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# Kovar Wealth Management Firm Brochure Form ADV Part 2A 200 Christie St. Lufkin, Texas 75904 KovarWealth.com

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*This brochure provides information about the qualifications and business practices of Kovar Wealth Management. If you have any questions about the contents of this brochure, please contact us at (936) 899-5629 or by email at: [Info@KovarWealth.com](mailto:Info@KovarWealth.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.*

*Additional information about Kovar Wealth Management is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Kovar Wealth's CRD number is: 174569.*

Registration does not imply a certain level of skill or training.  
Version Date: 12/11/2023

## Item 2: Material Changes

October 31, 2023 - Item 1 was amended for a new principal office address.

The material changes discussed above are only those changes that have been made to this brochure since the firm's last annual update of the brochure. The date of the last annual update of the brochure was March 17, 2023.

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## Item 4: Advisory Business

### A. Description of the Advisory Firm

Kovar Wealth is a Limited Liability Company organized in the State of Texas. The firm was formed in January 2015, and the principal owner is Taylor James Kovar. The firm also operates under a DBA name of Physician Financial Planning.

### B. Services We Offer

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

Kovar Wealth offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. Portfolio management services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment policy
- Asset selection
- Regular portfolio monitoring

Kovar Wealth evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. Kovar Wealth will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction.

Kovar Wealth seeks to provide that investment decisions are made in accordance with the fiduciary duties owed to its accounts and without consideration of Kovar Wealth's economic, investment or other financial interests. To meet its fiduciary obligations, Kovar Wealth attempts to avoid, among other things, investment or trading practices that systematically advantage or disadvantage certain client portfolios, and accordingly, Kovar Wealth's policy is to seek fair and equitable allocation of investment opportunities/transactions among its clients to avoid favoring one client over another over time. It is Kovar Wealth's policy to allocate investment opportunities and transactions it identifies as being appropriate and prudent, including initial public offerings ("IPOs") and other investment opportunities that might have a limited supply, among its clients on a fair and equitable basis over time.

Kovar Wealth charges \$250 per hour for advice or investment reviews for clients who are not already clients and billed monthly.

Kovar Wealth offers education seminars at no charge.

#### ***Selection of Other Advisers***

Kovar Wealth may direct clients to third-party investment advisers ("Sub-Advisers"). Through these arrangements, the client will then enter into an advisory agreement with the Sub-Adviser authorizing them to assist and advise the client in establishing investment objectives and develop an investment strategy to meet those objectives by identifying appropriate investments and monitoring such investments. In consideration for such, the Sub-Adviser will receive an investment management fee, based on the market value of the account. The period covered and the frequency of billing will vary based on the practices of the Sub-Adviser, and the terms will be disclosed to clients prior to engaging the Sub-Adviser. Kovar Wealth's fee will be deducted from the account by the Sub-Adviser as discussed in Item 5 below. Kovar Wealth will assist in the development of the initial policy recommendations, managing the ongoing client relationship, and monitoring the activities of the Sub-Adviser.

Alternatively, Kovar Wealth may recommend that clients allocate some or all of their investment portfolio to a Managed Account program sponsored by an unaffiliated money manager, Betterment LLC named Betterment Institutional. In these arrangements, the client will then enter into a program and investment advisory agreement with the program sponsor.

Kovar Wealth will assist and advise the client in establishing investment objectives and continue to provide oversight of the client account and ongoing monitoring of the activities of the Managed Account program. Betterment will develop an investment strategy to meet those objectives by identifying appropriate asset allocation models, investing client assets into those models using low cost ETFs, and monitoring such investments on an ongoing basis. In consideration for such services, the program sponsor will charge an asset management fee that includes Betterment's program platform fee (maximum of 0.25%) and Kovar Wealth's investment advisory fee of up to 2.00% (agreed to separately with each client and added to the program platform fee). Costs of the administration of the program and trading, clearance and settlement costs are included in the program platform fee. The program sponsor will deduct the overall fee from the client account quarterly in arrears based on the average daily assets in the account during the quarter.

Kovar Wealth will ensure that Betterment LLC and any other Sub-Advisers recommended are investment advisers registered with the Securities Exchange Commission, applicable state regulators, or exempt from such registration. The client, prior to entering into an agreement with Betterment LLC or other Sub-Advisers will be provided with their Brochures.

### ***Financial Planning***

Financial plans and financial planning may include, but are not limited to: investment planning; life insurance; tax concerns; retirement planning; college planning; and debt/credit planning.

### ***Services Limited to Specific Types of Investments***

Kovar Wealth generally limits its investment advice to mutual funds, fixed income securities, insurance products including annuities, equities, ETFs (including ETFs in the gold and precious metal sectors), treasury inflation protected/inflation linked bonds, non-U.S. securities, venture capital funds and private placements. Kovar Wealth may use other securities as well to help diversify a portfolio when applicable.

## **C. Tailored Advisory Services and Investment Restrictions**

Kovar Wealth offers the same suite of services to all of its clients. However, specific client investment strategies and their implementation are dependent upon each client's current situation (income, tax levels, and risk tolerance levels) and Kovar Wealth will tailor its advisory services to its client's needs based on meetings and conversations with the client. Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent Kovar Wealth from properly servicing the client account, or if the restrictions would require Kovar Wealth to deviate from its standard suite of services, Kovar Wealth reserves the right to end the relationship.

## **D. Wrap Fee Programs**

Kovar Wealth does not participate in any wrap fee programs.

## **E. Fiduciary Disclosure for Retirement Accounts**

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours.

Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;

- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

## F. Asset Under Management

As of December 31, 2022, Kovar Wealth had \$11,497,000 in discretionary client assets under management:

## Item 5: Fees and Compensation

### A. & B. Fees for Advisory Services

#### *Asset-Based Fees for Portfolio Management*

##### **Total Assets Under Management Annual Fee**

\$0 - \$999,999	2.00%
\$1,000,000 - \$2,499,999	1.75%
\$2,500,000 - \$4,999,999	1.50%
\$5,000,000 - \$7,499,999	1.25%
\$7,500,000 - \$9,999,999	1.00%
\$10,000,000 - \$24,999,999	0.75%
\$25,000,000 And Up	0.50%

These fees are generally negotiable and the final fee schedule is in the Investment Advisory Contract. Clients may terminate the agreement without penalty for a full refund of Kovar Wealth's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract generally with 10 days' written notice.

If the client's account is custodied at Betterment, the fee will be calculated based on the average daily balance. If the client's account is custodied at Charles Schwab, the fee will be based on the account value as of the last business day of the previous month. The details of which custodian(s) are being used will be disclosed in the client's Investment Advisory Contract. Portfolio management fees are charged monthly in arrears and will be directly deducted from the client account by the qualified custodian. The client will give written authorization permitting the Adviser to be paid directly from their account held by the custodian. The custodian will send a statement at least quarterly to the client.

#### *Selection of Other Advisers Fees*

Kovar Wealth may utilize the services of Sub-Advisers to manage some or all of a client's account. In those circumstances, clients will contract with both Kovar Wealth and the Sub-Adviser. The Sub-Adviser will deduct its fee together with Kovar Wealth's fee directly from the client account and send Kovar Wealth its fee. The frequency, period covered, and method of paying fees will vary based on the practices of the Sub-Adviser, but will be disclosed to clients in the disclosure brochure and investment management agreement of the Sub-Adviser. The total fee charged to clients will not exceed any limit imposed by any regulatory agency. The notice of termination requirement and payment of fees for third-party investment advisers will depend on the specific third-party adviser selected.

#### *Financial Planning Fees*

Kovar Wealth charges \$250 per hour for financial planning services. The hourly rate is negotiable and the fees are billed monthly in arrears based on the hours spent during the month. Clients may terminate the agreement without penalty for a full refund of Kovar Wealth's fees

within five business days of signing the Financial Planning Agreement. Thereafter, clients may terminate the Financial Planning Agreement generally upon written notice.

### ***Fixed Fees***

The fixed rate for creating client financial plans is between \$50 and \$5,000 depending on the services needed, and the scope and complexity of the client's circumstances. Fixed fees are charged in advance. The fees are negotiable and the final fee schedule will be included in the Financial Planning Agreement. Fixed fee client financial plans will be completed and delivered within six months of engagement.

### **C. Client Responsibility for Third Party Fees**

Clients are responsible for the payment of all third-party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by Kovar Wealth. Please see Item 12 of this brochure regarding broker-dealer/custodian.

### **D. Prepayment of Fees**

Kovar Wealth collects financial planning fixed fees in advance. Refunds for fees paid in advance will be returned within fourteen days to the client via check, or return deposit back into the client's account.

Fixed fees that are collected in advance will be refunded based on the prorated amount of work completed at the point of termination.

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

Neither Kovar Wealth nor its supervised persons accept any compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

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

Kovar Wealth does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client, and therefore does not participate in side-by-side management.

## **Item 7: Types of Clients**

Kovar Wealth generally provides advisory services to the following types of clients:

- Individuals
- High-Net-Worth Individuals
- Corporations

### ***Minimum Account Size***

There is no account minimum for any of Kovar Wealth's services.

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

### **A. Methods of Analysis and Investment Strategies**

Kovar Wealth's methods of analysis include fundamental analysis, technical analysis and modern portfolio theory.

Fundamental analysis involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

Technical analysis involves the analysis of past market data; primarily price and volume.

Modern portfolio theory is a theory of investment that attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, each by carefully choosing the proportions of various asset.

### ***Investment Strategies***

Kovar Wealth uses long term trading, short term trading, short sales margin transactions and options trading (including covered options, uncovered options, or spreading strategies). Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

## **B. Material Risks Involved**

### ***Methods of Analysis***

Fundamental analysis concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

Technical analysis attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not take into account new patterns that emerge over time.

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

### ***Investment Strategies***

Kovar Wealth's use of short sales, margin transactions and options trading generally holds greater risk, and clients should be aware that there is a material risk of loss using any of those strategies.

Long term trading is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

Short term trading risks include liquidity, economic stability, and inflation, in addition to the long-term trading risks listed above. Frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Short sales entail the possibility of infinite loss. An increase in the applicable securities' prices will result in a loss and, over time, the market has historically trended upward.

Margin transactions use leverage that is borrowed from a brokerage firm as collateral. When losses occur, the value of the margin account may fall below the brokerage firm's threshold thereby triggering a margin call. This may force the account holder to either allocate more funds to the account or sell assets on a shorter time frame than desired.

Options transactions involve a contract to purchase a security at a given price, not necessarily at market value, depending on the market. This strategy includes the risk that an option may expire out of the money resulting in minimal or no value, as well as the possibility of leveraged loss of trading capital due to the leveraged nature of stock options.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.



### **C. Risks of Specific Securities Involved**

Kovar Wealth's use of short sales, margin transactions and options trading generally holds greater risk of capital loss. Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) are not guaranteed or insured by the FDIC or any other government agency.

**Mutual Funds:** Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond “fixed income” nature (lower risk) or stock “equity” nature.

**Equity investment** generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.

**Fixed income investments** generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best known type of fixed income security. In general, the fixed income market is volatile and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.

**Exchange Traded Funds (ETFs):** An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance. Precious Metal ETFs (e.g., Gold, Silver, or Palladium Bullion backed “electronic shares” not physical metal) specifically may be negatively impacted by several unique factors, among them (1) large sales by the official sector which own a significant portion of aggregate world holdings in gold and other precious metals, (2) a significant increase in hedging activities by producers of gold or other precious metals, (3) a significant change in the attitude of speculators and investors.

**Annuities** are a retirement product for those who may have the ability to pay a premium now and want to guarantee they receive certain monthly payments or a return on investment later in the future. Annuities are contracts issued by a life insurance company designed to meet income requirements or other long-term goals. An annuity is not a life insurance policy. Variable annuities are designed to be long-term investments, to meet retirement and other long-range goals. Variable annuities are not suitable for meeting short-term goals because substantial taxes and insurance company charges may apply if you withdraw your money early. Variable annuities also involve investment risks, just as mutual funds do.

**Private placements** carry a substantial risk as they are subject to less regulation than are publicly offered securities, the market to resell these assets under applicable securities laws may be illiquid, due to restrictions, and the liquidation may be taken at a substantial discount to the underlying value or result in the entire loss of the value of such assets.

**Venture capital funds** invest in start-up companies at an early stage of development in the interest of generating a return through an eventual realization event; the risk is high as a result of the uncertainty involved at that stage of development.

**Options** are contracts to purchase a security at a given price, risking that an option may expire out of the money resulting in minimal or no value. An uncovered option is a type of options contract that is not backed by an offsetting position that would help mitigate risk. The risk for a “naked” or

uncovered put is not unlimited, whereas the potential loss for an uncovered call option is limitless. Spread option positions entail buying and selling multiple options on the same underlying security, but with different strike prices or expiration dates, which helps limit the risk of other option trading strategies. Option transactions also involve risks including but not limited to economic risk, market risk, sector risk, idiosyncratic risk, political/regulatory risk, inflation (purchasing power) risk and interest rate risk.

Non-U.S. securities present certain risks such as currency fluctuation, political and economic change, social unrest, changes in government regulation, differences in accounting and the lesser degree of accurate public information available.

Past performance is not indicative of future results. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

## Item 9: Disciplinary Information

Neither Kovar Wealth nor its management persons have had any legal or disciplinary events to report, currently or in the past.

## Item 10: Other Financial Industry Activities and Affiliations

### A. Registration as a Broker/Dealer or a Broker/Dealer

Neither Kovar Wealth nor its representatives are registered as, or have pending applications to become, a broker/dealer or a representative of a broker/dealer.

### B. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interest

Neither Kovar Wealth nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

### C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interest

Investment adviser representatives (IARs) for Kovar Wealth are also IARs for unaffiliated third-party registered investment advisers, as described in each IAR's Brochure Supplement (Form ADV Part 2B). However, clients of the third-party advisers are not also clients of Kovar Wealth, so there are no conflicts of interest created concerning Kovar Wealth clients.

### D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections

Kovar Wealth does recommend or select other investment advisers for clients. For more specific detail see the response to 4 above.

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

### A. Code of Ethics

Kovar Wealth has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Kovar Wealth's Code of Ethics is available free upon request to any client or prospective client.

**B. Recommendations Involving Material Financial Interests**

Kovar Wealth does not recommend that clients buy or sell any security in which a related person to Kovar Wealth or Kovar Wealth has a material financial interest.

**C. Investing Personal Money in the Same Securities as Clients**

From time to time, representatives of Kovar Wealth may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of Kovar Wealth to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. Kovar Wealth will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

**D. Trading Securities at/around the Same Time as Clients'**

From time to time, representatives of Kovar Wealth may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of Kovar Wealth to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, Kovar Wealth will never engage in trading that operates to the client's disadvantage if representatives of Kovar Wealth buy or sell securities at or around the same time as clients.

**Item 12: Brokerage Practices****A. Factors Used to Select Custodians and/or Broker/Dealers**

Custodians/broker-dealers will be recommended based on Kovar Wealth's duty to seek "best execution," which is the obligation to seek execution of securities transactions for a client on the most favorable terms for the client under the circumstances. Clients will not necessarily pay the lowest commission or commission equivalent, and Kovar Wealth may also consider the market expertise and research access provided by the broker-dealer/custodian, including but not limited to access to written research, oral communication with analysts, admittance to research conferences and other resources provided by the brokers that may aid in Kovar Wealth's research efforts. Kovar Wealth will never charge a premium or commission on transactions, beyond the actual cost imposed by the broker-dealer/custodian.

Kovar Wealth will recommend clients to use Charles Schwab & Co., Inc. and Betterment LLC.

The custodian will differ based on which third party investment adviser is chosen by the client.

Kovar Wealth is not affiliated with the brokerage firm. Broker does not supervise Kovar Wealth, its agents or activities.

***Research and Other Soft-Dollar Benefits***

While Kovar Wealth has no formal soft dollars program in which soft dollars are used to pay for third party services, Kovar Wealth may receive research, products, or other services from custodians and broker-dealers in connection with client securities transactions ("soft dollar benefits"). Kovar Wealth may enter into soft-dollar arrangements consistent with (and not outside of) the safe harbor contained in Section 28(e) of the Securities Exchange Act of 1934, as amended. There can be no assurance that any particular client will benefit from soft dollar research, whether or not the client's transactions paid for it, and Kovar Wealth does not seek to allocate benefits to client accounts proportionate to any soft dollar credits generated by the accounts. Kovar Wealth benefits by not having to produce or pay for the research, products or services, and Kovar Wealth will have an incentive to recommend a broker-dealer based on receiving research or services. Clients should be aware that Kovar Wealth's acceptance of soft dollar benefits may result in higher commissions charged to the client.

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

Kovar Wealth receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

### ***Clients Directing Which Broker/Dealer/Custodian to Use***

Kovar Wealth does not recommend, request or require that a client direct it to execute transactions through a specified broker-dealer, except for the initial selection of the qualified custodian. Kovar Wealth may permit Clients to direct it to execute transactions through a specified broker-dealer. Clients must refer to their advisory agreements for a complete understanding of how they may be permitted to direct brokerage. If a client directs brokerage, the client will be required to acknowledge in writing that the Client's direction with respect to the use of brokers supersedes any authority granted to select brokers; this direction may result in higher commissions, which may result in a disparity between free and directed accounts; the client may be unable to participate in block trades (unless Kovar Wealth is able to engage in "step outs") and trades for the client and other directed accounts may be executed after trades for free accounts, which may result in less favorable prices, particularly for illiquid securities or during volatile market conditions. Not all investment advisers allow their clients to direct brokerage.

### **B. Aggregating (Block) Trading for Multiple Client Accounts**

If Kovar Wealth buys or sells the same securities on behalf of more than one client, then it may (but would be under no obligation to) aggregate or bunch such securities in a single transaction for multiple clients in order to seek more favorable prices, lower brokerage commissions, or more efficient execution. In such case, Kovar Wealth would place an aggregate order with the broker on behalf of all such clients in order to ensure fairness for all clients; provided, however, that trades would be reviewed periodically to ensure that accounts are not systematically disadvantaged by this policy. Kovar Wealth would determine the appropriate number of shares and select the appropriate brokers consistent with its duty to seek best execution, except for those accounts with specific brokerage direction (if any).

## **Item 13: Reviews of Accounts**

### **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

All client accounts for Kovar Wealth's advisory services are reviewed at least quarterly by Taylor Kovar, CEO, with regard to clients' respective investment policies and risk tolerance levels. All accounts at Kovar Wealth are assigned to this reviewer.

All financial planning accounts are reviewed upon financial plan creation and plan delivery by Taylor Kovar CEO. There is only one level of review for financial planning, and that is the total review conducted to create the financial plan.

### **B. Factors That Will Trigger a Non-Periodic Review of Client**

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance). With respect to financial plans, Kovar Wealth's services will generally conclude upon delivery of the financial plan.

### **C. Content and Frequency of Regular Reports Provided to Clients**

Each client of Kovar Wealth's advisory services will receive a monthly report via email or mail detailing the client's account, including assets held, asset value, and calculation of fees. Kovar Wealth utilizes the services of Charles Schwab or eMoney to deliver these reports. Clients are urged to compare the account statements they receive from the qualified custodian with the reports they receive from Kovar Wealth. Any discrepancies should be immediately brought to the firm's attention.

## Item 14: Client Referrals and Other Compensation

### **A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)**

Kovar Wealth does not receive any economic benefit, directly or indirectly from any third party for advice rendered to Kovar Wealth's clients.

### **B. Compensation to Non – Advisory Personnel for Client Referrals**

Kovar Wealth does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

## Item 15: Custody

When advisory fees are deducted directly from client accounts at client's custodian, Kovar Wealth will be deemed to have limited custody of client's assets and must have written authorization from the client to do so. Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy.

Kovar Wealth is not affiliated with the custodian. The custodian does not supervise Kovar Wealth, its agents or activities.

## Item 16: Investment Discretion

Kovar Wealth provides discretionary and non-discretionary investment advisory services to clients. The Investment Advisory Contract established with each client sets forth the discretionary authority for trading. Where investment discretion has been granted, Kovar Wealth generally manages the client's account and makes investment decisions without consultation with the client as to when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, what securities to buy or sell, or the price per share.

## Item 17: Voting Client Securities

Kovar Wealth will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

## Item 18: Financial Information

### **A. Balance Sheet**

Kovar Wealth neither requires nor solicits prepayment of more than \$1,200 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet with this brochure.

### **B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients**

Neither Kovar Wealth nor its management have any financial condition that is likely to impair Kovar Wealth's ability to meet contractual commitments to clients.

### **C. Bankruptcy Petitions in Previous Ten Years**

Kovar Wealth has never been the subject of a bankruptcy petition.