FSR WEALTH MANAGEMENT, LTD

Form ADV Part 2A – Disclosure Brochure

August 2021

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This brochure provides information about the qualifications and business practices of FSR Wealth Management, Ltd., which utilizes the service mark “FSR Wealth Strategies” for marketing purposes. If you have any questions about the contents of this brochure, please contact us at (630) 993-8200 or by email at info@fsrwealth.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority.

Additional information about us may be found at the SEC's website www.adviserinfo.sec.gov.

Item 2 – Material Changes

This is the initial version of FSR Wealth's Brochure as a SEC registered firm. Our most recent annual amendment was filed in March of 2021. The following changes have been incorporated into this version of the Brochure since our last annual amendment:

The firm is switching from state registration to registration with the SEC. The ADV Part 2A was updated to remove state specific sections. An ownership change was update in Item 4 to reflect the change of ownership from Scott Bretl to Josh Bretl. In addition, Items 4 (Advisory Business) and Item 5 (Fees and Compensation) were updated to further clarify the services and fees provided by FSR Wealth.

Additional changes were made throughout for language consistency and clarification.

March 31, 2021 Updates:

Item 4 – Advisory Business – The business description has been updated to properly reflect the firm's ownership. In addition, we have revised the language explaining the types of advisory services we offer to simplify the language and better outline our services. When necessary additional disclosures were added to better portray our services. Please see Item 4 for additional details.

Item 5 – Fees and Compensation – Reviewed and updated this section to further properly reflect our fees and compensation. The fee schedule was updated to indicate maximum fee amount and describe the Co-Advisor model fee. This section also replaced assets under care with assets under management when calculating your advisory fee. Please see Item 5 for additional details.

Item 10 – Other Financial Industry Activities and Affiliations - Enhanced disclosures regarding our affiliates FSR Insurance and FSR CPAs were added. Please see Item 10 for additional details.

Item 13 – Review of Accounts – Added additional language regarding review of accounts to whom FSR Wealth provides investment management services. Please see Item 13 for additional details.

Item 19 - was updated to reflect FSR Wealth Management's appointment of Sean Papreck as Chief Compliance Officer in September 2020.

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Item 4 – Advisory Business

Business Description

FSR Wealth Management, Ltd. (hereinafter “FSR Wealth”) provides investment management services, manager selection and supervision, as well as financial planning services to individuals, high net worth individuals and institutions. As a registered investment advisor, FSR Wealth is held to the highest standard of client care - a fiduciary standard. As a fiduciary, FSR Wealth always put its client's interests first and must fully disclose any conflict of interest. FSR Wealth does not hold customer funds or securities.

A. Description of the Advisory Firm

FSR Wealth was formed in 2013 and is a corporation organized in the State of Illinois. Joshua Bretl serves as the firm’s president and is the principal owner. FSR Wealth, along with its affiliated firms, FSR Certified Public Accountants, Ltd. and FSR Insurance Planning, Ltd. (as set forth in Item 10 below), utilize the service mark “FSR Wealth Strategies” for marketing purposes. This includes the use of the service mark on websites as well as social media. Notwithstanding the use of the service mark, all contracts entered into with clients will reflect the corporate entity, FSR Wealth Management, Ltd.

B. Types of Advisory Services

<u>Investment Management Services</u>

FSR Wealth Strategies is a retirement planning firm that offers investment management services, while focusing on tax planning. FSR Wealth will tailor a program for each individual client based on risk profile and using tax strategies to minimize overall taxation. This will include an interview session to get to know the client’s specific needs and requirements and to develop a plan that will be executed by FSR Wealth on behalf of the client. FSR Wealth may use model portfolios together with a specific set of recommendations for each client based on their personal restrictions, needs, and targets. If we use these model portfolios, the client will not be able to impose restrictions on investing in certain securities or types of securities in accordance with their values or beliefs unless the model portfolios are designed to accommodate such values or beliefs. You will be responsible for notifying us of any updates regarding your financial situation, investment objectives, or risk tolerance and whether you wish to impose or modify any existing investment restrictions.

FSR Wealth will act as the investment advisor for the client on a discretionary or non-discretionary basis, as set forth in each Client Agreement with the firm. In a discretionary relationship we will be authorized by you to make investment recommendations for your account(s) and will buy and sell the securities we have recommended to you without contacting you in advance. In a non-discretionary relationship, we will make recommendations to you but you will be required to initiate or pre-approve investment transactions in your account(s) - you will make the ultimate decision regarding the purchase or sale of investments. *See* Item 16. Investment Discretion for additional details. In performing its Investment Management Services for each client, FSR Wealth will utilize a third-party platform operated by an unaffiliated investment advisor, AE Wealth Management (“Co-Advisor”). As a result, if you engage FSR Wealth for investment management services, you will enter into a co-advisory agreement with both FSR Wealth and the Co-Advisor. The Co-Advisor assists FSR Wealth with the management of its client accounts. FSR Wealth will provide the clients with the Co-Advisor's Form ADV, which contains important information regarding the management of the clients' accounts.

If appropriate, FSR Wealth may recommend that you utilize, and would assist you in the selection of, individual portfolio managers recommended by the Co-Advisor to manage your portfolio pursuant to the terms of the co-advisory agreement. Depending on the model you choose, your account will be established as a separately managed account managed by the Co-Advisor on behalf of FSR Wealth's clients or as an account managed in a wrap fee program sponsored by the Co-Advisor.

A wrap fee program is an investment program where the client pays one stated fee that includes management fees, transaction costs, fund expenses and other administrative fees. FSR Wealth investment advisor representatives ("IARs") will advise clients of any fees that are not included within the wrap fee. In connection with the various programs offered by FSR Wealth, IARs will recommend a wrap fee program consisting of a model or a combination of the various models. FSR Wealth and its IARs will be providing the client with the sponsor's Wrap Fee Program Brochure to provide the client with additional information on the specific wrap fee program or programs. Clients should refer to the sponsor's Wrap Fee Program Brochure and their IAR for any additional information or questions the client may have with respect to the specific Wrap Fee program or programs. When participating in the Wrap Fee Program, the client will pay one fee, a "wrap fee", which will be split between FSR Wealth and the Wrap Fee Sponsor (the Co-Advisor), pursuant to an agreement between the Co-Advisor and FSR Wealth. FSR Wealth will review the ongoing performance of the Wrap Fee Program to determine whether the use of the program continues to be in the best interest of our clients. Please note Client transactions will be executed through the Wrap Fee Sponsor. When the account is invested in a wrap fee program, the fees and costs associated with obtaining these services and investments outside of the wrap program may be less than those acquired through the wrap program.

FSR Wealth periodically reviews the Co-Advisor, including services provided and costs. FSR IARs discuss the fees with their clients, so their clients can make an informed decision on whether or not to enter into a co-advisory agreement.

<u>Use of Third-Party Platform – Client Managed Accounts</u>

As an accommodation, FSR Wealth and the Co-Advisor will allow Clients to set up one or more client-managed accounts, wherein FSR Wealth and the Co-Advisor are providing the Client with access to the platform utilized by FSR Wealth and operated by the Co-Advisor for a portion of the Client's assets ("Client Managed Accounts"). FSR Wealth will NOT be acting as a fiduciary for Client Managed Accounts and offers no investment advice to the Client with respect to Client Managed Accounts. The Client makes all investment decisions and conducts all securities transactions in such accounts without utilizing the services of FSR Wealth personnel. However, the client receives the same reporting tools and software that are available on the platform as other accounts utilizing a more robust program with the Co-Advisor. In order to establish a Client Managed Account, the Client must enter into an agreement with the Co-Advisor and FSR Wealth. For this service, the Client is charged a flat monthly fee, as reflected in the Co-Advisors fee schedule contained in the client agreement. The fees for this service are subject to change at the discretion of the Co-Advisor. FSR Wealth is providing this service as an accommodation to its clients and currently does not receive any portion of the fee collected for this service. Since this service merely provides access to the platform, any transactions conducted on the platform are subject to transaction-based fees.

Financial Planning and Financial Consulting Services

FSR Wealth offers financial planning services and financial consulting services on a one-time basis or on a continuous basis with respect to financial consulting services. The one-time financial planning services may involve, at the client's request, the preparation of a written financial plan covering specific topics or a comprehensive financial plan. Financial consulting services may be on a one-time basis or on an on-going monthly basis, with a minimum commitment of twelve (12) months of services. When providing financial planning services or financial consulting services, the role of the FSR Wealth investment adviser representative is to find ways to help the clients understand the client's overall financial situation and help the client set financial objectives.

FSR Wealth will offer financial planning and financial consulting based on the individual goals, objectives, time horizon, and risk tolerance of each client. Plans may include, but are not limited to, the following: Retirement Analysis / Projections, Cash Flow Analysis / Projections, Major Goal Funding Analysis / Projections, Insurance Needs Analysis (Life or LTC) / Risk Analysis, Estate Review and/or Investment Related Tax Planning

Financial Planning Services

FSR Wealth offers both "comprehensive" written financial plans and "modular" written financial plans, depending upon its clients' needs or direction. Generally, a "comprehensive" written financial plan involves a detailed review and analysis of all facts of the client's financial situation, which may include cash flow analysis, investment strategy, retirement planning, life insurance planning, and estate planning, as identified and set forth below. However, some clients may prefer to receive "modular" written financial plans, which only cover those specific areas of concern mutually agreed upon by the client and FSR Wealth. A modular written financial plan is limited in scope and does not involve the creation of a "comprehensive" written financial plan. Clients who desire a "modular" written financial plan should be aware that these "modular" written financial plans do not contain all of the analyses in the more "comprehensive" written financial plan. Clients should also note that the written financial plans prepared by FSR Wealth, regardless of whether they are "comprehensive" or "modular", do not include specific recommendations of individual securities.

Financial Consulting Services

FSR Wealth offers financial consulting services in order to discuss financial planning issues when a client does not need a written financial plan. FSR Wealth offers a one-time consultation, which covers mutually agreed upon areas of concern related to investments or financial planning. FSR Wealth also offer "as-needed" consultations, which are limited to consultations in response to a particular investment or financial planning issue raised or request made by its clients. Under an "as-needed" consultation, it will be incumbent upon the client to identify those particular issues for which the clients are seeking FSR Wealth's advice or its consultation.

Finally, FSR Wealth offers on-going financial consulting services, which is made in accordance with its clients' goals; primarily with the goals to update to tax planning as needed and update and review spending and asset allocations. For these services, the clients agree to engage FSR Wealth for a minimum of twelve (12) months and agree to pay a monthly fee for this on-going financial consulting services.

Implementation of Recommendations

FSR Wealth's financial planning and financial consulting services do not include investment management services or implementing any transaction on your behalf. FSR Wealth will not provide active and ongoing monitoring or management of your investments or accounts. You shall have the sole responsibility for determining whether to implement FSR Wealth's financial planning and/or financial consulting recommendations. To the extent that you would like to implement any of FSR Wealth's investment recommendations through FSR Wealth or retain FSR Wealth to provide investment management services, and to actively monitor and manage your investments, you will execute a separate written agreement with FSR Wealth for its investment management services described above.

Retirement Plan Services

FSR Wealth offers fee-based qualified retirement plan services providing non-discretionary investment fiduciary services to Sponsors and Trustees of qualified retirement plans. With these plans, employees will self-direct the investments of their accounts within the plan.

As an ERISA 3(21) Investment Advisor, FSR Wealth's services are designed to allow the Sponsor to retain full discretionary authority or control over assets of the Plan. FSR Wealth will solely be making recommendations to the Sponsor and will provide guidance to the Sponsor in meeting its fiduciary responsibilities. The Sponsor retains decision making authority and may accept or reject any recommendations.

FSR Wealth Retirement Plan Services include:

- Administrative services related to support with retirement plan ("Plan") governance and committee education.
- Administrative services related to support with vendor management and service provider selection and review.
- Administrative services related to support with plan participant non-fiduciary education services related to participant education and participant enrollment.

IRA Rollovers

If a client desires to rollover funds from a retirement plan to a Rollover IRA that is managed by FSR Wealth, please be advised that FSR Wealth will be acting in a fiduciary capacity and in making the recommendation has an economic incentive if it had made such a recommendation or had advised the Plan participant to make a rollover decision. This may be perceived as a conflict of interest because the recommendation can be perceived by others as based upon the economic incentive and not based exclusively on whether or not moving the IRA to FSR Wealth's management program is in the client's overall best interest. FSR Wealth has taken steps to manage this conflict of interest, including the adoption of an impartial conduct standard to which all IARs are subject.

C. Assets Under Management

FSR Wealth has $116,082,219 assets under management as of May 31, 2021.

Item 5 – Fees and Compensation

A. Fee Schedule

<u>Investment Management Services</u>

Fees for investment management services are negotiable based upon various factors, including, but not limited to; the specific investment management services that the client requires; the type of client; the complexity of the client's situation; the composition of the client's account; the potential for additional account deposits; the portfolio chosen by the client; and/or the total amount of Assets Under Management. Based upon the above negotiability factors, the client will be charged a maximum amount of 2.0% annually. The investment management fee charged to each client includes a portion attributable to FSR Wealth's Advisory fee, the Co-Advisors fee, the model manager fee and transaction cost. The model manager fee ranges from 0.20% to 0.65%, depending on which model is utilized.

Please review the fee section of the Co-Advisors Firm Brochure and Wrap Fee Program Brochure for additional details.

Fees charged for investment management services are charged based on a percentage of assets under management, billed in arrears on a monthly basis and calculated based on an average daily balance of your account during the billing period. Investment management services fees are deducted by the Co-Advisor from the custodian. The Co-Advisor remits FSR Wealth's portion of the fee directly to FSR Wealth.

<u>Use of Third-Party Platform – Client-Managed Accounts</u>

Fees for services related to Client-Managed accounts consist of the Co-Advisor RIA's annual platform fee, which is charged on a monthly basis. The current platform fee is $30 per month. As the platform fee charged by the Co-Advisor, FSR Wealth has no control over the price of that service, nor does it have any control over any changes to the fees. Currently, FSR Wealth does not charge a separate fee for this service and merely passes on its cost as an accommodation to FSR Wealth clients. Since FSR Wealth does not provide any investment advice, but merely provides access to the platform, any costs related to transactions conducted by the FSR Wealth client using Client-Managed accounts will be charged to the client. Transaction-based fees are based upon the custodian's fee schedule and FSR Wealth does not share in any revenue derived from the transaction-based fees. Clients should consult with their FSR Wealth's IAR to obtain a copy of the third-party custodian's fee schedule to understand the amount of the platform fees and the amount of transaction-based fees charged.

Clients with Client-Managed accounts are directed to pay the Co-Advisor and do not pay FSR Wealth directly for providing this service to its clients.

General Provisions Applicable to Investment Management Services and Client-Managed Accounts

In addition to the management fees charged by the Co-Advisor, FSR Wealth clients are responsible for the payment of all fees, if any, payable to third parties other than FSR Wealth or the Co-Advisor, including, but not limited to, custodian fees, brokerage fees, mutual fund fees, and transaction fees. Those fees are separate and distinct from the fees and expenses charged by the Co-Advisor and FSR Wealth. Please also see Item 12 of this brochure regarding broker-dealer/custodian.

For Investment Management Services, clients invested in mutual funds should note that they may also incur charges and expenses imposed at the mutual fund level (e.g., advisory fees and other fund expenses). Clients in the Client-Managed accommodation will incur commissions as well as other transaction-based fees.

FSR Wealth believes that its fees for Investment Management Services are reasonable in relation to: (1) the services provided and (2) the fees charged by other investment advisors offering similar services/programs. However, its fees may be higher than that charged by other investment advisers offering similar services/programs.

Fees for Investment Management Services and for the non-fiduciary services with respect to the Client-Managed accounts will be deducted from the client's account by the qualified custodian(s), pursuant to authorization provided by the client to the qualified custodian(s). The client is required to authorize the qualified custodian(s) of the client's account to deduct fees from the client's account and pay such fees directly to the Co-Advisor for allocation among the Co-Advisor, FSR Wealth and or any such sub-manager, as applicable. Clients should review their account statements received from the qualified custodian(s) and verify that appropriate investment advisory fees are being deducted appropriately since FSR Wealth does not calculate the fees or cause the fees to be deducted. The qualified custodian(s) will not verify the accuracy of the investment advisory fees deducted.

If the client desires to terminate our services, the notice of termination requirement and any payment / refund of fees with respect to the termination will depend on the terms specified in the investment advisory contract entered into by the client with the selected Co-Advisor and FSR Wealth.

Financial Planning and Financial Consulting Services Fees

One-Time Financial Planning Services Fee

FSR Wealth offers various financial planning services as a stand-alone service under a fixed fee arrangement. The fixed fees are negotiable based upon a number of factors, including but not limited to, the type of client, the complexity of the client's situation, the composition of the client's account, the potential for additional account deposits, the total amount of assets under management for the client and the type of financial planning services requested (comprehensive vs modular). There is a range in the amount of the fixed fee charged by FSR Wealth for these services. The minimum fixed fee is generally $1,000.00 and the maximum fixed fee is generally no more than $24,000, depending on the financial planning services requested by the client. It is anticipated that these services will take approximately one to twelve hours to complete. The amount of the fixed fee for your financial planning engagement is specified in your Client Account Agreement with FSR Wealth.

Financial Consulting Services

FSR Wealth offers on-going financial consulting services, which includes the review and maintenance of a financial consulting plan, which is made in accordance with its clients' goals, update tax planning as needed and update and monitor spending and asset allocations. For these services, the clients agree to engage FSR Wealth for a minimum of twelve (12) months and agree to pay a monthly fee for this on-going financial consulting services. The fees for these financial consulting services are negotiable and also based upon the same various factors as indicated in the above Programs, including, but not limited to: the specific financial consultation services that the client requires (including whether the services are to be modular or comprehensive); the type of client; the complexity of the client's situation; the composition of the client's portfolio; the potential for account deposits; and the various investment portfolios chosen by the client. Generally, the fees charged will be a flat fee, collected on a monthly basis. Based upon the above negotiability factors, each investment adviser representative is allowed to negotiate the fee for investment advisory services which will range from $300 per month, up to a maximum amount of $1500 per month, which is collected in arrears of the services provided. The amount of your monthly fee will be disclosed in the Client Account Agreement entered into by the client and FSR Wealth. The fee could also be expressed as an annual fee, with the work and the fee equally divided into twelve monthly payments, beginning at the time you execute an agreement with FSR Wealth. This fee is collected in arrears.

General Provisions Applicable to Financial Planning Services and Financial Consulting Services

Clients may pay the investment advisory fees owed for the financial planning services or for financial consulting program by submitting payment directly by check to FSR Wealth.

All fees paid to FSR Wealth for financial planning services or financial consulting services are separate and distinct from the commissions charged by a broker-dealer or asset management fees charged by an investment adviser to implement such recommendations. Moreover, there are fees and expenses charged by mutual funds to their shareholders if the client decides to invest in mutual funds due in part to the recommendations made by FSR Wealth, either as part of the financial planning services or as part of the financial consulting services. These fees and expenses are described in each mutual fund's prospectus. These fees will generally include a management fee, other fund expenses and a possible distribution fee (known as 12(b)-1 fees). If the mutual fund also imposes sales charges, client may pay an initial or deferred sales charge.

To the extent that FSR Wealth's investment Adviser representative recommends insurance products as part of the financial plan or financial consultant and the client decides to purchase said insurance from FSR Wealth's investment Adviser, acting in his or her capacity as an insurance agent for FSR Wealth's affiliated insurance company, FSR Wealth's investment advisor representative, with the approval of FSR Wealth, may waive or reduce the financial planning and consulting fee charged for these services by the amount of the commissions received by your investment adviser representative as an insurance agent. Any reduction of the investment advisory fee will not exceed 100% of the insurance commission received by the FSR Wealth affiliated insurance agent.

To the extent FSR Wealth provides the client with general investment recommendations as part of the financial consulting services and the client implements such investment recommendations by transferring the client assets to FSR Wealth for management pursuant to FSR Wealth's advisory services, FSR Wealth and the client may elect to terminate the financial consulting agreement at the end of the month following the client's execution of the agreement to enter into an advisory program agreement with FSR Wealth. FSR Wealth will only collect either the financial consulting fee or the investment advisory management fee, but not both. Similarly, FSR Wealth generally will not charge financial planning services fee or financial consulting fee to any client that is receiving asset management services from FSR Wealth and is charged an asset management fee.

The financial planning services and financial consulting services may be terminated by either FSR Wealth or the client upon written notice of termination from one party to the other. The clients have a right to terminate the financial planning services or the financial consulting services within five (5) business days of entering into an agreement with FSR Wealth without penalty or fees due. If, however, the client decides to terminate either of the services after five (5) business days of entering into an agreement, a remaining balance of any fees paid in advance, after the deduction of hours worked, will be refunded by FSR Wealth to the client. If the clients are not satisfied with the financial plan prepared by FSR Wealth, FSR Wealth may, at its sole discretion, waive its fee; provided, however, in such a situation, the client must return the written financial plan to FSR Wealth, and confirm that FSR Wealth retains intellectual property rights over any written financial plan prepared by FSR Wealth.

<u>Retirement Plan Services Fees</u>

Fees for administrative services related to the Retirement Plan Services are negotiable based upon a number of factors, including but not limited to, the type of Plan; the complexity of the Plan; the type and number of administrative services requested by the Plan; the composition of the Plan's assets; the experience and needs of the Plan Administrator and any other service providers; the number of Plan participants and services offered to Plan participants; the total amount of assets for the Plan; and the complexity of Plan assets. Generally, the fees charged will be based upon the value of the Plan assets. Currently, the range of the fee rates is between 0.30% and 1.0%, which is based upon the above negotiability factors and is negotiated and agreed upon between FSR Wealth and the Plan prior to the implementation of the services. The final negotiated rate will be set forth in the agreement entered into the Plan.

Fees are billed in arrears (at the end of the billing period) on a quarterly calendar basis and calculated based on the fair market value of the Plan's assets as of the last business day of the current billing period. Fees are prorated (based on the number of days service is provided during the initial billing period) for the Plan opened at any time other than the beginning of the billing period.

FSR Wealth does not deduct fees from client accounts. Fees for retirement plan services will be collected by the plan administrator and the plan administrator will issue payment directly to FSR Wealth.

Either party may terminate services by providing written notice of termination to the other party. If services are terminated within five business days of signing the client agreement, services are terminated without penalty. Any prepaid but unearned fees are promptly refunded to the client at the effective date of termination.

B. Additional Fees and Expenses

In addition to the Advisory fees paid, Clients may also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks and other financial institutions (collectively "Financial Institutions"). These additional charges may include securities brokerage commissions, transaction fees, custodial fees, margin costs, embedded fees and expense ratio charges imposed directly by a mutual fund or ETF in a Client's account, as disclosed in the fund's prospectus (*e.g.*, fund management fees and other fund expenses), transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions.

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

FSR Wealth does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

Item 7 – Types of Clients

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

- Individuals
- High-Net-Worth Individuals
- Retirement and Profit-Sharing Plans
- Trusts
- Corporations or Business Entities

Clients are required to enter into an agreement with FSR Wealth and, when applicable, with its Co-Advisor in order to establish a client arrangement with FSR Wealth.

Minimum Account Size

There is no account minimum for FSR Wealth's services.

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

A. Methods and Risks of Analysis and Investment Strategies

FSR Wealth's investment advisory representatives may generally use any, some all or none of the following methods of analysis in formulating our investment advice and/or managing client assets:

Fundamental analysis involves the attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages) to determine if the company is underpriced (indicating that it may be a good time to buy) or overpriced (indicating that it may be a good time to sell). This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value. Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluation the stock.

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

Third-Party Money Manager Analysis. We examine the experience, expertise, investment philosophies, and past performance of independent third-party investment managers who have entered into a co-advisory agreement with us to determine if that manager has demonstrated an ability to invest over a period and in different economic conditions. We monitor the manager's underlying holdings, strategies, concentrations and leverage as part of our overall periodic risk assessment. Additionally, as part of our due diligence process, we advise our clients that the third-party money manager acting as our co-advisor may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in our co-advisor's portfolio, there is a risk that a manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the manager's daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

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

B. Investment Strategies

FSR Wealth and the Co-Advisor may engage in various strategies, including value investing, tactical asset allocation and strategic asset allocation. The Co-Advisor's specific investment strategies are outlined in its Firm Brochure, which is provided to you when you sign the Co-Advisory Agreement. In general, the strategies are:

Value investing. A value investing strategy selects stocks that trade for less than their intrinsic values. Value investors typically seek stocks of companies that they believe the market has undervalued. They believe the market overreacts to good and bad news, resulting in stock price movements that do not correspond with the company's long-term fundamentals. The result is an opportunity for value investors to profit by buying when the price is deflated. Often, value investors select stocks with lower-than-average price-to-book or price-to-earnings ratios and/or high dividend yields. The risks associated with value-investing include incorrectly analyzing and overestimating the intrinsic value of a business, concentration risk, under performance relative to major benchmarks, macro-economic risks, investing in value traps i.e., businesses that remain perpetually undervalued, and lost purchasing power on cash holdings in the case of inflation.

Tactical asset allocation. A tactical asset allocation strategy allows for a range of percentages in each asset class (such as Stocks = 40-50%). The ranges establish minimum and maximum acceptable percentages that permit the investor to take advantage of market conditions within these parameters. Thus, a minor form of market timing is possible, since the investor can move to the higher end of the range when stocks are expected to do better and to the lower end when the economic outlook is bleak.

Strategic asset allocation. A strategic asset allocation strategy calls for setting target allocations and then periodically rebalancing the portfolio back to those targets as investment returns skew the original asset allocation percentages. The concept is akin to a "buy and hold" strategy, rather than an active trading approach. Of course, the strategic asset allocation targets may change over time as the client's goals and needs change and as the time horizon for major events such as retirement and college funding grow shorter.

Risk of Loss. Investing in securities (including stocks, mutual funds, and bonds, etc.) always involves risk of loss. Depending on the different types of investments utilized, there may be varying degrees of risk. Accordingly, you should be prepared to bear investment loss including the loss of your original principal. Further, past performance is not indicative of future results. Therefore, you should never assume that future performance of any specific investment or investment strategy will be profitable. Because of the inherent risk of loss associated with investing, our firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines.

Modern Portfolio Theory. FSR Wealth and its co-advisors review each model portfolio before selecting them to be included in our program. We also conduct ongoing reviews to ensure that the model portfolio is still suitable for our programs. We call these processes "due diligence." In order to assist us in conducting our due diligence and selection of model portfolios, our Co-Advisor has contracted with an outside firm to act as its Chief Investment Officer. We use a multi-step process in researching model portfolios. Each model portfolio and its manager(s) are evaluated based on information provided by the manager including descriptions of its investment process, asset allocation strategies employed, sample portfolios to review securities selections, and the manager's Form ADV Disclosure Brochure (if applicable). We attempt to verify the information provided by comparing it to other data from publicly available data collection sources.

Long term trading is designed to capture market rates of both return and risk. We purchase securities with the idea of holding them in the client's account for a year or longer. Typically, we employ this strategy when (i) we believe the securities to be currently undervalued, and/or (ii) we want exposure to an asset class over time, regardless of the current projection for this class or (iii) the yield (income) of the investment is attractive and consistent with the investment objectives of our client. A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell. Finally, a security may, at any time and without prior notice, decrease, suspend or terminate its payment of dividends, coupon payments, or return on capital thereby decreasing the yield of stated investment. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

Short term trading. When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase. A risk inherent in short-term purchase strategy is that if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell. Other risks include liquidity, economic stability, and inflation, in addition to the long-term trading risks listed above. Frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Margin transactions and **options trading** generally hold greater risk, and clients should be aware that there is a material risk of loss using any of those strategies.

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

Options transactions. We may use options as an investment strategy. Certain standardized options issued by the Options Clearing Corporation are securities, regulated by the SEC. An option is also considered a "derivative" because it derives its value from an underlying asset.

The two types of options are calls and puts:

- A call gives the holder (the buyer of the call) the right to buy an asset at a certain price within a specific period of time. We will buy a call if we have determined that the stock will increase substantially before the option expires.

- A put gives the holder (the buyer of the put) the right to sell an asset at a certain price within a specific period of time. We will buy a put if we have determined that the price of the stock will fall before the option expires.

We will use options to speculate on the possibility of a sharp price swing. We will also use options to "hedge" a purchase of the underlying security; in other words, we will use an option purchase to limit the potential upside and downside of a security we have purchased for your portfolio. We use "covered calls", in which we sell an option on a security you own. In this strategy, you receive a premium for making the option available, and the person purchasing the option has the right to buy the security from you at an agreed-upon price. We use a "spreading strategy", in which we purchase two or more option contracts (for example, a call option that you buy and a call option that you sell) for the same underlying security. This effectively puts you on both sides of the market, but with the ability to vary price, time and other factors. This strategy includes the risk that an option may expire out of the money resulting in minimal or no value, as well as the possibility of leveraged loss of trading capital due to the leveraged nature of stock options.

Risk of Loss. As we stated above, investing in securities (including stocks, mutual funds, and bonds, etc.) always involves risk of loss. Depending on the different types of investments utilized, there may be varying degrees of risk. Accordingly, you should be prepared to bear investment loss including the loss of your original principal. Further, past performance is not indicative of future results. Therefore, you should never assume that future performance of any specific investment or investment strategy will be profitable. Because of the inherent risk of loss associated with investing, our firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or decline.

C. Risk of Specific Securities Utilized

FSR Wealth recommends portfolios utilized and managed by third party investment managers. Securities that may be underlying these portfolios used by investment managers selected by FSR Wealth or its co-advisors and their potential risks are indicated in the forthcoming paragraphs in this section and in the Co-Advisor’s Form ADV Brochure.

FSR Wealth's recommendation of margin transactions and options trading for those clients determined to be “suitable” generally holds greater risk of capital loss. Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) are not guaranteed or insured by the FDIC or any other government agency.

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

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

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

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

Real Estate funds (including REITs) face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.

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

Hedge Funds often engage in leveraging and other speculative investment practices that may increase the risk of investment loss; can be highly illiquid; are not required to provide periodic pricing or valuation information to investors; May involve complex tax structures and delays in distributing important tax information; are not subject to the same regulatory requirements as mutual funds; and often charge high fees. In addition, hedge funds may invest in risky securities and engage in risky strategies.

Private equity funds carry certain risks. Capital calls will be made on short notice, and the failure to meet capital calls can result in significant adverse consequences, including but not limited to a total loss of investment.

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

Commodities are tangible assets used to manufacture and produce goods or services. Commodity prices are affected by different risk factors, such as disease, storage capacity, supply, demand, delivery constraints and weather. Because of those risk factors, even a well-diversified investment in commodities can be uncertain.

Options are contracts to purchase a security at a given price, risking that an option may expire out of the money resulting in minimal or no value. An uncovered option is a type of options contract that is not backed by an offsetting position that would help mitigate risk. The risk for a “naked” or uncovered put is not unlimited, whereas the potential loss for an uncovered call option is limitless. Spread option positions entail buying and selling multiple options on the same underlying security, but with different strike prices or expiration dates, which helps limit the risk of other option trading strategies. Option transactions also involve risks including but not limited to economic risk, market risk, sector risk, idiosyncratic risk, political/regulatory risk, inflation (purchasing power) risk and interest rate risk.

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

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

Item 9 – Disciplinary Information

FSR Wealth is required to disclose the facts of any legal or disciplinary events that are material to a client’s evaluation of its advisory business or the integrity of management. FSR Wealth does not have any required disclosures to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

A. Registrations as a Broker/Dealer or Broker/Dealer Representative

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

B. Registration as a Futures Commission Merchant, Commodity Pool Operator or a Commodity Trading Advisor

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

C. Relationships Material to this Advisory Business and Possible Conflicts of Interests

FSR Wealth is affiliated with FSR CPAs Ltd and FSR Insurance Planning Ltd. Some of FSR Wealth's IARs are accountants working for the FSR CPA, Ltd or general agents working with FSR Insurance Planning, Ltd. From time to time, FSR Wealth's IARs will offer clients products or services on behalf of those entities. In offering these services, these individuals are eligible to receive separate, yet customary, compensation for accounting services or commission compensation resulting from implementing product transactions on behalf of advisory clients. Clients should be aware that there may be other insurance products that are offered by other insurance agents at a lesser cost than those recommended by the FSR Wealth IAR in his or her capacity as an independent insurance agent.

You should also be aware that while FSR Insurance and FSR CPAs are separate entities, receipt of additional compensation by common owners presents a conflict of interest that can impair the objectivity of FSR Wealth and these individuals when making advisory recommendations. FSR Wealth endeavors at all times to put the interest of its clients first as part of our fiduciary duty as a registered investment advisor. Clients are under no obligation to engage our investment adviser representatives in their separate capacities as insurance agents or accountants or our affiliated entities, FSR CPAs Ltd and FSR Insurance Planning Ltd., for insurance or tax-related transactions. The implementation of any or all recommendations is solely at the discretion of the client.

FSR Wealth has adopted and strictly adheres to a code of ethics, wherein, among other things, FSR Wealth mandates that its IARs put their clients' interests first at all times. FSR Wealth discloses to clients the existence of all material conflicts of interest, including the potential for its firm and its employees to earn compensation from advisory clients in addition to its firm's advisory fees. FSR Wealth requires that its employees seek prior approval of any outside employment activity and monitors those activities so that FSR Wealth may ensure that any conflicts of interests in such activities are properly addressed.

D. Manager Selection and Supervision or Managers and How This Advisor is Compensated for Those Selections

As previously disclosed, FSR Wealth recommends the services of the Co-Advisor to its clients who are suitable for such an arrangement to manage all or a portion of the client's assets. In exchange for this recommendation, FSR Wealth shares our investment advisory fees with the Co-Advisor. As such, our investment advisory fees are paid directly by the client to the Co-Advisor, who then compensates FSR Wealth. No clients pay fees directly to FSR Wealth. The portion of the advisory fee paid to FSR Wealth does not increase the total advisory fee paid to the Co-Advisor by the client. Our Co-Advisor has entered into an agreement with FSR Wealth to provide these services. As such, clients should be aware that there may be other third-party co-advisory platforms that would charge you less fees for the same services, but FSR Wealth clients are only able to utilize those co-advisors that have a contract with FSR Wealth for those services.

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

A. Code of Ethics

FSR Wealth has established a Code of Ethics that will apply to all of its supervised persons. As a fiduciary, it is an investment advisor's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. FSR Wealth has a fiduciary duty to all clients. This fiduciary duty is considered the core underlying principle for our Code of Ethics, which also covers our insider trading and personal securities transactions policies and procedures. FSR Wealth has the responsibility to make sure that the interests of all clients are placed ahead of FSR Wealth's own investment interests. FSR Wealth will disclose material facts along with potential and actual conflicts of interest to clients. FSR Wealth seeks to conduct business in an honest, ethical, and fair manner and will take reasonable steps to avoid circumstances that might negatively affect our duty of loyalty to clients. Clients may receive a complete copy of the Code of Ethics upon request.

B. Recommendations Involving Material Financial Interests

FSR Wealth does not recommend that clients buy or sell any security in which FSR Wealth or its related person(s) has a material financial interest.

C. Investing Personal Money in the Same Securities as Clients

From time to time, representatives of FSR Wealth may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of FSR Wealth to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions can create a conflict of interest. FSR Wealth will document transactions that could be construed as conflicts of interest and will not engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

D. Trading Securities At/Around the Same Time as Clients' Securities

From time to time, representatives of FSR Wealth may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of FSR Wealth to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions create a conflict of interest; however, FSR Wealth will not engage in trading that operates to the client's disadvantage if representatives of FSR Wealth buy or sell securities at or around the same time as clients.

Item 12 – Brokerage Practices

A. Factors Used to Select Custodian and/or Broker/Dealers

FSR Wealth generally recommends that clients utilize the custody, brokerage and clearing services of Fidelity Brokerage Services LLC (Fidelity) or TD Ameritrade (TDA) (each a Custodial Broker) for investment management accounts. Factors which FSR Wealth considers in recommending Fidelity, TDA or any other Custodial Broker to clients include their respective financial strength, reputation, execution, pricing, research and service. Fidelity or TDA may enable the Firm to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. The commissions and/or transaction fees charged by Fidelity or TDA may be higher or lower than those charged by other Custodial Brokers.

As a registered investment adviser, FSR Wealth has a duty to seek an executing broker that provides the best execution for client transactions. While best execution is difficult to define and challenging to measure, there is some consensus that it does not solely mean the achievement of the best price on a given transaction. Rather, it appears to be a collective consideration of factors concerning the trade in question. Such factors include the security being traded, the price of the trade, the timelines of the execution, apparent market conditions at the time the trade is placed (including the float and efficiency of the market) and the needs of the particular client. FSR Wealth and its Co-Advisor seek to obtain best execution for our clients' transactions, which may not necessarily mean the best price or lowest commission available but rather the best overall qualitative execution given the particular circumstances. The Co-Adviser is responsible for managing client accounts on a day-to-day basis and selecting the broker-dealer for client transactions in accordance with their best execution policies.

Support Products and Services

The Custodial Brokers utilized by FSR Wealth provide FSR Wealth with access to institutional trading and custody services, which are typically not available to retail investors. These services are generally available to independent investment advisers on an unsolicited basis. Some of the services provided by the Custodial Brokers also include brokerage, custody, research and access to certain mutual funds and other investments that may not otherwise be available to non-institutional investors or would require a significantly higher minimum initial investment.

By virtue of the contract between the Custodial Brokers and FSR Wealth, the Custodial Brokers also make available to FSR Wealth other products and services that benefit FSR Wealth but may not benefit our clients' accounts. Some of these other products and services assist FSR Wealth in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitation of trade execution (and allocation of aggregated trade orders for multiple client accounts), providing research pricing information and other market data and assisting with back-office functions, recordkeeping and client reporting. Many of these services are be used to service all or a substantial number of FSR Wealth's accounts, including accounts not maintained at the Custodial Brokers providing the services. The Custodial Brokers also make available to FSR Wealth other services intended to help FSR Wealth manage and further develop our business enterprise. These services include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance and marketing.

Our interest in Custodial Brokers services: Custodial Brokers have agreed to pay FSR Wealth to assist in payments we would otherwise incur for technology, research, marketing, and compliance consulting products. This creates an incentive to maintain client accounts with Custodial Brokers based on our interest in receiving their services that benefit our business and the Custodial Broker's payment for services for which we would otherwise have to pay, which is a potential conflict of interest.

Mutual Funds Share Class Selection: Mutual funds generally offer multiple share classes available for investment based upon certain eligibility and/or purchase requirements. For instance, in addition to retail share classes (typically referred to as class A, class B and class C shares), funds may also offer institutional share classes or other share classes that are specifically designed for purchase by investors who meet certain specified eligibility criteria, including, for example, whether an account meets certain minimum dollar amount. Institutional share classes usually have a lower expense ratio than other share classes. When recommending investments in mutual funds, the Co-Adviser will review and consider available share classes and select the most appropriate share classes based on various factors including but not limited to: minimum investment requirements, trading restrictions, internal expense structure, transaction charges, availability and other factors. When considering all the appropriate factors the Co-Advisor can select a share class other than the 'lowest cost' share class. In order to select the most appropriate share class, the Co-Advisor considers retail, institutional or other share classes of the same mutual fund. Regardless of such considerations, clients should not assume that they will be invested in the share class with the lowest possible expense ratio. Clients should ask their IAR whether a lower cost share class is available instead of those selected.

Direct and Indirect Compensation/Research and Other Soft Dollar Benefits: FSR Wealth does not presently have any soft dollar arrangements.

Brokerage for Client Referrals: FSR Wealth receives no referrals from any Custodial Broker or other broker-dealer in exchange for using that Custodial Broker or other broker-dealer.

Clients Directing Which Broker-Dealer and Custodian to Use: FSR Wealth does not generally trade for its clients' accounts, as trading is typically performed for client accounts by the Co-Advisor. Trades for client accounts are typically placed by the Co-Advisor on a discretionary basis. The trades made by the Co-Advisor are thus transacted through the custodian. The Co-Advisor's trading practices are described in Item 12 of the Co-Advisor's Brochure.

B. Aggregating (Block) Trading for Multiple Client Accounts

The trading of client accounts is usually delegated to the Co-Advisor. The Co-Advisor is responsible for managing client portfolios and entering client transactions on an individual or aggregated basis, according to the Co-Adviser's policies. For a complete description of the Co-Advisor's policies regarding aggregate trading, please refer to the Co-Advisor's Form ADV.

Item 13 – Review of Accounts

For those clients to whom FSR Wealth provides investment management services and retirement plan services, FSR Wealth monitors portfolios as part of an ongoing process while regular account reviews are conducted on at least an annual basis. For those clients to whom FSR Wealth provides financial planning and/or consulting services, reviews are conducted no less than annually and on an "as needed" basis, such as changes in a client's objectives or/and resources. Such reviews are conducted by one of FSR Wealth's investment adviser representatives. All investment advisory clients are encouraged to discuss their needs, goals, and objectives with FSR Wealth and to keep FSR Wealth informed of any changes thereto. FSR Wealth shall contact ongoing investment advisory clients at least annually to review its previous services and/or recommendations and to discuss the impact resulting from any changes in the client's financial situation and/or investment objectives.

Clients are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer or custodian for the client accounts. Occasionally, FSR Wealth will provide Clients with a report that may include such relevant account and/or market-related information such as an inventory of account holdings and account specific performance. Clients should compare the account statements they receive from their custodian with those they receive from FSR Wealth.

Item 14 – Client Referrals and Other Compensation

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

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

Clients should be aware that, although not necessarily related to the investment advisory services or the administrative services, various vendors, product providers, distributors and others may provide non-monetary compensation to FSR Wealth by providing training, education and publications that may further FSR Wealth's employees' skills and knowledge. Some vendors may occasionally provide FSR Wealth with gifts, meals, and entertainment of reasonable value, consistent with industry rules and regulations. FSR Wealth may, in accordance with its compliance policies, accept lodging or travel expenses from third parties or third-party payment of its conference fee costs or fees to attain professional designations. Certain companies may also pay FSR Wealth compensation for marketing, and for other purposes separate from and in addition to commission paid for the sale of their products as disclosed in the prospectus and/or disclosures of each company.

B. Compensation to Non-Advisory Personnel for Client Referrals

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

Item 15 – Custody

FSR Wealth does not take physical custody of client accounts at any time and FSR Wealth is not otherwise deemed to have custody of client assets as defined in Advisers Act Rule 206-4(2). Client assets are held at a third-party custodian and FSR Wealth is not otherwise deemed to have custody as defined in Advisers Act Rule 206-4(2). Clients will receive account statements from the custodian and should carefully review those statements for accuracy.

Item 16 – Investment Discretion

For accounts, FSR Wealth provides discretionary investment advisory services to clients, the Co-Advisory Agreement established with each client will outline the discretionary authority for trading. Where investment discretion has been granted, FSR Wealth generally manages the client's account and makes investment decisions without consultation with the client as to what securities to buy or sell, when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, or the price per share.

Item 17 – Voting Client Securities

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

Item 18 – Financial Information

FSR Wealth does not require or solicit prepayment of more than $1,200 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for the most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, FSR Wealth has not been the subject of a bankruptcy petition at any time.