



FAQs — Conversation Starters

Given my financial situation, should I choose an investment advisory service?

Why or why not?

Brixton Capital Wealth Advisors (BCWA) only provides investment advisory services and insurance and annuity products. We provide both discretionary and non-discretionary advisory accounts. We provide ongoing monitoring of your account(s).

BCWA is not a broker dealer and does provide brokerage account services. BCWA does not offer commission-based accounts. We only offer fee-based accounts because of the conflict of interest with commission-based accounts. We believe fee-based accounts are the best alternative for our clients.

BCWA offers a variety of investment advisory programs and services to our clients, including financial planning, non-discretionary and discretionary asset management and securities offered through our investment advisory programs. We act as your investment advisor only when we have entered into a written agreement with you that describes our advisory relationship and our obligations to you.

You will also receive a disclosure document about our advisory services that describes, among other things, our business, the services we provide, our advisory fees, our personnel, and potential conflicts between our interests and yours.

Investment Advisors are governed by the Investment Advisors Act of 1940 and applicable state securities laws. When acting as your investment advisor, we are considered to have a fiduciary relationship with you. Please note that the fact that we owe fiduciary duties to you as an investment advisor does not mean we are or have accepted responsibility as a fiduciary under ERISA or the Code.

For advisory retirement accounts, where we regularly provide recommendations for a fee to you with respect to such retirement account and its assets, we are acting as a fiduciary under ERISA and/or the Code and will always make recommendations that are in your best interest. In an advisory relationship we are obligated to:

- Disclose or avoid material conflicts of interest;
- Conduct proper due diligence on investment choices and review clients' investment objectives and risk tolerance (as provided by the client) to make suitable and appropriate investment recommendations or decisions on behalf of the clients; and
- Act in your best interests by providing investment advice that is based on your stated overall financial situation and investment objectives.

How will you choose investments to recommend to me?

An investment advisor works with you to determine the best investments for your portfolio. To do this, they must get a complete understanding of your financial situation, investment goals and risk tolerance. Investment advisors will assess your existing portfolio and recommend an investment strategy based on your goals. With your authorization, they'll purchase investments on your behalf.

Investment advisors will tell you what types of securities to invest in, like stocks, bonds, ETFs, or mutual funds. They will also advise you on the risks associated with each type of investment and your expected rate of return, in addition, they will let you know what types of taxable income your investments will generate and how to make your investments as tax efficient as possible.

If you have a specific investment need, an advisor can likely help you with that as well. Say, for example, you want to write options on company stock or create a bond ladder for retirement. Specialized investment advisors can provide focused advice on topics like these without needing to assess your entire retirement portfolio.

What is your relevant experience, including your licenses, education and other qualifications?

What do these qualifications mean?

Our Advisors are experienced in wide range of investment products, including stocks, bonds, mutual funds, options, ETFs, municipal bonds, taxable fixed income, tax-free income, and REITs.

The experience of our advisors can be found on our website at:

<https://www.brixtonwealth.com/meet-your-team>

On <https://adviserinfo.sec.gov/>

and in the [ADV Part 2](#).



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

We place our clients' interests ahead of our interests and we endeavor, at all times, to eliminate or minimize conflicts of interest. However, sometimes conflicts are unavoidable due to the nature of the investment advisory business. In these cases, we do our best to mitigate these conflicts by offering full and detailed disclosure to you of the potential for the conflict, as well as establishing strict policies and procedures to limit such conflicts. Our [ADV Part 2A](#), Disclosure Brochure is meant to outline and address these conflicts. You may also request a copy of our Disclosure Brochure by contacting your IAR or our office.

For example, a conflict may exist if an advisor trades ahead of client accounts on the same security, especially if such client trades would increase the value of the advisor's investment. This potential conflict is fully disclosed in our firm's brochure, along with the fact that our firm policies and procedures firm state that we will NEVER have priority over client accounts in the purchase or sale of securities. Please refer to our Firm Brochure for an explanation of all conflicts of interest.

Our advisors receive a portion of the management fee that we receive on your assets that we manage for you. The more your portfolio with Brixton grows, whether because of market performance or additional assets under management, the greater your advisor's compensation will be. You are never under any obligation to add new assets to your account with Brixton.

Advisors that provide variable annuity advice to you are licensed as both insurance representatives and as Registered Representatives with a broker-dealer. These advisors are paid on the business by the broker dealer and this is in addition to the fees that are paid to BCWA for managing your account. These assets are not included in your assets under management unless BCWA is managing the sub-accounts on your behalf. If we are managing your subaccounts, this will be disclosed to you in writing. Variable life policies who sub-accounts are managed by BCWA are included in the assets undermanagement. This does create a conflict of interest as the advisor can potentially receive more compensation by recommending that invest in a variable annuity. However, based upon your objectives this can be in your best interest.

Advisors that provide fixed annuity advice to you are licensed as insurance representatives. These advisors are paid on this business and this is in addition to the fees that are paid to BCWA for managing your account. This does create a conflict of interest as the advisor can potentially receive more compensation by recommending that invest in a variable annuity. However, based upon your objectives this can be in your best interest.

Advisors that provide insurance advice to you are licensed as insurance representatives. These advisors are paid on any insurance business in addition to any advisory fees that you pay to BCWA. So, this does create a conflict of interest as the representative would potentially receive a higher commission then they would if the assets were in an advisory account. However, for some clients, the benefits of life insurance would be in their best interest. Life insurance is not included in your assets under management unless it is a variable life policy where the sub-accounts are being managed by BCWA. If we are managing your subaccounts, this will be disclosed to you in writing in your investment management agreement. This creates a conflict of interest as you are paying a commission for the variable life policy as well as paying a fee to manage the sub accounts. However, depending on your goals and objectives, it could be in your best interest. You should discuss all of the costs and benefits in detail with your advisor, so that you can make an informed decision.



Help me understand how fees and costs may affect my investments.

If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

\$10,000 with a 1% fee would be \$100/year in fees or \$25 per quarter. So, \$9,900 would be invested for you. And \$10,000 with a 1.5% fee would be \$150/year in fees or \$37.50 per quarter. The amount invested for you would be \$9,850.

Please note individual fees may be different and in general the minimum account size is \$100,000. Annual fees for portfolio management services range from .50 to 1.75% of total assets under management. Assets over \$3M are negotiable based on facts and circumstances of the account.

If we suppose that rate, for example, for every \$10,000 you give BCWA to manage, \$100 per year (\$25 per quarter) would be deducted from your account. This will reduce your portfolio return by the amount you are being charged. So, if your account increased in value over a one-year period by 8%, our 1% fee would net your account a 7% return. And if your account decreased in value by 8% in a one-year period, your net loss would be 9% for the year.

For example:

\$100,000 @ 1% = \$1,000 per year in fees, which would be \$250 billed quarterly.

\$100,000 @ 1.5% = \$1,500 per year in fees, which would be \$375 billed quarterly.

As a financial professional do you have any disciplinary history?

For what type of conduct?

Information about our advisors can be found on our website at:

<https://www.brixtonwealth.com/meet-your-team>

and on the SEC website at:

<https://www.sec.gov/check-your-investment-professional>.

We are happy to answer any questions that you may have.

Who is my primary contact person?

Is he a representative of an investment adviser or a broker-dealer?

Your investment advisor is your primary contact for this account.

He is a registered investment Advisor Representative of an SEC Registered Investment Adviser. Should you have any concerns about how you are being treated by anyone at our Firm, you may contact

Stephen Perrone, CEO at: steve@brixcwa.com,

by phone at 516.222.5300

or Brixton Capital Wealth Advisors,

1305 Franklin Ave, Suite 300, Garden City, NY 11530.

