our private vehicle investment offering, 5T offers Family Office Services to clients in need of an all-encompassing service approach towards the management of their finances.

### ***Financial Planning, Wealth Management Consulting and Family Office Services:***

5T provides Wealth Management in following areas:

**PERSONAL:** Family records, budgeting, personal liability and indebtedness, cash flow and savings, investments, estate information and financial goals.

**TAX & CASH FLOW:** Income tax and spending analysis and planning for past, current and future years. 5T may illustrate the impact of various investments on your current income tax and future tax liability. We always ask clients to involve their own tax professionals in this area of planning.

**DEATH & DISABILITY:** Cash needs at death, income needs of surviving dependents, estate planning and disability income analysis. We outsource all services related to insurance needs to one of several trusted professionals well known to 5T.

**RETIREMENT:** Analysis of current strategies and investment plans to help you achieve your retirement goals. 5T also provides fiduciary services to trustees of qualified retirement plans, including assisting in selection of appropriate Third Party Administrators.

**INVESTMENTS:** Analysis of investment alternatives and their effect on your portfolio.

**REAL ESTATE:** Assistance to clients in valuation, negotiation and retention of and consulting with other professional advisors.

**ESTATE PLANNING:** Focusing on the fundamentals of wealth planning and the many complex issues raised by significant wealth, 5T has developed capabilities to address issues of asset preservation, liquidity, risk management, charitable and philanthropic pursuits, retirement and education funding, as well as wealth transfer and estate planning. We will work side-by-side with your personal advisors, including your attorney and accountant, to develop an integrated estate plan tailored to your personal circumstances.

**PRIVATE FOUNDATIONS:** 5T works with third-party consultants and professional advisors to offer an integrated platform of administration, recordkeeping, compliance, and investment management services to private and family foundations. Such activities may include, but will not be limited to, the establishment of plan documents, grant processing, compliance and financial reporting, investment performance measurement, oversight of accounting, tax filings, and review of conflict-of-interest issues and policies. In addition, 5T's main role will be that of providing investment management services to these private foundations.

### ***Private Pooled Vehicle Investments:***

5T is also the General Partner and responsible for investment management of 5T Wealth Partners, LP (5T WP), referred to as “Fund”. 5T seeks to provide the Fund with consistent growth through long-term investment returns by allocating the assets among a select group of external portfolio managers that invest through investment funds or managed accounts.

### ***Referrals to Third Party Money Managers***

5T offers advisory services by referring clients to outside, or unaffiliated, money managers that are registered or exempt from registration as investment advisors. Third-party money managers are responsible for continuously monitoring client accounts and making trades in client accounts when necessary.

### ***Use of Sub-Advisors***

5T may select certain independent managers (Sub-advisors) to actively manage a portion of our clients’ assets. The specific terms and conditions under which Sub-advisors are engaged will be set forth in a separate written agreement with the designated Sub-advisor. In addition to this Disclosure Brochure, clients will also receive the written disclosure documents of the designated Sub-advisor.

5T evaluates a variety of information about Sub-advisors, including public disclosure documents, materials supplied by the Sub-advisors and other third-party information it believes is reliable. We continue to provide services relative to the discretionary selection of Sub-advisors. On an on-going basis, we monitor the performance of accounts being managed by Sub-advisors. 5T seeks to ensure that Sub-advisors’ strategies and allocations remain aligned with our clients’ investment objectives and overall best interests.

### ***Wrap Fee Programs:***

5T does not sponsor or participate in any wrap fee programs.

### ***Amount of Assets Managed:***

As of December 30, 2022, 5T had \$194,336,658 of discretionary assets under management and \$430,414 in non-discretionary assets under management.

## **Investment Management and Family Office Fees and Compensation**

### ***Asset Allocation, Portfolio Construction and Monitoring Services:***

Please note the investment management fees charged by 5T are for asset allocation, portfolio construction, and ongoing monitoring services. Our fees are completely separate from the fees charged by selected money managers, mutual funds, ETFs, and pooled investment vehicles utilized in the portfolio management implementation. In other words, fees charged by 5T are over and above fees charged by others. Prior to investment in any of the 5T pooled investment vehicles, (various Funds organized as Partnerships), clients will receive a Private Placement Memorandum outlining all fees and compensation arrangements, investment styles, potential risks and associated custodial, brokerage and other fees and expenses. Clients pay a 1% asset management fee per annum whether invested in pooled vehicle investment Funds managed by 5T or invested in other 5T portfolio models or strategies (which are calculated based upon the client’s assets under management). Exceptions for lower fees have been made for charitable foundations. Asset management fees may be negotiable

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based on the type of client the complexity of the client's situation and the total amount of assets under management for the client at the sole discretion of 5T. The actual fee to be charged to your account will be specified in your Investment Advisory Agreement with 5T.

No person at 5T receives any compensation for the sale of securities or other investment products. Our Investment Advisory Agreement in no way inhibits you from pursuing other investment opportunities or services in addition to 5T, but we encourage you to discuss your entire financial situation with us so we can give you the best advice based on the full disclosure of your assets and needs.

For clients engaging in the services provided by our relationship with Pontera, the fee will be assessed and billed quarterly. Specifically, the exact amount charged is determined by the daily average over the course of the quarter. The current exception for this is directly managed held-away accounts, which are determined by the account value at the end of the quarter. In either case, if the Advisor only manages your assets for part of a quarter, the charge will be prorated. The advisory fee is a blended fee and is calculated by assessing the percentage rates using the predefined levels of assets as shown in the above chart and applying the fee to the daily average of the account value or the account value as of the last day of the previous quarter (per the paragraph above), resulting in a combined weighted fee. For example, an account valued at \$2,000,000 would pay an effective fee of 1% with the annual fee being \$20,000 (a quarterly fee of \$5,000). Investment management fees are generally directly debited on a pro rata basis from client accounts. The exception for this is directly managed held-away accounts, such as 401(k)'s. As it is impossible to directly debit the fees from these accounts, those fees will be assigned to the client's taxable accounts on a pro-rata basis. If the client does not have a taxable account, those fees will be billed directly to the client. Accounts initiated or terminated during a calendar quarter will be charged a pro-rated fee based on the amount of time remaining in the billing period. An account may be terminated with written notice at least 15 calendar days in advance.

The total fees charged to a client may be more or less than fees charged by other firms for similar services.

### ***Family Office Fees and Compensation:***

5T charges fees for Family Office Services that are based on reasonable estimates of the time and effort that will go into providing the services. 5T quotes a monthly service charge for the first 90 days of work and then offers a bid for continuing work after using the 90 days to determine the likely workload. Once a permanent fee schedule is decided upon, 5T bills the client quarterly in advance for Family Office Services.

### ***Invoicing Fees and Compensation:***

Fees for investment management services for accounts held at Fidelity are billed in advance at the beginning of each quarter calculated on the value of the assets under management the last day of the previous calendar quarter (for example, you would be billed in the beginning of April for all second quarter services based on the assets under management the last day of March). Accounts held at Schwab are billed in arrears at the end of the quarter. If a client first retains 5T, or transfers additional assets to an existing 5T account, at any time other than the first day of a calendar quarter, we may assess a one-time pro-rated fee, in arrears, for that interim period.

Clients are also responsible for their own trading costs as outlined in the "Asset Management Fees and Trading Cost Schedules" document provided to you upon opening an account with 5T. Clients should review the Brokerage, Custodial and Other Fees & Expenses section of the Investment Advisory Agreement for further details.

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### ***Brokerage, Custodial and Other Fees & Expenses:***

Custodian fees charged by our primary custodians Fidelity Investments (Fidelity) and Charles Schwab & Co. (Schwab) and other custodians are negotiated by 5T for the benefit of the client and are charged on either an Asset Based Pricing model or a Transaction Based Pricing model. 5T retains no portion of either of the custodian fees.

In some instances, when 5T recommends sub-funds/advisors for money management of the underlying client assets Fidelity, Schwab or other select custodians will charge an asset-based fee calculated on the basis of the client's total invested assets in the account. The fee is charged for SEC filing fees and transaction costs. Upon approval from the client, Fidelity, Schwab or other select custodians will charge its fee on a monthly basis.

Under the Transaction Based Pricing model, a fee is charged by Fidelity, Schwab or other select custodians with each transaction and the fee is paid out of the separately managed account.

Mutual funds recommended to clients are reviewed for their investment objectives, policies, and risks. They can have different types of shares, known as "classes". These classes may have the same investment objectives and policies but each class will have different shareholder services, and/or distribution arrangements with varying fees and expenses and, therefore, different performance results. Prior to recommending mutual funds for client portfolios, 5T evaluates which class best suits client's investment goals, financial position and time horizon by reviewing minimum account requirements, sales charges, fees and expenses, redemption charges or similar fees, as well as the overall cost structure of each fund. 5T's due diligence and research processes factors into consideration and examines the mutual funds' performance over long periods of time. At certain points in time, some recommended mutual fund classes may perform better than those recommended by 5T. 5T's long term research approach will factor this information into the ongoing mutual fund screening process.

In addition, clients can incur additional charges including but not limited to, mutual fund sales loads, 12b-1 fees, surrender charges, and IRA and qualified retirement plan fees. 5T will not receive any portion of such commissions or fees. 5T is only compensated by the investment advisory fee described above. We receive no other compensation in connection with a client's investment account. When 5T negotiates lower fees and expenses charged by third parties, all negotiated improvements are for our clients' benefit.

### ***Additional Fees for Financial Planning and Consulting Services:***

5T provides financial planning and consulting services to those clients seeking those services. For clients who engage 5T for investment advisory services or family office service arrangements, 5T does not charge fees in addition to those outlined above unless the requested work goes beyond the normal scope of services provided. More complicated situations and projects require significant time and/or resources, and 5T may charge an additional hourly fee or an annual fixed fee (paid in monthly installments). These fee arrangements are all discussed with the client and approval received prior to any fees charged.

When consulting services are provided on an hourly basis, the total amount of fees will vary depending upon the circumstances. Our hourly fees range between \$200 and \$450 (depending upon the investment advisor or administrative representative working with you). As a result, there is a wide range in the amount of the fees that you may incur compared to other clients. Hourly fees and estimates of the number of hours required to complete projects are established after a review of the client financial situation; reporting needs and complexity of the relationship (for example, privately held entities, number of brokerage and bank accounts, and philanthropic

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efforts and family generational considerations). Hourly fees are charged and invoiced in advance on a quarterly basis. All fees are due upon presentment of the invoice, quarterly invoices are mailed to clients for payment with an outline of services provided, hours spent on the projects and total fee due.

Fixed and hourly service arrangements can be terminated by either party upon receipt of written communication to 5T. When services end, you are required to pay for services rendered up to the time of termination and an invoice will be issued. If fees are paid in advance, a prorated invoice for services rendered up until the time of termination will be issued upon receipt of the termination communication and a refund issued, if appropriate.

## **5T Fund Management Services**

5T provides investment management services on a discretionary basis to a private pooled vehicle investment 5T Wealth Partners, LP, (referred to as the "Fund").

The Fund is not registered with the SEC as an investment company. Investments in the Fund does not involve a public offering that is registered with the applicable securities regulators. The Fund has been established exclusively for our Firm's clients. 5T serves as the General Partner and the Manager of the Fund, and therefore, is not independent of the Fund. It is in this capacity as the Manager of the Fund, that investment decisions are made. In acting as the Manager of the Fund, 5T receives a 1.00% management fee. Sub-fund/Advisor fees may be filed monthly, quarterly or annually in arrears and vary. There are no performance fees payable to the General Partner or Manager of the fund.

As General Partner and Manager to the Fund, 5T has sole and complete authority to manage the Fund's activities and is responsible for managing the Fund's investment portfolio pursuant to the investment objective and investment policies of the Fund. 5T is responsible for all Investment decisions of the Fund as outlined in the Fund Private Placement Memorandums distributed to every client participating in the Fund.

Similar to our individual client services, 5T selects Sub-funds/Advisors to manage a portion of the assets contained in the Funds. Sub-funds/advisors are selected based on their anticipated ability to develop investment strategies that comply with the Fund's objectives. The selected Sub-funds/Advisors will be responsible for managing a portion or a majority of the Fund's assets on a discretionary basis. The Sub-funds/Advisors must be registered as an investment advisor or exempt from registration. Limited Partners (i.e. investors) of the Fund receive specific information about the Sub-funds/Advisors, its investment style, potential risks and compensation arrangements, prior to or at the time of obtaining an interest in investments in the pooled investment vehicles managed by the Sub-funds/Advisors. 5T also individually manages a portion of the Fund's assets by investing directly in various securities, including derivative instruments such as swaps, options, and securitizations, which in turn may include one or more tailored investment contracts or basket option structures.

In addition to managing the Fund's operations and assets, 5T is responsible for soliciting investors to the Fund. We only recommend the Fund to our clients. The objective for soliciting our clients to the Fund is to provide access to investment strategies and Sub-funds/Advisors that would otherwise have minimum account sizes out of the reach of most of our clients.

Investors in the Fund must be "accredited investors" as defined under the Securities Act of 1933 or defined as "qualified purchasers" under the Investment Company Act of 1940. Investors must provide all necessary information documenting to 5T confirming they qualify to participate in the Fund.

## Pooled Vehicle Investment Fees for 5T Funds Management Services

A core principal of 5T's investment philosophy is that disciplined investment diversification among varying asset classes, investment managers, and individual assets is an effective way to preserve and grow wealth. To provide our clients with access to and diversification among different asset classes and investment managers, 5T forms and serves as the manager or sponsor of pooled investment vehicles such as limited partnerships and limited liability companies that in turn invest in one or more of the underlying investment funds managed by unrelated investment managers. This "fund of funds" structure approach provides clients with access to investment opportunities that otherwise may have limited availability to individual investors.

In connection with the formation and capitalization of the pooled investment vehicles discussed above, 5T is reimbursed by the entities for offering and organizational expenses, and 5T receives management fees as described below for serving as the investment manager of the pooled vehicle, but no other related party compensation is paid to 5T or its affiliates.

As a result of the pooled vehicle structure, 5T clients who invest in these pooled vehicle investments ("funds of funds") pay two layers of fees (1) the management fees paid to 5T as investment manager to the pooled investment vehicles as described below which are based on the total value of assets under management with 5T, and (2) the fees paid to the underlying funds (Sub-funds/Advisors) in which the pooled vehicles invest.

Clients investing in the Funds will receive a copy of the Fund's Private Placement Disclosure Memorandum which provides a complete description of the structure and arrangements of each of the Funds. A Limited Partnership or Limited Liability Agreement must be executed, as well as Subscription Application completed by all investors.

5T will also, on occasion, form and serve as the manager or sponsor of single purpose, single asset limited liability companies, limited partnerships or other investment-related entities that are formed on a pooled vehicle basis specifically to invest in an individual asset (such as real estate or private equity strategies). In connection with the formation and capitalization of these single purpose investment entities, 5T will be reimbursed by the entity for offering and organizational expenses, all of which are described in detail in the offering materials for each single purpose investment entity. At this time, there are no 5T-sponsored single purpose, single asset pooled vehicles existing.

5T-sponsored pooled vehicle investments existing as of the date of this brochure and the investment management fees paid by each pooled vehicle investment to 5T are set forth below.

Name of Pooled Vehicle Investment	Asset Class	Manager	Management Fee
5T Wealth Partners, LP	Hedge Funds	5T Wealth, LLC	Investment Advisory Clients or other Investment Clients: 1.00% of assets under Management. No other Management fees

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### ***Third-Party Money Managers:***

5T has formed relationships with independent, third-party Sub-fund/Advisors and money managers. Unlike other investment advisors, we do not receive a referral fee or solicitor fee from third-party Sub-fund/Advisors or money managers we recommend to clients. The only compensation 5T receives is the investment management fee charged directly to our clients. Sub-fund/Advisors and money managers will also bill clients directly (unless the fees are included in the overall Partnership structure), but 5T fees are completely separate from the fee charged by Sub-fund/Advisors and money managers. This policy helps us avoid selecting sub-advisors and money managers based on our economic interests. Instead, 5T selects Sub-fund/Advisors and money managers we believe are most appropriate for our clients absent additional economic benefits we could receive from them.

When 5T utilizes external managers for the underlying asset management, an ADV will be provided for those Sub-Fund/advisors upon request or prospective investment.

### ***Termination of the Advisory Relationship:***

5T or the client may terminate the management agreement at any time by written notice to the other party. The client will incur a pro rata charge for bona fide advisory services actually rendered prior to such termination.

Upon termination of any account, any prepaid, unearned fees will be promptly refunded at the end of the following quarter, and any earned, unpaid fees will be due and payable.

### ***Advisory Fees in General:***

Clients should note that similar advisory services may be available from other registered or unregistered investment advisors for similar or lower fees.

### ***Performance-Based Fees and Side-By-Side Management:***

Neither 5T, nor any of our supervised persons accept performance-based fees from 5T clients.

## **Types of Clients**

5T provides investment and asset management services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, private foundations and corporations. We manage advisory accounts on a discretionary basis. Account supervision is guided by the stated objectives of the client (i.e., maximum capital appreciation, growth, income, or growth and income), and/or a blend of objectives as determined by our best judgment.

## **Selection and Monitoring of Third Party Sub-Funds/Advisors**

Depending upon the client assets size, 5T may provide advisory management services through the Manager of Managers Program. We provide the client with an asset allocation strategy developed through personal discussions in which the client's goals and objectives are established based on the client's particular circumstances. This asset allocation strategy is drafted into the client's Personal Investment Strategy.

5T performs management searches of various registered investment advisors. Based on the client's individual circumstances and needs (as exhibited in the client's Personal Investment Strategy) we determine which selected registered investment advisor's ("Sub-fund" or "Advisor") portfolio management style is appropriate for that client. Factors considered in making this determination include account size, risk tolerance, the opinion of each client and the investment philosophy of the selected Sub-fund/Advisor. Clients should refer to the Sub-fund/Advisor's Firm Brochure or other disclosure document for a full description of the services offered. Client meetings are available on a regular basis, or as determined by the client, to review the account.

On an ongoing basis, 5T monitors the performance of the Sub-fund/Advisor(s). If we determine that a particular Sub-fund/Advisor is not providing sufficient management services to the client or is not managing the client's portfolio in a manner consistent with that client's Personal Investment Strategy, then we may move the client's portfolio to a different Sub-fund/Advisor and/or program sponsor. Under this scenario, our firm retains the discretion to hire and fire the Sub-fund/Advisor and/or to move the client's portfolio to a different program.

At least annually, we meet with the client to review and update, as necessary, the client's Personal Investment Strategy. However, should there be any material change in the client's personal and/or financial situation, we should be notified immediately to determine whether any review and/or revision of the client's Personal Investment Suitability Statement is warranted.

5T generally requires discretionary advisory clients to maintain a minimum account size of \$250,000, although this minimum may be waived in certain circumstances at the sole discretion of our principals.

5T's Fund of Funds subscription minimums and subsequent investments are detailed in the Fund's offering memorandum issued by the Fund.

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

At the root of our investment process are fundamental principles that have stood the test of time and are the foundation of our platform, which has been developed through our commitment to meticulously reduce portfolio risk and systematically increase portfolio returns.

### ***Investment Management Philosophy and Core Beliefs:***

- Traditional "Long only, buy and hold" investment models tend to increase volatility and may not maximize return potential for our clients.
- By actively decreasing investment volatility at the portfolio level we maximize client income potential while mitigating risk.
- Absolute return as an investment objective rather than the industry standard of benchmark tracking.
- True diversification among alternative and traditional asset classes, strategies, investment managers, geographic regions, and individual assets is an effective way to protect capital and conservatively grow wealth.
- Superior investment managers exist, and we seek to identify them through our sourcing and due diligence process.

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- Disciplined portfolio management incorporating tactical, fundamental, economic, and valuation based re-weighting of investments and strategies reduces risk and potentially increase returns.
- We look to top-tier educational endowments published investment methods to provide guidance.
- Continuously educating ourselves and our clients is vital to the ongoing evolution of our investment platform and client services.

### ***True Diversification:***

5T maintains a steadfast commitment to and expertise in both traditional and alternative asset classes, such as hedge funds, private equity, private credit, and real estate, which provide a broad array of truly diversified building blocks with which to construct client portfolios.

Based on our view that traditional “long only, buy and hold” investment models do not optimize returns, our strategies center around tactical, fundamental, economic, and valuation-based re-weighting of investments to reduce risk and potentially increase returns.

5T relies on what is traditionally thought of as diversification to meet our investor’s long-term goals. Whether it’s correlations between stocks in different markets or between long and medium-duration fixed income investments, during times of stress returns can easily move closer together and correlations tend to converge. We endeavor to provide our clients with non-correlated returns, resulting in what we believe will be true diversification and lower risk.

We endeavor to provide our clients exposure to a variety of risks, in proportion to their risk preferences and circumstances. It is our view that clients should hold as many different assets and strategies as necessary to create true diversification, according to their specific circumstances.

### ***Disciplined Process***

5T has developed a rigorous, cycle-tested process for creating customized Investment Strategies, constructing portfolios, and selecting investment managers to enhance risk-adjusted returns. The end result is a comprehensive, systematic approach to investing.

1. Investment Strategy. We guide, assist, and advise clients on their Investment Strategy—an intimate collaboration between the client and 5T in order to fit individual financial goals—to set a discernible framework for the management of the portfolio.
2. Asset Allocation. 5T recommends what we believe, is the optimal way to allocate capital to recommended asset classes. We take an active approach to balancing investments broadly across both inefficient and efficient markets in order to provide non-correlated returns, resulting in what we believe will be true diversification and lower risk.
3. Portfolio Construction. We find, select, and monitor investments for our clients’ portfolios, and 5T regularly rebalances clients’ portfolio in accordance with their Investment Strategy guidelines.

While the goal of our investment process is to reduce risk and maximize returns for clients, 5T cannot guarantee this will occur. Investing in securities involves risk of loss that clients should be prepared to bear.

5T defines risk as the probability of a return other than the expected return, and we measure risk by the potential magnitude of that variance (volatility or standard deviation).

There are numerous risks in investing, not all of which necessarily manifest themselves in terms of volatility. These include:

- Lack of liquidity
- Fundamental business risk
- Business cycle risk
- Litigation risk
- Financial leverage risk
- Concentration risk (by security, manager, asset or asset class)
- Valuation risk

While we rely on volatility (standard deviation) as the objective criterion for measuring risk, we also bear in mind the other fundamental risks that exist in investing. In addition, while all of the above risks should ultimately manifest themselves in the form of the volatility (standard deviation), we recognize this may not be the case in practice, due to 1) valuation conventions that tend to apply to illiquid assets such as real estate, venture capital, and other private equities, and 2) the tendency of correlations among asset classes to converge, positively, at times of extreme stress in financial markets (which may cause historic volatility to be a poor predictor of actual experienced volatility).

As discussed above, 5T commonly recommends investments in alternative asset classes (e.g., hedge funds, natural resources, private equity, private credit, and real estate) through pooled investment vehicles such as limited partnerships, limited liability companies, and interval funds. Investment in these limited partnerships is speculative and is not intended as a complete investment program. The limited partnership and limited liability company interests are available only to sophisticated investors who are able to bear a substantial loss of their investment. There is no assurance that the entity's investment objectives will be achieved, and investment results may vary substantially from year to year. Investment in these entities is subject to certain specific risks, including:

- Investment risks
- Operational risks
- Market, trading, and regulatory risks
- Tax consequences
- Lack of liquidity

These risks are discussed in detail in each entity's offering documents which are distributed to clients and reviewed prior to investment in any of the strategies.

### **Disciplinary Information:**

At this time, there are no legal or disciplinary events brought forth upon any employee of 5T or the company itself.

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

5T is an independent investment advisory firm and only provides investment advisory services. The Firm is not engaged in any other business activities and offers no other services than those described in this Disclosure Brochure.

We are not, nor do we have a related company that is a (1) broker/dealer, municipal securities dealer, government securities dealer or broker, (2) registered investment company (including a registered mutual fund, registered closed-end investment company, or registered unit investment trust) (3) other investment advisor or financial planner, (4) futures commission merchant, commodity pool operator, or commodity trading advisor, (5) banking or thrift institution, (6) accountant or accounting firm, (7) lawyer or law firm, (8) insurance company or agency, (9) pension consultant, (10) real estate broker or dealer, or (11) sponsor or syndicator of limited partnerships.

### ***Private Fund and General Partner Affiliations:***

5T is the General Partner and provides investment management services on a discretionary basis to an affiliated private pooled vehicle investment 5T Wealth Partners, LP, (referred to as the "Fund").

5T and its affiliates will devote a portion of their business time and efforts to each client. To the extent a conflict arises, 5T and its affiliates will attempt to resolve such conflict in a fair and equitable manner.

### ***Other Business Activities of Company Principal:***

Paul Krsek and Meghan Krsek are the Co-Trustees of the Krsek Family Trust which is utilized as the owner of various commercial and residential rental properties. They spend less than 5% of their time on these activities.

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

#### ***Code of Ethics:***

5T has adopted a Code of Ethics expressing our commitment to ethical conduct. 5T's Code of Ethics describes our fiduciary duties and responsibilities to you, our clients, and sets forth our practice of supervising the personal securities transactions of supervised persons with access to client information. Individuals associated with 5T may buy or sell securities for their personal accounts identical to or different than those recommended to clients. It is our expressed policy that no person employed by 5T shall prefer his or her own interest to that of an advisory client or make personal investment decisions based on the investment decisions of advisory clients.

To supervise compliance with our Code of Ethics, 5T requires that anyone associated with this advisory practice, with access to advisory recommendations, provide annual securities holdings reports and quarterly transaction reports to our Chief Compliance Officer. We require all access persons to also receive approval from the Chief Compliance Officer prior to investing in any IPO's or private placements (limited offerings). 5T requires that all individuals must act in accordance with all applicable Federal and State regulations governing registered

investment advisory practices. Our Code of Ethics further includes our policy prohibiting the use of material non-public information. Any individual not in observance of the above may be subject to discipline.

In certain instances, 5T has invested in various types of privately placed securities along with its clients. 5T will disclose when such situations arise as part of its fiduciary duty. 5T does not currently receive any outside compensation, either directly or indirectly from such transactions, and will disclose those potential conflicts of interest prior to the client investing when those situations arise.

5T will provide a complete copy of its Code of Ethics to any client or prospective client upon request. Please see the cover page for contact information to request a copy.

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

5T and its related persons, as principal, never buy securities from clients.

5T acts as General Partner and provides investment management services on a discretionary basis to a private pooled vehicle investment 5T Wealth Partners, LP, (referred to as the "Fund"). When appropriate 5T will recommend clients invest into these partnerships.

#### ***Personal Trading:***

From time to time, trading by 5T, its associated persons and their relatives may be restricted in recognition of impending investment decisions on behalf of our clients. If transaction orders for a client and 5T (and/or its associated persons and relatives) are not traded within a model then transaction orders for 5T and its associated persons will be the last orders filled. All trades done within a model are traded concurrently with other clients in a block trade order.

To mitigate the issue of trading before a client, we have opted to require all accounts managed by 5T for its employees to be placed within a model portfolio managed by 5T or a model portfolio managed by an approved unaffiliated investment advisory firm. If the account is too small for a model it will generally not be allowed to trade securities and remain in cash or a money market fund. When the exception happens, all non-model trades must be pre-approved by another trader and the Chief Compliance Officer. Our members, officers and employees will be required to report and be audited on all personal securities transactions quarterly.

5T and its associated persons may purchase or sell specific securities for their own account based on personal investment considerations without regard to whether the purchase or sale of such security is appropriate for clients.

We may give investment advice to clients recommending an investment in various types of privately placed investment vehicles. In addition, 5T and/or related persons may also participate as an investor in such securities.



## **Brokerage Practices**

### ***Research and other Soft Dollar Benefits:***

5T does not use the practice of Soft Dollars. All research used by our team is comprised of information that is readily available through the media, or paid, one-time or subscription-based research obtained from reliable, tested and qualified sources.

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

5T does not receive client referrals from our custodians.

### ***Directed Brokerage:***

When selecting a custodian for any transaction, or series of transactions, 5T may consider a number of factors, including, for example, net price, reputation, financial strength and stability, efficiency of execution and error resolution, block trading and block positioning capabilities, willingness to execute related or unrelated difficult transactions in the future, order of call, offering us complete online computer access to the data regarding your account, and other matters involved in the receipt of brokerage services generally.

5T recommends that clients establish brokerage accounts with the Schwab Institutional a division of Charles Schwab & Co. ("Schwab"), and Fidelity Investments (Fidelity) (referred collectively to as our qualified custodians) FINRA-registered broker-dealers, Members SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Although 5T may recommend/require the clients establish accounts at Schwab and Fidelity, it is the client's decision to custody assets with our qualified custodians. 5T is independently owned and operated and not affiliated with any qualified custodian. 5T may recommend additional unaffiliated broker-dealers to affect fixed income transactions.

Our qualified custodians provide 5T with access to its institutional trading and custody services, which are typically not available to retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them. These services are not contingent upon 5T committing to any specific amount of business (assets in custody or trading commissions). The qualified custodians' brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require significantly higher minimum initial investment.

Qualified custodians also make available to 5T other products and services that benefit 5T but may not directly benefit clients' accounts. Many of these products and services may be used to service all or some substantial number of 5T's accounts, including accounts not maintained at our qualified custodians.

Our qualified custodians' products and services that assist 5T in managing and administering clients' accounts include software and other technology that (i) provides access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of 5T's fees from some of its accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Our qualified custodians also offer other services intended to help 5T manage and further develop its business enterprise. These services may include: (i) compliance, legal and business consulting; (ii) publications and conferences on practice management and business succession; and (iii) access to employee benefits providers, human capital consultants and insurance providers. Our qualified custodians may discount or waive fees it would otherwise charge for some of these services or pay all or part of the fees of a third-party providing these services to 5T. Our qualified custodians may also provide other benefits such as educational events or occasional business entertainment of 5T personnel. While as a fiduciary, 5T endeavors to act in its clients' best interests, 5T's recommendation that clients maintain their assets in accounts at our qualified custodians may take into account availability of some of the foregoing products and services and other arrangements not solely on the nature of cost or quality of custody and brokerage services provided by our qualified custodians, which creates a conflict of interest.

The majority of transactions are executed by 55IP, a third party, that trades on both the Fidelity and Schwab platforms. There is no additional cost to our clients to use 55IP. However, from time to time, we assign trades to other broker-dealers that we believe can provide better service and/or cheaper pricing for a specialized transaction. In such cases 5T is responsible to negotiate the commission rates paid to the trading firm, without the prior consent of our clients.

Where 5T buys or sells the same security for two or more clients, we may place concurrent orders to be executed together as a single block in order to facilitate orderly and efficient execution. Whenever we combine these trades, each account on whose behalf an order is placed is determined in advance of order placement. Although such concurrent authorizations potentially could be either advantageous or disadvantageous to any one or more particular accounts, they will be affected only when we believe that too so will be in the best interest of the affected accounts. When such concurrent authorizations occur, the objective will be to allocate executions in a manner which is deemed equitable to the accounts involved. Each account receives the average price of the overall order; transaction cost is as stated above. 5T's method for allocating block trades and partially-filled block orders is as follows:

- For trades which are fully executed, each client receives the number of shares originally intended for his or her account
- For trades which are only partially executed, all accounts are treated equally by receiving a proportionally smaller amount of shares.

As referenced earlier we use a third-party platform (Pontera) to facilitate management of held away assets such as defined contribution plan participant accounts, with discretion. The platform allows us to avoid being considered to have custody of Client funds since we do not have direct access to Client log-in credentials to affect trades. We are not affiliated with the platform in any way and receive no compensation from them for using their platform. A link will be provided to the Client allowing them to connect an account(s) to the platform. Once Client account(s) is connected to the platform, Advisor will review the current account allocations. When deemed necessary, Advisor will rebalance the account considering client investment goals and risk tolerance, and any change in allocations will consider current economic and market trends. The goal is to improve account performance over time, minimize loss during difficult markets, and manage internal fees that harm account performance. Client account(s) will be reviewed at least quarterly and allocation changes will be made as deemed necessary.

5T will evaluate custodians on an annual basis to insure our clients are getting the best execution. 5T may also employ solicitors to whom it will pay cash or a portion of the advisory fees paid by clients referred to it by those solicitors. In such cases, this practice will be disclosed in writing to the client and 5T will comply with the other requirements of Rule 206(4)-3, under the Investment Advisors Act of 1940, as amended.

This information is not applicable to 5T WP and 5T pooled vehicle investments as we do not control the choices of broker-dealers for each of the Sub-funds/Advisors contained in the pooled vehicle investments (Fund of Funds). For some of these Sub-funds/Advisors, a broker-dealer is not utilized at all, with rare exception that would be granted by the Fund Manager.

### **Review of Accounts**

Clients' investments are reviewed at the inception of the client relationship and as often as is mutually agreed upon between 5T and the client based on the clients' stated objectives. Each quarter the strategies and models are examined to make sure each account is in the appropriate strategy and/or model. Significant changes in economic conditions, the clients' financial situation or the clients' investment objectives may also trigger a review.

A team comprised of Paul Krsek (CEO), Chris Roth (CIO), and Jessica Jordan (Client Services Director), reviews each account. All other associated persons with 5T act in accordance with their written instructions pertaining to each account.

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

5T has entered into an agreement with RG Advisors, LLC (Referring Party) to refer clients to 5T. If a referred client enters into an investment advisory agreement with 5T, a cash referral fee is paid to the referring party, which is based upon a percentage of the client advisory fees that are generated. The referral agreements between any referring party and 5T will not result in any charges to clients in addition to the normal level of advisory fees charged.

When a client is referred to 5T by a referring party, the referring party provides the client with a copy of 5T's Disclosure Brochure as required by the *Investment Advisors Act of 1940*. The client also will complete a Solicitor's Disclosure Statement document. If the referring party is an unaffiliated registered investment advisor firm, then the client will also receive a copy of the referring party's Form ADV Part 2 Disclosure Brochure. If a referred client enters into an investment advisory agreement with 5T, 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 referral agreements between 5T and referring parties are in compliance with state and federal securities rules regarding paid solicitor arrangements.

### **Custody**

Qualified custodians, such as Fidelity or Schwab, have custody of our clients' assets that are held in brokerage accounts. 5T is deemed to have custody over our clients' 5T-sponsored pooled vehicle investments. In addition, 5T has been deemed to have custody for certain 5T Family Office Services clients' receiving bill payment service.

Qualified custodians of our clients' brokerage accounts send each account a monthly, as well as year-end, statement of the assets in that account to the account holder, trustees and interested parties listed on the account. These statements can be delivered in paper form or via e-delivery as indicated at commencement of the account or can be altered at a later date as best fits each client's lifestyle. It is the client's responsibility to review these statements and ensure they are correct.

Client assets held in for 5T WP are held in custody with Fidelity IRA/retirement accounts and BOK Financial (formerly Colorado State Bank & Trust) for taxable client accounts. While 5T WP does not maintain physical possession of the funds or securities of any private investment fund, we, as the general partner of the Fund of Funds, have authority to direct the custodians to transfer funds and pay out the management fees.

5T has outsourced its Fund Administration to ALPS Fund Services as an independent service provider for all its pooled vehicle investments. ALPS is to provide client reports at least monthly for 5T WP. ALPS also prepares the client fee billing reports for the Fund for approval by 5T as the General Partner. 5T WP is audited annually by an independent public accountant (Moss Adams), which will be provided to all investors within 120 days of its fiscal year end (180 days for fund of funds). In addition, 5T may provide clients with various portfolio valuation, performance, and activity reports on a quarterly basis.

For those clients receiving 5T Family Office bill payment services custodianship is with JP Morgan Chase Bank. The bank provides a separate monthly bank statement to the client. In order to meet regulatory requirements, 5T has engaged an independent CPA firm (Galaxy Accounting) in order to provide surprise examinations and audits of all Family Office client accounts receiving bill payment services.

In all reporting instances, we urge clients to compare the account statements they receive from their custodians with those they receive from 5T. There may be discrepancies between the reports due to various factors, such as (most commonly) timing of the reporting (e.g. trade-date reporting versus settlement-date reporting). If clients have any questions about their reports, they should contact 5T at (707) 224-1340.

## **Investment Discretion**

5T establishes a discretionary relationship with all of our investment management clients. We request that you provide us with written authority to determine which securities and the amounts of securities that are bought or sold. Any limitations on this discretionary authority shall be included in this written authority statement. Clients may change/amend these limitations as required. Such amendments shall be submitted in writing.

We determine the amount of the securities to be bought or sold subject to the investment goals and objectives based on your particular circumstances, without obtaining your specific consent.

The authority to grant 5T discretionary trading on your accounts is based off your signature on the "Investment Advisory Agreement" that is signed at the same time as filling out the application to open an account at Fidelity, Schwab, or any other selected custodian.

5T WP and 5T pooled vehicle investments (Funds of Funds) have discretionary authority of which Sub-funds/Advisor are chosen for the pooled vehicle investments but within each fund, the Sub-Fund/Advisor retains discretionary authority of the assets held.

## **Voting Client Securities**

5T does not have authority to vote proxies on behalf of advisory clients. The firm may offer advice with proxy matters upon client's request, however the client always retains the proxy voting responsibility. 5T's policy of having no proxy voting responsibility is disclosed to the clients in the management agreement. All voting materials will be delivered to you directly through Fidelity Investments, its subsidiaries, a transfer agent seeking a proxy vote for a private entity or from 5T.

If you have received a ballot to vote on our securities and you have questions, you may contact us and we can give you our opinion. We will also offer the resources and reference materials so you may be informed and form your own opinion.

## **Financial Information**

5T is not required to enclose a balance sheet for its most recent fiscal year.

5T does not have any financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients.

5T has not been the subject of a bankruptcy petition at any time.

DISCLOSURE BROCHURE  
FORM ADV PART 2B  
BROCHURE SUPPLEMENT

PAUL J. KRSEK

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REGISTERED INVESTMENT ADVISOR  
595 COOMBS STREET NAPA, CA 94559  
MAIN (707) 224-1340  
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December 2023

This Brochure Supplement provides information about Paul J. Krsek, that supplements the 5T Wealth, LLC Disclosure Brochure. You should have received a copy of that Disclosure Brochure. Please contact us at (707) 224-1340 if you did not receive 5T's Disclosure Brochure or if you have any questions about the contents of this supplement.

Additional information about Paul Krsek is available on the SEC's website at [www.advisorinfo.sec.gov](http://www.advisorinfo.sec.gov).

## **Educational Background and Business Experience**

Legal Name: Paul J. Krsek, Born: 1948

### **Education**

1987 – UCLA Anderson Graduate School of Management  
Executive Management Certificate

1970 – Shippensburg University of Pennsylvania  
Bachelors of Arts degree in Sociology

### **Business Background**

June 1998 to Present

5T Wealth, LLC, Napa, CA  
Chief Executive Officer and Registered Investment Advisor Representative

May 2000 to 2006

First California Bancorp  
President and Director (June 2004 to 2006)

May 2000 to 2006

Napa Community Bank  
Co-founder and Director

July 1998 to August 2004

London Pacific Securities, Inc., Sacramento, CA  
Broker/Dealer, Registered Representative and Registered Investment Advisor Representative

January 2002 – March 2004

Predictive Financial Technologies, LLC  
Managing Member

October 1997 to December 2004

Krsek Publishing L.P.  
General Partner

## **Disciplinary Information**

Paul J. Krsek does not have any disciplinary history or reportable events.

## **Other Business Activities**

### **A. Investment-Related Activities**

1. Paul J. Krsek is not engaged in any other investment-related activities.

2. Paul J. Krsek does not receive commissions, bonuses or other compensation on the sale of securities or other investment products.

**B. Non Investment-Related Activities**

***C. Other Business Activities of Company Principal:***

Paul Krsek is the Co-Trustee of the Krsek Family Trust which is utilized as the owner of various commercial and residential rental properties. He spends less than 5% of his time on these activities.

**Additional Compensation**

Paul J. Krsek does not receive any economic benefit from a non-advisory client for the provision of advisory services.

**Supervision**

Hien Scozzafava, Chief Compliance & Client Services Officer is responsible for all internal supervision of 5T. She can be reached at (707) 603-2670. Paul J. Krsek oversees all material investment policy changes and conducts periodic testing to ensure that client objectives and mandates are being met.



DISCLOSURE BROCHURE  
FORM ADV PART 2B  
BROCHURE SUPPLEMENT

Christopher S. Roth

5T Wealth, LLC  
REGISTERED INVESTMENT ADVISOR  
595 COOMBS STREET NAPA, CA 94559  
MAIN (707) 224-1340  
FAX (707) 224-2521  
www.5TWealth.com

December 2023

This Brochure Supplement provides information about Christopher S. Roth, that supplements the 5T Wealth, LLC Disclosure Brochure. You should have received a copy of that Disclosure Brochure. Please contact us at (707) 224-1340 if you did not receive 5T's Disclosure Brochure or if you have any questions about the contents of this supplement.

Additional information about Christopher S. Roth is available on the SEC's website at [www.advisorinfo.sec.gov](http://www.advisorinfo.sec.gov).

## **Educational Background and Business Experience**

Legal Name: Christopher S. Roth, Born: 1979

### **Education**

2001 – Georgetown University  
BSBA with concentrations in Finance and Accounting

### **Business Background**

September 2018 to Present  
5T Wealth, LLC, Napa, CA  
Senior Advisor and Registered Investment Advisor Representative  
Director of Alternative Investments effective 01/01/2022  
Chief Investment Officer effective 07/01/2023

December 2011 to August 2018  
Delegate Advisors, LLC  
Senior Advisor

June 2011 to December 2011  
Self Employed Consultant

## **Disciplinary Information**

Christopher S. Roth does not have any disciplinary history or reportable events.

## **Other Business Activities**

- D. Investment-Related Activities
  - 3. Christopher S. Roth is not engaged in any other investment-related activities.
  - 4. Christopher S. Roth does not receive commissions, bonuses or other compensation on the sale of securities or other investment products.
- E. Non Investment-Related Activities
  - Christopher S. Roth is not engaged in other business or occupations.

## **Additional Compensation**

Christopher S. Roth does not receive any economic benefit from a non-advisory client for the provision of advisory services.

## **Supervision**

Hien Scozzafava, Chief Compliance & Client Services Officer is responsible for all internal supervision of 5T. She can be reached at (707) 603-2670.

5T Wealth, LLC  
Disclosure Brochure Form ADV Part 2 | December 2023