

# Sagent|Wealth Management

## Part 2A of Form ADV: *Firm Brochure*

Mailing Address:

1489 Glenneyre Street  
Laguna Beach, CA 92651

Telephone: (949) 756-2229  
Email: [Info@SagentWM.com](mailto:Info@SagentWM.com)  
Web Address: [www.SagentWM.com](http://www.SagentWM.com)

Updated: March <sup>19</sup>, 2025

This brochure provides information about the qualifications and business practices of Sagent Wealth Management. If you have any questions about the contents of this brochure, please contact us at (949) 756-2229 or [Info@SagentWM.com](mailto:Info@SagentWM.com). The information in this brochure has not been approved or verified by the United State Securities and Exchange Commission or by any state securities authority.

Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Additional information about Sagent Wealth Management also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 147890.

## **Item 2      Material Changes**

In this section, Sagent Wealth Management provides information on material changes since our last update to our Firm Brochure dated March 22, 2024

There have been no material changes since the last update to our Firm Brochure dated March 22, 2024.

## Item 3 Table of Contents

Item 1	Cover Page .....	1
Item 2	Material Changes .....	2
Item 3	Table of Contents.....	3
Item 4	Advisory Business.....	5
	Individual Portfolio Management.....	5
	Model Portfolio Management .....	6
	Independent Third-Party Manager Advisory Services .....	8
	Financial Planning (Financial Checkups) .....	9
	Assets Under Management .....	10
Item 5	Fees and Compensation.....	11
	Fee For Wealth Management Services.....	11
	Other Additional Fees .....	12
	Complimentary Financial Checkup .....	13
Item 6	Performance-Based Fees and Side-By-Side Management.....	13
Item 7	Types of Clients .....	13
Item 8	Methods of Analysis, Investment Strategies and Risk of Loss .....	15
	Methods of Analysis .....	15
	Investment Strategies .....	17
	General Risk of Loss Statement .....	18
	Specific Security Risks .....	19
Item 9	Disciplinary Information.....	25
Item 10	Other Financial Industry Activities and Affiliations .....	25
Item 11	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	26
Item 12	Brokerage Practices .....	28
	The Custodian and Brokers We Use .....	28
	How We Select Brokers/Custodians .....	29
	Your Brokerage and Custody Costs.....	30
	Client Referrals from Broker-Dealers.....	30
	Directed Brokerage .....	30
	Best Execution.....	30

Item 13      Review of Accounts.....31

Item 14      Client Referrals and Other Compensation.....31

Item 15      Custody .....31

Item 16      Investment Discretion.....32

Item 17      Voting Client Securities .....32

## **Item 4      Advisory Business**

Sagent Wealth Management is an SEC-registered investment adviser with its principal place of business located in Laguna Beach, California. Sagent Wealth Management began conducting business in 2008.

Listed below are the firm's principal owners;

- ☐ Sagent Capital, LLC - 100%

Sagent Wealth Management offers the following advisory services to our clients as a part of our overall Wealth Management Services. These Wealth Management Services include the preparation of a comprehensive financial plan based on client's individual needs, goals and objectives as well as Individual Portfolio Management, Model Portfolio Management, Independent Third-Party Manager Advisory Services and Financial Planning as referenced below.

### **Individual Portfolio Management**

Our firm provides Individual Portfolio Management services to clients whereby we will construct a portfolio of investments that is unique to each client.

These Individual Portfolios can be managed on either a discretionary or non-discretionary basis.

The process for constructing these Individual Portfolio begins with a personal client interview and a review of their available financial documentation. We then use this information to determine the client's Investment Experience, Investment Time Horizon, Income Needs, Financial Objectives, Risk Attitude, Household Income, Assets, Liabilities, Age and Family Composition.

During this process, clients may impose reasonable restrictions on the portfolio including limitations on certain securities, types of securities, industry sectors, and asset allocation.

Based on this information, we recommend, create and manage Individual Portfolios that are suitable for each client.

Our Individual Portfolios are not limited to any specific product offered by a broker-dealer, insurance company or other vendor and will generally include, but are not necessarily limited to, one or more of the following securities:

- ☐ Exchange-listed stocks and funds
- ☐ Corporate debt securities

- ☐ Certificates of deposit
- ☐ Municipal securities
- ☐ Mutual funds
- ☐ United States governmental securities
- ☐ Options contracts on securities
- ☐ Alternative Investments, including but not limited to: managed futures funds, hedge funds, and private equity funds.
- ☐ Life Insurance and Annuity Sub Accounts
- ☐ Investment alternatives offered in Defined Benefit Plans, Deferred Compensation Plans, Health Savings accounts and other plan participant accounts.

Once a client's Individual Portfolio has been established, we review the portfolio periodically, and, when necessary, make changes to the portfolio based on the client's needs and circumstances as well as changes in economic conditions. We will also:

- ☐ at least annually, contact each participating client to determine whether there have been any changes that warrant a modification to the portfolio,
- ☐ be reasonably available to consult with the client; and
- ☐ maintain client suitability information in each client's file.

### **Model Portfolio Management**

Our firm also provides Model Portfolio Management services to clients. Model portfolios are generally invested in similar securities but have varying asset allocations to provide a range of portfolios for clients to choose from, each with differing risk characteristics.

These Model Portfolios are only managed on a discretionary basis.

The process for selecting a suitable Model Portfolio for a client begins with a personal client interview and a review of their available financial documentation. We then use this information to determine the client's Investment Experience, Investment Time Horizon, Income Needs, Financial Objectives, Risk Attitude, Household Income, Assets, Liabilities, Age and Family Composition.

Clients are limited in their ability to place restrictions on the Model Portfolios. Specifically, they

are precluded from placing limitations on certain securities, types of securities, industry sectors and asset allocation. Instead, clients choose from the available Model Portfolios, each with different risk characteristics and we periodically adjust the investments and asset allocation of the portfolio, based on current economic conditions in an effort to maintain its specific risk characteristics.

**Sagent Total Return Portfolios (\$50,000 account minimum):** a series of portfolios, typically with similar securities but with varying asset allocations, designed for a range of clients, based on the individual level of risk they are willing to accept. The portfolios have as their primary goal; to minimize losses in weak markets, maximize returns in strong markets and maximize returns for the client's stated risk tolerance. The portfolios are usually comprised of open-end mutual funds and exchange traded funds but can also include other securities, including but not limited to:

- ☐ Corporate debt securities
- ☐ Certificates of deposit
- ☐ Municipal securities
- ☐ United States governmental securities
- ☐ Options contracts on securities
- ☐ Alternative Investments, including but not limited to: managed futures funds, hedge funds, and private equity funds

**Sagent Total Return Portfolios-Small (No Account Minimum):** a series of portfolios with identical risk and return goals as that of the Sagent Total Return Portfolios, but constructed with a smaller number of securities in order to minimize transactional costs (costs associated with buying and selling). The portfolios are usually comprised of open-end mutual funds and exchange traded funds but can also invest in other securities including but not limited to:

- ☐ Corporate debt securities
- ☐ Certificates of deposit
- ☐ Municipal securities
- ☐ United States governmental securities
- ☐ Options contracts on securities

- ☐ Options contracts on commodities
- ☐ Alternative Investments, including but not limited to: managed futures funds, hedge funds, and private equity funds

Once a client's Model Portfolio has been selected, we periodically review client's needs and circumstances to determine if it is still suitable. We will also:

- ☐ at least annually, contact each participating client to determine whether there have been any changes that warrant a change to a different Model Portfolio or Individual Portfolio,
- ☐ be reasonably available to consult with the client; and
- ☐ maintain client suitability information in each client's file.

### **Independent Third-Party Manager Advisory Services**

Our firm provides Independent Third-Party Manager advisory services whereby we will recommend an Independent Third-Party Manager who will buy and sell securities in a client's individual brokerage account, based on specific criteria that are agreed upon between the client and the Independent Third-Party Manager.

The Independent Third-Party Manager will manage these client brokerage accounts solely on a discretionary basis.

The process for recommending a suitable Independent Third-Party Manager for a client begins with a personal client interview and a review of their available financial documentation. We then use this information to determine the client's Investment Experience, Investment Time Horizon, Income Needs, Financial Objectives, Risk Attitude, Household Income, Assets, Liabilities, Age and Family Composition.

Based on this information, we recommend an Independent Third-Party Manager that is suitable for each client.

The Independent Third-Party Manager can invest in a variety of securities including, but not necessarily limited to, one or more of the following securities:

- ☐ Exchange-listed stocks and funds
- ☐ Corporate debt securities
- ☐ Certificates of deposit
- ☐ Municipal securities



- ☐ Mutual funds
- ☐ United States governmental securities
- ☐ Options contracts on securities
- ☐ Alternative Investments, including but not limited to: managed futures funds, hedge funds, and private equity funds.

Once an Independent Third-Party Manager has been recommended, we will review the Independent Third-Party Manager periodically, and, when necessary, may change the Independent Third-Party Manager or move the funds to an Individual Portfolio or Model Portfolio. We will also:

- ☐ at least annually, contact each participating client to determine whether there have been any changes that warrant a change,
- ☐ be reasonably available to consult with the client; and
- ☐ maintain client suitability information in each client's file.

### **Financial Planning (Financial Checkups)**

Sagent Wealth Management provides Financial Planning (Financial Checkups) services to prospects with investable assets of \$250,000 or more. Financial Checkups are provided to existing clients upon request as part of the advisory services offered by Sagent Wealth Management as more fully described in the terms of clients' Wealth Management Agreements.

Components of Financial Checkups may include some or all of the following;

- Current net worth statement
- Asset allocation evaluation
- Income evaluation
- Expense evaluation
- Cash flow analysis
- Education funding analysis
- Insurance needs assessment

## Assets Under Management

As of December 31, 2024 Sagent Wealth Management managed the following assets;

	Accounts	Amount
Non-Discretionary	19	\$ 3,840,356
Discretionary	<u>205</u>	<u>\$90,020,252</u>
Total	226	\$93,860,608

## Item 5 Fees and Compensation

### Fee For Wealth Management Services

Our annual fee for Wealth Management Services ("Management Fee") shall be a percentage of the market value of each client's assets under management ("Assets") in accordance with the following fee schedule:

<b><u>Assets Under Management</u></b>	<b><u>Annual Fee</u></b>
\$0 - \$499,999	1.50%
\$500,000 - \$999,999	1.25%
\$1,000,000 - \$2,999,999	0.90%
Greater than \$3,000,000	0.65%

The Management Fee shall be prorated and paid quarterly, in advance, based upon the market value of the Assets on the last day of the previous quarter as valued by the Custodian. The Management Fee for the initial quarter shall be calculated on a pro rata basis commencing on the day the Assets are initially designated to us for management. No portion of the Management Fee shall be based on capital gains or capital appreciation of the Assets except as provided for under the Investment Advisers Act of 1940, as amended and analogous state securities laws. No increase in the Management Fee shall be effective without 30 days prior written notification to the client.

In addition to our Management Fee, clients may also incur certain charges imposed by unaffiliated Third-Parties. Such charges may include, but are not limited to, fees charged by Independent Third-Party Managers, custodial fees, brokerage commissions, transaction fees, charges imposed directly by a mutual fund, index fund, or exchange traded fund purchased for the Account which shall be disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), fees imposed by variable annuity providers and disclosed in the annuity contract, certain deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions.

Should a client choose to terminate their relationship with the firm, a refund of the unearned fees will be returned to the client. This refund shall be calculated by first determining the number of days remaining in the billing period, from the time the client notifies the firm in writing that they will be terminating their relationship until the end of the billing period (the Numerator) and dividing it by the total number of days in the billing period (the denominator), then multiplying this fraction by the total fees billed to client for the period.

**Limited Negotiability of Advisory Fees:** Although Sagent Wealth Management has established the aforementioned fee schedule, we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs are considered in determining the fee schedule. These include, but are not limited to, the complexity of the client relationship, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The

specific annual fee schedule is identified in the contract between the adviser and each client.

We may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee.

Discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm.

### **Other Additional Fees**

***Mutual Fund Fees:*** All fees paid to Sagent Wealth Management for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided. Sagent Wealth Management recommends only no-load or load-waived mutual funds and mutual funds that impose no surrender charge when liquidating.

***Independent Third-Party Manager Fees:*** Clients who utilize an Independent Third-Party Manager for the management of their accounts will pay fees to these managers which are in addition to any Wealth Management Fees paid to Sagent Wealth Management. When considering an Independent Third-Party Manager, the fees that they charge will be presented to the client in advance of their decision so that they can make an informed decision.

***Additional Fees and Expenses:*** In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Clients should be aware that other broker dealers may charge lower transaction charges and have lower overall charges than the custodians and broker dealers recommended by Sagent Wealth Management.

***Advisory Fees in General:*** Clients should note that similar advisory services may be available from other registered investment advisers for similar or lower fees.

***Limited Prepayment of Fees:*** Under no circumstances do we require or solicit payment of fees in excess of \$1,200 per client more than six months in advance of services rendered.

***Annuity Fees:*** All fees paid to Sagent Wealth Management for investment advisory services are separate and distinct from the fees and expenses charged by insurance companies on their annuities. These fees and expenses are described in each annuities' prospectus. These

fees will generally include a management fee, mortality fees and other expenses. A client could invest in an annuity directly, without utilizing our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which annuity is most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the annuity and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided. Sagent Wealth Management recommends only fee based, no-load or load-waived annuities and annuities that impose no surrender charge when liquidating.

**Fees on Defined Contribution Plans, Deferred Compensation Plans, Health Savings Accounts and other accounts for plan participants.** All fees paid to Sagent Wealth Management for investment advisory services are separate and distinct from the fees and expenses charged by Defined Contribution Plans, Deferred Compensation Plans, Health Savings Accounts and other accounts for plan participants. These fees and expenses are described in each plans' prospectus and other disclosure documents. These fees will generally include a management fee, and other expenses paid to the administrator and other parties. A client could invest in these plans without utilizing our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which investments are most appropriate to each client's financial condition and objectives and when, if appropriate, to change investments. Accordingly, the client should review both the fees charged by the plan and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

### **Complimentary Financial Checkup**

Subject to the terms of its Wealth Management Agreement, Sagent Wealth Management will provide wealth management services which will include the preparation of a comprehensive financial plan (Financial Checkup) based on clients' individual needs, goals and objectives.

Sagent Wealth Management also offers a complimentary Financial Checkup to all Prospective clients with investment portfolios of \$250,000 or greater.

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

Sagent Wealth Management does not charge performance-based fees.

## **Item 7 Types of Clients**

Sagent Wealth Management can provide advisory services to the following types of clients:

- ☐ Individuals

- ☐ Corporations and other businesses
- ☐ Family Trusts
- ☐ Non-profit organizations
- ☐ Family Offices

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

### Methods of Analysis

We may use the following methods of analysis in formulating our investment advice and/or managing client assets:

**Charting.** In this type of technical analysis, we review charts of market and security activity in an attempt to identify when the market is moving up or down and to predict how long the trend may last and when that trend might reverse.

**Fundamental Analysis.** We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

**Technical Analysis.** We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement.

Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

**Cyclical Analysis.** In this type of technical analysis, we measure the movements of a particular stock against the overall market in an attempt to predict the price movement of the security.

**Quantitative Analysis.** We use mathematical models in an attempt to obtain more accurate measurements of a company's quantifiable data, such as the value of a share price or earnings per share, and predict changes to that data.

A risk in using quantitative analysis is that the models used may be based on assumptions that prove to be incorrect.

**Qualitative Analysis.** We subjectively evaluate non-quantifiable factors such as quality of management, labor relations, and strength of research and development factors not readily subject to measurement, and predict changes to share price based on that data.

A risk in using qualitative analysis is that our subjective judgment may prove incorrect.

**Asset Allocation.** Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of equities, fixed income, and cash suitable to the client's investment goals and risk tolerance.

A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of equities, fixed income, and cash will change over time due to market movements and, if not corrected, will no longer be appropriate for the client's goals. This risk can be mitigated by periodically rebalancing the portfolio back to a base asset allocation.

**Mutual Fund and/or ETF Analysis.** We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

**Independent Third-Party Manager Analysis.** We examine the experience, expertise, investment philosophies, and past performance of each Independent Third-Party Managers in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We monitor the manager's underlying holdings, strategies, concentrations and leverage as part of our overall periodic risk assessment. Additionally, as part of our due diligence process, we survey the manager's compliance and business enterprise risks.

A risk of investing with an Independent Third-Party Manager who has been successful in the past is that he/she may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in the manager's portfolio, there is also a risk that a manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the manager's daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

**Risks for all forms of analysis.** Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly available sources of information about these securities, are



providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

### **Investment Strategies**

We use the following strategy(ies) in managing client accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

***Long-term purchases.*** We purchase securities with the idea of holding them in the client's account for one to three years or longer. Typically we employ this strategy when:

- ☐ we believe the securities to be currently undervalued, and/or
- ☐ we want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

***Short-term purchases.*** When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase. Although we reserve the right to utilize Short-term purchases as an investment strategy, this strategy is currently not one that we employ on a regular basis in the course of managing our client's portfolios.

***Short sales.*** We borrow shares of a stock for your portfolio from someone who owns the stock on a promise to replace the shares on a future date at a certain price. Those borrowed shares are then sold. On the agreed-upon future date, we buy the same stock and return the shares to the original owner. We engage in short selling based on our determination that the stock will go down in price after we have borrowed the shares. If we are correct and the stock price has gone down since the shares were purchased from the original owner, the client account realizes the profit. Although we reserve the right to utilize Short sales as an investment strategy, this strategy is currently not one that we employ on a regular basis in the course of managing our client's portfolios.

***Margin transactions.*** We will purchase stocks for your portfolio with money borrowed from your brokerage account. This allows you to purchase more stock than you would be able to with your available cash, and allows us to purchase stock without selling other holdings. Although we reserve the right to utilize Margin transactions as an investment strategy, this strategy is currently not one that we employ on a regular basis in the course of managing our client's portfolios.

**Option writing.** We may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset.

The two types of options are calls and puts:

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

We will use options to speculate on the possibility of a sharp price swing. We will also use options to "hedge" a purchase of the underlying security; in other words, we will use an option purchase to limit the potential upside and downside of a security we have purchased for your portfolio.

We use "covered calls", in which we sell an option on security you own. In this strategy, you receive a fee for making the option available, and the person purchasing the option has the right to buy the security from you at an agreed-upon price.

We use a "spreading strategy", in which we purchase two or more option contracts (for example, a call option that you buy and a call option that you sell) for the same underlying security. This effectively puts you on both sides of the market, but with the ability to vary price, time and other factors.

Although we reserve the right to utilize Option writing as an investment strategy, this strategy is currently not one that we employ on a regular basis in the course of managing our client's portfolios.

### **General Risk of Loss Statement**

Prior to entering into an agreement with Sagent Wealth Management, the client should carefully consider:

1. That investing in securities involves risk of loss which clients should be prepared to bear;
2. That securities markets experience varying degrees of volatility;
3. That over time the client's assets may fluctuate and at any time be worth more or less than the amount invested; and

4. That, although Sagent Wealth Management will invest the client's account in assets that are generally liquid, clients should only commit assets that they feel are currently unneeded and available to Sagent Wealth Management for investment on a long-term basis. This is typically a minimum of five to seven years.

### **Specific Security Risks**

*General Risks of Owning Securities:* The prices of securities held in client accounts and the income they generate may decline in response to certain events taking place around the world. These include events directly involving the issuers of securities held as underlying assets of mutual funds in a client's account, conditions affecting the general economy, and overall market changes. Other contributing factors include local, regional, or global political, social, or economic instability and governmental or governmental agency responses to economic conditions. Currency, interest rate, and commodity price fluctuations may also affect security prices and income. There may be any number of unforeseen events or conditions that could have an adverse effect on a client's portfolio. It is not possible to list comprehensively the factors that may preclude profits and/or create losses in investment portfolios and Sagent Wealth Management disclaims responsibility for these situations and for any perceived failure to anticipate these situations.

*Exchange Traded Funds (ETFs):* An ETF is a type of Investment Company (usually, an open - end fund or unit investment trust) containing a basket of stocks that usually tracks a specific index or sector. An ETF is similar to an index fund in that it will primarily invest in securities of companies that are included in a selected market index or that fall into a particular sector. Unlike traditional mutual funds, which can only be redeemed at the end of a trading day, ETFs trade throughout the day on an exchange. Like stock mutual funds, the prices of the underlying securities and the overall market may affect ETF prices. Similarly, factors affecting a particular industry segment may affect ETF prices that track that particular sector.

*Exchange Traded Notes (ETNs):* An ETN is a senior, unsecured, unsubordinated debt security by an underwriting bank whose primary objective is to achieve the same return as a particular market index. Similar to other debt securities, the credit of the issuer is the only backing for ETNs, which have a maturity date. Although performance contractually ties to whatever index the ETN is intended to track, ETNs do not have any assets, other than a claim against their issuer for payment according to the terms of the contract. Unlike traditional mutual funds, which can only be redeemed at the end of a trading day, ETNs trade throughout the day on an exchange. ETNs, as debt instruments, are subject to risk of default by the issuing bank as counter party. This is the major design difference between ETFs and ETNs: ETFs are only subject to market risk whereas ETNs are subject to both market risk and the risk of default by the issuing bank.

*Mutual Funds: (Open end Investment Company)* A mutual fund is a company that pools money from many investors and invests the money in stocks, bonds, short term money - market instruments, other securities or assets, or some combination of these investments. The portfolio of the fund consists of the combined holdings it owns. Each share represents an investor's proportionate ownership of the fund's holdings and the income those holdings generate. The price that investors pay for mutual fund shares is the fund's per share net asset value (NAV) plus any shareholder fees that the fund imposes at the time of purchase (such as sales loads).

The benefits of investing through mutual funds include:

- **Professional Management:** Mutual funds are professionally managed by an investment adviser who researches, selects, and monitors the performance of the securities that the fund purchases.
- **Diversification:** Mutual funds typically have the benefit of diversification, which is an investing strategy that generally sums up as "Don't put all your eggs in one basket." Spreading investments across a wide range of companies and industry sectors can help lower the risk if a company or sector fails. Some investors find it easier to achieve diversification through ownership of mutual funds rather than through ownership of individual stocks or bonds.
- **Affordability:** Some mutual funds accommodate investors who do not have a lot of money to invest by setting relatively low dollar amounts for initial purchases, subsequent monthly purchases, or both.
- **Liquidity:** At any time, mutual fund investors can readily redeem their shares at the current NAV, less any fees and charges assessed on redemption.

Mutual funds also have features that some investors might view as disadvantages:

- **Costs Despite Negative Returns:** Investors must pay sales charges, annual fees, and other expenses regardless of how the fund performs. Depending on the timing of their investment, investors may also have to pay taxes on any capital gains distribution they receive. This includes instances where the fund went on to perform poorly after purchasing shares.
- **Lack of Control:** Investors typically cannot ascertain the exact make - up of a fund's portfolio at any given time, nor can they directly influence which securities the fund manager buys and sells or the timing of those trades.
- **Price Uncertainty:** With an individual stock, investors can obtain real-time (or close to real-time) pricing information with relative ease by checking financial websites or by

calling a broker or your investment adviser. Investors can also monitor how a stock's price changes from hour to hour—or even second to second. By contrast, with a mutual fund, the price at which an investor purchases or redeems shares will typically depend on the fund's NAV, which the fund might not calculate until many hours after the investor placed the order. In general, mutual funds must calculate their NAV at least once every business day, typically after the major U.S. exchanges close.

*Different Types of Funds:* When it comes to investing in mutual funds, investors have literally thousands of choices. Most mutual funds fall into one of three main categories; money market funds, bond funds (also called “fixed income” funds), and stock funds (also called “equity” funds). Each type has different features and different risks and rewards. Generally, the higher the potential return, the higher the risk of loss.

- **Money Market Funds:** Money market funds have relatively low risks, compared to other mutual funds (and most other investments). By law, they can invest in only certain high quality, short - term investments issued by the U.S. Government, U.S. corporations, and state and local governments. Money market funds try to keep their net asset value (NAV), which represents the value of one share in a fund, at a stable \$1.00 per share. However, the NAV may fall below \$1.00 if the fund's investments perform poorly. Investor losses have been rare, but they are possible. Money market funds pay dividends that generally reflect short-term interest rates, and historically the returns for money market funds have been lower than for either bond or stock funds. That is why “inflation risk,” the risk that inflation will outpace and erode investment returns over time, can be a potential concern for investors in money market funds.

- **Bond Funds:** Bond funds generally have higher risks than money market funds, largely because they typically pursue strategies aimed at producing higher yields. Unlike money market funds, the SEC's rules do not restrict bond funds to high quality or short - term investments. Because there are many different types of bonds, bond funds can vary dramatically in their risks and rewards. Some of the risks associated with bond funds include:

- o *Credit Risk:* There is a possibility that companies or other issuers may fail to pay their debts (including the debt owed to holders of their bonds). Consequently, this affects mutual funds that hold these bonds. Credit risk is less of a factor for bond funds that invest in insured bonds or U.S. Treasury Bonds. By contrast, those that invest in the bonds of companies with poor credit ratings generally will be subject to higher risk.

- o *Interest Rate Risk:* There is a risk that the market value of the bonds will go down when interest rates go up. Because of this, investors can lose money in any bond fund, including those that invest only in insured bonds or U.S.

Treasury Bonds. Funds that invest in longer - term bonds tend to have higher interest rate risk.

- o *Prepayment Risk*: Issuers may choose to pay off debt earlier than the stated maturity date on a bond. For example, if interest rates fall, a bond issuer may decide to “retire” its debt and issue new bonds that pay a lower rate. When this happens, the fund may not be able to reinvest the proceeds in an investment with as high a return or yield.

- **Stock Funds**: Although a stock fund’s value can rise and fall quickly (and dramatically) over the short term, historically stocks have performed better over the long term than other types of investments. This is true for corporate bonds, government bonds, and treasury securities. Overall “market risk” poses the greatest potential danger for investors in stocks funds. Stock prices can fluctuate for a broad range of reasons— such as the overall strength of the economy or demand for particular products or services. Not all stock funds are the same. For example:

- o *Growth Funds*: Growth funds focus on stocks that may not pay a regular dividend but have the potential for large capital gains.

- o *Income Funds*: Income funds invest in stocks that pay regular dividends.

- o *Small Cap Funds*: Funds that invest in stocks of small companies involve additional risks. Smaller companies typically have higher risk of failure, and are not as established as larger blue - chip companies are. Historically, smaller company stocks have experienced a greater degree of market volatility than the overall market average.

- o *Mid Cap Funds*: Funds that invest in companies with smaller market capitalizations involve additional risks. The securities of these companies may be more volatile and less liquid than the securities of larger companies.

- o *Index Funds*: Index funds aim to achieve the same return as a particular market index, such as the S&P 500 Composite Stock Price Index, by investing in all—or perhaps a representative sample—of the companies included in an index.

- o *International Funds*: International investments are subject to additional risks, including currency fluctuation, political instability, and potential illiquid markets.

- o *Emerging Market Funds*: Funds that invest in foreign securities involve special additional risks. These risks include, but are not limited to currency risk,

political risk and risk associated with varying accounting standards. Investing in emerging markets may accentuate these risks.

- o *Sector Funds*: Sector funds may specialize in a particular industry segment, such as technology or consumer products stocks. Funds that invest exclusively in one sector or industry involve additional risks. The lack of industry diversification subjects the investor to increased industry - specific risk. For example, products of companies that technology funds invest in may be subject to severe competition and rapid obsolescence.

- o *REIT Funds*: REIT Funds include REITs within the underlying fund holdings. REITs primarily invest in real estate or real estate - related loans. Equity REITs own real estate properties, while mortgage REITs hold construction, development, and/or long - term mortgage loans. REIT investments include illiquidity and interest rate risk.

- o *Real Estate Funds*: Investments in real estate funds are subject to the risks related to direct investment in real estate, such as real estate risk, regulatory risks, concentration risk, and diversification risk.

- o *TIPS Funds*: Treasury Inflation Protection Securities (TIPS) are inflation - indexed securities structured to remove inflation risk. THE ADVISER does not utilize individual TIPS, but may recommend mutual funds and exchange traded funds that include TIPS within the underlying fund holdings.

*Tax Consequences of Mutual Funds*: When investors buy and hold an individual stock or bond, the investor must pay income tax each year on the dividends or interest the investor receives. However, the investor will not have to pay any capital gains tax until the investor actually sells and makes a profit. Mutual funds are different. When an investor buys and holds mutual fund shares, the investor will owe income tax on any ordinary dividends in the year the investor receives or reinvests them. Moreover, in addition to owing taxes on any personal capital gains when the investor sells shares, the investor may have to pay taxes each year on the fund's capital gains. That is because the law requires mutual funds to distribute capital gains to shareholders if they sell securities for a profit, and cannot use losses to offset these gains.

*Closed-end Funds*: Closed-end funds generally do not continually offer their shares for sale. Rather, they sell a fixed number of shares at one time, after which the shares typically trade on a secondary market, such as the New York Stock Exchange or the NASDAQ Stock Market. Risk factors pertaining to closed - end funds vary from fund to fund. The following list of risk factors provides a review of those associated with generalized closed - end fund investing. Not every risk factor in this list will pertain to each closed-end fund.

- **Market Risk:** Securities may decline in value due to factors affecting securities markets generally or particular industries. The value of a trust/fund may be worth less than the original investment.
- **Valuation Risk:** Common shares may trade above (a premium) or below (a discount) the net asset value (NAV) of the trust/fund's portfolio. At times, discounts could widen or premiums could shrink, and could either dilute positive performance or compound negative performance. There is no assurance that discounted funds will appreciate to their NAV.
- **Interest Rate Risk:** Generally, when market interest rates rise, bond prices fall, and vice versa. Interest rate risk is the risk that the bonds and/or other income - related instruments in a fund's portfolio will decline in value because of increases in market interest rates. The prices of longer - maturity securities tend to fluctuate more than shorter - term security prices.
- **Credit Risk:** One or more securities in a trust/fund's portfolio could decline or fail to pay interest or principal when due. Income related securities of below investment grade quality are predominately speculative with respect to the issuer's capacity to pay interest and repay principal when due and, therefore, involve a greater risk of default.
- **Concentration Risk:** A trust/fund that invests a substantial portion of its assets in securities within a single industry or sector of the economy may be subject to greater price volatility or adversely affected by the performance of securities in that particular sector or industry.
- **Reinvestment Risk:** Income from a trust/fund's bond portfolio will decline when the trust/fund invests the proceeds from matured, traded, or called bonds at market interest rates that are below the portfolio's current earnings rate. A decline in income could affect the common shares' market price or their overall returns.
- **Leverage Risk:** The use of leverage may lead to increased volatility of a trust/fund's NAV and market price relative to its common shares. Leverage is likely to magnify any losses in the trust/fund's portfolio, which may lead to increased market price declines. Fluctuations in interest rates on borrowings or the dividend rates on preferred shares that take place from changes in short - term interest rates may reduce the return to common shareholders or result in fluctuations in the dividends paid on common shares. There is no assurance that a leveraging strategy will be successful.
- **Foreign Investment Risk:** Investment in foreign securities (both governmental and corporate) may involve a high degree of risk. Trusts/funds invested in foreign



securities are subject to additional risks such as, but not limited to, currency risk and exchange - rate risk, political instability, and economic instability of the countries from where the securities originate. In regard to debt securities, such risks may impair the timely payment of principal and/or interest.

- **Alternative Minimum Tax (AMT):** A trust/fund may invest in securities subject to the alternative minimum tax.

- **Fluctuating Dividends in Actively Managed Portfolios:** The composition of the trust/fund's portfolio could change, which, all else being equal, could cause a reduction in dividends paid to common shares. Certain closed-end funds invest in common stocks. There is no guarantee of dividends from these common stocks. Fluctuations in dividend levels over time, up and down, are to be expected.

## **Item 9      Disciplinary Information**

On September 22, 2017, Marshall Eichenauer, Jr. and Sagent Wealth Management agreed to settle a matter in which the SEC alleged that they violated the Advisers Act, by failing to disclose Mr. Eichenauer's conflict of interest or obtain investor's consent, prior to causing the Sagent Private Investment Fund to make loans to Sagent Wealth Management.

As described in the settlement, Eichenauer and Sagent do not admit to these allegations, nor do they deny them.

A complete copy of the Settlement will be made available upon request.

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

Sagent Wealth Management endeavors at all times to put the interest of its clients first as part of our fiduciary duty as a registered investment adviser; we take the following steps to address this conflict:

- ☐ we disclose to clients the existence of all material conflicts of interest, including the potential for our firm and our employees to earn compensation from advisory clients in addition to our firm's advisory fees;
- ☐ we disclose to clients that they are not obligated to purchase recommended investment products from our employees or affiliated companies;
- ☐ we collect, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;

- ☐ our firm's management conducts regular reviews of each client account to verify that all recommendations made to a client are suitable to the client's needs and circumstances;
- ☐ we require that our employees seek prior approval of any outside activity so that we may ensure that any conflicts of interests in such activities are properly addressed;
- ☐ we periodically monitor these outside employment activities to verify that any conflicts of interest continue to be properly addressed by our firm; and
- ☐ we educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

#### Additional Compensation from Insurance and Real Estate

In addition to the advisory fees charged by Sagent Wealth Management, employees of Sagent Wealth Management may also earn commissions on insurance policies that they recommend to Sagent Wealth Management's advisory clients.

Certain employees of Sagent Wealth Management, who are also real estate agents and/or brokers, may also represent Sagent Wealth Management clients in real estate transactions, in which case these employees may be paid a commission, in addition to the advisory fees that clients pay Sagent Wealth Management.

When providing insurance and/or real estate services for compensation in addition to advisory fees, clients will be notified in writing and will be asked to acknowledge this notification in writing, before this additional compensation will be paid to an employee of Sagent Wealth Management.

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

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

Sagent Wealth Management and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities

transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.

Sagent Wealth Management's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to [Info@SagentWM.com](mailto:Info@SagentWM.com), or by calling us at (949) 756-2229.

Sagent Wealth Management and individuals associated with our firm are prohibited from engaging in principal transactions.

Sagent Wealth Management and individuals associated with our firm are prohibited from engaging in agency cross transactions.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts.

We may aggregate our employee trades with client transactions where possible and when compliant with our duty to seek best execution for our clients. In these instances, participating clients will receive an average share price and transaction costs will be shared equally and on a pro-rata basis. In the instances where there is a partial fill of a particular batched order, we will allocate all purchases pro-rata, with each account paying the average price. Our employee accounts will be excluded from the pro-rata allocation.

As these situations represent actual or potential conflicts of interest to our clients, we have established the following policies and procedures for implementing our firm's Code of Ethics, to ensure our firm complies with its regulatory obligations and provides our clients and potential clients with full and fair disclosure of such conflicts of interest:

No principal or employee of our firm may put his or her own interest above the interest of an advisory client.

1. No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.
2. It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account. This prevents such employees from benefiting from transactions placed on behalf of advisory accounts.
3. Our firm requires prior approval for any IPO or private placement investments by related persons of the firm.
4. We have established procedures for the maintenance of all required books and records.
5. All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
6. We require delivery and acknowledgment of the Code of Ethics by each supervised person of our firm.
7. We have established policies requiring the reporting of Code of Ethics violations to our senior management.
8. Any individual who violates any of the above restrictions may be subject to termination.

## **Item 12 Brokerage Practices**

### **The Custodians and Brokers We Use**

Sagent Wealth Management does not maintain custody of your assets that we manage, although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account (see Item 15—Custody, below). Your assets must be maintained in an account at a “qualified custodian,” generally a broker-dealer or bank. We request that our clients use National Financial Services LLC (NFS), a subsidiary of Fidelity Investments or Altruist Financial LLC (Altruist). Both companies are registered broker-dealers and members of SIPC. We are independently owned and operated and are not affiliated with NFS or Altruist. NFS or Altruist will hold your assets in a brokerage account and buy and sell securities when

we instruct them to. While we recommend that you use NFS or Altruist as your custodian/broker, you will decide whether to do so and will open your account with NFS or Altruist by entering into an account agreement directly with them. We do not open the account for you, although we may assist you in doing so

Sagent Wealth Management also uses the services of an Introducing Broker Dealer by the name of Westminster Financial Securities, Inc. ("Westminster"). Westminster does not hold or maintain funds or securities or provide clearing services. Instead, Westminster has an introducing arrangement whereby it refers and introduces clients to NFS.

Sagent Wealth Management may also manage Life Insurance and Annuity Sub accounts held with various Insurance carriers.

Sagent Wealth Management may also utilize other Third-Party software platforms, including but not limited to Pontera, to facilitate the management of participant assets held in Defined Contribution Plans, Deferred Compensation Plans, Health Savings accounts and other investment accounts

### **How We Select Brokers/Custodians**

We seek to recommend a custodian/broker that will hold your assets and execute transactions on terms that are, overall, most advantageous when compared with other available providers and their services. We consider a wide range of factors, including:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
- Capability to execute, clear, and settle trades (buy and sell securities for your account)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds, ETFs, etc.)
- Availability of investment research and tools that assist us in making investment decisions
- Quality of services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices
- Reputation, financial strength, and stability
- Prior service to us and our other clients
- Availability of other products and services that benefit us, as discussed below (see "Products and services available to us from NFS or Altruist")
- Willingness on the part of the custodian/broker to work with us

## **Your Brokerage and Custody Costs**

For our clients' accounts that NFS or Altruist maintains, NFS or Altruist charges you separately for custody services and commissions or other fees on trades that it executes or that settle into your NFS or Altruist account.

### **Soft Dollar Benefits**

Soft dollars generally refers to arrangements whereby a discretionary investment adviser is allowed to pay for and receive research, research-related or execution services from a broker-dealer or Third-Party provider, in addition to the execution of transactions, in exchange for the brokerage commissions from transactions for client accounts.

We receive an economic benefit from NFS or Altruist in the form of the support, products and services it makes available to us and other independent investment advisors whose clients maintain their accounts at NFS or Altruist. These products and services, how they benefit us, and the related conflicts of interest are described above (see Item 12—Brokerage Practices). The availability to us of NFS or Altruist's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

## **Client Referrals from Broker-Dealers**

In certain circumstances, a broker-dealers may refer clients to an Investment Advisor in return for that advisor directing those clients to use that broker-dealer.

Sagent Wealth Management does not currently, nor has it ever participated in these client referral relationships from broker-dealers

## **Directed Brokerage**

Directed Brokerage is when an advisory client instructs and adviser to direct commission business to a particular broker.

It is Sagent Wealth Management's firm policy and practice to not accept advisory clients' instructions for directing a clients' brokerage transactions to a particular broker-dealer

## **Best Execution**

Sagent Wealth Management has a fiduciary and fundamental duty to seek best execution for client transactions.

Sagent Wealth Management, as a matter of policy and practice, seeks to obtain best execution for client transactions, i.e., seeking to obtain not necessarily the lowest commission but the best overall qualitative execution in the particular circumstances.

Sagent Wealth Management has adopted procedures to implement the firm's policy and conduct reviews to monitor and ensure the firm's policy is observed, implemented properly and amended or updated, as appropriate, which include the following:

- The CIO has responsibility for monitoring our firm's trading practices, gathering relevant information, reviewing and evaluating the services provided by broker-dealers, the quality of executions, research, commission rates, and overall brokerage relationships, among other things;
- Sagent Wealth Management may also maintain and update an "Approved Broker-Dealer List" based upon the firm's reviews;
- Sagent Wealth Management also conducts an annual review of the firm's brokerage and best execution policies and documents this review, and discloses a summary of brokerage and best execution practices in response to Item 12 in Part 2A of Form ADV: *Firm Brochure*; and
- a Best Execution file is maintained for the information obtained and used in Sagent Wealth Management's periodic best execution reviews and analysis and to document the firm's best execution practices.

### **Item 13      Review of Accounts**

Clients are invited to review their accounts and financial plans with Sagent at least annually. Clients are invited to participate in these reviews either via face to face meeting, web conference or telephone.

In addition, all positions held in Model Portfolios are reviewed on a regular basis by Marshall Eichenauer.

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

It is Sagent Wealth Management's policy not to engage solicitors or to pay related or non-related persons for referring potential clients to our firm.

### **Item 15      Custody**

Under government regulations, we are deemed to have custody of your assets if, for example, you authorize us to instruct NFS or Altruist to deduct our advisory fees directly from your account [or if you grant us authority to move your money to another person's account]. NFS or Altruist maintains actual custody of your assets. You will receive account statements directly from NFS or Altruist at least quarterly. They will be sent to the email or postal mailing address

you provided to NFS or Altruist. You should carefully review those statements promptly when you receive them. We also urge you to compare NFS or Altruist's account statements with the periodic Portfolio Reviews that you will receive from us.

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

In addition to the periodic statements that clients receive directly from their custodians, SWM provides quarterly Portfolio Reviews to clients, reflecting the holdings, portfolio asset allocation and time weighted returns for each of their accounts.

## **Item 16 Investment Discretion**

Sagent Wealth Management offers both Discretionary and Non-Discretionary Wealth Management Services to our clients.

When providing Discretionary Wealth Management Services our discretionary authority allows us to determine:

- securities to be bought or sold for a client's account,
- amount of securities to be bought or sold for a client's account,

## **Item 17 Voting Client Securities**

As a matter of firm policy, we do not vote proxies on behalf of clients. Therefore, although our firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing each custodian of the assets, to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets. We may provide clients with consulting assistance regarding proxy issues if they contact us with questions at our principal



place of business.

## **Item 18      Financial Information**

As an advisory firm that maintains discretionary authority for client account, we are also required to disclose any financial condition that is reasonable likely to impair our ability to meet our contractual obligations. At this time, there is no financial condition that is reasonably likely to impair our ability to meet our contractual obligations to our clients.

Under no circumstances do we require or solicit payment of fees in excess of \$1,200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

Sagent Wealth Management has not been the subject of a bankruptcy petition at any time during the past ten years.