

**Item 1: Cover Page  
Part 2A of Form ADV: Firm Brochure  
December 12, 2019**



**8876 Spanish Ridge Avenue, Suite #202  
Las Vegas, NV 89148  
[www.aristawealth.com](http://www.aristawealth.com)**

**Firm Contact:  
Paul Moffat  
Chief Compliance Officer**

This brochure provides information about the qualifications and business practices of Arista Wealth Management, LLC. If clients have any questions about the contents of this brochure, please contact us at (702) 309-9970 or [compliance@aristawealth.com](mailto:compliance@aristawealth.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any State Securities Authority. Additional information about our firm is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching CRD #141504.

Please note that the use of the term "registered investment advisor" and description of our firm and/or our associates as "registered" does not imply a certain level of skill or training. Clients are encouraged to review this Brochure and Brochure Supplements for our firm's associates who advise clients for more information on the qualifications of our firm and our employees.

## Item 2: Material Changes

Arista Wealth Management, LLC is required to make clients aware of information that has changed since the last annual update to the Firm Brochure (“Brochure”) and that may be important to them. Clients can then determine whether to review the brochure in its entirety or to contact us with questions about the changes.

Since the last annual amendment filed on 02/27/2019, the following changes have been made:

- Arista has updated our Regulatory Assets Under Management. Please refer to Item 4 for additional information.
- Arista has updated the Custodians and Brokers we use. Please refer to Item 12 for additional information.
- Arista closed the Utah office located at 801 S. Pleasant Grove Boulevard, Suite 200, Pleasant Grove, Utah 84062.
- Arista closed one Arizona office located at 2812 N. Norwalk, Suite 116, Mesa, AZ 85215.

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## Item 4: Advisory Business

Arista Wealth Management, LLC (“Arista”) was established on June 27, 2006 to provide financial planning and wealth management to high net worth clients. Arista’s mission is driven by a genuine passion to make a difference in the lives of others. We empower our clients to discover and achieve their financial goals. Arista strives to provide sound financial advice and professional wealth management.

Arista’s vision is to serve our client’s interests by bringing experienced and credentialed financial advisors together within a scalable business model that is designed to promote transparency. We adhere to academic standards for financial planning and wealth management, and we reduce conflicts of interest. Arista is owned by Starcrest Trust.

The purpose of this Brochure is to disclose the conflicts of interest associated with the investment transactions, compensation, and any other matters related to investment decisions made by Arista or its representatives. As a fiduciary, it is our duty to always act in the client’s best interest. This is accomplished in part by knowing our client. Arista has established a service-oriented advisory practice with open lines of communication for many different types of clients to help meet their financial goals. We are sensitive to risk tolerance and time horizons and we work with clients to understand their investment objectives. We educate them about our process, which facilitates the kind of working relationship we value.

In performing its services, Arista shall not be required to verify any information received from the client or from the client’s other professionals. Moreover, each client is advised that it remains his or her responsibility to promptly notify us if there is ever any change in the client’s financial situation or investment objectives during the client engagement. Our firm does not provide any legal, tax and/or accounting advice. Clients should seek the counsel of an outside attorney or accountant when necessary.

### **Types of Advisory Services Offered**

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#### **Financial Planning & Consulting:**

Arista provides a variety of standalone financial planning and consulting services to clients for the management of financial resources based upon an analysis of the client’s current situation, goals, and objectives. Financial planning services will typically involve preparing a financial plan or rendering a financial consultation for clients based on the client’s financial goals and objectives. This planning or consulting may encompass Investment Planning, Retirement Planning, Estate Planning, Charitable Planning, Education Planning, Corporate and Personal Tax Planning, Cost Segregation Study, Corporate Structure, Real Estate Analysis, Mortgage/Debt Analysis, Insurance Analysis, Lines of Credit Evaluation, or Business and Personal Financial Planning.

Written financial plans or financial consultations rendered to clients usually include general recommendations for a course of activity or specific actions to be taken by the clients. Implementation of the recommendations will be at the discretion of the client. Arista provides clients with a summary of their financial situation, and observations for financial planning engagements. Financial consultations are not typically accompanied by a written summary of observations and

recommendations, as the process is less formal than the planning service. Assuming that all the information and documents requested from the client are provided promptly, plans or consultations are typically completed within six months of the client signing a contract with Arista.

### **Retirement Plan Consulting:**

Arista provides retirement plan consulting services to employer plan sponsors on an ongoing basis. Generally, such consulting services consist of assisting employer plan sponsors in establishing, monitoring and reviewing their company's participant-directed retirement plan. As the needs of the plan sponsor dictate, areas of advising could include investment options, plan structure and participant education. Retirement Plan Consulting services typically include:

- Establishing an Investment Policy Statement – Arista will meet with plan sponsors (via phone or in person) to discuss and determine an appropriate investment strategy that reflects the Plan Sponsor's stated investment objectives for management of the overall plan or portfolio. Arista will prepare a written Investment Policy Statement detailing those needs and goals, including an encompassing policy under which the goals are to be achieved. Furthermore, the Investment Policy Statement also lists the criteria for selection of investment vehicles as well as the procedures and timing interval for monitoring of investment performance.
- Investment Options – Arista will work with the Plan Sponsor to evaluate existing investment options and make recommendations for appropriate changes.
- Asset Allocation and Portfolio Construction – Arista will develop strategic asset allocation models to aid Participants in developing strategies to meet their investment objectives, time horizon, financial situation and tolerance for risk.
- Investment Monitoring – Arista will monitor the performance of the investments and notify the client in the event of over or underperformance and in times of market volatility.
- Employee Workshops – 401(k) plan clients with individual plan participants exercising control over assets in their own accounts, Arista may provide educational support and investment workshops. The nature of the topics covered in the workshops will be determined by our firm in conjunction with the Plan Sponsor under the guidelines established in ERISA §404(c).

In providing services for retirement plan consulting, Arista does not provide any advisory services with respect to the following types of assets: employer securities, real estate (excluding real estate funds and publicly traded REITS), participant loans, non-publicly traded securities or assets, other illiquid investments, or brokerage window programs (collectively, "Excluded Assets"). All retirement plan-consulting services shall be in compliance with the applicable state laws regulating retirement consulting services. This applies to client accounts that are retirement or other employee benefit plans ("Plan") governed by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). If the client accounts are part of a Plan, Arista accepts appointment to provide services to such accounts. Arista acknowledges its fiduciary standard within the meaning of §3(21) or §3(38) of ERISA as designated by the Retirement Plan Consulting Agreement with respect to the provision of services described therein.

### **Investment Advisory Services:**

As part of our Investment Advisory Services, clients are provided with standalone wealth management or a combination of wealth management and financial planning or consulting services. This service is designed to assist clients in meeting their financial goals through the use of a financial plan or consultation. Arista conducts client meetings to understand their current financial situation,

existing resources, financial goals, and tolerance for risk. Based on what is learned, an investment approach is presented to the client that may consist of low cost Mutual Funds, Exchange Traded Funds (“ETFs”), and other public securities or investments. Once the appropriate portfolio has been determined, portfolios are continuously and regularly monitored, and if necessary, rebalanced based upon the client’s individual needs, stated goals, and objectives. Upon client request, Arista provides a summary of observations and recommendations for the planning or consulting aspects of this service.

### **Concierge Consulting:**

Our Concierge Consulting service offers professional services dedicated to the investment, legacy, and personal needs of wealthy families and individuals. The services offered may include the following:

- Asset Allocation
- Retirement Planning
- Estate Planning
- Investment Consulting
- Business Planning
- Education Planning
- Banking Relationships Support
- Life Management and Budgeting
- Training and Education (including family members)
- Legal and Tax Advisory Coordination
- Concierge Services

These services are generally rendered in conjunction with Investment Advisory Services. In performing these services, Arista is not required to verify any information received from the client or from the client’s other professionals (e.g., attorneys, accountants, etc.) and is expressly authorized to rely on such information through our advisory service agreement. In performing this service, Arista will be authorized by the client to obtain information and discuss such information with other professionals engaged by the client.

### **Tailoring of Advisory Services**

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Arista offers individualized investment advice to our Investment Advisory Services clients. General investment advice will be offered to our Financial Planning & Consulting, Retirement Plan Consulting, and Concierge Consulting clients.

Each Investment Advisory Services client has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio. Restrictions on investments in certain securities or types of securities may not be possible due to the level of difficulty this would entail in managing the account.

### **Participation in Wrap Fee Programs**

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Arista does not offer or sponsor a wrap fee program.

## **Regulatory Assets Under Management**

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As of December 31, 2018, we actively manage \$246,815,458 of client assets; \$206,136,579 on a discretionary basis and \$40,678,879 on a non-discretionary basis.

## **Item 5: Fees & Compensation**

### **Compensation for Our Advisory Services**

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#### **Financial Planning & Consulting:**

Arista charges on an hourly or flat fee basis for financial planning and consulting services. The total estimated fee, as well as the ultimate fee charged, is based on the scope and complexity of our engagement with the client. The maximum hourly fee to be charged will not exceed \$350. Flat fees range from \$1,500 to \$10,000. Arista requires a retainer of 50% of the ultimate financial planning or consulting fee at the time of signing. The remainder of the fee will be directly billed to the client and due within 30 days of a financial plan being delivered or consultation rendered. Arista will not require a retainer exceeding \$1,200 when services cannot be rendered within 6 months.

#### **Retirement Plan Consulting:**

Our Retirement Plan Consulting services are billed on either an asset-based fee or flat fee basis quarterly in advance or quarterly in arrears depending on where the assets are held. Retirement Plans held with our firm's Recommended Custodians shall be billed in advance while assets held with a third party, shall be billed in arrears. The total estimated fee, as well as the ultimate fee charged, is dependent upon the scope and complexity of our engagement with the client. Our flat fees range from \$750 to \$10,000. Our asset-based fees will not exceed 1.50%. The fee-paying arrangements for Retirement Plan Consulting service will be determined on a case-by-case basis and will be detailed in the signed consulting agreement.

#### **Investment Advisory Services:**

The maximum annual fee charged for this service will not exceed 1.50%. Fees to be assessed will be outlined in the advisory agreement to be signed by the client. Annualized fees are billed on a pro-rata basis quarterly in advance based on the value of the account on the last day of the previous quarter. Fees are negotiable and will be deducted from client account. For new accounts opened mid-quarter, Arista's fees will be based on a pro-rated calculation of your assets to be managed for the current calendar quarter. Advisory fees will be deducted first from any money market funds or cash balances. If such assets are insufficient to satisfy payment of such fees, a portion of the account assets will be liquidated to cover the fees. For existing management accounts, assets deposited will require modifications and adjustments to the client's investment allocation. Therefore, Arista reserves the right to bill on client accounts on a pro-rata fee based upon the number of days remaining in the current quarterly period. For assets that the client may withdraw during the quarter, Arista will not make pro-rata refunds of our quarterly management fee. As with deposits, withdrawals from client's account will require modifications and adjustments to be made to correct the allocation of assets in client's portfolios. Individual accounts for members of the same family, defined as husband, wife, and dependent children, are assessed fees based on the total account balance of all family accounts.

As part of this process, clients understand the following:

- The client's independent custodian sends statements at least quarterly showing the market values for each security included in the Assets and all account disbursements, including the amount of the advisory fees paid to Arista;
- Clients will provide authorization-permitting Arista to be directly paid by these terms. Arista will send an invoice directly to the custodian;
- Clients understand that it is their responsibility to verify the accuracy of fee calculations as the custodian does not determine its accuracy; and
- If Arista sends a copy of our invoice to the client, a legend urging the comparison of information provided in our statement with those from the qualified custodian will be included.

### **Concierge Consulting:**

Arista charges a flat monthly fee for consulting services based on the general amount of time we spend working with the family that will not exceed \$1,000 per month. Fees are negotiated and determined by the complexity of the engagement. Alternatively, we can charge an asset-based on Assets Under Management that will not exceed 1.50% for this service in combination with Arista's Investment Advisory Services.

### **Other Types of Fees & Expenses**

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Clients will incur transaction charges for trades executed by their chosen custodian. These transaction fees are separate from Arista's advisory fees and will be disclosed by the chosen custodian. Clients may also pay holdings charges imposed by the chosen custodian for certain investments, charges imposed directly by a mutual fund, index fund, or ETFs, which shall be disclosed in the fund's prospectus (i.e., fund management fees, initial or deferred sales charges, mutual fund sales loads, 12b-1 fees, surrender charges, variable annuity fees, IRA and qualified retirement plan fees, and other fund expenses), mark-ups and mark-downs, spreads paid to market makers, fees for trades executed away from custodian, wire transfer fees and other fees and taxes on brokerage accounts and securities transactions. Arista does not receive a portion of these fees.

### **Termination & Refunds**

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Either party may terminate the advisory agreement signed with Arista for Investment Advisory Services in writing at any time. Upon notice of termination Arista will proceed to close out the account. No refund will be provided to the client for this service.

Financial Planning & Consulting clients may terminate their agreement at any time before the delivery of a financial plan by providing written notice. Please note, that clients may terminate their agreement without penalty for a full refund within five business days of initial signing. After the initial signing period of five business days, Arista's refund policy goes into effect and the client shall not be provided a refund for this service.

Either party to a Retirement Plan Consulting Agreement may terminate at any time by providing written notice to the other party. Full refunds will only be made in cases where cancellation occurs within five business days of signing an agreement. After five business days from initial signing, either party must provide the other party 30 days written notice to terminate billing. Billing will terminate 30 days after receipt of termination notice. Clients will be charged on a pro-rata basis, which takes into account work completed by Arista on behalf of the client. Clients will incur charges for bona fide



advisory services rendered up to the point of termination (determined as 30 days from receipt of said written notice) and such fees will be due and payable.

### **Commissionable Securities Sales**

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Arista and its representatives do not sell securities for a commission in advisory accounts.

## **Item 6: Performance-Based Fees & Side-By-Side Management**

Arista does not charge performance-based fees.

## **Item 7: Types of Clients & Account Requirements**

Arista has the following types of clients:

- Individuals and High Net Worth Individuals;
- Non-Profits, Unions or Charitable Organizations;
- Pension and Profit Sharing Plans;
- Corporations, Limited Liability Companies and/or Other Business Types

Our requirements for opening and maintaining accounts or otherwise engaging us:

- Arista requires a minimum account balance of \$250,000 for our Investment Advisory Services. Generally, this minimum account balance requirement is not negotiable and would be required throughout the course of the client's relationship with Arista. However, Arista may waive this requirement at the sole discretion of the firm.
- Legacy clients are subject to Arista's minimum account requirements and advisory fees that were in effect at the time the legacy client entered the advisory relationship with Arista. This will result in different minimum account requirements for Arista's legacy clients.

## **Item 8: Methods of Analysis, Investment Strategies & Risk of Loss**

### **Methods of Analysis**

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We use several methods of analysis as well as research produced by other firms and academics. Some of the methods of analysis used, both by Arista and our research sources, are technical analysis, fundamental analysis, modern portfolio theory, charting, asset correlation and academic based financial research. All research and analysis techniques are an attempt to look for persistent historical patterns that can be used to guide current decisions. We continually evaluate our investment strategies against the most current research data available to us as we work to improve our portfolios and financial strategies. Historical guidance is helpful, but historical technical patterns are not guaranteed to repeat. The future is not predictable; therefore, clients must be prepared to bear the risk of loss that is present with any investment strategy.

**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**

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We use the following strategies in managing client accounts, provided that such strategies 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:** Arista may buy securities for your account and hold them for a relatively long time (more than a year) in anticipation that the security's value will appreciate over a long horizon. Arista will employ this strategy when it is believed to be currently undervalued and/or Arista wants exposure to a particular security over time, regardless of the current projections. The risk of this strategy is that Arista could miss out on potential short-term gains that could have been profitable to your account, or it's possible that the security's value may decline sharply before Arista makes a decision to sell.

**Margin Transactions:** Arista may purchase stocks, mutual funds, and/or other securities 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. Margin accounts and transactions are risky and not necessarily appropriate for every client. The potential risks associated with these transactions are (1) You can lose more funds than are deposited into the margin account; (2) the forced sale of securities or other assets in your account; (3) the sale of securities or other assets without contacting you; and (4) you may not be entitled to choose which securities or other assets in your accounts are liquidated or sold to meet a margin call.

**Passive Investing:** Arista largely employs a passive index approach philosophy. We will allocate the client's assets among various investments, taking into consideration the overall management style selected by the client, but if we determine it to be suitable for the client, Arista may recommend portfolios consisting of passively managed asset class and index mutual funds. Arista may recommend mutual funds offered by The Vanguard Group ("Vanguard") and Dimensional Fund Advisors ("DFA"). DFA and Vanguard sponsored mutual funds follow a passive asset class investment philosophy with low holdings turnover. Consequently, the DFA and Vanguard fund fees are generally lower than fees and expenses charged by other types of funds.

### **Risk of Loss**

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Investing in securities involves risk of loss that clients should be prepared to bear. While the stock market may increase, and the accounts could enjoy a gain, it is also possible that the stock market may decrease, and the accounts could suffer a loss. It is important that clients understand the risks associated with investing in the stock market, and that their assets are appropriately diversified in investments. Clients are encouraged to ask Arista any questions regarding their risk tolerance.

## **Description of Material, Significant or Unusual Risks**

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Arista generally invests client cash balances in money market funds, FDIC Insured Certificates of Deposit, high-grade commercial paper and/or government backed debt instruments. Ultimately, Arista tries to achieve the highest return on client cash balances through relatively low-risk conservative investments. In most cases, at least a partial cash balance will be maintained in a money market account so that Arista may debit advisory fees for our services related to our Investment Advisory Services, as applicable.

### **Item 9: Disciplinary Information**

There are no legal or disciplinary events that are material to the evaluation of our advisory business or the integrity of our management.

### **Item 10: Other Financial Industry Activities & Affiliations**

Arista feels that clients should be aware that the receipt of additional compensation by Arista and its management persons or employees creates a conflict of interest that may impair the objectivity of our firm and these individuals when making advisory recommendations. Arista 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 employment 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.

Representatives of Arista are registered with more than one Registered Investment Advisor ("RIA") firm in addition to Arista. A conflict of interest may arise as a result of being an IAR for multiple RIA's. To mitigate this conflict, Representatives of Arista will act in the client's best interest. Furthermore, any services that may be offered through the outside RIAs will remain separate from Arista's advisory services and are governed under a separate agreement. Clients of Arista Wealth Management, LLC will not be actively solicited to the outside RIAs.

Representatives of Arista are insurance agents/brokers. They offer insurance products and receive customary fees as a result of insurance sales. A conflict of interest exists as these insurance sales create an incentive to recommend products based on the compensation an advisor and/or our supervised persons may earn. To mitigate this potential conflict, our firm will act in the client's best interest.

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

As a fiduciary, it is an investment advisor's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. Our fiduciary duty is the underlying principle for Arista's Code of Ethics, which includes procedures for personal securities transaction and insider trading. Arista requires all representatives to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment with Arista, and at least annually thereafter, all representatives of Arista will acknowledge receipt, understanding, and compliance with Arista's Code of Ethics. Arista and representatives must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics. If a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.

Arista recognizes that the personal investment transactions of our representatives demands the application of a Code of Ethics with high standards and requires that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, Arista also believes that if investment goals are similar for clients and for our representatives, it is logical, and even desirable, that there be common ownership of some securities.

In order to prevent conflicts of interest, Arista has established procedures for transactions effected by our representatives for their personal accounts<sup>1</sup>. In order to monitor compliance with our personal trading policy, Arista has pre-clearance requirements and a quarterly securities transaction reporting system for all of our representatives.

Neither Arista nor a related person recommends, buys or sells for client accounts, securities in which our firm or a related person has a material financial interest without prior disclosure to the client.

Related persons of Arista may buy or sell securities and other investments that are also recommended to clients. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to Arista's Code of Ethics, a copy of which is available upon request.

Likewise, related persons of Arista buy or sell securities for themselves at or about the same time they buy or sell the same securities for client accounts. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to Arista's Code of

<sup>1</sup> For purposes of the policy, our associate's personal account generally includes any account (a) in the name of our associate, his/her spouse, his/her minor children or other dependents residing in the same household, (b) for which our associate is a trustee or executor, or (c) which our associate controls, including our client accounts which our associate controls and/or a member of his/her household has a direct or indirect beneficial interest in.

Ethics, a copy of which is available upon request. Further, our related persons will refrain from buying or selling the same securities prior to buying or selling for our clients in the same day unless included in a block trade.

### **Compliance with Department of Labor Fiduciary Rule**

Arista provides investment advice to assets affected by the Department of Labor (“DOL”) Fiduciary Rule for a level fee. As such, we abide by the Impartial Conduct Standards as defined by the DOL. To comply with these standards, Arista and our advisors give advice that is in our clients’ best interest, charge no more than reasonable compensation (within the meaning of ERISA Section 408(b)(2) and Internal Revenue Code Section 4975(d)(2), and make no misleading statements about investment transactions, compensation, conflicts of interest, and any other matters related to investment decisions. As a level-fee fiduciary, we maintain a non-variable compensation structure that is provided on the basis of a fixed percentage of the value of assets or a set fee that does not vary with the particular investment recommended, as opposed to a commission or other transaction-based fee.

## **Item 12: Brokerage Practices**

### **The Custodians & Brokers We Use**

Arista does not maintain custody of client assets that we manage although we may be deemed to have constructive custody of client assets if Arista is given the authority to withdraw assets from client accounts See Item 15 Custody below. Client assets must be maintained in an account at a “qualified custodian,” generally a broker-dealer or bank. Arista recommends National Financial Services LLC and Fidelity Brokerage Services LLC (collectively, and together with all affiliates, “Fidelity”), TD Ameritrade Institutional which is a division of TD Ameritrade Inc., member FINRA/SIPC, an unaffiliated SEC-registered broker-dealer and FINRA member (“TD Ameritrade”), Charles Schwab & Co., Inc. (“Schwab”) and National Advisors Holdings, Inc. which is the sole shareholder of National Advisors Trust Company (“NATC”) (collectively “Recommended Custodians”), members FINRA/SIPC/NFA, as the qualified custodian from whom Arista is independently owned and operated. The Recommended Custodians will hold client assets in a brokerage account and buy and sell securities when instructed. While Arista recommends that clients use the Recommended Custodians, clients will decide whether to do so and will open an account with the Recommended Custodians by entering into an account agreement directly with them. Arista does not open the account for the client. Even though a client account is maintained at the Recommended Custodians, Arista can still use other brokers to execute trades, as described in the next paragraph.

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

Arista seeks to use a custodian/broker who will hold client assets and execute transactions on terms that are, overall, most advantageous when compared to other available providers and their services. A wide range of factors are considered, including, but not limited to:

- 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 client accounts)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, 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

### **Client Brokerage & Custody Costs**

The Recommended Custodians generally do not charge clients separately for custody services but are compensated by charging clients commissions or other fees on trades that it executes or that settle into the client's accounts. Transaction fees are negotiated with the Recommended Custodians and are generally discounted from customary retail commission rates. This benefits clients because the overall fee paid is often lower than would be otherwise. The Recommended Custodians do not require that Arista collectively maintain a minimum total of assets under management. In addition to commissions, Schwab charges the account a flat dollar amount as a "prime broker" or "trade away" fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into the Schwab account. These fees are in addition to the commissions or other compensation paid to the executing broker-dealer.

### **Products & Services Available to Us**

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Arista recommends Schwab Advisor Services™ (formerly called Schwab Institutional®), the institutional platform services offered by Fidelity, the platform offered by NATC, and the institutional advisor program ("the Program") offered by TD Ameritrade Institutional. The Recommended Custodians offer services to independent investment advisors, which include custody of securities, trade execution, clearance and settlement of transactions. Arista receives some benefits from TD Ameritrade through its participation in the Program. TD Ameritrade enables us to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges.

The Recommended Custodians provide Arista and our clients with access to institutional brokerage, trading, custody, reporting, and other related services, many of which are not typically available to retail customers. The Recommended Custodians also make available various support services. Some of those services help us manage or administer our client accounts, while others help us manage and grow our business. The Recommended Custodians' support services are generally available on an unsolicited basis (we don't have to request them) and at no charge to us. The following is a more detailed description of the provided support services:

### **Services That Benefit Clients**

The Recommended Custodians' brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through the Recommended Custodians include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients.

Arista participates in TD Ameritrade's institutional customer program and may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between our

participation in the Program and the investment advice given to Clients, although Arista receives economic benefits through its participation in the Program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving our participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocates the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Arista by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by Arista's related persons. Some of the products and services made available by TD Ameritrade through the Program may benefit Arista but may not benefit its Client accounts. These products or services may assist Arista in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Arista manage and further develop its business enterprise. The benefits received by Arista or personnel through participation in the Program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, Arista endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Arista or its related persons in and of itself creates a potential conflict of interest and may indirectly influence Arista's choice of TD Ameritrade for custody and brokerage services.

Our firm also receives from TD Ameritrade certain additional economic benefits ("Additional Services") that may or may not be offered to any other independent investment Advisors participating in the program. Specifically, the Additional Services include TD Ameritrade paying Orion Advisor Services for each client account our firm opens with them for a period of one year. TD Ameritrade provides the Additional Services to our firm in its sole discretion and at its own expense. Our firm does not pay any fees to TD Ameritrade for the Additional Services.

Our firm's receipt of Additional Services raises potential conflicts of interest. In providing Additional Services to our firm, TD Ameritrade most likely considers the amount and profitability to TD Ameritrade of the assets in, and trades placed for, our firm's Client accounts maintained with TD Ameritrade. TD Ameritrade has the right to terminate these Additional Services with our firm, in its sole discretion. Consequently, in order to continue to obtain the Additional Services from TD Ameritrade, our firm may have an incentive to recommend to its Clients that the assets under management by our firm be held in custody with TD Ameritrade and to place transactions for Client accounts with TD Ameritrade. Our firm's receipt of Additional Services does not diminish our duty to act in the best interests of our Clients, including to seek best execution of trades for Client accounts.

### **Services That May Not Directly Benefit Clients**

Other products and services that benefit us, but may not directly benefit clients or client accounts, may be made available to Arista. These products and services assist us in managing and administering our clients' accounts. They include investment research, both the Recommended Custodians' own and that of third parties. This research may be used to service all or a substantial number of our client accounts, including accounts not maintained with the Recommended Custodians. In addition to investment research, the Recommended Custodians may also make available software and other technology that provide the following:

- Access to client account data (such as duplicate trade confirmations and account statements)

- Facilitates trade execution and allocates aggregated trade orders for multiple client accounts;
- Provides pricing and other market data;
- Facilitate payment of fees from its clients' accounts; and
- Assists with back-office functions, recordkeeping and client reporting.

### **Services That Generally Benefit Us**

The Recommended Custodians may also offer other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events
- Consulting on technology, compliance, legal, and business needs
- Publications and conferences on practice management and business succession
- Access to employee benefits providers, human capital consultants, and insurance providers

The Recommended Custodians may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. The Recommended Custodians may also discount or waive fees for some of these services or pay all or a part of a third party's fees. They may also provide us with other benefits, such as occasional business entertainment of our personnel. Other than using custodial services and trade execution from the Recommended Custodians, Money Market Account (MMA) uses its own proprietary analytics and third-party research in making investment decisions for clients.

### **Our Interest in These Services**

The availability of these services from the Recommended Custodians benefits us because we do not have to produce or purchase them. Arista does not have to pay for these services, and they are not contingent upon committing any specific amount of business to the Recommended Custodians in trading commissions or assets in custody. Arista has determined that having the Recommended Custodians execute trades is consistent with our duty to seek "best execution" of trades and is supported by the scope, quality, and price of services. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see "How We Select Brokers/Custodians") and not services that benefit only us. As part of our fiduciary duties to our clients, we endeavor at all times to put the interests of our clients first. Clients should be aware, however, that the receipt of economic benefits by Arista or our related persons in and of itself creates a potential conflict of interest and may indirectly influence Arista's choice of the Recommended Custodians for custody and brokerage services.

### **Aggregation of Purchase or Sale**

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Arista provides investment management services for various clients. There are occasions on which portfolio transactions may be executed as part of concurrent authorizations to purchase or sell the same security for numerous accounts served by Arista, which involve accounts with similar investment objectives. Although such concurrent authorizations potentially could be either advantageous or disadvantageous to any one or more particular accounts, they are affected only when Arista believes that to do so will be in the best interest of the effected accounts. When such concurrent authorizations occur, the objective is to allocate the executions in a manner which is deemed equitable to the accounts involved. In any given situation, Arista attempts to allocate trade executions in the most equitable manner possible, taking into consideration client objectives, current asset allocation and availability of funds using price averaging, proration and consistently non-arbitrary methods of allocation.



## Item 13: Review of Accounts or Financial Plans

Our management personnel or financial advisors review accounts on at least a semi-annual basis for our Investment Advisory Services clients. The nature of these reviews is to learn whether client accounts are in line with their investment objectives and are appropriately positioned based on market conditions and investment policies, if applicable. Arista does not provide written reports to clients unless asked to do so. Verbal reports to clients take place on at least an annual basis when our clients are contacted.

Arista may review client accounts more frequently than described above. Among the factors, which may trigger an off-cycle review, are major market or economic events, the client's life events and requests by the client.

Financial Planning clients do not receive reviews of their written plans unless they take action to schedule a financial consultation with us. Arista does not provide ongoing services to financial planning clients; however, we are willing to meet with such clients upon their request to discuss updates to their plans, changes in their circumstances, etc. Financial Planning clients do not receive written or verbal updated reports regarding their financial plans unless they separately engage Arista for a post-financial plan meeting or update to their initial written financial plan.

Retirement Plan Consulting clients receive reviews of their retirement plans for the duration of the service upon the intervals established in the Investment Policy Statement ("IPS"). Arista also provides ongoing services where clients are met with upon their request to discuss updates to their plans, changes in their circumstances, etc. Retirement Plan Consulting clients do not receive written or verbal updated reports regarding their plans unless they choose to engage Arista for ongoing services.

## Item 14: Client Referrals & Other Compensation

### Recommended Custodians

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Arista receives economic benefit from Recommended Custodians in the form of the support products and services made available to Arista and other independent investment advisors that have their clients maintain accounts at Recommended Custodians. These products and services, how they benefit Arista, and the related conflicts of interest are described above (see Item 12 - "Brokerage Practices"). The availability of Recommended Custodians products and services is not based on Arista giving particular investment advice, such as buying particular securities for our clients.

### Referral Fees

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Arista pays (non-commission based) referral fee to independent solicitors that are non-registered representatives for the referral of their clients to Arista in accordance with Rule 206 (4)-3 of the Investment Advisers Act of 1940. Such referral fees represent a share of our investment advisory fee charged to our clients. This arrangement will not result in higher costs to the referred client. In this

regard, Arista maintains Solicitors Agreements in compliance with Rule 206 (4)-3 of the Investment Advisers Act of 1940 and applicable state and federal laws. All clients referred by Solicitors to Arista will be given full written disclosure describing the terms and fee arrangements between Arista and Solicitors. In cases where state law requires licensure of solicitors, Arista ensures that no solicitation fees are paid unless the solicitor is registered as an investment advisor representative of Arista. If Arista is paying solicitation fees to another registered investment advisor, the licensure of individuals is the other firm's responsibility.

## Item 15: Custody

All of our clients receive account statements directly from their qualified custodians at least quarterly upon opening of an account. If Arista decides to also send account statements to clients, such notice and account statements include a legend that recommends that the client compare the account statements received from the qualified custodian with those received from Arista. Clients are encouraged to raise any questions with us about the custody, safety or security of their assets and our custodial recommendations.

The SEC issued a no-action letter ("Letter") with respect to the Rule 206(4)-2 ("Custody Rule") under the Investment Advisers Act of 1940 ("Advisers Act"). The letter provided guidance on the Custody Rule as well as clarified that an adviser who has the power to disburse client funds to a third party under a standing letter of instruction ("SLOA") is deemed to have custody. As such, our firm has adopted the following safeguards in conjunction with the account custodian:

- The client provides an instruction to the qualified custodian, in writing, that includes the client's signature, the third party's name, and either the third party's address or the third party's account number at a custodian to which the transfer should be directed.
- The client authorizes the investment adviser, in writing, either on the qualified custodian's form or separately, to direct transfers to the third party either on a specified schedule or from time to time.
- The client's qualified custodian performs appropriate verification of the instruction, such as a signature review or other method to verify the client's authorization and provides a transfer of funds notice to the client promptly after each transfer.
- The client has the ability to terminate or change the instruction to the client's qualified custodian.
- The investment adviser has no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the client's instruction.
- The investment adviser maintains records showing that the third party is not a related party of the investment adviser or located at the same address as the investment adviser.
- The client's qualified custodian sends the client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

## Item 16: Investment Discretion

Clients have the option of providing Arista with investment discretion on their behalf, pursuant to an executed investment advisory client agreement. By granting investment discretion, Arista is authorized to execute securities transactions, determine which securities are bought and sold, and the total amount to be bought and sold. Should clients grant Arista non-discretionary authority, Arista would be required to obtain the client's permission prior to effecting securities transactions. Limitations may be imposed by the client in the form of specific constraints on any of these areas of discretion with Arista's written acknowledgement.

## Item 17: Voting Client Securities

Arista does not accept the proxy authority to vote client securities. Clients will receive proxies or other solicitations directly from their custodian or a transfer agent. In the event that proxies are sent to Arista, Arista will forward them to the appropriate client and ask the party who sent them to mail them directly to the client in the future. Clients may call, write or email us to discuss questions they may have about particular proxy votes or other solicitations.

## Item 18: Financial Information

Arista is not required to provide financial information in this Brochure because:

- Arista does not require the prepayment of more than \$1,200 in fees when services cannot be rendered within six months.
- Arista does not take custody of client funds or securities.
- Arista does not have a financial condition or commitment that impairs our ability to meet contractual and fiduciary obligations to clients.

Arista has never been the subject of a bankruptcy proceeding.

# Document Delivery Receipt

## Confirmation of Part 2A of Form ADV Receipt

Both state and federal securities laws require that we disclose certain information to our clients about ourselves and our operations.

Please read the ADV Part 2A and, after having done so, sign at the bottom of the page indicating that you have received such a statement.

\_\_\_\_\_  
Client Name

\_\_\_\_\_  
Client Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Client Name

\_\_\_\_\_  
Client Signature

\_\_\_\_\_  
Date