

**Item 1 – Cover Page**

**BKS Wealth LLC**

**(CRD# 329627)**

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San Diego, CA 92106

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[www.bkswealth.com](http://www.bkswealth.com)

February 16, 2024

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Part 2A of Form ADV (the “Brochure”) provides information about the qualifications and business practices of BKS Wealth LLC. If you have any questions about the contents of this Brochure, please contact Becki K. Sutton at (619)-990-9546 or [becki@bkswealth.com](mailto:becki@bkswealth.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. BKS Wealth LLC is registered as an investment adviser with the State of California; however, such registration does not imply a certain level of skill or training and no inference to the contrary should be made.

Additional information about BKS Wealth LLC is also available on the Internet at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can view our firm’s information on this website by searching for BKS Wealth LLC (CRD# 329627).

## Item 2 – Material Changes

This Brochure is prepared in accordance with the requirements and rules adopted by the California Department of Financial Protection and Innovation (“DFPI”). Part 2A of Form ADV requires investment advisers to provide narrative, plain English disclosures regarding their advisory business in order to provide clients and prospective clients with more meaningful information about the adviser and its business practices. This is our initial ADV Disclosure.

BKS Wealth LLC will ensure that you receive a summary of material changes, if any, to this and subsequent disclosure Brochures within 120 days after BKS Wealth LLC’s fiscal year ends. The fiscal year ends on December 31, so you will receive our communication no later than April 30 each year. At that time BKS Wealth LLC will also offer or provide a copy of the most current disclosure Brochure. BKS Wealth LLC will also provide other ongoing disclosure information as necessary.

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## Item 4 – Advisory Business

BKS Wealth LLC is a registered investment adviser based in San Diego, California. We are organized as a limited liability company under the laws of the State of California, and began registration as a California Registered Investment Advisor in January 2024. Becki K Sutton is the sole owner, Managing Member, and Chief Compliance Officer. BKS Wealth LLC (hereinafter “BKS” “BKS Wealth” “Adviser” “we” “us” or “our”) currently offers investment advisory services as described below which are personalized to each individual client.

### **Introduction**

Our investment advisory services are provided to you through BKS Wealth LLC the registered investment adviser, or an appropriately licensed and qualified investment adviser representative (collectively, hereinafter “Representatives”). All investment adviser representatives are registered with BKS Wealth LLC.

### **Description of Advisory Services**

The following are descriptions of Adviser’s primary advisory services. Additional information concerning details of our advisory services and the fees for these services is provided to clients and prospective clients (hereinafter “clients” or “you”) in **Item 5, Fees and Compensation**. A written agreement detailing the exact terms of the service must be signed by you and Adviser before any services can be provided.

### **Asset Management Services**

We offer asset management services providing you with continuous and on-going supervision over your accounts. This means that we continuously monitor your account and make trades in that account when necessary. Our services are offered through a traditional management program, which means that advisory services are provided for a fee but transaction services are billed separately on a per-transaction basis.

### **Wrap Fee Programs**

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and other administrative fees. BKS Wealth LLC does not participate in any wrap fee programs.

### **Life Insurance Services**

We offer life insurance product services. These services do not involve implementing any recommendations on a client’s behalf. Clients are solely responsible for determining whether to implement our recommendations. Life insurance product services focus on a client’s overall life, annuity, and long-term care needs.

When providing life insurance product services, the role of the representative is to find ways to help clients understand their overall financial situation and help them set financial objectives.

## **Financial Planning Services**

When providing financial planning and consulting services, the role of your investment adviser representative is to find ways to help you understand your overall financial situation and help you set financial objectives.

Adviser offers financial planning services, which involve preparing a full written financial plan that can include, but is not limited to: investment planning, retirement planning, insurance planning, tax planning, education planning, asset allocation and real estate planning.

To begin the financial planning process, our representative meets with you and begins gathering the information and documentation needed to assess your current financial situation and planning considerations and to begin preparing the requested plan.

We rely on the information provided by you. We are not responsible for verifying the information supplied by you or your other professional consultants (i.e., attorney, accountant, etc.). Therefore, it is very important that the information you provide is complete and accurate. We also request that you notify us if there is ever a change in your financial situation or investment objectives so that we can review, evaluate and/or revise any prior recommendations made or services provided.

Our services do not include legal or tax advice. You are urged to work closely with your attorney, accountant or other professionals regarding your financial and personal situation. When providing financial planning services, we can consult with attorneys, accountants or other outside professional consultants. BKS Wealth LLC does not receive any compensation related to its referral or use of outside professionals.

You should be aware that a potential conflict of interest exists because the investment adviser will receive commissions from the sale of insurance products recommended in the financial plan. The client is under no obligation to act on the investment adviser's or associated person's recommendation for insurance products. If client elects to act on any of the recommendations for insurance products, the client is under no obligation to effect the transaction through the investment adviser.

Financial planning services are rendered as a part of managing client's assets and are not offered as standalone service, there are no additional fees charged for financial planning.

## **Limits Advice to Certain Types of Investments**

Adviser provides investment advice on the following types of investments:

- Mutual Funds
- Exchange Traded Funds (ETFs)
- Exchange-listed Securities
- Securities Traded Over-the-Counter
- Foreign Issues
- Warrants
- Corporate Debt Securities
- Commercial Paper
- Certificates of Deposit
- Municipal Securities
- US Government Securities
- Options Contracts on Securities
- Options Contracts on Commodities
- Futures Contracts on Tangibles

- Futures Contracts on Intangibles
- Interests in Partnerships Investing in Real Estate
- Interests in Partnerships Investing in Oil and Gas Interests
- Securities Properly Exempted from Registration
- Hedge Funds

We reserve the right to offer advice on any investment product that we deem be suitable for each client's specific circumstances, needs, goals and objectives.

It is not our typical investment strategy to attempt to time the market, but we can increase cash holdings modestly as deemed appropriate based on your risk tolerance and our expectations of market behavior. We can, at our sole discretion, modify our investment strategy to accommodate special situations such as low basis stock, stock options, legacy holdings, inheritances, closely held businesses, collectibles, or special tax situations.

Please refer to **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss** for more information.

### **Tailor Advisory Services to Individual Needs of Clients**

Adviser's services are always provided based on your individual needs. This means, for example, that when we provide asset management services you are given the ability to impose restrictions on the accounts we manage for you, including specific investment selections and sectors. We work with you on a one-on-one basis through interviews and questionnaires to determine your investment objectives and suitability information.

We will not enter into an investment adviser relationship with a prospective client whose investment objectives are considered incompatible with our investment philosophy or strategies or where the prospective client seeks to impose unduly restrictive investment guidelines.

### **Client Assets Managed by Adviser**

As of the date of December 31, 2023, the following represents the approximate amount of assets managed by Adviser on a discretionary and non-discretionary basis:

Type of Account	Assets Managed by Adviser
Discretionary	\$0
Non-Discretionary	\$0
<b>Total:</b>	<b>\$0</b>

The Adviser will update this information in future amendments to this Form ADV Part 2A.

### **Item 5 – Fees and Compensation**

In addition to the information provided in **Item 4 – Advisory Business**, this section provides additional details regarding Adviser's services along with descriptions of each service's fees and compensation arrangements. The exact fees and other terms will be outlined in the agreement between you and Adviser. If you do not receive a copy of this Disclosure Brochure at least 48 hours in advance of signing the client agreement, you have five business days to terminate that agreement without any advisory fee charges.

We believe our fees for advisory services are reasonable with respect to the services provided and the fees charged by other investment advisers offering similar services. However, lower fees for comparable service could be available from other sources.

## **Asset Management Services**

We offer asset management<sup>00</sup> services, which involve providing you with continuous and ongoing supervision over your specified accounts (collectively, the “account”). Your account is managed by us based on your financial situation, investment objectives and risk tolerance. We actively monitor the account and provide advice regarding buying, selling, reinvesting, or holding securities, cash or other investments of the account.

You must appoint our firm as your investment adviser of record on your specified account. The account consists only of separate account(s) held by a qualified custodian under your name. We require that managed accounts be held at Charles Schwab & Co., Inc. (“Schwab”) and can assist you in establishing an account at Schwab. Adviser requires a minimum of \$50,000 in order to open an account, although exceptions to this minimum can be granted based upon the relationship of the client (i.e., to Adviser or to an existing client). In addition, clients can household or aggregate accounts to reach the required minimum. Schwab will maintain custody of your funds and securities. Neither we nor our representatives act as custodian, and we do not have access to your funds and securities except to have advisory fees deducted from your account by the custodian with your prior written authorization and then paid to us. You retain all rights of ownership (e.g., right to withdraw securities or cash, exercise or delegate proxy voting and receive transaction confirmations) of the account.

We need to obtain certain information from you to determine your financial situation and investment objectives. You are responsible for notifying us of any updates regarding your financial situation, risk tolerance or investment objective and whether you wish to impose or modify existing investment restrictions; however we contact you at least annually to discuss any changes or updates regarding your financial situation, risk tolerance or investment objectives. We are always reasonably available to consult with you relative to the status of your account. You have the ability to impose reasonable restrictions on the management of your accounts, including the ability to instruct us not to purchase certain securities.

We manage investments for other clients and have the authority to give them advice or take actions for them or for our personal accounts that is different from the advice we provide to you or actions taken for you. We are not obligated to buy, sell or recommend to you any security or other investment that we buy, sell or recommend for any other clients or for our own accounts.

Conflicts can arise in the allocation of investment opportunities among accounts that we manage. We strive to allocate investment opportunities believed to be appropriate for your account(s) and other accounts advised by us among such accounts equitably and consistent with the best interests of all accounts involved. However, there can be no assurance that a particular investment opportunity that comes to our attention will be allocated in any particular manner. If we obtain material, non-public information about a security or its issuer that we cannot lawfully use or disclose, we have absolutely no obligation to disclose the information to any client or use it for any client’s benefit.

You grant us trading authorization on your accounts, and we provide management services on a discretionary basis only. This means we can make all decisions to buy, sell or hold securities, cash or other investments in the managed account in our sole discretion without consulting with you before making any transactions. See **Item 16, Investment Discretion**, for additional discussion on discretionary and non-discretionary authority.



Fees charged for our asset management services are charged based on a percentage of assets under management.

The following are the annual investment advisory fees for accounts held at Schwab and are billed quarterly in arrears on a calendar basis and calculated based on the fair market value of the account as of the last business day of the previous billing period:

<u>Assets Under Management</u>	<u>Annual Fees</u>
\$1,000,000 and below	1.00%
\$1,000,001 – \$3,000,000	0.85%
\$3,000,001 and above	0.75%

The investment management fee schedules are tiered. The management fee is calculated by applying the different rates to different values of the account. Total fees will be the sum of the fees charged for AUM within all applicable ranges. For example, the annual fee for an account valued at \$5,000,000 would be calculated as follows:

$$\begin{aligned}
 &1,000,000 \times .01 = \$10,000 \\
 &(3,000,000 - 1,000,001) \times .0085 = \$16,999.99 \\
 &\underline{(5,000,000 - 3,000,001) \times .0075 = \$14,999.99} \\
 &\text{Total Annual Fee} = \$41,999.98
 \end{aligned}$$

At Adviser's sole discretion, the above fees are negotiable based on the type of client, the complexity of the client's situation, the composition of the client's account (i.e., equities versus mutual funds), the potential for additional account deposits and the relationship of the client with the representative.

For accounts created mid-quarter, fees are prorated based on the number of days service is provided during the initial billing period. For accounts held at Schwab, that initial partial quarter is billed in arrears at the normal quarterly billing period. For all prorated fees, the given annual fee for the account(s) will be divided by 365 days and then multiplied by the number of days service is provided during the initial billing period, which will then be applied to the account balance at the end of the initial quarter.

Adviser believes that its annual fee is reasonable in relation to services provided and the fees charged by other investment advisers offering similar services/programs. However, our annual investment advisory fee could be higher than that charged by other investment advisers offering similar services/programs. In addition to our compensation, you can incur charges imposed at the mutual fund level (e.g., advisory fees and other fund expenses).

Fees can be deducted from your account or billed directly to you, as you and your representative jointly determine. If fees are deducted from your account, you must authorize the qualified custodian to deduct fees from your account and pay such fees directly to Adviser. We send you a fee notification statement concurrently to the time fee deduction instructions are sent to your qualified custodian. The fee notification statement details the formula used to calculate the fee, the assets under management and the time period covered. You should review the account statements received from the qualified custodian and verify that appropriate advisory fees are being deducted. The qualified custodian does not verify the accuracy of the advisory fees deducted.

If you choose to pay the fees directly, they are due immediately upon receipt of our billing notice. Acceptable payment of fees if billed directly to client are personal check or cashier's check. The billing notice details the formula used to calculate the fee, the assets under management, the time period covered and any adjustments to the account.

Custodial fees, brokerage commissions and/or transaction ticket fees charged by Schwab are billed directly to you by that custodian. Advisor does not receive any portion of such commissions or fees from you or the qualified custodian. In addition, you can incur certain charges imposed by third parties other than Adviser in connection with investments made through your account including, but not limited to, mutual fund sales loads, 12(b)-1 fees and surrender charges, variable annuity fees and surrender charges, IRA and qualified retirement plan fees, and charges imposed by the qualified custodian(s) of your account. Adviser's management fees are separate and distinct from the fees and expenses charged by investment company securities that are recommended to you. A description of these fees and expenses are available in each investment company security's prospectus.

You can make additions to and withdrawals from your account at any time, subject to our right to terminate an account. If assets are deposited into or withdrawn from your account after the beginning of a month, the fee payable with respect to such assets is not adjusted or prorated based on the number of days remaining in the month. You can withdraw account assets on notice to us, subject to usual and customary securities settlement procedures. We design portfolios as long-term investments and withdrawing asset could impair your ability to achieve your investment objectives.

Additions can be in cash or securities provided that we reserve the right to liquidate any transferred securities or decline to accept particular securities into your account. We consult with you about the options and ramifications of transferring securities. However, when transferred securities are liquidated, they are subject to transaction fees, fees assessed at the mutual fund level (i.e., contingent deferred sales charge) and could have tax ramifications.

Your managed account could hold assets which were purchased prior to contracting for our services or which we did not recommend for investment. These assets can be, at our sole discretion and authority, excluded from our management services and also excluded from account totals when calculating fees; these assets are specifically noted in the client agreement. Cash positions in your account are managed and are included when calculating account totals for fee billing purposes.

Asset management services continue until terminated. Either party can terminate services by giving the other party written notice. Termination is effective immediately. If services are terminated within 5 business days of signing the client agreement, services are terminated without penalty.

### **Financial Planning**

Advisor can use financial planning as part of the asset management services to better help clients understand their full financial needs at no additional cost as a complementary service and are included in the investment advisory fees the client already pays. Advisor does not do separate financial planning as a separate standalone service.

### **Additional Fee Information**

You should notify Advisor within 10 days of receiving an invoice if you have questions about or dispute any billing entry.

To the extent Adviser engages an outside professional (i.e. attorney or accountant) while providing financial planning and life insurance services to you, we are responsible for paying the fees for the outside professional's fees, and you are not required to reimburse us for such payments. To the extent that you personally engage such an outside professional, you are responsible for paying the outside professional's fees, and Adviser is not required to reimburse you for those payments. Fees for any outside professional's services are in addition to and separate from the fees charged by us. In no event are the services of an outside professional engaged without your express approval.

All fees paid to Advisor for advisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. These fees and expenses are described in each mutual 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 can pay an initial or deferred sales charge. Please see **Item 12 – Brokerage Practices** of this brochure regarding this firm's processes for choosing a custodian.

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

Advisor can provide insurance advice and are licensed as insurance agents. Advisor will earn commission-based compensation for selling insurance products, including insurance products they sell to you. Insurance commissions earned are separate and in addition to our advisory fees. This practice presents a conflict of interest because providing investment advice and insurance products can give incentive to recommend insurance products to you for the purpose of generating commissions rather than solely based on your needs. You are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with Advisor.

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

Performance-based fees are defined as fees based on a share of capital gains on or capital appreciation of the assets held in a client's account. Advisor does not charge or accept performance-based fees.

### **Item 7 – Types of Clients**

Advisor generally provides investment advice to the following types of clients:

- Individuals
- High net worth individuals
- Trusts, estates, or charitable organizations
- Corporations or business entities other than those listed above

Clients are required to execute a written agreement with Advisor specifying the particular advisory services in order to establish a client arrangement with Advisor.

As noted above, clients can impose reasonable restrictions on investing in certain securities or other investments. However, there will be times when certain restrictions are placed by a client, which prevent us from accepting or continuing to manage the account. We reserve the right to not accept and/or terminate management of a client's account if we feel that the client's imposed restrictions would limit or prevent us from meeting and/or maintaining our investment strategies.

### **Minimum Investment Amounts Required**

Advisor requires a minimum of \$50,000 in order to open a managed account, although exceptions to this minimum can be granted based upon the relationship of the client (i.e., to Advisor or to an existing client). In addition, clients can household or aggregate accounts to reach the required minimum.

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

### Methods of Analysis

Adviser uses the following methods of analysis in formulating investment advice:

Charting - This is a set of techniques used in technical analysis in which charts are used to plot price movements, volume, settlement prices, open interest and other indicators in order to anticipate future price movements. Users of these techniques, called chartists, believe that past trends in these indicators can be used to extrapolate future trends.

Charting is likely the most subjective analysis of all investment methods since it relies on proper interpretation of chart patterns. The risk of reliance upon chart patterns is that the next day's data can always negate the conclusions reached from prior days' patterns. Also, reliance upon chart patterns bears the risk of a certain pattern being negated by a larger, more encompassing pattern that has not shown itself yet.

Cyclical – This method analyzes the investments sensitive to business cycles and whose performance is strongly tied to the overall economy. For example, cyclical companies tend to make products or provide services that are in lower demand during downturns in the economy and in higher demand during upswings. Examples include the automobile, steel, and housing industries. The stock price of a cyclical company will often rise just before an economic upturn begins, and fall just before a downturn begins. Investors in cyclical stocks try to make the largest gains by buying the stock at the bottom of a business cycle, just before a turnaround begins.

While most economists and investors agree that there are cycles in the economy that need to be respected, the duration of such cycles is generally unknown. An investment decision to buy at the bottom of a business cycle may actually turn out to be a trade that occurs before or after the bottom of the cycle. If done before the bottom, then downside price action can result prior to any gains. If done after the bottom, then some upside price action may be missed. Similarly, a sell decision meant to occur at the top of a cycle may result in missed opportunity or unrealized losses.

Fundamental – This is a method of evaluating a security by attempting to measure its intrinsic value by examining related economic, financial and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of a company). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short). Fundamental analysis is considered to be the opposite of technical analysis. Fundamental analysis is about using real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security.

The risk associated with fundamental analysis is that it is somewhat subjective. While a quantitative approach is possible, fundamental analysis usually entails a qualitative assessment of how market forces interact with one another in their impact on the investment in question. It is possible for those market forces to point in different directions, thus necessitating an interpretation of which forces will be dominant. This interpretation may be wrong, and could therefore lead to an unfavorable investment decision.

**Technical** – This is a method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity. Technical analysts believe that the historical performance of stocks and markets are indications of future performance.

Technical analysis is even more subjective than fundamental analysis in that it relies on proper interpretation of a given security's price and trading volume data. A decision might be made based on a historical move in a certain direction that was accompanied by heavy volume; however, that heavy volume may only be heavy relative to past volume for the security in question, but not compared to the future trading volume. Therefore, there is the risk of a trading decision being made incorrectly, since future trading volume is an unknown. Technical analysis is also done through observation of various market sentiment readings, many of which are quantitative. Market sentiment gauges the relative degree of bullishness and bearishness in a given security, and a contrarian investor utilizes such sentiment advantageously. When most traders are bullish, then there are very few traders left in a position to buy the security in question, so it becomes advantageous to sell it ahead of the crowd. When most traders are bearish, then there are very few traders left in a position to sell the security in question, so it becomes advantageous to buy it ahead of the crowd. The risk in utilization of such sentiment technical measures is that a very bullish reading can always become more bullish, resulting in lost opportunity if the money manager chooses to act upon the bullish signal by selling out of a position. The reverse is also true in that a bearish reading of sentiment can always become more bearish, which may result in a premature purchase of a security.

There are risks involved in using any analysis method.

To conduct analysis, Adviser gathers information from financial newspapers and magazines, inspection of corporate activities, research materials prepared by others, corporate rating services, timing services, annual reports, prospectuses and filings with the state and company press releases.

### **Investment Strategies**

Adviser uses the following investment strategies when managing client assets and/or providing investment advice:

Long term purchases. Investments held at least a year.

Option writing including cover options, uncovered options or spreading strategies. Options are contracts giving the purchaser the right to buy or sell a security, such as stocks, at a fixed price within a specific period of time.

Tactical asset allocation. 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. 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.

### **Primarily Recommend One Type of Security**

We do not primarily recommend one type of security to clients. Instead, we recommend any product that is suitable for each client relative to that client's specific circumstances and needs.

### **Risk of Loss**

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. Investing in securities (including stocks, mutual funds, and bonds, etc.) involves risk of loss. Further, depending on the different types of investments there are varying degrees of risk. You should be prepared to bear investment loss including loss of original principal.

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. There are certain additional risks associated with investing in securities through our investment management program, as described below:

- Market Risk – Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.
- Equity (stock) Market Risk – Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.
- Company Risk. When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.
- Fixed Income Risk. When investing in bonds, there is the risk that the issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- Options Risk. Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.
- ETF and Mutual Fund Risk – When investing in a an ETF or mutual fund, you will bear additional expenses based on your pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. You will also incur brokerage costs when purchasing ETFs.
- Management Risk – Your investment with our firm varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.

### **Item 9 – Disciplinary Information**

BKS Wealth LLC has no legal or disciplinary events that are material to a client's or prospective client's evaluation of our business or integrity of our management personnel.

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

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

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

Becki Sutton is an independent licensed insurance agent and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. BKS Wealth LLC always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to utilize the services of any representative of BKS Wealth LLC in connection with such individual's activities outside of BKS Wealth LLC.

BKS Wealth LLC does not direct clients to third-party investment advisers to manage all or a portion of the clients' accounts.

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

#### **Code of Ethics Summary**

An investment adviser is considered a fiduciary and has a fiduciary duty to all clients. Adviser has established a Code of Ethics to comply with the requirements of the securities laws and regulations that reflects its fiduciary obligations and those of its supervised persons. The Code of Ethics also requires compliance with federal securities laws. Adviser's Code of Ethics covers all individuals that are classified as "supervised persons". All employees, officers, directors, and investment adviser representatives are classified as supervised persons. Adviser requires its supervised persons to consistently act in your best interest in all advisory activities. Adviser imposes certain requirements on its affiliates and supervised persons to ensure that they meet the firm's fiduciary responsibilities to you. The standard of conduct required is higher than ordinarily required and encountered in commercial business.

This section is intended to provide a summary description of the Code of Ethics of Adviser. If you wish to review the Code of Ethics in its entirety, you should send us a request and we will promptly provide a copy to you.

Becki Sutton is a Certified Financial Planner™. In addition to abiding by Adviser's Code of Ethics, she also abides by the Code of Ethics and Responsibility of the Certified Financial Planner™ Board of Standards, Inc. That Code requires CFP® designees to comply with all applicable laws and regulations and also to act in an ethical and professional responsible manner in all professional services and activities. The principles guiding CFP® designees are:

- Integrity
- Objectivity
- Competence (in providing services and maintaining knowledge and skills to do so)

- Fairness (to clients, principals, partners and employers and disclosing any conflicts of interest in providing services)
- Confidentiality (keeping all client information confidential without the specific client consent unless in response to legal process or in defense of charges of wrongdoing or civil dispute)
- Professionalism
- Diligence

Becki Sutton is also a Chartered Financial Analyst® (CFA®). In addition to abiding by Adviser's Code of Ethics, she also abides by the Code of Ethics and Responsibility of the CFA Institute. Members of CFA Institute (including CFA charter holders) and candidates for the CFA designation ("Members and Candidates") must:

- Act with integrity, competence, diligence, respect, and in an ethical manner with the public, clients, prospective clients, employers, employees, colleagues in the investment profession, and other participants in the global capital markets.
- Place the integrity of the investment profession and the interests of clients above their own personal interests.
- Use reasonable care and exercise independent professional judgment when conducting investment analysis, making investment recommendations, taking investment actions, and engaging in other professional activities.
- Practice and encourage others to practice in a professional and ethical manner that will reflect credit on themselves and the profession.
- Promote the integrity of and uphold the rules governing capital markets.
- Maintain and improve their professional competence and strive to maintain and improve the competence of other investment professionals.

You can obtain a copy of the Code of Ethics and Responsibility Code by requesting a copy from BKS Wealth LLC.

### **Affiliate and Employee Personal Securities Transactions Disclosure**

Adviser and/or Adviser's representatives and associated persons are permitted to buy or sell investment products for their personal accounts that are identical to those recommended to clients. This creates a potential conflict of interest. It is Adviser's express policy that all persons associated in any manner with us must place clients' interests ahead of their own when implementing personal investments. Adviser and Adviser's associated persons will not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of employment or association with Adviser unless the information is also available to the investing public upon reasonable inquiry.

BKS Wealth LLC does not recommend to clients, or buy or sell for client accounts, securities in which BKS Wealth LLC has a material financial interest.

We are now and will continue to be in compliance with applicable state and federal rules and regulations. To prevent conflicts of interest, we have developed written supervisory procedures that include personal investment and trading policies for our representatives, employees and their immediate family members (collectively, associated persons):

- Associated persons cannot prefer their own interests to that of the client.
- Associated persons cannot purchase or sell any security for their personal accounts prior to implementing transactions for client accounts.
- Associated persons cannot buy or sell securities for their personal accounts when those decisions are based on information obtained as a result of their employment, unless that information is also available to the investing public upon reasonable inquiry.
- Associated persons are prohibited from purchasing or selling securities of companies in which



- any client is deemed an “insider”.
- Associated persons are discouraged from conducting frequent personal trading.
- Associated persons are generally prohibited from serving as board members of publicly traded companies unless an exception has been granted to the Chief Compliance Officer of Adviser.

Any associated person not observing our policies is subject to sanctions up to and including termination.

## Item 12 – Brokerage Practices

### **Best Execution**

Custodians will be recommended based on BKS Wealth LLC’ duty to seek “best execution”, which is the obligation to seek execution of securities transactions for clients on the most favorable terms for the client under the circumstances. If the firm assists in the implementation of any recommendations, we are responsible to ensure that the client receives the best execution possible. Best execution does not necessarily mean that clients receive the lowest possible commission costs but that the qualitative execution is best. In other words, all conditions considered, the transaction execution is in your best interest. When considering best execution, we look at a number of factors besides prices and rates including, but not limited to:

- Execution capabilities (e.g., market expertise, ease/reliability/timeliness of execution, responsiveness, integration with our existing systems, ease of monitoring investments)
- Products and services offered (e.g., investment programs, back office services, technology, regulatory compliance assistance, research and analytic services)
- Financial strength, stability and responsibility
- Reputation and integrity
- Ability to maintain confidentiality

We exercise reasonable due diligence to make certain that best execution is obtained for all clients when implementing any transaction by considering the back-office services, technology and pricing of services offered.

### **Brokerage Recommendations**

Adviser does not maintain custody of your assets that we manage and on which we advise. We are deemed to have custody of your assets when you give us authority to effect the deduction of our management fees from your custodial accounts. See **Item 15 - Custody** for additional information and disclosures regarding custody. Adviser requires that Charles Schwab & Co., Inc. (Schwab) be used as qualified custodian for managed accounts. Adviser is independent from and not affiliated with Schwab. Schwab is a registered broker- dealer and SIPC member.

### **Directed Brokerage**

Not all investment Advisers require the use of a particular broker/dealer or custodian; some investment Advisers allow their clients to select whichever broker/dealer the client decides to use. By requiring clients to use a particular broker/dealer, Adviser has the potential to not achieve the most favorable execution of client transactions and the practice requiring the use of specific broker/dealers could cost clients more money than if the client used a different broker/dealer or custodian. However, for compliance and operational efficiencies, Adviser has decided to require clients to use Schwab.

### **Soft Dollar Benefits**

An investment adviser receives soft dollar benefits from a broker/dealer when the investment adviser receives research or other products and services in exchange for client securities transactions or

maintaining an account balance with the broker-dealer. Adviser does not have a soft dollar agreement with a broker-dealer or a third-party.

### **Handling Trade Errors**

Adviser has implemented procedures designed to prevent trade errors; however, trade errors in client accounts cannot always be avoided. Consistent with its fiduciary duty, it is Adviser's policy to correct trade errors in a manner that is in the best interest of the client. In cases where the client causes the trade error, the client is responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, the client has the potential to not be able to receive any gains generated as a result of the error correction. In all situations where the client does not cause the trade error, the client is made whole and any loss resulting from the trade error is absorbed by Adviser if the error is caused by Adviser. If the error is caused by the broker-dealer, the broker-dealer is responsible for handling the trade error. If an investment gain results from the correcting trade, the gain remains in the client's account unless the same error involved other client account(s) that should also receive the gains. It is not permissible for all clients to retain the gain. Adviser can confer with a client to determine if the client should forego the gain (e.g., due to tax reasons). Adviser will never benefit or profit from trade errors.

### **Block Trading Policy**

Adviser does not typically aggregate, batch or combine purchases and sales and other transactions made for the Account with purchases and sales and other transactions in the same or similar securities or instruments for other clients of Adviser. Adviser's policy is to typically implement all client orders on an individual basis; however, Adviser may block trades if found to be in the best interests of one or more clients Adviser will endeavor to process all Account transactions in a timely manner, but Adviser neither represents nor warrants that any such transaction will be processed or effected by the qualified custodian or broker-dealer on the same day as requested.

### **Agency Cross Transactions**

Our associated persons are prohibited from engaging in agency cross transactions, meaning we cannot act as brokers for both the sale and purchase of a single security between two different clients and cannot receive compensation in the form of an agency cross commission or principal mark-up for the trades.

## **Item 13 – Review of Accounts**

### **Account Reviews and Reviewers**

Managed accounts are reviewed at least quarterly by BKS Wealth LLC. Adviser recommends that clients have their financial situation reviewed and updated on an annual basis.

### **Account Reports**

Clients with managed accounts receive transaction confirmation notices and regular quarterly account statements directly from the qualified custodian. In addition, Adviser provides position and performance reports to clients on a quarterly basis; the final quarterly statement is cumulative for the preceding year. Clients can also request reports at any time.

Clients are encouraged to always review any reports or statements provided by any source. If they have questions about their account statement, they should contact Adviser and/or the qualified custodian preparing the statement.

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

As previously disclosed in this brochure, Adviser is a licensed insurance agent. For information on the conflicts of interest this presents, and how we address these conflicts, refer to **Item 5 – Fees and Compensation** and **Item 10 – Other Financial Industry Activities and Affiliations**.

Adviser does not receive any compensation from any third party in connection with providing investment advice to you nor do we compensate any individual or firm for client referrals.

Refer to the **Item 12 – Brokerage Practices** section above for disclosures on research and other benefits Adviser may receive resulting from our relationship with your account custodian.

### **Item 15 – Custody**

BKS Wealth LLC intends to use the constructive/limited custody safeguards which would include custody of the funds and securities by the investment advisor solely as a consequence of its authority to make withdrawals from client accounts to pay its advisory fee. The client gives written authorization to deduct advisory fees from the account held with the qualified custodian. Each time a fee is directly deducted from a client account, the investment adviser concurrently sends the qualified custodian an invoice or statement of the amount of the fee to be deducted from the clients account and sends the client an invoice or statement itemizing the fee. Itemization includes the formula used to calculate the fee, the value of the assets under management on which the fee is based, and the time period covered by the fee.

For accounts in which Adviser is deemed to have custody, we have established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address and the manner in which the funds or securities are maintained. Finally, account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. Clients should carefully review those statements and are urged to compare the statements against reports received from Adviser. When clients have questions about their account statements, they should contact Adviser or the qualified custodian preparing the statement.

### **Item 16 – Investment Discretion**

When providing asset management services, Adviser maintains trading authorization over your account and provides management services on a discretionary basis. When discretionary authority is granted, we have the authority to determine the type of securities and the amount of securities that can be bought or sold for your portfolio without obtaining your consent for each transaction.

You have the ability to place reasonable restrictions on the types of investments that are purchased in your account. You also have the ability to place reasonable limitations on the discretionary power granted to Adviser so long as the limitations are specifically set forth or included as an attachment to the client agreement.

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

Adviser does not vote proxies on your behalf; it is your responsibility to vote all proxies for securities held in your account. You receive proxies directly from the qualified custodian or transfer agent; we do not provide you with the proxies. You are encouraged to read through the information provided with the proxy-voting documents and make a determination based on the information provided. Although we do not vote client proxies, if you have a question about a particular proxy feel free to contact us. However,

you will have the ultimate responsibility for making all proxy-voting decisions.

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

Adviser does not require or solicit prepayment of more than \$500 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, Adviser has not been the subject of a bankruptcy petition at any time.

### **Item 19 – Requirements for State-Registered Advisers**

#### **Principal Executive Officers and Management Persons**

Please refer to Adviser's supplemental brochure (Form ADV Part 2B) for information concerning the formal education and business background for Adviser's principal.

#### **Other Business Activities**

Adviser and our Associated Persons do not have any other outside business activities, other than as outlined in **Item 10** above and ADV Part 2B.

#### **Performance-Based Fees**

As noted in response to **Item 5** above, Adviser does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

#### **Disciplinary or Legal Events**

Adviser and our Associated Persons do not have any disciplinary or legal events to disclose. There are no civil, self-regulatory organization, or arbitration proceedings to report under this section.

#### **Relationships or Arrangements with Issuers of Securities**

Neither Adviser nor any of its management persons have any relationships or arrangements with any issuer of securities.

#### **Business Continuity/Disaster Recovery Plan**

BKS Wealth LLC's has a business continuity plan and its policy is to respond to a Significant Business Disruption ("SBD") by safeguarding employees' lives and firm property, making a financial and operational assessment, quickly recovering and resuming operations, protecting all of BKS Wealth LLC's books and records, and allowing our customers to transact business. In the event that BKS Wealth LLC determines we are unable to continue our business; we will assure customers prompt access to their funds and securities.

#### **Disclosure of Material Conflicts of Interest**

Material conflicts of interest relating to Adviser, its representatives and employees, which would be reasonably expected to impair the rendering of unbiased and objective advice, have been disclosed herein.

## Item 20 -- Customer Privacy Policy Notice

**Commitment to Your Private Information:** BKS Wealth LLC, has a policy of protecting the confidentiality and security of information we collect about our clients. We do not, and will not, share non-public personal information (“Information”) about you with outside third parties without your consent, except for the specific purposes described below. This notice has been provided to you to describe the Information we gather and the situations under which we need to share it.

**Why We Collect and How We Use Information.** We limit the collection and use of Information within our firm to only those individuals associated or employed with us that must have Information to provide financial services to you. Such services include maintaining your accounts, processing transaction requests, and providing the advisory services described in our Form ADV.

**How We Gather Information.** We get most Information directly from you when you provide us with information from any of the following sources:

- Applications or forms (for example: name, address, social security number, birth date, assets, income, financial history)
- Transactional activity in your account (for example: trading history and account balances)
- Information services and consumer reporting sources (for example: to verify your identity or to assess your credit history)
- Other sources with your consent (for example: your insurance professional, attorney or accountant)

**How We Protect Information.** Our employees and affiliated persons are required to protect the confidentiality of Information and to comply with our stated policies. They can access Information only when there is an acceptable reason to do so, such as to service your account or provide you with financial services. Employees who violate our Privacy Policy are subject to disciplinary action, up to and including termination from employment with us. We also maintain physical, electronic and procedural safeguards to protect Information, which comply with applicable state, and federal laws.

**Sharing Information with Other Companies Permitted Under Law.** We do not disclose Information obtained in the course of our practice except as required or permitted under law. Permitted disclosures include, for instance, providing Information to unrelated third parties who need to know such Information in order to assist us with the provision of services to you. Unrelated third parties include broker/dealers, mutual fund companies, insurance companies, and the custodian with which your assets are held. In such situations, we stress the confidential nature of Information being shared.

**Former Customers.** Even if we cease to provide you with financial products or services, our Privacy Policy will continue to apply to you and we will continue to treat your non-public information with strict confidentiality.