

Name of Investment Advisor: **SVA Wealth Management, Inc.**

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Website Address: [www.svawealth.com](http://www.svawealth.com)

Tax ID Number: 39-1593465

Branch Office Location:

Street Address: 18650 W. Corporate Dr., Suite 200  
Brookfield, WI 53045-6344

Mailing Address: P. O. Box 1910  
Brookfield, WI 53008-1910

Telephone: 262.641.6888

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**SVA Wealth Management, Inc.**, an affiliate of SVA Certified Public Accountants, S.C., is a Registered Investment Adviser providing asset management, financial planning, and investment consulting services. As a fee-only Adviser, we are able to make objective, unbiased recommendations on your behalf. We can evaluate an unlimited array of financial alternatives and recommend those services that best meet your financial goals and objectives.

This document is provided to clients and prospective clients to provide information on SVA Wealth Management, Inc. and the services we offer. It is provided in lieu of SEC Form ADV Part II, and contains important disclosures that you should read thoroughly and consider carefully when making the decision to retain our services. If you have any questions, please contact us.

This Disclosure Brochure is updated when material changes occur. To request an updated copy, please send your written request to Sharon L. Ladwig, Chief Compliance Officer at P. O. Box 44966, Madison, WI 53744-4966.



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## ADVISORY SERVICES AND FEES

SVA Wealth Management, Inc. provides a variety of advisory services to its clients. We derive approximately 98% of our total advisory billings from investment supervisory services, and approximately 2% from providing advice to clients on matters other than securities. Our services are more fully described below.

## INVESTMENT SUPERVISORY SERVICES

We provide investment advice and make investments for clients based on each client's individual needs, risk tolerance and return objectives. We provide this service to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and other business entities. Our individual clients include retirement plan participants whose retirement plan assets are managed on either a group or an individual basis. Generally, our clients allow us full discretion to make investments on their behalf within agreed-upon parameters, although we will consider a nondiscretionary arrangement under certain circumstances. Our services may apply only to assets directly managed by us, or in some cases may also include summary reporting and/or oversight of all investable assets of our clients, even if they are managed by other entities. While our Consultants and Wealth Managers strive to render their best judgments, it is your responsibility to ensure your understanding of the risks associated with any investment by asking questions when the need arises. There is no guarantee, either implied or expressed, that a client's investment objectives will be met and past performance is not an accurate predictor of future results.

Fees for our investment supervisory services are payable at the end of each quarter for services rendered during the quarter. The fee is based upon the total market value of assets under management on the last day of each quarter and calculated using the following schedule:

<u>Assets Under Management</u>	<u>Annual Fee*</u>
First \$500,000	1.00%
Next \$1,500,000	.80%
Next \$3,000,000	.65%
Over \$5,000,000	.50%

\*Subject to a minimum quarterly fee of \$375, or \$1,500 annually.

Since the inception of our business, we have had other fee schedules in effect, which may provide for fees lower or higher than those shown above. Therefore, some of our clients may pay higher or lower fees than our standard fee schedule. Fees are not negotiable except in certain limited circumstances described herein due to the nature of the client's portfolio and investment objectives, and flat fee arrangements may be negotiated from time to time. Accounts that have a family or business relationship may be aggregated for billing purposes. The percentage fee will be applied to the total assets of all related accounts, and the total fee will be prorated among all accounts based upon the assets in each account.

In those instances where services are provided to a group of retirement plan participants on a negotiated flat-fee basis, the fee rate is applied to the aggregate value of all accounts as of December 31 of each year. Each participant is then responsible for paying a pro-rata share of the fee quarterly based upon account value. Clients should be aware that such a formula could result in large increases in fees due to fund withdrawals and participant departure.

## NON-DISCRETIONARY INVESTMENT MANAGEMENT SERVICES

We occasionally provide investment advice, recommendations and non-discretionary asset management for some retirement plans and corporate clients who wish to retain management control and investment discretion on their investment accounts. In such cases, we may negotiate a flat fee arrangement. This fee is calculated based on a percentage of assets under management as of December 31 of each year, and is billed quarterly, in arrears.

## "INVESTMENT ONLY" ACCOUNT

If a client is unable to reach the \$150,000 minimum account size, we can set up an "investment only" account for clients. This account has a \$1,500 implementation fee, and an annual asset management fee equal to the greater of \$500 or 1.25% of assets under management.

## COMPREHENSIVE FINANCIAL PLANNING SERVICES

You may elect to have a comprehensive financial plan prepared by our financial consultants. Based upon a financial questionnaire and other documentation you provide on your current financial situation, a written report is prepared that provides a detailed plan designed to help you achieve your stated financial goals and objectives. In general, the financial plan addresses the following areas of concern:

- Personal cash flow – income, outflows and budgeting
- Education funding – analysis and projections of future income needs to fund education expenses



- Retirement – analysis of investment alternatives and their effect on a client's portfolio
- Investments – analysis of risk tolerance and investment strategies and their effect on a client's portfolio
- Risk Management – cash needs at death, income needs of surviving dependents, estate planning, disability income analysis and personal liability
- Taxes – income tax considerations for past, current and future years

Should you choose to implement the recommendations contained in the plan, we suggest that you work closely with your attorney, accountant, insurance agent and/or stock broker. Implementation of financial plan recommendations is entirely at your discretion.

Fees for financial planning services and the preparation of a full financial plan are individually negotiated based upon the complexity of the plan and subject to a minimum fee of \$1,500. Financial planning fees may be waived for existing clients at the sole discretion of management. Fees and payment terms are contained in the Investment Management Service Agreement. The hourly fees for our professionals range from \$150 to \$250 per hour.

### LIMITED FINANCIAL PLANNING SERVICES

You may also receive financial planning and/or investment advice on a more limited basis. This may include advice on only an isolated area(s) of concern such as education funding, retirement planning, or any other specific topic. We also provide specific consultation and administrative services regarding investment and financial concerns of the client. Our hourly fees for such services range from \$150 to \$250 per hour

### SERVICES BY AFFILIATES

If you elect to use the accounting services of our affiliate, SVA Certified Public Accountants, S.C., in some cases we may negotiate an asset-based fee that covers both asset management and accounting services. This fee will vary from the standard fee schedule shown above and generally ranges from .50% to 1.50% of the value of assets under management per annum. The fee is payable quarterly, in arrears, as described above. This combined service fee is negotiable and may vary from client to client. From this asset-based fee, we will pay SVA Certified Public Accountants, S.C. for its services an annual fee which ranges from 25% to 75% of the total fee depending upon the size of the account and scope of needed services. Because the fees to SVA Wealth Management, Inc. and SVA Certified Public Accountants, S.C. are asset-based, a client may pay a higher or lower total annual fee than the client would have paid if billed for management and accounting services separately by these firms on a non-asset-based fee. Clients are free to terminate the accounting services relationship any time they wish and renegotiate the asset-based fee to SVA Wealth Management, Inc. They are also free to terminate the investment management services of SVA Wealth Management, Inc. and continue with the accounting services of SVA Certified Public Accountants, S.C.

If we recommend that you use the accounting or ancillary services of SVA Certified Public Accountants, S.C., we do not evaluate similar services which may be available to you from other providers. Furthermore, as these services are provided by affiliates, we do not supervise, evaluate or monitor those services at any time.

If accounting or ancillary services are provided by our affiliated entities, we will communicate financial or other information about your investment accounts directly to those affiliates to assist them in providing services to you. The affiliated service providers may also contact you directly to obtain initial and follow-up information. There is no restriction on your ability to contact or consult with affiliates performing accounting or ancillary services.

### INVESTMENT MANAGER SEARCH AND MONITORING SERVICES

If you are interested in investing in a separately-managed portfolio of securities and if you meet certain criteria, we may refer you to a Separate Account Management (SAM) firm. We currently use the services of Manning & Napier Advisors, Inc. ("Manning & Napier"), Schwab Institutional Managed Account Services ("Schwab MAS") and Lockwood Financial Services, Inc. ("Lockwood") for separate account management. The SAM firms assist us by providing background information and other advice about investment managers and their areas of specialization, and also prepare reports for use in monitoring the performance of client portfolios managed by these investment managers.

Manager search services begin with you identifying your investment objectives and manager selection criteria. Using the SAM firm's research services, we then present one or more investment management firms that we believe can satisfy your objectives. Generally, you will only have contact with us when selecting a manager and periodically thereafter in connection with reviewing the performance of the manager.

When using the services of SAM firms, we may either use manager research information prepared by the SAM firm which describes the histories, investment philosophies, risk factors, investment returns and investing time frames used by investment management firms, or we may conduct the manager search directly using research tools provided through the SAM firm's website and based on other information available. The SAM firms have varying account minimums and other client criteria. Investment managers for the SAM firms stand ready to provide management services to a



client, provided the client's account size and other conditions meet the standards established by the manager and provided that the client's investment objectives are consistent with the manager's investment philosophy.

It is important to note that even though certain managers may have achieved higher performance returns than other managers, we may not present them to you due to the influence of other factors, including the nature of a portfolio manager's investment style and time under which securities were managed to produce returns.

Once you have selected a manager from those presented, we supply the manager and the SAM firm with information regarding your financial background and investment objectives. To the extent we become aware of changes in your financial circumstances or objectives; this information is relayed to your manager or to the SAM firm. We do not collect updated financial information from you on a regular basis and rely on you to inform us of any material changes in your financial position or objectives.

You will enter into an Advisory Agreement directly with the manager whereby the manager agrees to manage your account on a discretionary basis in accordance with your objectives. You grant the manager complete and unlimited discretionary trading authority so the manager can place the transaction orders at will for your account. You have the opportunity to instruct the manager about investment restrictions you would like followed during the management of your account. There is no restriction on you contacting the manager directly for other purposes. Your account is managed individually by a manager and is separate from other accounts managed by the manager. You receive a confirmation for each securities transaction placed by the manager, periodic custodian account statements, as well as a quarterly performance review prepared by the SAM firm.

We will provide periodic assistance in evaluating the manager's performance and, if necessary, recommend replacement of a manager when we deem it necessary to do so. You grant SVA Wealth Management, Inc. discretionary authority to change managers as we deem necessary. We generally do not recommend the replacement of a manager based on short-term performance results. In the event there is significant change in the manager's investment philosophy, loss of significant investment management personnel or a change in ownership, we will re-evaluate the manager to determine whether the manager has changed from how the manager represented itself initially and then determine whether to recommend a manager change or make a manager change itself.

Our advisory fees and the SAM firm's management fee, when combined, may be higher or lower than those charged by other management firms.

Manning & Napier Advisory Advantage Corporation collects an asset-based fee, which varies by the dollar value of a client's account and/or types of securities in an account (equity, international or fixed income). Manning & Napier's annual asset-based fee begins at a maximum of 1.25% for accounts containing equity securities, 1% for accounts with an international objective and at .4% for accounts that contain primarily fixed income securities. Such fees are billed quarterly, based upon the total market value of assets under management on the last day of each quarter. From this fee, Manning & Napier pays the client's manager its fee and processes all securities transactions without charging clients per transaction commissions. Clients also pay SVA Wealth Management, Inc. its asset-based investment management fee as set forth in the fee schedule above. Such fees are billed quarterly, in arrears, based upon the total market value of assets under management on the last day of each quarter. Manning & Napier uses the transaction execution and custodial services of its affiliate, Investors Bank & Trust Company.

Schwab Institutional Managed Account Services collects an asset-based fee that varies by the dollar value of a client's account, types of securities in an account (equity or fixed income) and whether transaction commissions are covered by the fee. Schwab MAS' annual asset-based fee begins at a maximum of 1% for accounts containing equity securities and at .70% for accounts which contain primarily fixed income securities. From this fee, Schwab pays the client's manager its fee and processes all securities transactions without charging clients per transaction commissions. Clients also pay SVA Wealth Management, Inc. its asset-based investment management fee as set forth in the fee schedule above. Such fees are billed quarterly, in arrears, based upon the total market value of assets under management on the last day of each quarter. Schwab MAS uses the transaction execution and custodial services of its affiliate, Schwab Institutional.

Lockwood collects an asset-based fee that varies by the dollar value of a client's account, types of securities in an account (equity or fixed income) and whether transaction commissions are covered by the fee. Lockwood's annual asset-based fees usually range from 1% to 2%. Such fees are billed quarterly, in advance, based upon the total market value of assets under management on the last day of each quarter. The fee covers SVA Wealth Management, Inc.'s fee, the manager's fee and Lockwood's fee. If the transaction and custodial services of Pershing are used, the total annual asset-based fee is higher. Lockwood uses the transaction execution and custodial services of its clearing firm, Pershing.

#### **PROXY VOTING**

We do not vote proxies on behalf of our clients and generally, by the terms of our Investment Advisory Agreements, are prohibited from exercising any voting authority over any proxy. However, if you have questions about a proxy you receive, we can provide advice about the proxy.



## CLASS ACTION LAWSUITS

You are responsible for filing any proof of claim or taking any other action in connection with any class action lawsuit or other proceeding relating to any security held in your account(s). We will not take any action to perfect or preserve your rights in connection with any such action. If we receive any correspondence or other documentation regarding any lawsuit or other proceeding relating to your securities, we will forward such correspondence or other documentation to you as soon as possible. In some cases, we may be able to provide you with reports containing information you will need to file your claim.

## MISCELLANEOUS INFORMATION REGARDING SERVICES

We do not issue any periodic publications relating to securities on a subscription basis. We also do not prepare or issue special reports or analyses relating to securities or any charts, graphs, formulas or other devices that clients may use to evaluate securities that are not part of the client's investment advisory services.

You retain the unrestricted right to decline to implement any advice rendered, except in situations where you grant us discretionary authority on your account.

We require that our directors, officers and employees must act in accordance with all applicable federal and state regulations governing registered investment advisers. Any individual who does not comply with these regulations may be subject to termination.

## MISCELLANEOUS INFORMATION REGARDING FEES

Advisory Agreements may be terminated by either party upon written notice to the other. In the event of termination, since fees are paid in arrears, the fees are calculated on a pro-rata basis from the end of the last completed quarter to the date of termination and are payable upon invoice.

SVA Wealth Management, Inc. does not enter into fee arrangements which are based on a share of capital gains or capital appreciation of the funds or any portion of the client's funds.

All fees paid to SVA Wealth Management, Inc. are separate from the expenses charged by mutual fund companies to holders of mutual fund shares. These expenses include advisory fees that are deducted from the fund's reported performance and, depending on the fund; a client may be able to invest directly in a fund without incurring any sales or advisory fees. A complete explanation of expenses charged by the mutual fund companies is contained in each mutual fund prospectus.

## TYPES OF INVESTMENTS

We offer financial planning, investment advice and investment management services on the following types of investments:

- Mutual funds
- Equities (including exchange listed and over-the-counter traded securities)
- Bonds (including corporate and municipal bonds)
- Certificates of deposit
- Options
- Collective Investment Trusts
- Variable annuities
- Government securities

## METHODS OF ANALYSIS AND INVESTMENT STRATEGIES

Our financial professionals use fundamental, technical and cyclical methods to analyze the investment vehicles we recommend to our clients. We obtain our research and information from a variety of sources, including financial newspapers and magazines; research materials prepared by third parties; corporate rating services; and information provided by investment companies and public entities, such as annual reports, prospectuses, press releases and SEC filings. We encourage a long-term investment strategy to our clients.

## OVERSIGHT AND REVIEW OF PORTFOLIOS

Your investment account records are computerized and maintained by our portfolio management software. Each business day, our administrative personnel review and post transactions to client accounts. Portfolio records are reconciled on a monthly basis against the custodian's records to ensure accuracy.



You will be assigned a financial professional who is responsible for reviewing your account periodically to ensure that your investments are performing as expected and that your portfolio remains aligned with your investment objectives. Your financial professional will design a portfolio suitable for you, based upon an understanding of your current circumstances. The suitability of your investments may be determined by guidelines or directives given by you, questionnaires completed by you, correspondence or other documentation you provide to us. There are no fixed limits on the number of accounts assigned to one financial consultant.

Your assets will be held by a qualified custodian. You will receive monthly statements from the custodian, showing transactions and account balances. We will also provide you with a quarterly statement that details your account balances at the end of the quarter, allocation of your accounts and performance results. In some cases, clients who do not pay our minimum account fees may receive written reports on a less frequent basis, but no less frequently than annually.

## EDUCATION AND BUSINESS STANDARDS

SVA Wealth Management, Inc. requires all persons who provide advice to clients on behalf of SVA Wealth Management, Inc. to be college graduates in a business-related field (i.e., accounting, math, finance, etc.); to hold and maintain a professional designation that demonstrates a high degree of professional and ethical standards in the field of financial planning (i.e., CFP®, CFA, ChFC, etc.); or to have comparable work experience in the financial services industry.

Listed below is a summary of the education and business background of all members of SVA Wealth Management, Inc.'s Investment Advisory Committee and principal executive officers:

- Raymond Hugh Boysen – DOB 1954 – President, Investment Advisory Committee Member
  - University of Wisconsin, Madison, WI – BBA-Accounting, 1976
  - SVA Certified Public Accountants, S.C., Madison, WI – 1/1977 to present
- Kurt Gerard Krumholz – DOB 1963 – Vice President, Investment Advisory Committee Member
  - Winona State University, Winona, MN
  - University of Wisconsin, Madison, WI – BBA-Marketing & Finance, 1986
  - College for Financial Planning, Denver, CO – Certificate, 1992
  - SVA Wealth Management, Inc., Madison, WI – 4/1994 to present
  - Wisconsin Medical Society Financial Services, Inc. – 1/2003 to present
  - SVA Wealth Management, Inc., Madison, WI – 8/1987 to present
- Glen Eugene Weyenberg - DOB 1964 – Secretary/Treasurer
  - University of Wisconsin, Oshkosh, WI – BBA-Accounting, 1986
  - SVA Certified Public Accountants, S.C., Madison, WI – 1/1987 to present
  - SVA Wealth Management, Inc., Madison, WI – 8/1987 to present
- Dale Smith – DOB 1948 – Investment Advisory Committee Member
  - University of Wisconsin, Madison, WI- BBA-Risk Management, 1972
  - University of Wisconsin, Madison, WI- BBA-Accounting, 1974
  - Certified Public Accountant-1976
  - SVA Certified Public Accountants, S.C.–1974 to present
  - SVA Wealth Management, Inc., Madison, WI – 08/1997 to present
- Gerald Norman Klump – DOB 1955 - Investment Advisory Committee Member
  - University of Wisconsin, Stevens Point, WI – BS Business Administration–BS Economics 1977
  - SVA Certified Public Accountants, S.C.–1990 to present
  - SVA Wealth Management, Inc., Madison, WI – 11/2006 to present
- Joel G. Nettersheim – DOB 1958 – Investment Advisory Committee Member
  - University of Wisconsin, Milwaukee, WI – BBA-Accounting, 1980
  - SVA Certified Public Accountants, S.C.–1997 to present
  - SVA Wealth Management, Inc., Madison, WI – 08/1997 to present
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- Daniel Guyan Gibson – DOB 1972 – Investment Advisory Committee Member
  - Edgewood College, Madison, WI – BA International Relations, 1995
  - College for Financial Planning, Denver, CO – Certificate, 2005
  - Financial Planning Association of Southern Wisconsin Board of Directors- 1/2000 to present
  - SVA Wealth Management, Inc., Madison, WI – 11/1998 to present
  
- Brian Howard Reamer – DOB 1965 – Investment Advisory Committee Member
  - University of Wisconsin, Whitewater, WI – BBA-Finance, 1987
  - College for Financial Planning, Denver, CO – Certificate, 1996
  - SVA Wealth Management, Inc., Madison, WI – 11/2000 to present
  - SVA Financial Services, LLC – 5/2001 to present
  
- Debra Lynn Oswald – DOB 1964 – Investment Advisory Committee Member
  - University of Illinois, Champaign, IL – BS-Business, 1986
  - Cannon Trust School, South Carolina – Certificate, 1995
  - Firststar Investment Research & Mgmt. Co., Madison, WI – 8/1997 to 12/2000
  - SVA Wealth Management, Inc., Madison, WI – 12/2000 to present
  
- Jay Anthony Czarapata – DOB 1977 – Investment Advisory Committee Member
  - University of Wisconsin, Whitewater, WI – BBA-Finance, 1999
  - University of Wisconsin, Milwaukee, WI- Second Major Accounting 2003
  - College for Financial Planning, Denver, CO – Certificate, 2006
  - SVA Wealth Management, Inc., Brookfield, WI – 3/2006 to present

## POTENTIAL CONFLICTS OF INTEREST

As a Registered Investment Adviser, we have a fiduciary duty to always act in your best interest. We take this duty very seriously, and we strive to always act with the utmost consideration for our clients. Due to our business affiliations, certain situations exist which could potentially result in a conflict of interest between us and our clients. While we have measures in place to ensure our clients come first, we have an obligation to disclose to you what these potential conflicts of interest are. These are summarized below.

## RETIREMENT PLAN SERVICES, LLC.

SVA Retirement Plan Services, LLC is wholly owned by SVA Wealth Management, Inc., and does not provide investment advice, at any time or have access to confidential investment advice prior to that advice being provided to a client. SVA Retirement Plan Services, LLC assists clients in selecting the appropriate retirement plan for their business and is generally responsible for, on behalf of its plan clients, data entry, accounting, recordkeeping and assisting the plan in its compliance obligations with applicable government regulations.

SVA Wealth Management, Inc. will recommend SVA Retirement Plan Services, LLC to its business clients that wish to create a retirement plan for its employees. We believe that the use of SVA Retirement Plan Services, LLC is a convenient means of obtaining efficient reporting services for retirement plans. SVA Retirement Plan Services, LLC. has entered into an Agreement with Schwab to receive a payment of fees. This relationship with Schwab is described in greater detail under the Retirement Plan Benefits section disclosed later in this document.

## INDEPENDENT ADVISORY FIRM NETWORK

SVA Wealth Management, Inc. has the same shareholders as Diversified Services of Wisconsin, Inc., an affiliate of SVA Certified Public Accountants, S.C. Diversified Services of Wisconsin, Inc. has an ownership interest in Advisors Edge, Inc., a member-owned firm which contracts with a network of independent investment advisory firms like SVA Wealth Management, Inc., or their affiliates, around the country.



Advisors Edge, Inc. provides services to its member firms and their affiliates by analyzing, selecting and monitoring the services of independent third parties who provide investment management platform services, securities brokerage, independent investment management and other support services to investment advisory clients of its members, or affiliates of its members. Lockwood Financial Services, Inc. one of these third-party service providers. In some instances, the fees to Advisors Edge may be in the form of a "fee rebate" from a third-party service provider to SVA Wealth Management, Inc., all of which would go to Advisors Edge, Inc. Each participating firm instructs the custodian for that firm's client account to pay Advisors Edge, Inc. that portion of advisory fees which are owed to Advisors Edge, Inc.

Advisors Edge, Inc. does not provide any advisory services to any client and is not responsible for the management of any client account. SVA Wealth Management, Inc. may terminate its membership in Advisors Edge, Inc. at any time. Diversified Services of Wisconsin, Inc.'s has an ownership interest in Advisors Edge, Inc. SVA Wealth Management, Inc. has a conflict of interest, when recommending that clients use the services of Lockwood or any other product or service sponsored by Advisors Edge, Inc. as Diversified Services of Wisconsin, Inc. receives a share of the profit earned by Advisors Edge, Inc. during the year. The fees paid by SVA Wealth Management, Inc. clients are not higher or lower as a result of Advisors Edge, Inc.'s services.

#### **PARTICIPATION OR INTEREST IN CLIENT ACCOUNTS**

Our employees, affiliates or related persons may buy or sell securities in their personal accounts identical to those recommended to you for your advisory accounts. We have established a Code of Ethics, applicable to all persons at the firm, who have access to confidential client records or to recommendations being made for client accounts. Designed to prevent conflicts of interest between your financial interests and the financial interests of our staff, the Code requires these "access persons" to obtain pre-approval of certain securities transactions, to report transactions quarterly and to report all securities positions in which they have a beneficial interest at least annually. These report requirements allow supervisors at SVA Wealth Management, Inc. to determine whether to allow or prohibit certain employee securities trades based on transactions made, or anticipated to be made, in the same securities for client accounts. Our directors, officers and employees are prohibited from buying or selling securities in their personal accounts if their decision is based, in whole or in part, on information received by reason of his or her employment, unless the information is also available to the investing public. The Code also establishes certain bookkeeping requirements relating to the internal reporting rules. The Code is required to be reviewed annually and updated as necessary. A complete copy of the firm's Code of Ethics is available upon request. Please submit your request in writing to: Sharon L. Ladwig, Chief Compliance Officer, SVA Wealth Management, Inc., P. O. Box 44966, Madison, WI 53744-4966.

#### **OTHER BUSINESS ACTIVITIES**

Our principal business is that of an Investment Adviser. All of our principal executive officers, with the exception of Kurt G. Krumholz, are CPAs who are employed by SVA Certified Public Accountants, S.C., a certified public accounting firm. SVA Certified Public Accountants, S.C.'s accounting services are separate and distinct from our investment advisory services. These individuals, with the exception of Kurt G. Krumholz, spend approximately 90% to 100% of their time on the related accounting activities.

All individuals referred to in this Disclosure Brochure, with the exception of Jay Czarapata, Daniel G. Gibson, Kurt G. Krumholz, Brian H. Reamer and Debra L. Oswald, are employed by SVA Certified Public Accountants, S.C.

#### **SERVICES BY AFFILIATES**

We may recommend SVA Certified Public Accountants, S.C. to clients in need of accounting services. Except as described in this Disclosure Brochure, fees for such accounting services are generally separate and distinct from the advisory fees charged by and paid to us by you. You are not obligated to use SVA Certified Public Accountants, S.C. for any accounting services. SVA Certified Public Accountants, S.C. does not pay us a fee for accounting client referrals.

In addition, SVA Certified Public Accountants, S.C. may recommend us to its clients in need of investment advice. Our investment advisory service fees are separate and distinct from any fees charged by SVA Certified Public Accountants, S.C. No client of SVA Certified Public Accountants, S.C. is obligated to retain us for investment advisory services, and we do not pay SVA Certified Public Accountants, S.C. for client referrals.

We have entered into an Agreement with SVA Certified Public Accountants, S.C. for the performance of accounting, income tax and consulting-related services for some of our clients. We have agreed to pay SVA Certified Public Accountants, S.C. an asset-based fee for its accounting services which ranges between 0% and 100% per annum, depending on the size of the account and scope of needed services. Clients should be aware that they may be able to obtain comparable investment management and accounting services from these affiliates or from unaffiliated organizations at fees that, if billed separately, may be higher or lower than the total asset-based fee we charge. We have a conflict of interest when we recommend SVA Certified Public Accountants, S.C. to our clients because our affiliate will receive compensation for its services. Clients should also be aware that when SVA Certified Public Accountants, S.C. provides accounting services, it is in a position to control the amount of its net



service revenue from its share of the asset-based fee by limiting its expenses. It therefore has a conflict of interest in the arrangement when determining the amount of time to spend on client accounting projects, the scope of those projects, and the amount of expense to show on its internal accounting records.

We may recommend the use of SVA Financial Services, LLC, an affiliate, to clients who have a need for insurance advice or products. SVA Financial Services, LLC, through third party insurance providers, offers a wide variety of insurance products and earns commissions when those products are purchased. SVA Financial Services, LLC is also a limited securities broker-dealer, member of FINRA and SIPC. We have a conflict of interest when we recommend the insurance services of SVA Financial Services, LLC since SVA Financial Services, LLC will receive commissions if a recommendation is followed.

We may also may recommend the use of SVA Trust Company, LLC to act as trustee for clients of SVA Wealth Management, Inc. No client of SVA Wealth Management, Inc., is obligated to use SVA Trust Company, LLC. No fee is paid by SVA Wealth Management, Inc. to SVA Trust Company, LLC for client referrals.

SVA Wealth Management, Inc. has entered into an Agreement with SVA Trust Company, LLC to perform investment management and consulting related services. If a client elects to use SVA Trust Company, LLC, SVA Wealth Management, Inc., will be compensated by the Trust Company for the investment advisory services provided, at the amount of fifty percent (50%) of the trust fee billed and collected by the Trust Company to its clients.

Because of the potential revenue flow to an affiliate, the trustee has a conflict of interest in recommending affiliated entities for these services. Clients may obtain comparable trustees, investment management and accounting services from unaffiliated individuals and organizations at fees which may be higher or lower than the fees charged by SVA Trust Company, LLC, SVA Certified Public Accountants, S.C., and/or SVA Wealth Management, Inc.

Our employees and the employees of our affiliates are evaluated annually. The employee's efforts to obtain new business are a factor considered in their performance evaluation. There is an incentive for individual employees, to recommend the investment management and accounting services of affiliates, rather than refer clients to unaffiliated providers of these services.

SVA Certified Public Accountants, S.C., SVA Trust Company, LLC and each client indemnifies SVA Wealth Management, Inc. for any loss, liability or expense associated with all services provided by SVA Certified Public Accountants, S.C. or SVA Trust Company, LLC.

## **SOLICITATION AGREEMENTS**

SVA Wealth Management, Inc., does not currently have any solicitation agreements.

## **INVESTMENT OR BROKERAGE DISCRETION**

SVA Wealth Management, Inc. retains a limited power of attorney on each of its managed accounts. This authorizes us to determine, without obtaining your specific consent, the securities and the amount of securities to be bought and sold. In making these buy and sell decisions, we follow general guidelines established by you which may include instructions to have us refrain from purchasing certain securities, e.g. socially responsible investing.

SVA Wealth Management, Inc., when providing manager search and monitoring services, is granted discretion by a client to change a client's investment manager, without prior client permission, when it deems it appropriate to do so.

We may recommend that you establish brokerage accounts with the Schwab Institutional, Schwab Retirement Plan Services or Charles Schwab Trust Company divisions of Charles Schwab & Company, Inc. (collectively referred hereinafter as "Schwab") to maintain custody of your assets and to effect trades for your accounts. We are independently owned and are not affiliated with Schwab. However, Schwab provides us with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to registered investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' account assets are maintained in accounts at Schwab, and are not otherwise contingent upon us committing to Schwab any specific amount of business (assets in custody or trading). Schwab's services include brokerage, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For our client accounts, maintained in its custody, Schwab generally does not charge separately for custody, but is compensated by account holders through commissions or other transaction-related fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Schwab also makes available other products and services that benefit us, but may not benefit our clients' accounts. Some of these other products and services assist us in managing and administering your accounts. These include software and other technology that provide access to client



account data (such as trade confirmations and account statements), facilitate trade execution, provide research, pricing information and other market data, facilitate payment of our fees from client accounts, assist with back-office functions, recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of our accounts, including accounts not maintained at Schwab.

Schwab also makes available other services intended to help us manage and further develop our business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance and marketing. In addition, Schwab may make available, arrange and/or pay for these types of services rendered to us by independent third parties. Schwab may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third party providing these services to us. While as a fiduciary, we endeavor to act in our clients' best interests. Our recommendation is that our clients maintain their assets in accounts at Schwab, may be based in part, on the benefit of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

In addition to Schwab, in certain circumstances, we may recommend the account custody and transaction execution services of other firms, such as Fidelity Brokerage Services, LLC; Monumental Life Insurance Company/AEGON Insurance Group; Investor's Bank & Trust Company or Pershing, LLC. These firms, and firms affiliated with them, carry client accounts on their records, process client transactions ordered by us, provide software and computer access to us for review of client positions, and provide quotes and other data needed for the reports we prepare for clients. These services and products are provided to us at little or no cost. We believe that use of these firms is a convenient means of obtaining efficient transaction executions, account reference and reporting services for client account investment positions. However, receipt of such support services creates an inducement and conflict of interest for us since referring clients to any other firm may result in higher reporting and overhead costs.

SVA Wealth Management, Inc., participates in the Institutional customer program offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade, Inc., ("TD Ameritrade") member FINRA/SIPC. TD Ameritrade is an unaffiliated SEC registered broker-dealer and FINRA member. There is no direct link between SVA Wealth Management, Inc.'s participation in the program and the investment advice it gives to its clients, although SVA Wealth Management, Inc., receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors.

Some of the products offered by TD Ameritrade, specifically iRebal Trading System, may benefit SVA Wealth Management, Inc., but may not benefit its client accounts. This product is a rebalancing system which retains an audit trail of all executed trades and uploads trades to multiple custodians. The trading system incorporates rebalancing, cash management and tax harvesting.

As part of its fiduciary duties to clients, SVA Wealth Management, Inc., endeavors, at all times, to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by SVA Wealth Management, Inc., or its related persons in and of itself creates a potential conflict of interest.

## RETIREMENT PLAN BENEFIT PAYMENTS

Our affiliate, SVA Retirement Plan Services, LLC, has entered into an Agreement with Schwab, which generates payments from Schwab, to offset fees charged to clients of SVA Retirement Plan Services, LLC, for third party administration services. Specifically, Schwab has agreed to pay a minimal asset-based fee to SVA Retirement Plan Services, LLC based upon the value of "Program Funds" (as designated by Schwab), held in Schwab accounts, serviced by SVA Retirement Plan Services, LLC, as third party administrator and managed by us as the investment adviser. The fees paid by Schwab are calculated based upon the average month-end market value of shares of Program Funds held in an account. The fees are paid quarterly by Schwab provided that a minimum value of assets is held at Schwab. This arrangement creates a conflict of interest for us when recommending Schwab Program Funds because it creates an incentive for us (1) to recommend Program Funds to generate a fee offset which may be utilized by our affiliate; and (2) to maintain client account Program Fund balances at Schwab over time so that SVA Retirement Plan Services, LLC can continue to receive and apply fee offsets.

## EMPLOYEE REFERRAL BONUSES

Our employees and employees of our affiliates are eligible, based on current referral guidelines, to receive a referral fee of a portion of cash collected from the amount billed in the first year for new clients and a trailing client referral fee for subsequent years. The client must meet the minimum account requirements.

## ADDITIONAL JURISDICTION-SPECIFIC DISCLOSURES

California: Subsection (j) of rule 260.238 California Code of Regulations requires SVA to disclose that lower fees for comparable services may be available through other sources. In addition, financial planning clients should be aware that pursuant to California Rule 260.235.2, a conflict will exist between the interests of the applicant or associated person and the interest of the client.



## PRIVACY PRACTICES NOTICE

We strongly believe in protecting the confidentiality and security of information we collect about you. This notice describes our privacy policy and describes how we treat the information we receive about you.

At SVA Wealth Management, Inc. (SVA), your privacy is very important to us. What you share with us is often private and confidential, and we are committed to its protection. We take very seriously the responsibility to safeguard the confidentiality of client information that we obtain. SVA and our affiliated companies believe that our ability to share financial information within our company enables us to more effectively serve our customers. This notice describes our privacy policy and describes how we treat the information we receive about you.

**Information We Collect.** The types of personal non-public information we may collect with your authorization include:

- Identification documents or other personal information necessary to service your account in accordance with federal regulations. This information may include your social security number, date of birth, as well as details about your investments, income and expenses and other relevant financial information;
- Information we receive from custodians with respect to your account(s); and
- Information received from service bureaus or other third parties.

**Information We Disclose.** As a general rule, we do not disclose personal information about our clients or former clients to anyone except under the following circumstances:

- To State, Federal, and other regulatory authorities as required by law or regulation;
- To other third parties in response to subpoenas or other legal process as required by law;
- At your request, we may disclose information to attorneys, accountants, securities professionals and others to assist us, or them, in providing services to you;
- To provide information to affiliates of the firm to service your account(s); and
- To nonaffiliated third parties who perform services or functions for us in conjunction with our services to you, but only if we have a contractual agreement with the third party prohibiting the use of the information other than for the purposes for which it was disclosed. (An example of such a disclosure is using an outside service bureau to process tax returns.)

**How We Protect Your Information.** Companies we may hire to provide support services are not allowed to use your personal information for their own purposes. We also maintain physical, electronic and procedural safeguards to protect information. Our employees may access information and provide it to third parties only when completing a transaction at your request or providing our other services to you. Employees and our professional service representatives are required to comply with our established information confidentiality provisions.

Additionally, SVA:

- Provides training to all employees regarding the protection and confidentiality of client information;
- Maintains physical, electronic and procedural safeguards that comply with federal standards to protect this information; and
- Will under no circumstances sell any confidential information to any person or entity;
- May send clients marketing materials from any affiliate of SVA Certified Public Accountants, S.C.

Thank you for allowing us to serve you. We value your business and are committed to protecting your privacy. We hope you view our firm as your most trusted adviser, and we will work to continue earning your trust. Please call us if you have any questions or if we can be of further assistance.

