

**Form CRS Client Relationship Summary**  
**Strategic Advocates, LLC**  
**March 19, 2024**

**Item 1 – Introduction: Is an investment advisory account right for you?**

Strategic Advocates, LLC is registered with the Securities and Exchange Commission as an investment adviser. Please be aware that brokerage and investment advisory services and fees differ and that it is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

**Item 2 – What investment services and advice can you provide me?**

We offer investment advisory services to retail investors. Our principal services include financial planning, portfolio management and retirement plan consulting services. As part of our standard portfolio management service, we provide continuous and regular supervisory and management services with respect to your account(s) we may use one or more sub-advisors to manage all or a portion of your account. We do not monitor the investments made as a result of a financial plan unless you have hired us for portfolio management services. Our portfolio management services are offered on a discretionary, and in limited cases, non-discretionary basis. Discretionary authorization allows us to determine the specific securities, and the amount of securities, to be purchased or sold for your account without your approval prior to each transaction. If you have engaged us for non-discretionary portfolio management services, we will obtain your approval prior to executing any transactions in your account(s). We do not limit our advice to proprietary products, or a limited menu of products or types of investments. We require a minimum of \$100,000 to establish a relationship with us. However, from time-to-time, in our sole discretion, we may accept smaller accounts based on various criteria, such as anticipated future assets, related accounts, and other factors.

**For additional information, please refer to Items 4, 7, & 13 of our Form ADV Part 2A at the following link: <https://adviserinfo.sec.gov/firm/summary/316858>.**

*Conversation Starters. Ask your financial professional—*

- ❖ *Given my financial situation, should I choose an investment advisory service? Why or why not?*
- ❖ *How will you choose investments to recommend to me?*
- ❖ *What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?*

**Item 3 – What fees will I pay?**

We are primarily compensated by a percentage of assets under our management, hourly charges and fixed fees. Our fees vary depending on the services you receive. Portfolio management fees are based upon a percentage of your assets under our management, and are payable monthly or quarterly, in advance or in arrears, depending on the payment arrangement negotiated with the client and set forth in the client Agreement. The more assets there are in your advisory account, the more you will pay in fees. Therefore, we have an incentive to encourage you to increase the assets in your account. The fees charged by sub-advisors are separate and distinct from the fees charged by our firm. Such fees will be clearly listed in the disclosure document(s) provided by the sub-advisor. We provide financial planning services for an hourly fee or a fixed fee. Our fees are negotiable depending upon the complexity and scope of the service, your financial situation, and your objectives.

**For additional information regarding our fees, please see Item 5 of our Form ADV Part 2A at the following link: <https://adviserinfo.sec.gov/firm/summary/316858>.**

**Description of Other Fees and Costs:** The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by investment companies (i.e., mutual funds, exchange traded funds, unit investment trusts and variable annuities). These fees are described in each fund's prospectus. These fees will generally include a management fee and other fund expenses. You will also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the custodial broker dealer that executes the trade. The custodial broker dealer may also charge your account for custodial fees, retirement account fees, trust fees, exchange fees, redemption fees that may be assessed on investment company shares, transfer fees, account termination fees or other special service fees and charges. We do not share in any portion of these fees imposed by the custodial broker dealer. To fully understand the total cost you will incur, you should review all the fees charged by investment companies, broker-dealers, our firm, and others.

**You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.**

**For additional information, please refer to Item 5 of Form ADV Part 2A at the following link:**

**<https://adviserinfo.sec.gov/firm/summary/316858>.**

*Conversation Starter. Ask your financial professional—*

- ❖ *Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?*

**What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?**

**When we act as your investment adviser**, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means:

All investment advisers face conflicts of interest which are inherent in the business. Our primary source of compensation is through asset-based fees. Therefore, we are incentivized to acquire new clients and to increase assets under management. Other conflicts of interest result from other business activities we engage in and relationships we have with business partners our custodial broker dealer(s) (i.e., Schwab and Fidelity), and other third parties; or affiliations we have established with other financial institutions.

*Conversation Starter. Ask your financial professional—*

- ❖ *How might your conflicts of interest affect me, and how will you address them?*

**Please refer to our Form ADV Part 2A for further information on our conflicts of interest and how we address them at the following link: <https://adviserinfo.sec.gov/firm/summary/316858>.**

**How do your financial professionals make money?**

Our financial professionals receive salary-based compensation, a percentage of advisory billings and/or bonuses based on the amount of client assets they bring to our firm. Therefore, our financial professionals have an incentive to encourage you to increase the assets in your account. Additionally, financial professionals who have an ownership interest in our firm share in the profits generated by our firm. Certain of our financial professionals are also licensed as insurance agents and are registered representatives of CreativeOne Securities, LLC (“CreativeOne”), an SEC registered broker-dealer and investment adviser. Your financial professional may offer you brokerage services through CreativeOne or investment advisory services through our firm. Brokerage services and investment advisory services are different, and the fees we, and CreativeOne, charge for those services are different. It is important that you understand the differences. In particular, your financial professional will earn additional transaction-based compensation and have additional conflicts of interest as a result of providing brokerage services through CreativeOne. You are encouraged to learn more about CreativeOne by having a discussion with your financial professional. You can also access free and simple tools to help you research firms and financial professionals at [Investor.gov/CRS](http://Investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

#### **Item 4 – Do you or your financial professionals have legal or disciplinary history?**

No, for the firm. Yes, for a financial professional.

**For a free, simple search tool to research us and our financial professionals please visit [Investor.gov/CRS](http://Investor.gov/CRS).**

*Conversation Starter. Ask your financial professional—*

- ❖ *As a financial professional, do you have any disciplinary history? For what type of conduct?*

#### **Item 5 – Additional Information**

For additional information about our advisory services, please refer to our Form ADV Part 2A brochure available at <https://adviserinfo.sec.gov/firm/summary/316858>, and the individual Form ADV Part 2B brochure supplement(s) your representative provides. If you have any questions, need up-to-date information and/or need a copy of this Client Relationship Summary, please contact us at (435) 754-7888.

*Conversation Starters. Ask your financial professional—*

- ❖ *Who is my primary contact person?*
- ❖ *Is he or she a representative of an investment adviser or a broker-dealer?*
- ❖ *Who can I talk to if I have concerns about how this person is treating me?*

## Form ADV Part 2A Brochure

# Strategic Advocates, LLC

### Item 1 – Cover Page

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Logan, UT 84312

Phone: (435) 754-7888

[www.wealth-advocates.com](http://www.wealth-advocates.com)

<https://www.strati.co/>

**May, 2024**

Strategic Advocates, LLC is a registered investment adviser. An "investment adviser" means any person who, for compensation, engages in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities, or who, for compensation and as part of a regular business, issues or promulgates analyses or reports concerning securities. Registration with the SEC or any state securities authority does not imply a certain level of skill or training.

This brochure provides information about the qualifications and business practices of Strategic Advocates, LLC. If you have any questions about the contents of this brochure, please contact us at (435) 754-7888. 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 Strategic Advocates, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The firm's CRD/IARD number is 316858.

## Material Changes - Item 2

The purpose of this page is to inform you of any material changes since the previous version of this brochure dated 12/4/23.

Removal of the Privacy Notice section. This is being replaced by the Wealth Advocates' stand-alone Privacy Notice

Addition of the disclosure for ERISA Retirement Planning was added to Section 5.

Custodial change from Crown Capital Advisors/LPL Financial to CreativeOne Securities, LLC

If you would like to receive a complete copy of our current brochure free of charge at any time, please contact us at (435) 754-7888 or at [Brad@wealth-advocates.com](mailto:Brad@wealth-advocates.com).

**Table of Contents - Item 3**

**Contents**

Cover Page - Item 1.....	<b>Error! Bookmark not defined.</b>
Material Changes - Item 2.....	1
Table of Contents - Item 3 .....	2
Advisory Business - Item 4 .....	3
Fees and Compensation - Item 5 .....	7
Performance-Based Fees and Side-By-Side Management - Item 6 .....	11
Types of Clients - Item 7.....	11
Methods of Analysis, Investment Strategies and Risk of Loss - Item 8.....	112
Disciplinary Information - Item 9 .....	178
Other Financial Industry Activities or Affiliations - Item 10.....	178
Code of Ethics, Participation or Interest in Client Transactions and Personal Trading - Item 11 .....	189
Brokerage Practices - Item 12 .....	19
Review of Accounts - Item 13 .....	222
Client Referrals and Other Compensation - Item 14 .....	22
Custody - Item 15.....	223
Investment Discretion - Item 16 .....	233
Voting Client Securities - Item 17 .....	234
Financial Information - Item 18 .....	234
Requirements of State-Registered Advisers - Item 19.....	234

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

Strategic Advocates, LLC (hereinafter "Strategic Advocates") is a registered investment advisor based in Logan, Utah. We are a limited liability company organized under the laws of the State of Utah. We have been providing investment advisory services since 2022. Bradley R. Harsch, James P. Jenkins and John R. Mickelson are the principal owners of Strategic Advocates.

You may see the term Associated Person throughout this Brochure. As used in this Brochure, this term refers to anyone from our firm who is an officer, an employee, and all individuals providing investment advice on behalf of our firm. Where required, such persons are properly registered as investment adviser representatives.

Currently, we offer the following investment advisory services, personalized for each individual client:

- **Financial Planning Services**
- **Portfolio Management Services**
- **Retirement Plan Consulting Services**

#### **Financial Planning Services**

Strategic Advocates offers various financial planning related services, which assist clients in the management of their financial resources. Financial planning services are based upon an analysis of the client's individual needs beginning with one or more information gathering consultations. Once the firm has collected and analysed all documentation gathered during these consultations, Strategic Advocates provides a written financial plan designed to achieve the client's financial goals and objectives. Strategic Advocates then assists clients in developing a strategy for the successful management of income, assets, and liabilities. In general, financial planning services may include any one or all of the following:

- **Cash Flow Analysis** – Assessment of present financial situation by collecting information regarding net worth and cash flow statements, tax returns, insurance policies, investment portfolios, pension plans, employee benefit statements, etc. The firm advises on ways to reduce risk; and, to coordinate and organize records and estate information.
- **Retirement Analysis** – Identification of long-term financial and personal goals and objectives including advice for accumulating wealth for retirement income or appropriate distribution of assets following retirement. Tax consequences and implications are identified and evaluated.
- **Insurance Analysis** – Includes risk management associated with advisory recommendations based on a combination of insurance types to meet your needs, e.g., life, health, disability, and long-term care insurance. This will necessitate an analysis of cash needs of the client's family at death, income needs of surviving dependents, and potential disability income needs.
- **Portfolio Analysis/Investment Planning** – Presentation of investment alternatives, including asset allocation and its effect on the client's portfolio; evaluation of economic and tax characteristics of existing investments as well as their suitability for the client; and, identification and evaluation of tax consequences and their implications.
- **Education Savings Analysis** – Alternatives and strategies with respect to the complete or partial funding of college or other post-secondary education.
- **Estate Analysis** – Advising clients with respect to property ownership, distribution strategies, estate tax reduction, and tax payment techniques.
- **Tax Analysis and Planning** – The goal of tax planning is to arrange your financial affairs so as to minimize your taxes. There are three basic ways to reduce your taxes, and each basic method might have several variations. You can reduce your income, increase your deductions, and take advantage of tax credits.

The recommendations and solutions are designed to achieve the client's desired goals, subject to periodic evaluation of the financial plan, which may require revisions to meet changing circumstances. Financial plans are based on your financial situation based on the information provided to the firm. We should be notified promptly of any change to your financial situation, goals, objectives, or needs.

Clients can also request financial planning services that cover a specific area, such as retirement or estate planning, asset allocation analysis, manager due diligence, and 401(k) platform due diligence. Clients may choose to accept or reject our recommendations. If you decide to proceed with our recommendations, you may do so by engaging us for investment advisory services or by using any investment adviser, broker dealer, or insurance provider you choose.

#### **Portfolio Management Services**

Strategic Advocates provides discretionary, and in limited cases, non-discretionary portfolio management services to our clients. Discretionary portfolio management means we will make investment decisions and place buy or sell orders in your account without contacting you. We would also rebalance the portfolio whenever necessary, as changes occur in market conditions and/or your financial circumstances. These decisions would be made based upon your stated investment objectives. If you wish, you may limit our discretionary authority by, for example, setting a limit on the type of securities that can be purchased for your account. Simply provide us with your restrictions or guidelines in writing. If you have engaged us for non-discretionary portfolio management services, Strategic Advocates will obtain your approval prior to executing any transactions in your account(s).

Portfolio management clients may also receive ongoing ad-hoc financial advice regarding routine financial matters and questions regarding topics such as budgeting/cash flow management or insurance coverage. This portion of our portfolio management services is entirely non-discretionary in nature – you will make all final investment decisions and be responsible for implementation and monitoring of all investments held outside of the account(s) we directly manage on your behalf at the custodian. Our ad-hoc financial advice is not intended to replace broad-based financial planning and we will not provide you with a written financial plan or report as part of our portfolio management services. Clients wishing to receive broad-based financial planning services or a written financial plan may only do so by entering a separate and distinct written financial planning agreement with our firm.

Our investment advice is tailored to meet our clients' needs and investment objectives. If you decide to hire our firm to manage your portfolio, we will meet with you to gather your financial information, determine your goals, and help you decide how much risk you should take in your investments. The information we gather will help us implement a tailored portfolio strategy that will be specific to your goals. We should be notified promptly of any change to your situation, goals, objectives, or needs.

Strategic Advocates does not specialize in specific types of securities. We can advise clients on all types of securities, such as exchange listed equities, over the counter equities, foreign issues, American depository receipts, corporate debt securities, commercial paper, certificates of deposit, municipal securities, investment company securities (including mutual funds and exchange traded funds), US Government securities, options contracts on securities and/or commodities, structured products, private placements, private equity instruments, and interests in partnership investing in real estate. Additionally, will provide advice on existing investments you may hold at the inception of the advisory relationship or on other types of investments for which you ask advice.

Our asset allocation models are diversified among investment styles and/or asset classes and are developed and managed by us based on research conducted by our firm. Once the client portfolio is constructed, Strategic Advocates provides periodic supervision of the portfolio as changes in the market conditions and client circumstances may require. Investments and allocations are determined based upon the clients' predefined objectives, risk tolerance, time horizons, financial horizons, financial information, and other various suitability factors. Further restrictions and guidelines imposed by clients may affect the composition and performance of a client's portfolio. As such, different clients of our firm may have significant differences in their asset allocation.

For these reasons, performance of one client's portfolio might not be identical with another client's even if both clients have similar risk parameters. We review the clients' financial circumstances and investment objectives on a quarterly to annual basis and make adjustments to clients' portfolios or allocation models as may be necessary in an effort to achieve the desired results. At all times, our firm requires each Associated Person to uphold their fiduciary duty by providing advice that in our judgement is in the client's best interest.

Our professionals employ a range of investment strategies to implement the advice we give to clients including: long-term purchases, short-term purchases, trading, short sales, margin transactions, option strategies including writing covered options, uncovered options and spread strategies, and taking advantage of price differentials between two or more securities (arbitrage). Quantitative analytics are also utilized in some of our investment activities, to assist in the selection of securities or the management of investment risk.

**Margin Borrowings**—The use of short-term margin borrowings may result in certain additional risks to a Client. For example, if securities pledged to brokers to secure a Client's margin accounts decline in value, the Client could be subject to a "margin call", pursuant to which it must either deposit additional funds with the broker or be the subject to a mandatory liquidation of the pledged securities to compensate for the decline in value.

#### **Retirement Plan Consulting Services**

Strategic Advocates provides several retirement plan consulting related services. While the primary clients for these services will be pension, profit sharing and 401(k) plans, Strategic Advocates will also offer these services, where appropriate, to individuals and trusts, estates and charitable organizations. Retirement plan consulting services are comprised of the following components. Clients may choose to use any or all of the following services:

- Assistance with the development and/or review and revision of an Investment Policy Statement ("IPS") as requested.
- Provision of recommendations on appropriate investments that have a level of risk commensurate with the anticipated return, seeing to it that risk is minimized through diversification, and ensuring that the Plan has sufficient liquidity to meet its cash flow requirements.
- Assistance with the selection of a qualified default investment alternative ("QDIA") and determination of the continuing suitability of a QDIA.
- Assistance with on-going monitoring and make recommendations regarding the replacement of the Plan's investments and investment providers.
- Assistance with the monitoring of investment options by preparing quarterly reports that document investment performance, consistency of fund management, and conformance to any guidelines set forth in the IPS and will notify you with any recommendations.
- Analysis of the fees and expenses associated with the investments and the service providers and recommend changes when warranted.
- Ongoing and continuous discretionary investment management with respect to the asset classes and investments for the Plan in accordance with the Plan's investment policies and objectives. This service is described in more detail in the Portfolio Management Services section above.
- Monitor investments by preparing periodic investment reports that document investment performance, consistency of fund management and conformance to the guidelines set forth in the IPS and determine whether to maintain or remove and replace investment options.
- Meetings with clients on a periodic basis to discuss the reports and investment decisions.

These services are designed to assist plan sponsors in meeting their management and fiduciary obligations to Participants under ERISA. Pursuant to adopted regulations of the U.S. Department of Labor, we are required to provide the Plan's responsible plan fiduciary (the person who has the authority to engage us as an investment adviser to the Plan) with a written statement of the services we provide to the Plan, the compensation we receive for providing those services, and our status (which is described below).



The services we provide to your Plan are described above, and in the service agreement that you have previously signed. Our compensation for these services is described below, in Item 5, and also in the retirement plan Consulting Agreement. We do not reasonably expect to receive any other compensation, direct or indirect, for the services we provide to the Plan or Participants, unless the plan sponsor directs us to deduct our fee from the plan or directs the plan record-keeper to issue payment for our fee out of the plan. If we receive any other compensation for such services, we will (i) offset the compensation against our stated fees, and (ii) we will promptly disclose the amount of such compensation, the services rendered for such compensation and the payer of such compensation to you.

Other retirement plan consulting services are available on request. All of our retirement plan consulting services, whether general or customized, will be outlined in an Agreement that shows the services that will be provided and the fees that will be charged for those services.

Strategic Advocates is registered as an investment advisor and represents that it is not subject to any disqualification as set forth in Section 411 under the Employee Retirement Income Security Act ("ERISA"). To the extent Strategic Advocates performs Fiduciary Services, Strategic Advocates is acting as a fiduciary of the Plan as defined in Section 3(21) or Section 3(38) under ERISA.

Strategic Advocates may also perform the following non-Fiduciary services:

- Assistance with the education of the participants in the Plan about general investment principles. Client understands that Strategic Advocates' assistance in participant investment education shall be consistent with and within the scope of the definition of investment education of Department of Labor Interpretive Bulletin 96-1. As such, Strategic Advocates is not providing fiduciary advice (as defined in ERISA) to the participants. Strategic Advocates will not provide individualized investment advice concerning the prudence of any investment or combination of investment for a particular participant or beneficiary under the Plan.
- Assistance with group enrollment meetings designed to increase retirement plan participation among employees and investment and financial understanding by the employees.

Strategic Advocates may provide these services or, alternatively, may arrange for the Plan's other providers to offer these services, as agreed upon between Strategic Advocates and client.

#### **Rollover Services Disclosure**

In conjunction with the advisory services offered, we may provide education or recommendations related to the rollover of an employer sponsored retirement plan. A plan participant leaving employment has several options. Each choice offers advantages and disadvantages, depending on desired investment options and services, fees and expenses, withdrawal options, required minimum distributions, tax treatment, and the investor's unique financial needs and retirement plans. The complexity of these choices may lead an investor to seek assistance from us.

When our firm or our Associated Person(s) recommend an investor roll over plan assets into an Individual Retirement Account ("IRA"), we and our Associated Person(s) may earn an asset-based fee as a result. However, no compensation is received if assets are retained in the plan. Thus, we have an economic incentive to encourage an investor to roll plan assets into an IRA. In most cases, your fees and expenses will increase because fees will apply to assets rolled over to an IRA and ongoing services will be extended to these assets.

Further, you may incur other levels of fees and expenses, including, but not limited to, investment-related expenses imposed by other service providers and mutual fund managers not affiliated with us, as well as other fees and expenses charged by the custodian, third-party administrator, and/or record-keeper. We make no representations or warranties relating to any costs or expenses associated with the services provided by any third parties, and you understand that these fees are in addition to the fee paid to us for the rollover advice.

In cases where we provide you with rollover advice as defined by the Department of Labor, which may also include setting up and/or completing the rollover transaction, we do not serve as a custodian, and we do not provide legal or tax advice to you. In addition, we do not have any responsibilities or potential liabilities in connection with assets not related to the rollover and investments that are not managed by us.

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. In accordance with various rules and regulations, we must act in your best interest and we must not put our interests ahead of your interests. Additionally, 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 any conflicts of interest.

We rely on all information you provide to us, whether financial or otherwise, without independent verification. We request that you promptly notify us in writing of any material change in the financial and other information provided to us, and to promptly provide any such additional information as may be reasonably requested by us.

Due to the volatile and unpredictable nature of financial markets, we do not guarantee any future performance, any specific level of performance, or the success of any recommendations or strategies that we may take or recommend for you, or the success of our overall recommendations. Investment recommendations are subject to various market, currency, economic, political, and business risks, and that investment decisions will not always be profitable.

#### **Wrap Fee Programs**

We do not sponsor, manage, or participate in any wrap fee programs.

#### **Assets Under Management**

As of October 31, 2023, our firm manages approximately \$363,541,2998 of client assets, with \$335.066,293 being managed on a discretionary basis.

### **Fees and Compensation - Item 5**

#### **Financial Planning Services Fees**

For stand-alone financial planning services, Strategic Advocates charges a negotiable fixed fee of up to \$25,000 or an hourly fee of up to \$1,000/hour. Prior to engaging Strategic Advocates to provide financial planning services, clients will be required to enter into a written financial planning agreement. The financial planning agreement will set forth the terms and conditions of the engagement and will describe the scope of the services to be provided.

Fee payment arrangements may be negotiated with the client on a case-by-case basis. Fees are payable as invoiced and all such arrangements will be clearly set forth in the financial planning agreement signed by the client and the firm.

Either party may terminate the financial planning agreement by written notice to the other. In the event the client terminates Strategic Advocates' financial planning services, the balance of any prepaid, unearned fees (if any) will

be promptly refunded to the client. Strategic Advocates does not require the prepayment of over \$1,200, six or more months in advance.

**Portfolio Management Services Fees**

Strategic Advocates charges a fee based on a percentage of assets under management. This fee is deducted from the client's account held at the custodian. The client authorizes Strategic Advocates to debit the fee from the client's account. If requested by the client, we may also invoice the client directly for the payment of fees in lieu of a direct deduction from the client's account.

Strategic Advocates charges an annual management fee of up to 2.25% of assets under management. The fee is negotiable and the exact fee paid by you will be stated in the client agreement signed by you and us.

The annual fee is billed monthly or quarterly, in advance or in arrears, depending on the payment arrangement negotiated with the client and set forth in the client Agreement. Fees will be assessed pro rata in the event the Agreement is executed at any time other than the first day of a billing period. Fees will be adjusted for any deposits or withdrawals during the quarter. We may deduct the fee from a single, client-designated account to facilitate billing.

At the inception of investment management services, the first pay period's fees will be calculated on a pro-rata basis. You may terminate the client Agreement upon 30-days' written notice to our firm. If your fee is payable in arrears, you will incur a pro rata charge for services rendered prior to the termination of the agreement, which means you will incur advisory fees only in proportion to the number of days in the pay period for which you are a client. Where fees are payable in advance, Strategic Advocates will issue a pro-rated refund of any pre-paid unearned advisory fee based on the number of days remaining in the billing period after the termination date.

As paying agent for our firm, your custodian will deduct the investment advisory fee directly from your account. The fee is deducted only when you have given us written authorization permitting the fees to be paid directly from your account. If insufficient cash is available to pay such fees, securities in an amount equal to the balance of unpaid fees will be liquidated to pay for the unpaid balance. Further, the qualified custodian will deliver an account statement to you at least quarterly. These account statements will show all disbursements from your account. We encourage you to review the statement(s) you receive from the qualified custodian for accuracy. If you have questions about your statements, or if you did not receive a statement from the qualified custodian, please call our office number located on the cover page of this brochure.

**Retirement Plan Consulting Services Fees**

The fees and compensation charged by Strategic Advocates is negotiated independently with each Plan Sponsor in order to consider the varying, unique characteristics or requirements of each plan. Primary determinants of the negotiated fee may include but are not limited to the:

- Amount of plan assets,
- Number of employees / participants,
- Number of plan sponsor locations, and
- Special plan sponsor considerations or requirements.

Delivery of compensation or fees to Strategic Advocates is dependent upon on the invoicing or fee assessment frequency (monthly, quarterly) and policies ("arrears" or "in advance") of the Plan Provider/Platform utilized by the Plan Sponsor. The exact fee and fee payment method will be clearly listed in the pension consulting agreement signed by the client and the Strategic Advocates.

Either party to the advisory agreement may terminate the agreement upon 30-days' written notice to the other party. The fees will be prorated for the quarter in which the termination notice is given, and any unearned fees will be refunded to the client.

#### Erisa Disclosure for Retirement Planning

Fiduciary Status for Retirement Plan Accounts Strategic Advocates is a fiduciary under the Employment Retirement Income Security Act of 1974, as amended ("ERISA") with respect to investment management services and investment advice provided to ERISA plan clients, including ERISA plan participants. Strategic Advocates is also a fiduciary under the Internal Revenue Code (the "IRC") with respect to investment management services and investment advice provided to ERISA plans, ERISA plan participants, individual retirement accounts and individual retirement account owners (collectively "Retirement Account Clients"). As such, Strategic Advocates is subject to specific duties and obligations under ERISA and the IRC, that include, among other things, prohibited transaction rules which are intended to prohibit fiduciaries from acting on conflicts of interest. When a fiduciary gives advice in which it has a conflict of interest, the fiduciary must either avoid or eliminate the conflict or rely upon a prohibited transaction exemption (a "PTE").

#### **Additional Fees and Expenses**

We allow Associated Persons servicing the account to negotiate the exact investment management fees within the range disclosed in our Form ADV Part 2A Brochure. As a result, the Associated Person servicing your account may charge more or less for the same service than another Associated Person of our firm. Further, our annual investment management fee may be higher than that charged by other investment advisors offering similar services/programs.

All fees paid to Strategic Advocates for investment advisory services are separate and distinct from the fees and expenses charged to shareholders by investment companies, such as unit investment trusts, mutual funds or exchange traded funds. These fees and expenses are described in each fund's prospectus. These fees generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, you may pay an initial or deferred sales charge. Clients should also note that money market accounts offered by the qualified custodian are subject to internal expenses that are charged to shareholders.

You could invest in a mutual fund directly, without the services of Strategic Advocates. In which case, you would not receive the advice provided by Strategic Advocates, which is designed, among other things, to assist you in determining which mutual fund or funds are most appropriate to your financial condition and objectives. Accordingly, you should review both the fees charged by the funds and the fees charged by Strategic Advocates to fully understand the total amount of fees to be paid by you to evaluate the advisory services being provided. Although Strategic Advocates uses its best efforts to purchase lower cost mutual fund shares when available, some mutual fund companies do not offer institutional classes to us or they do not offer funds that do not pay 12b-1 distribution fees.

You will also incur custodial fees, transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through which your account transactions are executed. Please see Item 12 – Brokerage Practices for further information on brokerage and transaction costs. We do not share in any portion of the fees or charges imposed by the broker-dealer or custodian. Where suitable, we will recommend no-load mutual funds. To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange traded funds, our firm, and others. For information on our brokerage practices, please refer to the "Brokerage Practices" section of this Disclosure Brochure.

**Cash Positions.** Strategic Advocates treats cash and cash equivalents as an asset class. Accordingly, unless otherwise agreed between the advisor and the client and communicated to the trading department, all cash and cash equivalent positions (e.g., money market funds, etc.) are included as part of assets under management for

purposes of calculating Strategic Advocates' advisory fee. At any specific point in time, depending upon perceived or anticipated market conditions/events (there being no guarantee that such anticipated market conditions/events will occur), Strategic Advocates may maintain cash and/or cash equivalent positions for defensive, liquidity, or other purposes. While assets are maintained in cash or cash equivalents, such amounts could miss market advances and, depending upon current yields, at any point in time, Strategic Advocates' advisory fee could exceed the interest paid by the client's cash or cash equivalent positions.

**Periods of Portfolio Inactivity.** Strategic Advocates has a fiduciary duty to provide services consistent with the client's best interest. As part of its investment advisory services, Strategic Advocates will review client portfolios on an ongoing basis to determine if any changes are necessary based upon various factors, including but not limited to investment performance, fund manager tenure, style drift, account additions/withdrawals, the client's financial circumstances, and changes in the client's investment objectives. Based upon these and other factors, there may be extended periods of time when Strategic Advocates determines that changes to a client's portfolio are neither necessary nor prudent. Notwithstanding, unless otherwise agreed in writing, Strategic Advocates' annual investment advisory fee will continue to apply during these periods, and there can be no assurance that investment decisions made by Strategic Advocates will be profitable or equal any specific performance level(s).

**Billing on Margin.** Unless otherwise agreed in writing, the gross amount of assets in the client's account, including margin balances, are included as part of assets under management for purposes of calculating the firm's advisory fee. Clients should note that this practice will increase total assets under management used to calculate advisory fees which will in turn increase the amount of fees collected by our firm. This practice creates a conflict of interest in that our firm has an incentive to use margin in order to increase the amount of billable assets. At all times, the firm and its Associated Persons strive to uphold their fiduciary duty of fair dealing with clients. Clients are free to restrict the use of margin by our firm. However, clients should note that any restriction on the use of margin may negatively impact an account's performance in a rising market.

Any material conflicts of interest between you and our firm, or our employees are disclosed in this Disclosure Brochure. If at any time, additional material conflicts of interest develop, we will provide you with written notification of the material conflicts of interest or an updated Disclosure Brochure.

Note: Information related to tax or legal consequences that is provided as part of overall portfolio management service is for informative purposes only. Clients are instructed to contact their tax professionals or attorneys for tax or legal advice.

## **Compensation for the Sale of Investment Products**

### Compensation for the Sale of Securities

Registered Representatives, as described above in Item 5, certain firm representatives ("advisory persons" or "advisory personnel") who provide investment advice to clients are registered representatives of CreativeOne Securities, LLC ("CreativeOne"), a licensed full-service securities broker-dealer under federal and state securities laws. CreativeOne is a member of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investors Protection Corporation ("SIPC"). Compensation earned by these persons in their capacities as registered representatives, is separate and in addition to our advisory fees. This practice presents a conflict of interest because persons providing investment advice on behalf of our firm, who are registered representatives, have an incentive to effect securities transactions for the purpose of generating commissions rather than solely based on your needs. In addition, the firm does not currently charge 12b-1 fees and has no intention to do so in the future. As a matter of general policy, we aggressively discourage activities that put your interests anywhere but first. Additionally, we have instituted compliance procedures and a code of ethics that requires our Associated Persons to uphold their fiduciary duty by acting in the best interest of the client. **Clients of our firm have the option to purchase investment products that we recommend through other brokers and agents that are not**

**affiliated with our firm.** As a result of this relationship, CreativeOne may have access to certain confidential information (e.g., financial information, investment objectives, transactions and holdings) about clients, even if the client does not establish an account through CreativeOne. If you would like a copy of the CreativeOne privacy policy, please contact us at (435) 754-7888

**Associated Persons of Strategic Advocates will not accept commissions for securities transactions placed in fee based advisory accounts managed by Strategic Advocates.**

Compensation for the Sale of Insurance Products

Certain Executive officers and other Associated Persons of Strategic Advocates are licensed as independent insurance agents. These persons are eligible to earn commission-based compensation for selling insurance products, including insurance products they sell to you. Insurance commissions earned by these persons are separate and in addition to our advisory fees. This practice presents a conflict of interest because persons providing investment advice on behalf of our firm who are insurance agents have an incentive to recommend insurance products to you for the purpose of generating commissions rather than solely based on your needs.

**Clients of our firm are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with our firm.**

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

Performance-based fees are based on a share of capital gains on or capital appreciation of the client's assets. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. We do not accept performance-based fees or participate in side-by-side management. Our fees are calculated as described in the *Fees and Compensation* section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account(s).

Types of Clients - Item 7

We generally offer investment advisory services to individuals, pension and profit-sharing plans and participants, trusts, estates, charitable organizations, corporations, investment advisers and other business entities.

Strategic Advocates generally requires a minimum account size of \$100,000 for advisory accounts. However, from time-to-time, in its sole discretion, Strategic Advocates may accept smaller accounts based on various criteria, such as anticipated future assets, related accounts, and other factors.

Methods of Analysis, Investment Strategies and Risk of Loss - Item 8

We may use one or more of the following methods of analysis and/or investment strategies when providing investment advice to you:

- *Fundamental Analysis* – involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's stock compared to the current market value. The

primary risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

- *Technical Analysis* – technical analysis is a technique that relies on the assumption that current market data (such as charts of price, volume, and open interest) can help predict future market trends, at least in the short term. It assumes that market psychology influences trading and can predict when stocks will rise or fall. Technical trading models are mathematically driven based upon historical data and trends of domestic and foreign market trading activity, including various industry and sector trading statistics within such markets. Technical trading models, through mathematical algorithms, attempt to identify when markets are likely to increase or decrease and identify appropriate entry and exit points. The primary risk of technical trading models is that historical trends and past performance cannot predict future trends, and there is no assurance that the mathematical algorithms employed are designed properly, updated with new data, and can accurately predict future market, industry, and sector performance.
- *Charting Analysis* – Charting analysis involves the gathering and processing of price and volume pattern information for a particular security, sector, broad index, or commodity. This price and volume pattern information is analyzed. The resulting pattern and correlation data is used to detect departures from expected performance and diversification and predict future price movements and trends. The primary risk of charting analysis is that it may not accurately detect anomalies or predict future price movements. Current prices of securities may reflect all information known about the security and day-to-day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

We may use one or more of the following investment strategies when advising you on investments:

- *Long Term Purchases* – securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year. Using a long-term purchase strategy generally assumes the financial markets will go up in the long-term which may not be the case. There is also the risk that the segment of the market that you are invested in or perhaps just your particular investment will go down over time even if the overall financial markets advance. Purchasing investments long-term may create an opportunity cost - "locking-up" assets that may be better utilized in the short-term in other investments.
- *Short Term Purchases* – securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations. Using a short-term purchase strategy generally assumes that we can predict how financial markets will perform in the short-term which may be very difficult and will incur a disproportionately higher amount of transaction costs compared to long-term trading. There are many factors that can affect financial market performance in the short-term (such as short-term interest rate changes, cyclical earnings announcements, etc.) but may have a smaller impact over longer periods of times.
- *Option Writing* – an option is the right either to buy or sell a specified amount or value of a particular underlying investment instrument at a fixed price (i.e. the "exercise price") by exercising the option before its specified expiration date. Options giving you the right to buy are called "call" options. Options giving you the right to sell are called "put" options. When trading options on behalf of a client, we generally use covered options. Covered options involve options trading when you own the underlying instrument on which the option is based. Investments in options contracts have the risk of losing value in a relatively short period of time. Option contracts are leveraged instruments that allow the holder of

a single contract to control many shares of an underlying stock. This leverage can compound gains or losses.

- *Trading* – securities are sold within 30 days. The principal type of risk associated with trading is market risk. There can be no assurance that a specific investment will achieve its investment objectives and past performance should not be seen as a guide to future returns. The value of investments and the income derived may fall as well as rise and investors may not recoup the original amount invested. Other factors, such as changes in exchange control regulation, tax laws, withholding taxes, international, political and economic developments, and government, economic or monetary policies, may affect investments as well. Additionally, trading is speculative. Market movements are difficult to predict and are influenced by, among other things, government trade, fiscal, monetary and exchange control programs and policies; changing supply and demand relationships; national and international political and economic events; changes in interest rates; and the inherent volatility of the marketplace. In addition, governments from time to time intervene, directly and by regulation, in certain markets, often with the intent to influence prices directly. The effects of governmental intervention may be particularly significant at certain times in the financial instrument markets and such intervention (as well as other factors) may cause these markets to move rapidly.
- *Short Sales* - securities transaction in which an investor sells securities that were borrowed in anticipation of a price decline. The principal type of risk associated with short selling is that the investor is then required to return an equal number of shares at some point in the future. A short seller will profit if the stock goes down in price, but if the price of the shares increase, the potential losses are unlimited.
- *Margin Transactions* – margin strategies allow an investor to purchase securities on credit and to borrow on securities already in their custodial account. Interest is charged on any borrowed funds for the period that the loan is outstanding. When you purchase securities, you may pay for the securities in full or you may borrow part of the purchase price from your broker-dealer. If you intend to borrow funds in connection with your account, you will be required to open a margin account, which will be carried by the broker-dealer of your account. The securities purchased in such an account are the broker-dealer's collateral for its loan to you. If the securities in a margin account decline in value, the value of the collateral supporting this loan also declines, and, as a result, a brokerage firm is required to take action, such as issue a margin call and/or sell securities or other assets in your accounts, in order to maintain necessary level of equity in the account. It is important that you fully understand the risks involved in trading securities on margin, which are applicable to any margin account that you may maintain, including any margin Account that may be established as a part of our advisory services and held by your broker-dealer. These risks include the following:
  1. You can lose more funds than you deposit in your margin account.
  2. The broker-dealer can force the sale of securities or other assets in your account.
  3. The broker-dealer can sell your securities or other assets without contacting you.
  4. You may not be able to choose which securities or other assets in your margin account are liquidated or sold to meet a margin call.
  5. The broker-dealer may move securities held in your cash account to your margin account and pledge the transferred securities.
  6. You may not be entitled to an extension of time on a margin call.

**Investing in securities involves risk of loss that clients should be prepared to bear.**

The investment advice provided along with the strategies suggested by Strategic Advocates will vary depending on each client's specific financial situation and goals. This brief statement does not disclose all of the risks and other significant aspects of investing in financial markets. In light of the risks, you should fully understand the nature of the contractual relationship(s) into which you are entering and the extent of your exposure to risk.



Certain investing strategies may not be suitable for many members of the public. You should carefully consider whether the strategies employed would be appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances.

**Recommendation of Particular Types of Securities:** As disclosed under the “Advisory Business” section in this Brochure, we provide advice on various types of securities and we do not necessarily recommend one particular type of security over another since each client has different needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with it.

**General Investment Risk:** All investments come with the risk of losing money. Investing involves substantial risks, including complete possible loss of principal plus other losses and may not be suitable for many members of the public. Investments, unlike savings and checking accounts at a bank, are not insured by the government to protect against market losses. Different market instruments carry different types and degrees of risk and you should familiarize yourself with the risks involved in the particular market instruments in which you intend to invest.

**Loss of Value:** There can be no assurance that a specific investment will achieve its investment objectives and past performance should not be seen as a guide to future returns. The value of investments and the income derived may fall as well as rise and investors may not recoup the original amount invested. Investments may also be affected by any changes in exchange control regulation, tax laws, withholding taxes, international, political and economic developments, and governmental economic or monetary policies.

**Interest Rate Risk:** Fixed income securities and funds that invest in bonds and other fixed income securities may fall in value if interest rates change. Generally, the prices of debt securities rise when interest rates fall, and their prices fall when interest rates rise. Longer-term debt securities are usually more sensitive to interest rate changes.

**Credit Risk:** Investments in bonds and other fixed income securities are subject to the risk that the issuer(s) may not make required interest payments. An issuer suffering an adverse change in its financial condition could lower the credit quality of a security, leading to greater price volatility of the security. A lowering of the credit rating of a security may also offset the security's liquidity, making it more difficult to sell. Funds investing in lower quality debt securities are more susceptible to these problems and their value may be more volatile.

**Foreign Exchange Risk:** Foreign investments may be affected favorably or unfavorably by exchange control regulations or changes in the exchange rates. Changes in currency exchange rates may influence the share value, the dividends or interest earned and the gains and losses realized. Exchange rates between currencies are determined by supply and demand in the currency exchange markets, the international balance of payments, governmental intervention, speculation, and other economic and political conditions. If the currency in which a security is denominated appreciates against the US Dollar, the value of the security will increase. Conversely, a decline in the exchange rate of the currency would adversely affect the value of the security.

**Risks Associated with Investing in Equities:** Investments in equities generally refers to buying shares of stocks by an individual or firms in return for receiving a future payment of dividends and capital gains if the value of the stock increases. There is an innate risk involved when purchasing a stock that it may decrease in value and the investment may incur a loss.

**Risks Associated with Investing in Mutual Funds:** Mutual funds are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities, or any combination thereof. The fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. While mutual funds generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market,

primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities. The returns on mutual funds can be reduced by the costs to manage the funds. In addition, while some mutual funds are “no load” and charge no fee to buy into, or sell out of, other types of mutual funds do charge such fees which can also reduce returns.

**Risks Associated with Investing in Exchange Traded Funds (ETF):** Investing in stocks & ETF's carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Investments in these securities are not guaranteed or insured by the FDIC or any other government agency.

**Risks Associated with Investing in Private Funds:** Private investment funds are not registered with the Securities and Exchange Commission and may not be registered with any other regulatory authority. Accordingly, they are not subject to certain regulatory restrictions and oversight to which other issuers are subject. There may be little public information available about their investments and performance. Moreover, as sales of shares of private investment companies are generally restricted to certain qualified purchasers, it could be difficult for a client to sell its shares of a private investment company at an advantageous price and time. Since shares of private investment companies are not publicly traded, from time to time it may be difficult to establish a fair value for the client's investment in these companies.

**Risks Associated with Investing in Options:** Transactions in options carry a high degree of risk. A relatively small market movement will have a proportionately larger impact, which may work for or against the investor. The placing of certain orders, which are intended to limit losses to certain amounts, may not be effective because market conditions may make it impossible to execute such orders. Selling ("writing" or "granting") an option generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of that amount. The seller will also be exposed to the risk of the purchaser exercising the option and the seller will be obliged either to settle the option in cash or to acquire or deliver the underlying investment. If the option is "covered" by the seller holding a corresponding position in the underlying investment or a future on another option, the risk may be reduced.

**Risks Associated with Investing in Alternative Investments:** We may recommend to qualified clients the use of alternative investments such as investments in real estate, private equity, or hedge funds. We may also recommend a direct investment into a private company. Investments in such “alternative assets” are generally illiquid, which will impair the ability of the client to exit such investments in times of adversity. Alternative investments may utilize highly speculative investment techniques, including leverage, highly concentrated portfolios, senior and/or subordinated securities positions, control positions and illiquid investments. In addition, they may utilize derivative instruments to attempt to hedge the risks associated with certain of their investments. Transactions in such derivative instruments may expose the assets of investment funds to the risks of material financial loss, which may in turn adversely affect the financial results of the client.

**Risks Associated with Investing in Structured Products:** Certain structured products enable the investor to acquire interests in a pool of securities without the brokerage and other expenses associated with individually holding the same securities, investors in structured products generally pay their share of the structured product's administrative and other expenses. Although it is difficult to predict whether the prices of assets underlying structured products will rise or fall, these prices (and, therefore, the prices of structured products) will be influenced by the same types of political and economic events that affect issuers of securities and capital markets generally. If the issuer of a structured product uses shorter-term financing to purchase longer-term securities, the issuer may be forced to sell its securities at below-market prices if it experiences difficulty in obtaining short-term financing, which may adversely affect the value of the structured products. Certain structured products may be thinly traded or have a limited trading market.

**Leveraged and Inverse ETF Risk:** A leveraged ETF generally seeks to deliver multiples of the daily performance of the index or benchmark that it tracks. An inverse ETF generally seeks to deliver the opposite of the daily

performance of the index or benchmark that it tracks. Inverse ETFs often are marketed as a way for investors to profit from, or at least hedge their exposure to, downward-moving markets. Some ETFs are both inverse and leveraged, meaning that they seek a return that is a multiple of the inverse performance of the underlying index. To accomplish their objectives, leveraged and inverse ETFs use a range of investment strategies, including swaps, futures contracts and other derivative instruments. Leveraged, inverse, and leveraged inverse ETFs are more volatile and riskier than traditional ETFs due to their exposure to leverage and derivatives, particularly total return swaps and futures. At times, we will recommend leveraged and/or inversed ETFs, which may amplify gains and losses.

Most leveraged ETFs are typically designed to achieve their desired exposure on a daily (in a few cases, monthly) basis, and reset their leverage daily. A "single day" is measured from the time the leveraged ETF calculates its net asset value ("NAV") to the time of the leveraged ETF's next NAV calculation. The return of the leveraged ETF for periods longer than a single day will be the result of each day's returns compounded over the period. Due to the effect of this mathematical compounding, their performance over longer periods of time can differ significantly from the performance (or inverse performance) of their underlying index or benchmark during the same period of time. For periods longer than a single day, the leveraged ETF will lose money when the level of the Index is flat, and it is possible that the leveraged ETF will lose money even if the level of the Index rises. Longer holding periods, higher index volatility and greater leverage all exacerbate the impact of compounding on an investor's returns. During periods of higher Index volatility, the volatility of the Index may affect the leveraged ETF's return as much as or more than the return of the Index itself. Therefore, holding leveraged, inverse, and leveraged inverse ETFs for longer periods of time increases their risk due to the effects of compounding and the inherent difficulty in market timing. Leveraged ETFs are riskier than similarly benchmarked ETFs that do not use leverage. Non-traditional ETFs are volatile and not suitable for all investors. Positions in nontraditional ETFs should be monitored closely due to their volatile nature and inability to track the underlying index over an extended period of time.

**Illiquid securities:** Illiquid securities involve the risk that investments may not be readily sold at the desired time or price. Securities that are illiquid, that are not publicly traded, and/or for which no market is currently available may be difficult to purchase or sell, which may impact the price or timing of a transaction. An inability to sell securities can adversely affect an account's value or prevent an account from taking advantage of other investment opportunities. Lack of liquidity may cause the value of investments to decline and illiquid investments may also be difficult to value. A client may not be able to liquidate investment in the event of an emergency or any other reason.

Certain investment strategies used by our firm may invest in illiquid asset vehicles, such as private equity and real estate. Investment in an illiquid asset vehicle poses similar risks as direct investments in illiquid securities. In addition, investment in an illiquid asset vehicle will be subject to the terms and conditions of the illiquid asset vehicle's investment policy and governing documents that often include provisions that may involve investor lock-in periods, mandatory capital calls, redemption restrictions, infrequent valuation of assets, etc. In addition, investments in illiquid securities or vehicle may normally involve investment in non-marketable securities where there is limited transparency. If obligated to sell an illiquid security prior to an expected maturity date, particularly with an infrastructure investment, they may not be able to realize fair value. Investments in illiquid securities or vehicles may include restrictions on withdrawal rights and shares may not be freely transferable.

There also are risks surrounding various insurance products that are recommended to Wealth Advocates' clients from time to time. Such risks include, but are not limited to loss of premiums. Prior to purchasing any insurance product, clients should carefully read the policy and applicable disclosure documents.

Clients are advised that they should only commit assets for management that can be invested for the long term, that volatility from investing can occur, and that all investing is subject to risk. Wealth Advocates does not guarantee the future performance of a client's portfolio, as investing in securities involves the risk of loss that clients should be prepared to bear.

Past performance of a security or a fund is not necessarily indicative of future performance or risk of loss.

Use of External Managers

Wealth Advocates may select certain External Managers to manage a portion of its clients' assets. In these situations, the success of such recommendations relies to a great extent on the External Managers' ability to successfully implement their investment strategies. In addition, Wealth Advocates generally may not have the ability to supervise the External Managers on a day-to-day basis.

**Cybersecurity Risks:** Our firm and its service providers are subject to risks associated with a breach in cybersecurity. Cybersecurity is a generic term used to describe the technology, processes and practices designed to protect networks, systems, computers, programs and data from cyber-attacks and hacking by other computer users, and to avoid the resulting damage and disruption of hardware and software systems, loss or corruption of data, and/or misappropriation of confidential information. In general, cyber-attacks are deliberate, however, unintentional events may have similar effects. Cyber-attacks may cause losses to clients by interfering with the processing of transactions, affecting the ability to calculate net asset value or impeding or sabotaging trading. Clients may also incur substantial costs as the result of a cybersecurity breach, including those associated with forensic analysis of the origin and scope of the breach, increased and upgraded cybersecurity, identity theft, unauthorized use of proprietary information, litigation, and the dissemination of confidential and proprietary information. Any such breach could expose our firm to civil liability as well as regulatory inquiry and/or action. In addition, clients could be exposed to additional losses as a result of unauthorized use of their personal information. While our firm has established business continuity plans, incident response plans and systems designed to prevent cyber-attacks, there are inherent limitations in such plans and systems, including the possibility that certain risks have not been identified. Similar types of cyber security risks also are present for issuers of securities in which we invest, which could result in material adverse consequences for such issuers and may cause a client's investment in such securities to lose value.

**Pandemic Risk:** In December 2019, a new strain of coronavirus (also known as, and hereinafter referred to as "COVID-19") originated in Wuhan, China, and quickly spread to infect many people in the city and surrounding area. In some cases, COVID-19 causes severe illness and even death. Since its discovery, COVID-19 has spread throughout China and to several other countries, significantly impacting their economies. Various measures are being taken by countries, including the United States, both on a macro country-wide level and a local level, to combat the virus and its spread. Some of these measures include quarantines, travel bans, bans on public events, bans on large public gatherings, closures of public venues (e.g., restaurants, concert halls, museums, theaters, schools and stadiums) or shelter-in-place orders. The World Health Organization publicly characterized COVID-19 as a pandemic. The President of the United States declared the COVID-19 outbreak a national emergency. The Center for Disease Control has stated a risk exists of a pandemic in the United States. In such a situation, the effect on the economy and on the public will likely be severe. There are no comparable recent events in the United States which may provide guidance as to the effect of the spread of COVID-19 and a potential pandemic on the business, financial condition and results of operations of a client's investments. Therefore, there is considerable uncertainty of COVID-19's potential effect, which could have a material adverse effect on the clients and on the business, financial condition and results of operations of the firm.

Disciplinary Information - Item 9

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of us or of the integrity of our management. Neither we nor our management persons have a history of reportable material legal or disciplinary events.

Other Financial Industry Activities or Affiliations - Item 10

Neither Strategic Advocates nor any of its management persons is registered as a futures commission merchant, a commodity trading adviser, or a commodity pool operator, nor do the parties have an application pending or otherwise in process for the purpose of seeking registration as any of these types of firms. Further, none of our management persons are registered as or currently seeking registration as associated persons of any of these types of firms.

#### Securities Brokerage Activities

Certain Associated Persons of Strategic Advocates are registered representatives of CreativeOne, a licensed full-service securities broker-dealer under federal and state securities laws. CreativeOne is a member of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investors Protection Corporation ("SIPC"). In their capacities as registered representatives, these persons are eligible to receive commission-based compensation in connection with the purchase and sale of securities. Compensation earned by these persons in their capacities as registered representatives, is separate and in addition to our advisory fees. This practice presents a conflict of interest because persons providing investment advice on behalf of our firm, who are registered representatives, have an incentive to effect securities transactions for the purpose of generating commissions rather than solely based on your needs. As a matter of general policy, we aggressively discourage activities that put your interests anywhere but first. Additionally, we have instituted compliance procedures and a code of ethics that requires our Associated Persons to uphold their fiduciary duty by acting in the best interest of the client. **Clients of our firm have the option to purchase investment products that we recommend through other brokers and agents that are not affiliated with our firm. Additionally, we have implemented internal policies to ensure that Associated Persons of Strategic Advocates will not accept commissions for securities transactions placed in fee based advisory accounts managed by Strategic Advocates.**

#### Insurance Brokerage Activities

Certain Executive officers and other Associated Persons of Strategic Advocates are licensed as independent insurance agents. These persons are eligible to earn commission-based compensation for selling insurance products, including insurance products they sell to you. Insurance commissions earned by these persons are separate and in addition to our advisory fees. This practice presents a conflict of interest because persons providing investment advice on behalf of our firm, who are insurance agents, have an incentive to recommend insurance products to you for the purpose of generating commissions rather than solely based on your needs. **Clients of our firm are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with our firm.**

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

#### **Description of Our Code of Ethics**

Strategic Advocates has adopted a Code of Ethics (the "Code") to address investment advisory conduct. The Code focuses primarily on fiduciary duty, personal securities transactions, insider trading, gifts, and conflicts of interest. The Code includes Strategic Advocates' policies and procedures developed to protect client's interests in relation to the following topics:

- The duty at all times to place the interests of clients first;
- The requirement that all personal securities transactions be conducted in such a manner as to be consistent with the Code;
- The responsibility to avoid any actual or potential conflict of interest or misuse of an employee's position of trust and responsibility;
- The fiduciary principle that information concerning the identity of security holdings and financial circumstances of clients is confidential; and
- The principle that independence in the investment decision-making process is paramount.

A copy of Strategic Advocates' Code of Ethics is available upon request to our firm at (435) 754-7888 or at [Brad@wealth-advocates.com](mailto:Brad@wealth-advocates.com).

#### **Interest in Client Transactions**

Please refer to Compensation for the Sale of Securities in Items 5 and 10 above for information about recommendations of securities in which related persons have material financial interests and for information regarding the conflicts of interest associated with such practices.

#### **Personal Trading Practices**

At times, Strategic Advocates and/or its Advisory Representatives may take positions in the same securities as clients. This is considered a conflict of interest with clients. Strategic Advocates and its Advisory Representatives will generally be "last in" and "last out" for the trading day when trading occurs in close proximity to client trades, however, we will uphold our fiduciary responsibilities to our clients. Front running (trading shortly ahead of clients) is prohibited. Should a conflict occur because of materiality (e.g., a thinly traded stock), disclosure will be made to the client(s) at the time of trading. Alternatively, Accounts owned by our firm or persons associated with our firm may participate in block trading with client accounts; however, they will not be given preferential treatment. Mutual fund purchases are not subject to these policies because the transactions are executed at net asset value at the end of the trading day.

### **Brokerage Practices - Item 12**

We recommend and request clients to implement trades and maintain custody of assets through discount brokers. We will recommend the services of Charles Schwab & Co., Inc. ("Schwab") and Fidelity Institutional Wealth Services and/or its affiliate, National Financial Services LLC (collectively "Fidelity"). These firms are independent and unaffiliated SEC-registered broker-dealers and members of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investor Protection Corporation ("SIPC"). These firms offer us services that include custody of securities, trade execution, clearance, and settlement of transactions.

A block trade is the buying and selling of large volumes of securities. It's a way for traders to carry out bilateral exchanges of securities without market prices having a negative impact. These trades typically take place away from exchanges in order to avoid outlier price points and their potential, albeit temporary, effect on the price of a given security. Often Strategic Advocates will take advantage of block trading and trades will be executed for clients as well as Strategic Advocates' associates within the same trade.

#### **Research and Other Soft Dollar Benefits received from Schwab**

Strategic Advocates has an institutional custodial relationship with Charles Schwab & Co., Inc. (Schwab), a FINRA-registered broker-dealer, member SIPC. Schwab Advisor Services (formerly called Schwab Institutional) is Schwab's business serving independent investment advisory firms like us. We are independently owned and operated and not affiliated with Schwab. Schwab will hold your assets in a brokerage account and will buy and sell securities in your account(s) upon our instructions. While we recommend that you use Schwab as custodian/broker, you will decide whether to do so and you will open your account with Schwab by entering into an account agreement directly with them. We do not open the account for you.

#### *Your Custody and Brokerage Costs*

Schwab generally does not charge you separately for custody services, but is compensated by charging commissions or other fees on trades that it executes or that settle into your Schwab account. In addition to commissions, Schwab charges a flat dollar amount as a "prime broker" or "trade away" fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Schwab account. Clients who have opened a Wrap Program account do not pay any separate fees to Schwab because Strategic Advocates' fee is inclusive of all fees paid to Schwab.

*Research and Other Soft Dollar Benefits*

Although not considered “soft dollar” compensation, Strategic Advocates may receive some economic benefits from Schwab Advisor Services in the form of access to its institutional brokerage, trading, custody, reporting and related services, many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients’ accounts while others help us manage and grow our business. Schwab’s support services are generally available on an unsolicited basis (we don’t have to request them) and at no charge to us. Below is a detailed description of Schwab’s support services:

*Services that Benefit You:* Schwab’s institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab’s services described in this paragraph generally benefit you and your account.

*Services that May Not Directly Benefit You:* Schwab also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients’ accounts. They include investment research, both Schwab’s own and that of third parties. We may use this research to service all or some substantial number of our clients’ accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- provide access to client account data (such as duplicate trade confirmations and account statements);
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- provide pricing and other market data;
- facilitate payment of our fees from our clients’ accounts; and
- assist with back-office functions, recordkeeping, and client reporting.

*Services that Generally Benefit Only Us:* Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- educational conferences and events;
- technology, compliance, legal, and business consulting;
- publications and conferences on practice management and business succession; and
- access to employee benefits providers, human capital consultants, and insurance providers.

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party’s fees. Schwab may also provide us with other benefits such as occasional business entertainment of our personnel.

Additionally, we have received certain transition assistance benefits from Schwab to help us pay for certain start-up costs, software purchases, and compliance assistance services. Clients should be aware of this conflict and take it into consideration in making a decision whether to custody their assets with firms recommended by our firm. Our firm addresses this conflict of interest by evaluating and recommending that clients use Schwab’s services based on the benefits that such services provide, rather than the transition assistance made available to our firm. We consider Schwab’s suite of services when recommending that Clients maintain accounts with Schwab. Clients should, however be aware of this conflict of interest and take it into consideration when deciding whether to custody their assets in an advisory account at Schwab.

**Research and Other Soft Dollar Benefits received from Fidelity**

Fidelity's brokerage services provide access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Fidelity include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Fidelity's services described in this paragraph generally benefit you and your account.

*Services that May Not Directly Benefit You:* Fidelity also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts. They include limited scope investment research. We may use this research to service all or some substantial number of our clients' accounts, including accounts not maintained at Fidelity. In addition to investment research, Fidelity also makes available software and other technology that:

- provide access to client account data (such as duplicate trade confirmations and account statements);
- facilitate trade execution;
- provide pricing and other market data;
- facilitate payment of our fees from our clients' accounts; and
- assist with back-office functions, recordkeeping, and client reporting.

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

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

#### **Directed Brokerage**

Persons providing investment advice on behalf of our firm who are registered representatives of CreativeOne would normally be required to recommend CreativeOne to you for brokerage services. These individuals are subject to applicable industry rules that restrict them from conducting securities transactions away from CreativeOne unless CreativeOne provides the representatives with written authorization to do so, which CreativeOne has done in this case. Therefore, although these individuals would generally be limited to conducting securities transactions through CreativeOne, in this instance, as noted above, they will generally recommend Schwab and Fidelity. It may be the case that Schwab and Fidelity charge higher transaction costs and/or custodial fees than another broker charges for the same types of services. However, if transactions were executed through CreativeOne these individuals (in their separate capacities as registered representatives of CreativeOne) could earn commission-based compensation as a result of placing the recommended securities transactions through CreativeOne. This practice would present a conflict of interest because these registered representatives would have an incentive to effect securities transactions for the purpose of generating commissions rather than solely based on your needs. You may utilize the broker-dealer of your choice and have no obligation to purchase or sell securities through such broker as we recommend. However, if you do not use the recommended broker we may not be able to accept your account. See the Fees and Compensation section in this brochure for more information on the compensation received by registered representatives who are affiliated with our firm.

#### **Block Trades**

We combine multiple orders for shares of the same securities purchased for discretionary advisory accounts we manage (this practice is commonly referred to as "block trading"). We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. Generally, accounts will pay a fixed transaction cost regardless of the number of shares transacted. In certain cases, each participating account pays an average price per share for all transactions and pays a proportionate share of all transaction costs on any given day. In the event an order is only partially filled, the shares will be allocated to participating accounts in a fair and equitable manner, typically in proportion to the size of each client's order. Accounts owned by our firm or persons associated with our firm may participate in block trading with your accounts; however, they will not be given preferential treatment.

We do not block trade for non-discretionary accounts. Accordingly, non-discretionary accounts may pay different costs than discretionary accounts pay. If you enter into non-discretionary arrangements with our firm, we may



not be able to buy and sell the same quantities of securities for you and you may pay higher commissions, fees, and/or transaction costs than clients who enter into discretionary arrangements with our firm.

#### Review of Accounts - Item 13

##### **Portfolio Management Account Reviews**

Strategic Advocates monitors client account holdings on a periodic basis and conducts formal account reviews at least annually. Accounts are reviewed by the Associated Person assigned to the account. Reviews may be conducted in person or over the phone.

Additional reviews may be offered in certain circumstances. Triggering factors that may stimulate additional reviews include, but are not limited to, changes in economic conditions, changes in the client's financial situation or investment objectives, or upon client request.

A written financial plan produced as a result of a financial planning engagement is a snapshot in time and no ongoing reviews are conducted, unless you have engaged us for periodic updates. We recommend a plan review at least annually.

Clients will receive statements directly from their account custodian(s) at least quarterly. Strategic Advocates may also provide performance reports as requested by the client.

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

Strategic Advocates has a brokerage and clearing arrangement with Schwab and Fidelity and the firm will receive additional benefits from these firms in the form of electronic delivery of client information, electronic trading platforms, institutional trading support, proprietary and/or third-party research, continuing education, practice management advice, and other services provided by custodians for the benefit of investment advisory clients. Please refer to item 12 above for more information about the receipt of additional benefits from broker-dealers/account custodians.

Strategic Advocates does not currently have any client referral agreements.

#### Custody - Item 15

We do not have physical custody of any of your funds and/or securities. However, we are deemed to have custody over your funds or securities because of the fee deduction authority granted by the client.

With respect to third party standing letters of authorization ("SLOA") where a client grants us authority to direct custodians to disburse funds to one or more third party accounts, we are deemed to have custody pursuant to Rule 206(4)-2 (the "Custody Rule"). We have taken steps to have controls and oversight in place to comply with the no-action letter issued by the SEC on February 21, 2017 (the "SEC no-action letter"). We are not required to comply with the surprise examination requirements of the Custody Rule if we comply with the representations noted in the SEC no-action letter. Where our firm acts pursuant to a SLOA, we believe we are making a good faith effort to comply with the representations noted in the SEC no-action letter. Additionally, since many of the representations noted in the SEC no-action letter involve the qualified custodian's operations, we will collaborate closely with our custodian(s) to ensure that the representations are met.

Your funds and securities will be held with a bank, broker-dealer, or other independent, qualified custodian. You will receive account statements from the independent, qualified custodian(s) holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate the amount of our advisory fees deducted from your account. You should carefully review account statements for accuracy. If you have questions regarding your account or if you did not receive a statement from your custodian, please contact us at (435) 754-7888 or at [Brad@wealth-advocates.com](mailto:Brad@wealth-advocates.com).

#### **Investment Discretion - Item 16**

Strategic Advocates offers Portfolio Management Services on a discretionary or non-discretionary basis. For discretionary services, clients must grant discretionary authority in the management agreement. Discretionary authority extends to the types and amounts of securities to be bought and sold in client accounts. However, our firm does not retain discretionary authority to select the broker/dealer used for transactions, or commission rates paid.

Apart from the ability to withdraw management fees, Strategic Advocates does not have the ability to withdraw funds or securities from the client's account. The client provides Strategic Advocates discretionary authority via a limited power of attorney in the management agreement and in the contract between the client and the custodian.

If you wish, you may limit our discretionary authority, for example, by setting a limit on the type of securities that can be purchased for your account. Simply provide us with your restrictions or guidelines in writing. Please refer to the "Advisory Business" section in this Brochure for more information on our discretionary management services.

If you have engaged us for non-discretionary portfolio management services, Strategic Advocates will obtain your approval prior to executing any transactions in your account(s).

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

Strategic Advocates does not vote proxies. It is the client's responsibility to vote proxies. Clients will receive proxy materials directly from the custodian. Questions about proxies may be made via the contact information on the cover page.

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

We are required in this Item to provide you with certain financial information or disclosures about Strategic Advocates', financial condition. Strategic Advocates does not require the prepayment of over \$1,200, six or more months in advance. Additionally, Strategic Advocates has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and it has not been the subject of a bankruptcy proceeding.

#### **Requirements of State-Registered Advisers - Item 19**

**This section is not applicable because our firm is SEC registered.**

## **Bradley R. Harsch**

Managing Member / Chief Investment Officer / Investment Adviser Representative

### **Strategic Advocates, LLC**

255 South Main Street, Suite 100  
Logan, UT 84312

Phone: (435) 754-7888

[bharsch@strati.co](mailto:bharsch@strati.co)

[www.wealth-advocates.com](http://www.wealth-advocates.com)

**January 2025**

### **Form ADV Part 2B Brochure Supplement**

This Brochure Supplement provides information about Bradley R. Harsch (CRD number 19144419) that supplements the Disclosure Brochure of Strategic Advocates, LLC (hereinafter "Strategic Advocates"), a copy of which you should have received. Please contact Strategic Advocates' Chief Compliance Officer Sonia Goforth, 502-540-2593 if you did not receive the Disclosure Brochure or if you have any questions about the contents of this Brochure Supplement.

Additional information about Bradley R. Harsch is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Mr. Harsch's CRD number is 1944419.

### Educational Background and Business Experience - Item 2

**Bradley R. Harsch, AIF®**

Year of Birth: 1965

Formal Education After High School:

- University of California, B.A., Sociology, 1989

Business Background for the Previous Five Years:

- Strategic Advocates, LLC, Managing Member/Chief Compliance Officer, 07/2021 to Present; Investment Adviser Representative, 08/2022 to Present
- Cambridge Investment Research Inc, Registered Representative, 02/2014 to 12/2022
- Cambridge Investment Research Advisors Inc, Investment Adviser Representative, 02/2014 to 10/2022

Professional Designations:

Accredited Investment Fiduciary® (AIF®)

The AIF designation certifies that the recipient has specialized knowledge of fiduciary standards of care and their application to the investment management process. To receive the AIF designation, individuals must complete a training program, successfully pass a comprehensive, closed-book final examination under the supervision of a proctor and agree to abide by the AIF Code of Ethics. In order to maintain the AIF designation, the individual must annually renew their affirmation of the AIF Code of Ethics and complete six hours of continuing education credits. The certification is administered by the Center for Fiduciary Studies, the standards-setting body of fi360.

### Disciplinary Information - Item 3

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Mr. Harsch and Strategic Advocates. Mr. Harsch has no history of reportable legal or disciplinary events.

### Other Business Activities - Item 4

Strategic Advocates is required to disclose if **Bradley R Harsh** is engaged in any investment-related business or occupation, including whether the relationship creates a material conflict of interest or if he receives compensation from the sale of securities products. Strategic Advocates is also required to disclose if he is actively engaged in any other business that provides a substantial source of his income or involves a substantial amount of his time.

Currently, Mr. Harsch has no other business activities.

### Additional Compensation – Item 5

Your financial advisor may receive economic benefits from persons other than clients in connection with advisory services. Please ask your financial advisor about whether he or she receives any of the forms of additional compensation outlined below.

Mr. Harsh is a registered representative of Creative One Securities, LLC, a registered broker dealer and a member of the Financial Industry Regulatory Authority (“FINRA”) and the Securities Investor Protection Corporation

("SIPC"). In his capacity as a registered representative, Mr. Harsh will receive commission-based compensation in connection with the purchase and sale of securities, including 12b-1 fees for the sale of investment company products. Compensation earned in his capacity as registered representative is separate from our advisory fees. This practice presents a conflict of interest because Mr. Harsh provides investment advice on behalf of our firm and registered representatives have an incentive to effect securities transactions for the purpose of generating commissions rather than solely based on your needs. Please also be advised that Mr. Harsh strives to put his clients' interest first and foremost, and clients are not obligated to utilize the services of Mr. Harsh as a registered representative. Mr. Harsh anticipates spending 18% of his professional time in the capacity as a registered representative of Creative One Securities, LLC.

#### Supervision - Item 6

Sonia Goforth is the Chief Compliance Officer for Strategic Advocates (502-540-2593). Mrs. Goforth is responsible for the supervision of the firm's compliance program and the monitoring of client portfolios for investment objectives and other supervisory reviews. Mr. Harsch, Managing Member and an investment adviser representative of Strategic Advocates, is supervised by Sonia Goforth Chief Compliance Officer of Strategic Advocates. Mrs. Goforth can be reached at the phone number listed on the cover page of this brochure supplement.

Strategic Advocates has implemented a Code of Ethics and an internal compliance program that guides the firm and its personnel in complying with applicable state and federal securities laws and in meeting their fiduciary obligations to clients. Clients may contact Sonia Goforth, Chief Compliance Officer, at [Sonia.goforth@dinsmorecomplianceservices.com](mailto:Sonia.goforth@dinsmorecomplianceservices.com) to obtain a copy of our firm's code of ethics.

Additionally, Strategic Advocates is subject to regulatory oversight by various agencies. These agencies require registration by Strategic Advocates and its investment adviser representatives. As a registered entity, Strategic Advocates is subject to examinations by regulators, which may be announced or unannounced. Strategic Advocates is required to periodically update the information provided to these agencies and to provide various reports regarding firm business.

**Collin E. Sinnott**

Investment Adviser Representative

**Strategic Advocates, LLC**

255 South Main Street, Suite 100  
Logan, UT 84312

Phone: (435) 754-7888

[collin@strati.co](mailto:collin@strati.co)

[www.wealth-advocates.com](http://www.wealth-advocates.com)

**November 2024**

**Form ADV Part 2B Brochure Supplement**

This Brochure Supplement provides information about Collin E. Sinnott (CRD number 7486651) that supplements the Disclosure Brochure of Strategic Advocates, LLC (hereinafter "Strategic Advocates"), a copy of which you should have received. Please contact Strategic Advocates' Chief Compliance Officer Sonia Goforth, 502-540-2593 if you did not receive the Disclosure Brochure or if you have any questions about the contents of this Brochure Supplement.

Additional information about Collin E. Sinnott is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Mr. Sinnott's CRD number is 7486651.

### Educational Background and Business Experience - Item 2

**Collin E. Sinnott, AIF®**

Year of Birth: 2000

Formal Education After High School:

- University of California – Davis, B.S., Biological Sciences

Business Background for the Previous Five Years:

- Strategic Advocates, LLC, Investment Adviser Representative, 09/2022 to Present
- Cambridge Investment Research Inc, Investment Adviser Representative, 04/2022 to Present'; Administrative, 01/2022 to Present
- University of California – Davis, Student, 09/2018 to 06/2022
- Insomnia Cookies, Delivery Driver, 01/2021 to 01/2022
- University of California – Davis, Laboratory Assistant, 08/2019 to 01/2022

Professional Designations:

Accredited Investment Fiduciary® (AIF®)

The AIF designation certifies that the recipient has specialized knowledge of fiduciary standards of care and their application to the investment management process. To receive the AIF designation, individuals must complete a training program, successfully pass a comprehensive, closed-book final examination under the supervision of a proctor and agree to abide by the AIF Code of Ethics. In order to maintain the AIF designation, the individual must annually renew their affirmation of the AIF Code of Ethics and complete six hours of continuing education credits. The certification is administered by the Center for Fiduciary Studies, the standards-setting body of Fi360.

### Disciplinary Information - Item 3

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Mr. Sinnott and Strategic Advocates. Mr. Sinnott has no history of reportable legal or disciplinary events.

### Other Business Activities - Item 4

Mr. Sinnott is dually registered as investment adviser representative of Creative One Securities, LLC, an SEC registered investment adviser, and receives regular compensation for advisory business conducted through Cambridge. This presents a conflict of interest because Mr. Sinnott has an incentive to recommend the services of Cambridge over the services of another investment adviser. However, you are under no obligation, contractually or otherwise, to utilize the advisory services of Cambridge. Please also be advised that Mr. Sinnott strives to put his clients' interest first and foremost, and clients are not obligated to utilize the services of Mr. Sinnott as an investment adviser representative. Mr. Sinnott anticipates spending 75% of his professional time in the capacity as an investment adviser representative of Creative One Securities, LLC.

### Additional Compensation – Item 5

Apart from the receipt of compensation for the activities disclosed under Item 4 above, Mr. Sinnott does not receive additional compensation or economic benefits from third party sources in connection with his advisory activities.



**Supervision - Item 6**

Sonia Goforth is the Chief Compliance Officer for Strategic Advocates (502-540-2593). Mrs. Goforth is responsible for the supervision of the firm's compliance program and the monitoring of client portfolios for investment objectives and other supervisory reviews. Mr. Sinnott, an Investment Adviser Representative of Strategic Advocates, is supervised by Sonia Goforth Chief Compliance Officer of Strategic Advocates. Mrs. Goforth can be reached at the phone number listed on the cover page of this brochure supplement.

Strategic Advocates has implemented a Code of Ethics and an internal compliance program that guides the firm and its personnel in complying with applicable state and federal securities laws and in meeting their fiduciary obligations to clients. Clients may contact Sonia Goforth, Chief Compliance Officer, at [Sonia.goforth@dinsmorecomplianceservices.com](mailto:Sonia.goforth@dinsmorecomplianceservices.com) to obtain a copy of our firm's code of ethics.

Additionally, Strategic Advocates is subject to regulatory oversight by various agencies. These agencies require registration by Strategic Advocates and its investment adviser representatives. As a registered entity, Strategic Advocates is subject to examinations by regulators, which may be announced or unannounced. Strategic Advocates is required to periodically update the information provided to these agencies and to provide various reports regarding firm business.

**James Edward Smith Jr.**

Investment Adviser Representative

**Strategic Advocates, LLC**

255 South Main Street, Suite 100  
Logan, UT 84312

Phone: (435) 754-7888

[jim@strati.co](mailto:jim@strati.co)

[www.wealth-advocates.com](http://www.wealth-advocates.com)

**December 2024**

**Form ADV Part 2B Brochure Supplement**

This Brochure Supplement provides information about James Edward Smith Jr. (CRD number 801408) that supplements the Disclosure Brochure of Strategic Advocates, LLC (hereinafter “Strategic Advocates”), a copy of which you should have received. Please contact Strategic Advocates’ Chief Compliance Officer Sonia Goforth, 502-540-2593 if you did not receive the Disclosure Brochure or if you have any questions about the contents of this Brochure Supplement.

Additional information about James Edward Smith Jr. is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Mr. Smith’s CRD number is 801408.

**James Edward Smith Jr., CLU®, ChFC®**

Year of Birth: 1969

Formal Education After High School:

- UC Berkley Graduate School of Business, B.S., MBA - Business, Management, Marketing, and Related Support Services: 1971

Business Background:

- Strategic Advocates, LLC, Financial Advisor, 07/2023 to Present
- Cambridge Investment Research Inc, Financial Advisor, 07/2010 to 07/2023

Professional Designations:

Chartered Financial Consultant (ChFC)

The Chartered Financial Consultant designation is a financial credential awarded by the American College to individuals who satisfy educational, work experience and ethics requirements. Recipients of the ChFC certification have completed, and passed examinations, on at least seven mandatory college-level courses in the areas of financial, insurance, retirement and/or estate planning, as well as income taxation and/or investments. Additionally, recipients have completed at least three elective courses on the financial system, estate planning applications, executive compensation, and/or retirement decisions. In order to maintain this designation, ChFC holders must satisfy the ongoing requirements of the Professional Achievement in Continuing Education ("PACE"), which includes at least 30 hours of continuing education every two years.

The Chartered Life Underwriter ("CLU® ")

The Chartered Life Underwriter® (CLU® ) is a designation of insurance expertise, helping gain a significant advantage in a competitive market. This course of study helps by providing in-depth knowledge on the insurance needs of individuals, business owners and professional clients.

Program Learning Objectives:

- Provide guidance to clients on types and amounts of life insurance needed
- Make recommendations on aspects of risk management, including personal and business uses of a variety of insurance solutions
- Provide guidance to clients on legal aspects of life insurance contracts and beneficiaries
- Assist clients in making decisions about estate planning, including proper holding of assets and title to assets, as well as the implications of various wills and trust arrangements on financial, retirement and succession planning issues
- Provide a holistic and comprehensive approach to addressing the insurance planning needs of their clients

### Disciplinary Information - Item 3

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Mr. Smith' and Strategic Advocates. Mr. Smith has no history of reportable legal or disciplinary events.

### Other Business Activities - Item 4

RPS is required to disclose if **James Edward Smith Jr.** is engaged in any investment-related business or occupation, including whether the relationship creates a material conflict of interest or if he receives compensation from the sale of securities products. Strategic Advocates, LLC is also required to disclose if he is actively engaged in any other business that provides a substantial source of his income or involves a substantial amount of his time.

Mr. Smith is dedicated to the investment advisory activities of Strategic Advocate's clients. Mr. Smith does not have any other business activities.

### Additional Compensation – Item 5

Your financial advisor may receive economic benefits from persons other than clients in connection with advisory services. Please ask your financial advisor about whether he or she receives any of the forms of additional compensation outlined below.

Mr. Smith is licensed as an independent insurance agent. Mr. Smith will earn commission-based compensation for selling insurance products, including insurance products they sell to you. Insurance commissions earned by Mr. Smith are separate from our advisory fees. This practice presents a conflict of interest because Mr. Smith provides investment advice on behalf of our firm and insurance agents have an incentive to recommend insurance products to you for the purpose of generating commissions rather than solely based on your needs. Please also be advised that Mr. Smith strives to put his clients' interest first and foremost, and clients are not obligated to purchase insurance products through Mr. Smith.

### Supervision - Item 6

Sonia Goforth is the Chief Compliance Officer for Strategic Advocates (502-540-2593). Mrs. Goforth is responsible for the supervision of the firm's compliance program and the monitoring of client portfolios for investment objectives and other supervisory reviews. Mr. Smith, Investment Adviser Representative of Strategic Advocates, is supervised by Sonia Goforth Chief Compliance Officer of Strategic Advocates. Mrs. Goforth can be reached at the phone number listed on the cover page of this brochure supplement.

Strategic Advocates has implemented a Code of Ethics and an internal compliance program that guides the firm and its personnel in complying with applicable state and federal securities laws and in meeting their fiduciary obligations to clients. Clients may contact Sonia Goforth, Chief Compliance Officer, at [Sonia.goforth@dinsmorecomplianceservices.com](mailto:Sonia.goforth@dinsmorecomplianceservices.com) to obtain a copy of our firm's code of ethics.

Additionally, Strategic Advocates is subject to regulatory oversight by various agencies. These agencies require registration by Strategic Advocates and its investment adviser representatives. As a registered entity, Strategic

Advocates is subject to examinations by regulators, which may be announced or unannounced. Strategic Advocates is required to periodically update the information provided to these agencies and to provide various reports regarding firm business.

# IRA ROLLOVER FROM EMPLOYER QUALIFIED SAVINGS PLAN ANALYSIS

As an investment adviser, Wealth Advocates has a fiduciary duty to act in the best interests of the client ("Client"). Any recommendation(s) to process a rollover of retirement funds into an account managed by Wealth Advocates is/are based on an analysis of Client's investment goals, objectives, and services to be provided. A recommendation to process a rollover of plan assets to a new account rather than keeping assets in a previous employer's plan should reflect consideration of various factors, the importance of which will depend on an investor's individual needs and circumstances. Some of these factors are discussed in the below table. For the purposes of this review, Employer Sponsored Plans ("ESP") include 401k, 403b, 457, or any other qualified employer sponsored program.

Benefits of IRA Rollover from Employer Plan	Benefits of Keeping your Employer Sponsored Plan
<p><b>1. STRETCH IRA</b></p> <p>The "stretch IRA" is a wealth transfer method that allows <u>a client</u> the potential to "stretch" <u>his or her</u> IRA over several future generations.</p> <p>As an IRA owner, Client is typically required to take minimum distributions from your IRA(s) at age 72 (if Client turns 70.5 after January 1, 2020).</p> <p>If a Client is fortunate enough to inherit someone else's IRA, he or she will be required to take minimum distributions each year from the IRA account based on his/her IRS life expectancy figure. This may be tax advantageous if preferable to having to pay all the taxes upfront in one lump sum as would be the case of an inherited 401(k).</p> <p>IRA accounts at death of the owner pass by contract or beneficiary designation. It is typical practice for most IRA owners to name their spouse as the primary IRA beneficiary and their children as the contingent beneficiaries. This may require the spouse to take more taxable from the IRA than what he/she really needs when he/she inherits the IRA.</p> <p>If income needs are not an issue for the spouse and children, then naming younger beneficiaries (such as grandchildren or great-grandchildren) allows <u>a client</u> to stretch the value of the IRA out over generations. This is possible because grandchildren are younger and their required minimum distribution (RMD) figure will be lower.</p> <p><b>2. 401K CHANGES</b></p> <p>A Client's ESP investment choices, trustees and fees can change at any time. In certain circumstances, a Client might not get the latest information quickly. When big changes are scheduled to occur, the employer usually holds information sessions to communicate the changes; if a Client no longer works for the sponsor of the 401k plan these in-person sessions may not be available.</p>	<p><b>1. NO 10% PENALTY ON DISTRIBUTIONS <u>IN CERTAIN CIRCUMSTANCES</u></b></p> <p>Workers who <b>lose their job between</b> ages 55 and 59½ and also leave their 401(k) with their former employer, can withdraw money from that account without having to pay a 10% penalty to the United States Government. That's not the case with an IRA. If a Client rolls his or her ESP into an IRA and then withdraws money from that account prior to age 59½ he or she will—<b>with some exceptions</b>—pay a 10% penalty on the distribution. After age 59½, a Client can of course withdraw money from an IRA without having to pay the 10% penalty. Rather a Client will pay an ordinary income tax on the distribution from either the ESP or the IRA. <u>The ability to withdraw prior to age 59½ without penalty works only if a Client separates from service in the year he or she turns age 55, or later and begins taking systematic regular withdraws from the ESP and does not stop these withdraws</u></p> <p><b>Finally deferring taxation on savings as long as possible is generally advantageous</b> unless there is a specific personal need for income from these savings plans during retirement. <u>If a client is retired and/or beyond age 59 this ESP advantage is not applicable, nor is it applicable unless a Client loses his or her job between ages 55 and 59 1/2.</u></p> <p><b>2. COMPANY STOCK</b></p> <p>Keeping money inside an ESP could leave the door open for certain tax-saving strategies, such as the tax benefit for Net Unrealized Appreciation (NUA) or for 10-year averaging. These are both lump-sum distribution options, which mean everything must leave the plan in one tax year. There are also a myriad of other rules that apply, which is why before rolling over an ESP, Clients should consult with a knowledgeable adviser who can let them know if they qualify for either of these—or other—special tax breaks and whether they would make sense.</p> <p>Generally, the NUA <b>option would be considered</b> only if the Client has highly appreciated company stock. If that's the case, a Client would generally benefit from</p>

### **3. MORE CONTROL**

Most 401k plans have restrictions. For example, some do not allow you to make plan changes (buy or sell) until the first day of each month for example, which can be a big problem during a day when the market is crashing.

Additionally, most 401(k) plans allow you only to make a limited number of changes during each year. This can and often does place the participant in a bad investment position where they have no plan changes left for the year and market conditions or geo political economic conditions change having an important impact on their life's savings.

### **4. EMPLOYER STOCK OR STOCK FUND.**

Many workers still have the largest portion of their ESP invested in their employers' stock. Some companies invest 100% of their employer contribution directly into company stock. This can limit a participant's diversification.

If the employer goes out of business, the participant could lose not only his or her job but also his or her retirement savings.

### **5. BETTER INVESTMENT CHOICES.**

Most 401k plans have limited investment choices. Many have high fees and high expense ratios. If a Client rolls his or her or her money to an IRA, his or her options are generally greater. In addition, by rolling into an IRA, Clients can place restrictions on investments and invest in a larger variety of options rather than being limited to a dozen or so pre-selected mutual fund options.

Most ESP plans limit the investor in many ways, which may include but are not limited to, what a Client is allowed to invest in, when he or she is allowed to invest, how many times he or she can make changes, and how and when those changes are implemented.

These restrictions are often counterproductive to the purpose of creating a well-diversified and balanced portfolio that is designed specifically to a Client's particular needs and desires.

### **6. SIMPLIFICATION AND CONSOLIDATION**

Workers who frequently change jobs can end up with several ESP accounts if the accounts are not rolled over. It is generally much easier to monitor investments if they are in one IRA instead of many ESP plans at different providers.

waiting on rolling it over until age 59½ and then the account would be rolled over to take advantage of the NUA while avoiding the 10% penalty.

A Client may want to leave his or her ESP that contains company stock behind for other reasons, too. Many times individuals have company stock in their ESP that they do not want to sell because they believe in the future of the company. This only applies if a Client's employer plan offers company stock (not a company stock fund), that stock has a great deal of appreciation, and if a Client's belief in the future prosperity of the employer is such that a Client believes that diversifying investments is not a good idea.

### **3. LOWER FEES**

Leaving a Client's ESP behind might be cheaper than rolling it over to an IRA. For one, some ESP plans tend to offer low-cost investment options, typically institutional class mutual funds that are much less expensive than the retail mutual funds available to IRA investors. A Client's old ESP may have funds or models customized to the plan that have performed well and may not be able to be replicated in an IRA. Some ESP plans have a self-directed brokerage account that offer lower transaction charges than retail brokerage accounts. In addition, it may be cheaper to keep a balance in the ESP plan because many plans don't charge fees for keeping a balance in the plan. IRAs often charge an account or maintenance fee, commissions, and the like.

### **4. ACCESS TO ADVICE**

Having access to a managed account services may be another reason for a Client to leave his or her ESP behind. In addition, participants may have access to one-on-one in-person support through a retirement consultant for guidance and education which they will typically not have with an IRA. However, many ESP plans offer no such services.

Additionally, these types of advisory services may not be able to replace the services of a Client's own investment advisor as that person is uniquely positioned to consider a Client's needs and desires and then create a plan built around that specific situation.

### **5. BETTER OVERSIGHT**

If a person did not have an adviser looking over his or her IRA, it might be better to leave the ESP behind. With an ESP plan, the employer has a fiduciary responsibility to provide ongoing oversight of the plan and its costs. Whenever an individual leaves a job, he should get objective information about the full range of investment options, including those offered by the current provider, and understand how the choice will affect his/her ability to preserve and grow those investments.

### **6. GUARANTEED PRODUCTS**

In some cases, a Client might have to leave money in his or her ESP because of the products he owns. Some ESP plans have the option of in-plan income guarantees, which

## **7. GREATER DIVERSIFICATION**

Today's 401(k) plans generally pale in comparison with the diversification potential of a self-directed IRA.

No matter how many choices your employer's 401(k) plan offers, generally speaking they are usually fewer compared with the entire world of investment choices available through a self-directed IRA. In most circumstances, almost anything can be invested in a self-directed IRA, including a home for the family, currencies, commodities, and individual government.

## **8. PRO-ACTIVE ADVICE**

A personal Investment advisor can have great positive impact helping a Client manage his or her ESP while it is still in his or her employer's custody; however a Client will generally be able to take more full advantage of the individualized services of a professional investment advisor if investments are in an IRA rather than an ESP, as ESPs may constrain the adviser's ability to invest and diversify.

## **9. CERTAIN PENALTY-FREE DISTRIBUTIONS**

IRAs may allow a \$10,000 penalty-free distribution for a first-time home purchase, and they also may allow a penalty-free distribution for certain education and medical expenses. Neither of these advantages apply to an ESP.

A Client can also roll his or her ESP into an IRA and take distributions prior to age 59½ without paying the 10% penalty by using what's called Rule 72(t). This allowance is subject to a specific payment schedule. The payments must generally be "substantially equal" and must continue for a minimum of five years or until a Client reaches age 59½, whichever is longer.

## **10. FEWER HIDDEN FEES AND COSTS**

Transparency in an ESP plans can be opaque, and many have substantial hidden fees and costs.

Department of Labor regulations that went into effect in 2012 require plan providers to disclose the amount in fees that both companies and their workers' pay for their ESP plans. The intention was to shed light on notoriously murky ESP fees. However, fees can still be difficult to interpret. For example, a fund's expense ratio can encompass everything from marketing fees paid to the investment firm to commissions paid to the broker who recommends particular funds, some statements may disclose a wide range of fees, and fees

may not be transferable. In other cases, a Client might want to leave the money behind because he or she has access to institutionally-priced annuity payout options that are better inside an ESP than outside the plan. And in still other cases, a Client might have access to guaranteed funds that he or she trusts. Some ESP plans provide a guarantee fund or other investment options that workers like because of the known result. They can set it and forget it, which for many workers this is attractive.

## **7. CREDITOR PROTECTION**

Leaving money in an ESP may give a Client better protection against creditors. ERISA plans are protected under federal law, but IRAs are protected under state law. In some states, that protection is virtually as strong as the creditor protection afforded by ERISA, while in other states, it may be much weaker. Doctors, lawyers, contractors or other professionals who face a higher-than-average risk of being sued should be particularly concerned about the creditor protection of their retirement savings. If this is a big concern for a Client, then it may pay to keep the money inside an ESP instead of rolling it over to an IRA.

For many people, especially those who have accumulated ample retirement savings, such protection may not be as important if proper estate planning was done which would likely assign the assets to proper trusts that offer protection from creditors without regard for where or how they are invested.

## **8. ACCESS TO LOANS**

Some ESP plans offer the ability to make loans against the plan. If, for example, a Client has a family-owned business and is contemplating transferring ownership to heirs, it might make sense to leave an ESP behind in the plan so if a difficult financial situation for the business arose and credit was tight, the heirs would be able to access an ESP loan to cover a short-term credit crunch. However, most employer ESP plans offer only a limited amount of loan capability usually limited to a small amount such as \$50,000. Further, these loans generally must be re-paid on some sort of schedule. These loans also charge interest. In addition, ESP plans frequently require any outstanding loan be repaid in full within a certain period after terminating employment with the ESP employer or before rolling over ESP funds.

## **9. A WAY TO BUY LIFE INSURANCE**

Sometimes, being invested in a company ESP plan can be an avenue to getting life insurance. A person for whom it is difficult to get individual life insurance coverage (for medical reasons, for instance), may be able to participate in a group insurance policy through a company plan if the particular ESP offers such a possibility, however, this is rare.

## **10. DIVORCE AND 401(K)S**



may come without any guideposts on industry averages. Finally, some ESPs use special proprietary funds developed for them by a fund company that mimic but are not exactly the same as the same fund companies' street available funds. The difference between these two variations on the same funds is that sometimes there are hidden additional fees in the funds offered in the ESP.

### 11. CONTINUED CONTRIBUTIONS

Clients may wish to continue making contributions to a retirement account, however, generally once a Client leaves an employer, the Client can no longer make contributions to the employer's ESP. By rolling over the funds to an IRA, Clients may continue to contribute to the IRA, subject to IRS contribution limits.

### 12. CUSTOMER SERVICE

Wealth Advocates is available to discuss questions with clients, help plan for retirement, and ensure clients are on plan to retire when anticipated. If something comes up, we know our Clients and can promptly set up a meeting to discuss any issues, changes, or concerns.

### 13. MORE CONTROL OVER BENEFICIARIES

Some ESP plans have restrictions on who can serve as a beneficiary for an ESP plan, including providing funds to a spouse over children, even if children were listed as beneficiaries, and not allowing nonprofit organizations as beneficiaries. Wealth Advocates will work with Clients to understand what the Client wants to happen to the money and help ensure the structure and paperwork is in place, so the Client's desires are met.

If a Client is getting divorced, he or she may have to leave the money behind in his or her ESP for legal reasons. It may be a few years before this asset can be touched so a former worker cannot move it until the final decree or Qualified Domestic Relations Order ("QDRO") is complete.

If a divorced spouse under age 59½ receives an ESP account through a QDRO, he or she may be wise to leave the account inside the ESP. An ESP received through a QDRO provides an exception to the 10% early withdrawal penalty. If the individual instead rolls the assets to an IRA, the 10% penalty will apply to any withdrawals prior to age 59½.

### 11. OTHER REASONS

There are many other reasons to leave a Client's ESP with his or her former employer. For instance, if he or she leaves money with a Client's old ESP, the Client might have an easier time of transferring that money to his or her new employer's ESP, if allowed.

Beneficiaries can also move money from an inherited ESP to an inherited Roth IRA, which they cannot do with an inherited traditional IRA.

Additionally, if Clients have been contributing to a **non-deductible** IRA each year and have no other IRAs, they can convert that IRA to a Roth IRA, which may avoid the income limitation on Roth contributions. If, however, a Client moves his ESP to an IRA, the Roth conversion would generally have to prorate all IRAs and would make the conversion taxable. If a Client is doing a Roth conversion in the same tax year as a rollover to an IRA and he or she has after-tax contributions to either an IRA or ESP he or she needs to be aware of aggregation rules. Tax laws as they apply to IRA and ESP plans are complicated and change often. Care has to be exercised in order to maximize the potential benefits while avoiding undesired pitfalls.

*The information provided here is for general informational purposes only and should not be considered an individualized recommendation or personalized investment, legal, or tax advice. Where specific legal, tax, or investment advice is necessary or appropriate, Wealth Advocates recommends that you consult with a qualified tax advisor, CPA, financial planner, or investment manager.*

*The information provided here is for general informational purposes only and should not be considered an individualized recommendation or personalized investment advice. The investment strategies mentioned here may not be suitable for everyone. Each investor needs to review an investment strategy for his or her own particular situation before making any investment decision.*

*All expressions of opinion are subject to change without notice in reaction to shifting market conditions. Data contained herein from third-party providers is obtained from what are considered reliable sources. However, accuracy, completeness or reliability cannot be guaranteed.*

*Examples provided are for illustrative purposes only and not intended to be reflective of results you can expect to achieve.*

*Investing involves risk, including loss of principal.*

*A rollover of retirement plan assets to an IRA is not your only option. Carefully consider all of your available options which may include but not be limited to keeping your assets in your former employer's plan; rolling over assets to a new employer's plan; or taking a cash distribution (taxes and possible withdrawal penalties may apply). Prior to a decision, be sure to understand the benefits and limitations of your available options and consider factors such as differences in investment related expenses, plan or account fees, available investment options, distribution options, legal and creditor protections, the availability of loan provisions, tax treatment, and other concerns specific to your individual circumstances. All investments involve the risk of loss, including the potential loss of principal.*

*Withdrawals prior to age 59½ from a qualified plan, IRA may be subject to a 10% federal tax penalty. Withdrawals of earnings within the first five years of the initial contribution creating a Roth IRA may also be subject to a 10% federal tax penalty.*

**Part 2 - Rollover Recommendation Disclosure Form**

To: \_\_\_\_\_ (Client)      Date CRS Provided \_\_\_\_\_

From: Wealth Advocates

**A. Information about the current retirement plan/non-rollover account (“Existing Plan”), if available:**

1. Existing Plan Name: \_\_\_\_\_
  
2. What are the Existing Plan’s fees? - Please provide an estimate of “Current Fees” paid by incoming client(s) for their current ERISA Plan or IRA. Some fees to consider include plan administration fees, mutual fund expenses, and trading fees. For ERISA Plans, please attach support for the analysis such as the 404(a) Disclosure for the Plan, Morningstar Reports showing share class expenses, Form 5500 of the Plan or any other reference materials. For IRA’s, attach client annual statement, fee schedule of plan or any other reference materials for the Plan.  
  
\_\_\_\_\_
  
3. What are the Existing Plan’s investment options (if any)? \_\_\_\_\_  
  
\_\_\_\_\_
  
4. Does the Existing Plan offer investment advice to plan participants or only education?  
  
\_\_\_\_\_
  
5. If investment advice is offered, what are the Existing Plan’s fees?  
  
\_\_\_\_\_
  
6. Does the Existing Plan limit how often change can be made to the Plan during a year?  
  
\_\_\_\_\_
  
7. What options are available to the Existing Plan’s beneficiaries? (i.e., is a survivor option available?)  
  
\_\_\_\_\_
  
8. What disadvantages, if any, are associated with the Existing Plan?  
  
\_\_\_\_\_

9. What are the Existing Plan's distribution options (i.e., maintaining assets in a former employer's plan, transferring assets to a new employer's plan, rolling assets over to an individual retirement account ("IRA"), or taking a lump sum distribution), the tax implications of those options, and other considerations (e.g., required minimum distribution requirements, availability of penalty-free withdrawals, protection of assets from lawsuits and estate planning)?
- 

10. How does Client anticipate using Existing Plan's funds?

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11. Other relevant information on the Existing Plan:

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**B. Disclosure information about the proposed rollover including any potential disadvantages and Wealth Advocates' Conflicts of Interest ("Proposed Plan"):**

This following information and disclosures have been discussed, and when applicable, presented to you by us regarding the proposed retirement rollover from your Existing Plan to the Proposed Plan:

1. As an investment adviser, we have a fiduciary duty to act in your best interest.
2. Any recommendation by us to you to rollover retirement accounts into an account managed by us is based on conversations we had with you which included a discussion of your investment goals, objectives, and services to be provided.
3. We have sought information from you and when such information was provided to us, we reviewed the information about your Existing Plan.
4. Our recommendation to rollover your retirement account will cause you to pay overall higher fees than fees currently paid in the Existing Plan.
5. The recommendation by us to rollover your retirement account creates a material conflict of interest in that we would not earn a fee if the account remained in the Existing Plan.

6. Wealth Advocates directs brokerage to LPL Financial or Fidelity. Wealth Advocates does not receive soft dollar benefits for Clients using Custodian, however, we do get other non-cash compensation such as discounts with third party vendors, security research, duplicate statements, and software discounts. This creates a conflict of interest for Wealth Advocates.
7. The Proposed Plan involves a risk of loss that can be greater than the risk of loss for the Existing Plan.
8. Employer sponsored Employee Retirement Income Security Act of 1974 ("ERISA")-qualified plans have greater liability protection than individual retirement arrangements.
9. If you terminate employment in the year, you turn age 55 or later, distributions from an employer sponsored qualified retirement plan are not subject to the 10% early distribution penalty. Such distributions are still subject to federal income taxes.
10. We discussed with you the Proposed Plan's various types of account options (i.e., IRA Rollover), including the account-level fees and expenses and services provided.
11. We discussed with you the various investment options available (i.e., structured products, REITS, variable annuities, mutual funds, and ETFs), including information regarding product specific fees and expenses, revenue sharing, loads, commissions, and other charges.
12. We discussed with you the disadvantages associated with the Proposed Plan.
13. You have requested advice from us about the Existing Plan and Proposed Plan.
14. You understand that there might be charges to implement the retirement rollover, such as a transfer fee.
15. You have read and understand the disclosures contained herein, our conflicts of interest, our investment management agreement, and our privacy policy, ADV Part 2A, ADV Part 2B, and Form CRS.

Respectfully provided this day of \_\_\_\_\_ 20\_\_\_\_\_.

\_\_\_\_\_  
Advisor Signature

**ACKNOWLEDGMENT OF RECEIPT:**

Client acknowledges and agrees that the Client has been provided with this completed rollover recommendation form:

Signature \_\_\_\_\_

Date \_\_\_\_\_

Printed Name \_\_\_\_\_



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