

**UP Strategic Wealth Investment Advisors, LLC**

**doing business as**

**Steel Tower Investments**

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**May 1, 2024**

**FORM ADV PART 2A  
BROCHURE**

This brochure provides information about the qualifications and business practices of Steel Tower Investments. If you have any questions about the contents of this brochure, contact us at 412-586-2060. 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 Steel Tower Investments is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Steel Tower Investments is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

## Item 2 Summary of Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

Since the filing of our last annual updating amendment dated March 24, 2023, we have the following material change to report:

- Item 10 of the Form ADV Part 2A has been amended to reflect that we are affiliated with Elite Life Management LLC, registered investment advisor, through common control and ownership. Please refer to Item 10 of our Form ADV Part 2A for additional information on this affiliation.

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## Item 4 Advisory Business

### Description of Services and Fees

UP Strategic Wealth Investment Advisors, LLC, doing business as Steel Tower Investments is a registered investment adviser based in Pittsburgh, Pennsylvania. We are organized as a limited liability company under the laws of the State of Pennsylvania. We have been providing investment advisory services since 2013. We are wholly-owned by Reflection Financial LLC. The principal owners of Reflection Financial LLC are UP Strategic Wealth Advisors LLC and HBKS Investments LLC. Elizabeth Urish is our Chief Compliance Officer. Currently, we offer the following investment advisory services, which are personalized to each individual client:

- Portfolio Management Services
- Financial Planning Services
- Selection of Other Advisers
- Pension Consulting Services

The following paragraphs describe our services and fees. Please refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs. We use the terms "Firm", "firm", "we", "our" and "us" throughout this disclosure brochure to refer to Steel Tower Investments. The words "you", "your" and "client" refer to you as either a client or prospective client of our firm.

### Investment Management Services

We offer discretionary and non-discretionary investment management services. Our investment advice is tailored to meet our clients' needs and investment objectives. If you retain our firm for investment management services, we will meet with you to determine your investment objectives, risk tolerance, and other relevant information at the beginning of our advisory relationship. We will use the information we gather to develop a strategy that enables our firm to give you continuous and focused investment advice and/or to make investments on your behalf. As part of our portfolio management services, we will customize an investment portfolio for you according to your risk tolerance and investing objectives. We may also invest your assets using a predefined strategy, or we may invest your assets according to one or more model portfolios used by our firm. Once we construct an investment portfolio for you, or select a model portfolio, we will monitor your portfolio's performance on an ongoing basis, and will rebalance the portfolio as appropriate based on changes in market conditions and in your financial circumstances.

If you participate in our discretionary investment management services, we require you to grant our firm discretionary authority to manage your account. Discretionary authorization will allow us to determine the specific securities, and the amount of securities, to be purchased or sold for your account without your approval prior to each transaction. Discretionary authority is typically granted by the investment advisory agreement you sign with our firm and the appropriate trading authorization forms. You may limit our discretionary authority (for example, limiting the types of securities that can be purchased or sold for your account) by providing our firm with your restrictions and guidelines in writing. If you enter into non-discretionary arrangements with our firm, we must obtain your approval prior to executing any transactions on behalf of your account.

As part of our investment management services, we may use one or more sub-advisers to manage all, or a portion of, your account on a discretionary basis. The sub-adviser(s) may use one or more of their model portfolios to manage your account. We will regularly monitor the performance of your accounts managed by sub-adviser(s), and may hire and fire any sub-adviser without your prior approval. We may pay a portion of our advisory fee to the sub-adviser(s) we use; however, you will not pay our firm a higher advisory fee as a result of any sub-advisory relationships.

### **Financial Planning Services**

We offer financial planning services which typically involve providing a variety of advisory services to clients regarding the management of their financial resources based upon an analysis of their individual needs. These services can range from broad, comprehensive, financial planning to consultative or single subject planning. If you retain our firm for financial planning services, we will meet with you to gather information about your financial circumstances and objectives. We may also use financial planning software to determine your current financial position and to define and quantify your long-term goals and objectives. Once we specify those long-term objectives (both financial and non-financial), we will develop shorter-term, targeted objectives. Once we review and analyze the information you provide to our firm and the data derived from our financial planning software, we will deliver a written plan to you, designed to help you achieve your stated financial goals and objectives.

Financial plans are based on your financial situation at the time we present the plan to you, and on the financial information you provide to us. You must promptly notify our firm if your financial situation, goals, objectives, or needs change.

You are under no obligation to act on our financial planning recommendations. Should you choose to act on any of our recommendations, you are not obligated to implement the financial plan through any of our other investment advisory services. Moreover, you may act on our recommendations by placing securities transactions with any brokerage firm.

### **Selection of Other Advisers**

As part of our investment advisory services, we may recommend that you use the services of a third party money manager ("MM") to manage all, or a portion of, your investment portfolio. After gathering information about your financial situation and objectives, we will recommend that you engage a specific MM or investment program. Factors that we take into consideration when making our recommendation(s) include, but are not limited to, the following: the MM's performance, methods of analysis, fees, your financial needs, investment goals, risk tolerance, and investment objectives. We will periodically monitor the MM(s)' performance to ensure its management and investment style remains aligned with your investment goals and objectives.

### **Pension Consulting Services**

We offer pension consulting services to employee benefit plans and their fiduciaries based upon the needs of the plan and the services requested by the plan sponsor or named fiduciary. In general, these services may include an existing plan review and analysis, plan-level advice regarding fund selection and investment options, education services to plan participants, investment performance monitoring, and/or ongoing consulting. These pension consulting services will generally be non-discretionary and advisory in nature, but discretionary services are also offered. In non-discretionary relationships, the ultimate decision to act on behalf of the plan shall remain with the plan sponsor or other named fiduciary.

We may also assist with participant enrollment meetings and provide investment-related educational seminars to plan participants on such topics as:

- Diversification
- Asset allocation
- Risk tolerance
- Time horizon

Our educational seminars may include other investment-related topics specific to the particular plan.

We may also provide additional types of pension consulting services to plans on an individually negotiated basis. All services, whether discussed above or customized for the plan based upon requirements from the plan fiduciaries (which may include additional plan-level or participant-level services) shall be detailed in a written agreement and be consistent with the parameters set forth in the plan documents.

Either party to the pension consulting agreement may terminate the agreement upon 30-days' written notice to the other party.

### **Types of Investments**

We offer advice on all types of securities and do not necessarily recommend one type more than any other since every client has different needs and risk tolerance.

Therefore, we may advise you on any type of investment that we deem appropriate based on your stated goals and objectives. We may also provide advice on any type of investment held in your portfolio at the inception of our advisory relationship.

You may request that we refrain from investing in particular securities or certain types of securities. You must provide these restrictions to our firm in writing.

### **Assets Under Management**

As of December 31, 2023, we provide continuous management services for \$115,616,237 in client assets on a discretionary basis, and \$0 in client assets on a non-discretionary basis. We also manage \$8,729,443 in client assets on a non-continuous basis.

## **Item 5 Fees and Compensation**

As part of its fiduciary duties, we put the interests of clients first. Clients should be aware, however, that the receipt of any fees or benefits by us, in and of itself, creates a conflict of interest.

**Investment Management Fees:** Pursuant to our investment management agreements ("Agreement(s)"), clients are charged a fee based on a percentage of assets under management. Our standard fee is 1.5% of assets under management, but may be negotiated up or down based on individual circumstances. Our fees will not exceed 2.75%. The management fee is based on several factors such as the nature of the assets, the services provided, the practice group involved, and the amount of assets being managed. Generally, the percentage fee decreases as the amount of assets under management increases.

The fee is prorated and paid quarterly based upon the market value of the assets on the last day of the previous quarter. The fees are paid in advance at the beginning of the quarter. Fees are either invoiced or debited from client accounts based on written permission to Custodians.

When fees are debited, we will deduct our fee directly from your account through the qualified custodian holding your funds and securities. We will deduct our advisory fee only when the following requirements are met:

- You provide our firm with written authorization permitting the fees to be paid directly from your account held by the qualified custodian.
- The qualified custodian agrees to send you a statement, at least quarterly, indicating all amounts dispersed from your account including the amount of the advisory fee paid directly to our firm.

The fee for the initial quarter is pro-rated starting on the date you open an account with a Custodian. The initial fee shall be based on the market value of the account assets on the first month-end after the Agreement is signed and billable assets are posted to the Custodian account.

If the Agreement is terminated, the management fee will be pro-rated for the quarter in which the cancellation notice was given and any unearned fees will be refunded to the clients. An exception to this policy is for accounts where ERISA services are provided, where fees are not refunded upon termination, but are kept to cover the costs of closing down the management relationship. However, if closing costs are less than the unearned advisory fee, then the remaining unearned fees will be refunded to the client.

We may allow accounts from the same household to be grouped to meet fee breakpoints. For example, accounts may be grouped for clients and their children, for spouses that have individual and joint accounts, or for similarly related accounts. The key factor in deciding if accounts can be grouped is whether the clients live in the same household. Management fees may be discounted if clients also have other assets under management with the firm pursuant to a separate agreement.

Some of the investment management services provided may include retaining sub-advisors, overlay managers or third-party service providers as described elsewhere in this Brochure. Clients may pay fees for services provided by sub-advisors, overlay managers and third-party service providers which are separate from and in addition to investment management fees charged by Steel Tower Investments. The amount of the additional fees will depend on the nature of the services being provided and the number of third parties involved, and may change over time based on changed circumstances.

**Financial Planning Fees:** Fees for comprehensive, modular and single-issue financial planning services and consulting services will be charged in one of the following ways:

- As a fixed fee, typically ranging from \$500-\$20,000.
- On an hourly basis, ranging from \$100-\$500 per hour.

Fees for on-going financial consulting will be charged in one of the following ways:

- As a fixed annual fee, starting at \$500.
- As a percentage of the amount of assets under advisement with 2.75% being the maximum annual fee.

Fees for financial planning are determined by the investment advisory representative ("IAR") providing the services. The fees will be based on the complexity of the clients' financial situations and the nature of work provided. Up to 50% of the fixed or estimated hourly fee may be due upon signing the Financial Services Agreement, with the balance due upon completion of the services. For fees charged on an hourly basis, the amount due in advance is based on estimated time needed to complete the services. The IAR will determine the amount to be paid in advance. The balance due is based on actual hours needed to complete the work, which may be more or less than the estimate.

Fees charged as a percentage of assets under advisement will be charged in advance on a quarterly basis. Fees will be based on the value of the assets for which Steel Tower Investments provided planning services. The value of the assets used for fee calculations will be the billable asset value on the last day of the previous calendar quarter. Quarterly planning fees for initial and last quarters that are not full quarters will be prorated based on the number of days that services were or will be

provided during the calendar quarter. Planning fees may be discounted if the client also has other assets under management, pursuant to a separate agreement, with us. Any discount to planning fees will be at the discretion of the IAR.

Fees may be billed directly to clients and will be due and payable upon receipt of such billing notice. Fees may also be deducted directly from the client accounts and paid directly to us by the account custodian. We will deduct our advisory fee only when the following requirements are met:

- You provide our firm with written authorization permitting the fees to be paid directly from your account held by the qualified custodian.
- We send you a fee statement showing the amount of the fee, the value of the assets on which the fee is based, the time period covered by the fee, and the specific manner in which the fee was calculated.
- The qualified custodian agrees to send you a statement, at least quarterly, indicating all amounts dispersed from your account including the amount of the advisory fee paid directly to our firm.

If the financial planning agreement is terminated, you will incur a pro rata charge for services rendered prior to the termination of the agreement and any unearned fees will be refunded.

**Securities Commission Transactions.** Steel Tower Investments may in the future have IARs who are registered representatives of third-party broker dealers. In the event that the client desires, the client can engage such IARs, in their separate capacities, as registered representatives of third-party broker dealers who are FINRA members, to implement investment recommendations on a commission basis.

**Conflict of Interest:** The recommendation that a client purchase a commission product presents a conflict of interest, as the receipt of commissions may provide an incentive to recommend investment products based on commissions to be received, rather than on a particular client's need. No client is under any obligation to purchase any commission products from one of our IARs should they become registered to sell such products.

Except as provided elsewhere in this Brochure, when one of our IARs, in their separate capacity as a registered representative, sells an investment product on a commission basis, the firm does not charge an advisory fee in addition to the commissions paid by the client for such product. When providing services on an advisory fee basis, the firm's representatives do not also receive commission compensation for such advisory services (except for any ongoing 12b-1 trailing commission compensation that may be received as otherwise discussed). However, a client may engage us to provide investment management services on an advisory fee basis and separate from such advisory services purchase an investment product from our representatives on a separate commission basis.

If clients own variable annuities and want us to manage the investment sub-accounts, the firm will include the market value of the annuity in assets under management. This fee will be charged even if clients paid a commission when the annuities were purchased, including commissions to our representatives in their capacity as registered representatives of a broker dealer. *See discussion in sections 5 and 9.* The advisory fee charged by the firm is separate and in addition to the commission received by the representative who sold the variable annuity.

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

We do not accept performance-based fees or participate in side-by-side management. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Our fees are calculated as described in the *Fees and Compensation* section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

## Item 7 Types of Clients

We offer investment advisory services to individuals (including high net worth individuals, trusts and estates), corporations and other business entities, retirement plans, and state or municipal government entities.

In general, we do not require a minimum dollar amount to open and maintain an advisory account; however, we have the right to terminate your Account if it falls below a minimum size which, in our sole opinion, is too small to effectively manage.

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

We do not represent, warrant, or imply that the services, methods of analysis, model portfolios, or strategies used by the firm can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses. Different types of investments involve varying degrees of risk. It should not be assumed that future performance of any specific investment, strategy or model will be profitable or equal any performance levels. Clients using our investment management services should be prepared to bear the risk of loss of assets that is inherent in each of the products, investment methods and strategies used.

Under the Agreements, we will develop portfolios tailored to clients' needs and objectives based on their circumstances. We may allocate client assets among one or more proprietary investment model portfolios ("Model Portfolios") constructed by us or third parties we retain. The Model Portfolios are recommended or used based upon client circumstances, objectives and risk profile, and are subject to reasonable written restrictions or guidelines agreed to by clients and the Firm.

Portfolios may be built with a variety of investment vehicles including mutual funds, exchange traded funds ("ETFs"), equity and debt securities, investment contracts, insurance, annuities, alternative investments, and other investment vehicles. Types of investments can include long term and short term purchases, short sales, margin transactions and option writing. We can use a variety of tools and strategies designed to provide investment management services. These products, tools and strategies (individually or in combination) help develop portfolios and allocations to fit clients' needs and objectives. The Firm may also use products beyond those listed in this section if deemed appropriate.

**PLEASE NOTE:** Short selling is an investment strategy with a high level of inherent risk. Short selling, involves the selling of assets that the investor does not own. The investor borrows the assets from a third party lender (i.e. Broker-Dealer) with the obligation of buying identical assets at a later date to return to the third party lender. Individuals who engage in this activity *shall only profit from a decline in the price* of the assets between the original date of sale and the date of repurchase. Conversely, the *short seller will incur a loss if the price of the assets rises*. Other costs of shorting may include a fee for borrowing the assets and payment of any dividends paid on the borrowed assets.

**PLEASE NOTE:** Margin is an investment strategy with a high level of inherent risk. A margin transaction occurs when an investor uses borrowed assets to purchase financial instruments. The investor generally obtains the borrowed assets by using other securities as collateral for the borrowed sum. The effect of purchasing a security using margin is to magnify any gains or losses sustained by the purchase of the financial instruments on margin. **PLEASE NOTE:** To the extent that a client authorizes the use of margin, and margin is thereafter employed by the Firm in the management of the client's investment portfolio, the market value of the client's account and corresponding fee payable by the client to the Firm may be increased. As a result, in addition to understanding and assuming the additional principal risks associated with the use of margin, clients authorizing margin are advised of the potential **conflict of interest** whereby the client's decision to employ margin *may* correspondingly increase the management fee payable to the Firm. Accordingly, the decision as to whether to employ margin is left totally to the discretion of the client.

**PLEASE NOTE:** The use of options transactions as an investment strategy involves a high level of inherent risk. Option transactions establish a contract between two parties concerning the buying or selling of an asset at a predetermined price during a specific period of time. During the term of the option contract, the buyer of the option gains the right to demand fulfillment by the seller. Fulfillment may take the form of either selling or purchasing a security depending upon the nature of the option contract. Generally, the purchase or the recommendation to purchase an option contract by the Firm shall be with the intent of offsetting or "hedging" a potential market risk in a client's portfolio.

**PLEASE NOTE:** Although the intent of the options-related transactions that may be implemented by the Firm is to hedge against principal risk, certain of the options-related strategies (i.e. straddles, short positions, etc), may, in and of themselves, produce principal volatility and/or risk. Thus, a client must be willing to accept these enhanced volatility and principal risks associated with such strategies. In light of these enhanced risks, client may direct the Firm, in writing, not to employ any or all such strategies for his/her/their/its accounts.

**Securities:** Some of the investment vehicles used by the Firm include equity securities such as exchange-traded securities, securities traded over-the-counter, and foreign issues. The Firm may also invest client assets in warrants, corporate debt securities, commercial paper, certificates of deposit, United States government securities, options on securities, and municipal securities, as well as partnership interests in real estate, oil and gas.

**Insurance and Annuities:** We may invest client assets in various insurance and annuity products through our representatives who are properly licensed and registered. HBK Sorce Insurance LLC is an affiliate of the Firm, and some insurance products sold to clients are offered through HBK Sorce Insurance LLC. Because of the affiliation, any insurance products offered or sold through HBK Sorce Insurance LLC present an inherent conflict of interests. A Firm representative who offers and sells an insurance product may also receive separate and additional compensation for such sale, raising another conflict of interest. The decision whether or not to purchase an insurance product through HBK Sorce Insurance LLC or elsewhere is fully within client discretion.

Firm IARs in their separate capacities as a registered representative may also offer annuities to their clients as part of investment portfolios. In this separate capacity, an individual who offers and sells an annuity product may receive separate and additional compensation for such sale, raising a conflict of interest. The decision whether or not to purchase an annuity product is fully within client discretion.

If any insurance or annuity product has a variable component, the offer and sale of that product may be processed through a registered broker dealer, and the individual representative must be properly licensed and registered with that broker dealer. As a registered representative of the broker dealer, the

individual may receive separate and additional compensation in connection with the sale of the variable product, creating an inherent conflict of interest. The decision whether or not to purchase the variable insurance product is fully within client discretion.

**Mutual Funds and ETFs:** The Firm invests client assets in mutual funds and ETFs. If client portfolios can benefit from investing in a particular market segment or by following a specific strategy, the Firm buys mutual funds or ETFs focused on those areas to meet client goals. All fees paid to the Firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and ETFs as described in each of their prospectuses or disclosure documents. Mutual fund and ETF fees will generally include a management fee and other expenses. There also may be transaction charges involved with buying or selling mutual funds or ETFs. We may recommend and purchase no-load mutual funds if they are available and appropriate to reduce costs to clients. Clients should review all fees charged by mutual funds, ETFs, HBKS, and others to fully understand the total amount of fees to be paid by clients for these types of investments.

**Alternative Assets Classes:** The Firm may also recommend that certain clients invest in other non-public alternative investment vehicles (e.g., private placements, investment partnerships, hedge funds, etc.). Please refer to each alternative investment vehicle's private placement memorandum for additional information.

**Consideration of All Potential Investments, Tools and Strategies:** We reserve the right to advise clients on any other type of investment deemed appropriate based on stated client goals and objectives. This includes investments in which an affiliate of the Firm may have financial or other interests. We may give advice on any type of investment already held in client portfolios at the start of the advisory relationship, or on any investment for which clients request advice.

**Methods of Analysis:** When analyzing how to invest client assets, the Firm will look at, among other things, individual investment products, market segments, investment strategies, and the market as a whole. Methods of analyzing investments include, among other things, reviewing stock and market charts, reviewing the underlying fundamentals of securities, conducting a technical analysis of a security or the market, and determining where the market stands as part of the overall business and market cycles.

**Sources of Information:** To conduct analyses, we will review and rely on financial newspapers, financial magazines, corporate reports and activities, third party research materials, third party experts, corporate ratings services, annual and periodic reports filed with the SEC, prospectuses, and corporate press releases.

**Model Portfolios:** The Firm may allocate investment management assets of its client accounts, on a discretionary basis, among one or more Model Portfolio programs (which range from conservative through moderate and aggressive) as described in the *Investment Management Agreement* and/or a client suitability profile. The Firm's programs have been designed to comply with the requirements of Rule 3a-4 of the Investment Company Act of 1940. Rule 3a-4 provides similarly managed investment programs, with a non-exclusive safe harbor from the definition of an investment company. In accordance with Rule 3a-4, the following disclosure is specifically applicable to the Firm's management of client assets:

1. **Initial Interview** – at the opening of the account, the Firm, through its designated representatives, shall obtain from the client information sufficient to determine the client's financial situation and investment objectives;
2. **Individual Treatment** – the client's account is managed on the basis of the client's financial situation and investment objectives;
3. **Annual Notice** – at least annually the Firm will contact and seek to meet with the client to

determine whether the client's financial situation or investment objectives have changed, or if then client wants to impose and/or modify any reasonable restrictions on the management of his/her/its account;

4. **Annual Contact** – at least annually, the Firm shall contact the client to determine whether the client's financial situation or investment objectives have changed, or if the client wants to impose and/or modify any reasonable restrictions on the management of his/her/its account.
5. **Consultation Available** – the Firm shall be reasonably available to consult with the client relative to the status of the client's account;
6. **Quarterly Statement** – the client shall be provided with a report at least quarterly for the account for the preceding period;
7. **Ability to Impose Restrictions** – the client shall have the ability to impose reasonable restrictions on the management of the account, including the ability to instruct the Firm not to purchase certain mutual funds;
8. **No Pooling** – the client's beneficial interest in a security does not represent an undivided interest in all the securities held by the custodian, but rather represents a direct and beneficial interest in the securities which comprise the client's account;
9. **Separate Account** - a separate account is maintained for the client with the Custodian; and
10. **Ownership** – each client retains indicia of ownership of the account (e.g. right to withdraw securities or cash, exercise or delegate proxy voting, and receive transaction confirmations).

The Firm's annual investment management fee may be higher or lower than that charged by other investment advisers offering similar services/programs. The Firm's investment programs may involve above-average portfolio turnover which could negatively impact the net after-tax gain experienced by an individual client in a taxable account.

**Adhesion Wealth Advisor Solutions:** The Firm also offers our discretionary investment management services in a managed account program ("UMA Program") through an overlay manager, Adhesion Wealth Advisor Solutions, Inc. ("Adhesion"). This UMA Program may consist of using model portfolio advisers, model portfolios or other investment options such as mutual funds and/or exchange-traded funds ("ETFs") to represent different investment strategies for managing your account. Each of these investment strategies is designed to meet a specific goal.

Prior to investing in the UMA Program, you will execute a discretionary investment management agreement with the Firm setting forth the terms and conditions of our management of your investments within the UMA Program. Depending on the management services the client selects, the client will grant The Firm limited discretionary authority to manage the client account through selection of an overlay manager (Adhesion), a third party strategist and/or third party managers (collectively, "Third-Party Service Providers"). In addition, the client will authorize the custodian to follow our instructions as well as instructions given by Adhesion to effect transactions, deliver securities, deduct fees and take other actions with respect to the client account. The client will not have a direct contractual relationship with Adhesion or any other Third-Party Service Provider.

The timing of trades in the client account will primarily depend upon the model or changes in the model and, generally, will not take into consideration how long a client may have held the position indicated by the model.

The Firm retains the right to replace any Third-Party Service Provider on a discretionary basis. Depending on the service a client has selected, the Firm will separately provide the client with the firm brochure (Part 2 of Form ADV) for the applicable Third-Party Service Provider(s) which includes information about their services, model portfolios, and investment strategies at or before the execution of our discretionary investment management agreement.

Clients will pay fees for services provided by Adhesion and Third-Party Service Providers which are separate from and in addition to investment management fees charged by the Firm. The amount of the additional fees will depend on the nature of the services being provided and the number of Third-Party Service Providers involved, and may change over time based on changed circumstances.

**Tax Overlay Management Services:** Tax overlay management services are available as an option for accounts utilizing the UMA Program through Adhesion. If you elect tax overlay management services, the portion of your fee paid as the management fee on your account will increase. Adhesion will develop a tax strategy for your account based on the information and instructions provided by the Firm on your behalf.

Tax overlay management services in an investment account offer benefits and limitations, as described below. The tax strategy developed for you by Adhesion is provided solely in connection with your account and Adhesion does not provide general tax planning services. If you do elect the tax overlay management services option, please consider the following:

- Adhesion will implement tax overlay management services based on the information and instructions provided for your account(s).
- Adhesion does not provide general tax advice, tax return preparation or tax planning services.
- Adhesion will seek to reduce the overall tax burden of the account while seeking to maintain the risk and return characteristics of the model portfolios received from Third-Party Service Providers.
- When providing tax overlay management services to the account, short-term gains are avoided where possible, but long-term gains are not limited unless you have requested a mandate to limit realized long-term gains.

Adhesion will provide tax overlay management services with the assumption that Adhesion will continue to provide services to the account for an entire tax year. The termination or removal of the overlay management services before the completion of an entire tax year may result in adverse tax consequences, including without limitation realization of short-term capital gains.

Regardless of your account size or any other factors, we strongly recommend that you continuously consult with a tax professional prior to and throughout the investing of your assets.

The Tax Overlay Management Services are offered at an additional cost to you.

**Schwab Managed Accounts:** The Firm may utilize account management services available through the Schwab Managed Accounts platform that offers a selection of options including separately managed accounts, multi-strategy portfolios, asset management programs, and unified managed accounts. The Firm uses these options on the Schwab platform to implement the clients' selected allocation and investment strategy. Once selected, the Firm can monitor the portfolios and manager choices, as well as change the selections on a discretionary basis, to make sure clients' needs are being met.

Separate and apart from the Firm's management fee, Schwab will charge clients a fee according to Schwab's filings, disclosures, and any written agreements with clients.

If the Agreement is terminated, the Firm's management fee will be pro-rated as set forth above. However, certain sub-advisers and separate account managers may have different termination provisions and advisory fee refund policies, which shall be disclosed in their Form ADV brochure or equivalent disclosure document and their written advisory or management agreements.

**Alternative Investments:** If alternative investments are appropriate and a client is interested in considering such investments, the Firm may introduce the client to iCapital Network, which is an outsourced alternative investment platform which provides research and technology that offers Firm clients access to select Private Fund managers. iCapital sources and performs due diligence on Private funds, and provides the Firm and Firm clients with education, administration and reporting on its fund offerings. iCapital provides analytical tools and due diligence information to evaluate the investment merits and risks of investments selected by iCapital's research team. The Firm will introduce clients to iCapital when they feel that the products and services offered may fit with the client's investment objectives and overall portfolio. Through discussions with iCapital representatives in conjunction with your Firm representative, the client determines whether or not they will invest in an iCapital product.

**PLEASE NOTE:** Alternative investment involve various risk factors, including, but not limited to, potential for complete loss of principal, liquidity constraints and lack of transparency, a complete discussion of which is set forth in each alternative investment's offering documents, which will be provided to each client for review and consideration. Unlike liquid investments that a client may own, alternative investments do not provide daily liquidity or pricing. Each prospective client investor may be required to complete subscription documents, pursuant to which the client shall establish that he/she is qualified for alternative investments, and acknowledge and accept the various risk factors that are associated with such an investment.

**PLEASE NOTE:** Some entities which provide or market the investment products listed above including, but not limited to, mutual fund companies, broker dealers, custodians, investment advisors, and insurance companies have in the past provided, and may continue in the future to provide, Steel Tower Investments with benefits and/or certain support services and/or products that may assist the Firm in managing and administering client accounts. Others do not directly provide such assistance, but rather assist the Firm to manage and further develop its business enterprise. In particular, Steel Tower Investments has received in the past, and may continue to receive, discounted or free attendance and paid expenses for seminars or conferences sponsored by these entities which give Steel Tower Investments relevant information regarding industry practices, industry services, regulatory matters, market conditions, or investments.

**PLEASE NOTE:** The receipt of these benefits creates a conflict of interests in that they create the incentive to use the products or services offered by the entity providing the benefits.

## Item 9 Disciplinary Information

We are required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of our advisory business or the integrity of our management. We do not have any required disclosures under this item.

## Item 10 Other Financial Industry Activities and Affiliations

### Broker-Dealer

We are affiliated with HBK Sorce Brokerage LLC through common control and ownership. The affiliate is a securities broker-dealer and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. We will recommend that you use the services of our affiliate if appropriate and suitable for your needs. Our advisory services are separate and distinct from the fees paid to our affiliate for their services.

**Other Investment Advisors**

We are affiliated with HBK Sorce Advisory LLC, Elite Life Management LLC, and Park Shore Partners LLC, registered investment advisors, through common control and ownership. We will recommend that you use the services of our affiliate if appropriate and suitable for your needs. Our advisory services are separate and distinct from the fees paid to our affiliate for their services.

**Accounting Firms**

We are affiliated with Urish Popeck & Co., LLC, Urish Popeck & Co. of Florida, LLC, and Hill, Barth & King, LLC through common control and ownership. If you require accounting services, we may recommend that you use the services of our affiliates. Our advisory services are separate and distinct from the compensation paid to our affiliates for their services. These affiliated firms are otherwise regulated by the professional organizations to which they belong and must comply with the rules of those organizations. These rules may prohibit paying or receiving referral fees to or from investment advisers that are not members of the same organization.

Referrals and referral arrangements with an affiliated entity present a conflict of interest for us because we may have a direct or indirect financial incentive to recommend an affiliated firm's services. While we believe that fees charged by an affiliated firm is competitive, such fees may be higher or lower than fees charged by other firms providing the same or similar services. You are under no obligation to use the services of any firm we recommend, whether affiliated or otherwise, and may obtain comparable services and/or lower fees through other firms.

**Insurance Agency**

We are affiliated with HBK Sorce Insurance LLC through common control and ownership. HBK Sorce Insurance LLC is an insurance agency. We will recommend that you use the services of our affiliate if appropriate and suitable for your needs. Our advisory services are separate and distinct from the fees paid to our affiliate for their services.

**Recommendation of Other Advisers**

We may recommend that you use a third party adviser ("MM") based on your needs and suitability. We may receive compensation from the MM for recommending that you use their services. These compensation arrangements present a conflict of interest because we have a financial incentive to recommend the services of the third party adviser. You are not obligated, contractually or otherwise, to use the services of any MM we recommend.

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

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for persons associated with our firm. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All persons associated with our firm are expected to adhere strictly to these guidelines. Our Code of Ethics also requires that certain persons associated with our firm submit reports of their personal account holdings and transactions to a qualified representative of our firm who will review these reports on a periodic basis. Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.

Clients or prospective clients may obtain a copy of our Code of Ethics by contacting us at the telephone number on the cover page of this brochure.

### **Participation or Interest in Client Transactions**

Kennith L. Urish, President, of our firm is separately compensated as a member of the board of directors of BlackRock, Inc., a publically traded investment management company in which you may be solicited to invest. While our firm and persons associated with our firm endeavor at all times to put the interest of our clients ahead of our own as part of our fiduciary duty, you should be aware that this situation may create a conflict of interest since Mr. Urish has an interest to recommend investing in BlackRock, Inc. given the management interest in, and compensation from, BlackRock, Inc.

### **Personal Trading Practices**

Our firm or persons associated with our firm may buy or sell the same securities that we recommend to you or securities in which you are already invested. A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To mitigate this conflict of interest, it is our policy that neither our firm nor persons associated with our firm shall have priority over your account in the purchase or sale of securities.

## **Item 12 Brokerage Practices**

### **Retail Accounts**

We typically recommend that our retail clients establish brokerage accounts with Charles Schwab & Co., Inc. ("Schwab"), to maintain custody of clients' assets and to effect trades for their accounts. Although we recommend that clients establish accounts at Schwab, it is your decision to custody assets with Schwab. Our firm is independently owned and operated and not affiliated with Schwab. Our firm does not share in any portion of the brokerage fees/transaction fees charged by Schwab. Schwab provides our firm with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the advisor's clients' assets are maintained in accounts at Schwab Institutional.

These services are not contingent upon our firm committing to Schwab any specific amount of business (assets in custody or trading commissions). Schwab's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

Schwab's products and services that assist us in managing and administering our clients' accounts include software and other technology that (i) provide access to your account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of our fees from our clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Schwab Institutional also offers other services intended to help our firm manage and further develop its business enterprise. These services may include: (i) compliance, legal and business consulting; (ii) publications and conferences on practice management and business succession; and (iii) access to employee benefits providers, human capital consultants and insurance providers. Schwab may make available, arrange and/or pay third-party vendors for the types of services rendered to us. Schwab Institutional may discount or waive fees it would otherwise charge for some of these services or pay all

or a part of the fees of a third-party providing these services to our firm. Schwab Institutional may also provide other benefits such as educational events or occasional business entertainment of our personnel, or discounts to events or discounts on services.

We believe that Schwab Institutional provides quality services at reasonable and competitive commission rates. The reasonableness of commissions is based on several factors, including the broker's ability to provide professional services, competitive commission rates, volume discounts, execution price negotiations, the broker-dealer's integrity and reputation, experience and financial stability, and the quality of service rendered in other transactions.

We may manage and/or monitor certain accounts or assets held outside of Schwab. Specifically, employer sponsored retirement plan accounts must be held by the designated custodian and/or trust company selected by the plan sponsor. Accordingly, any transactions made in an account held with another custodian or trust company will be placed through such firm.

#### **Institutional and/or Offshore Accounts**

We have established a relationship with Comerica to provide custodial and brokerage services for certain institutional and offshore accounts that we manage. The Firm may establish relationships with entities other than Comerica to provide custodial and brokerage services for institutional and offshore accounts. The terms of any such relationship will be disclosed at the time such relationships are established with the client.

#### **Best Execution Practices**

We believe that the recommended broker-dealers provide quality execution services for our clients at competitive prices. Price is not the sole factor we consider in evaluating best execution. We also consider the quality of the brokerage services provided by recommended broker-dealers, including the value of the firm's reputation, execution capabilities, and responsiveness to our clients and our firm.

#### **Research and Other Soft Dollar Benefits**

We do not receive any soft dollar benefits from any broker-dealer.

#### **Brokerage for Client Referrals**

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

#### **Directed Brokerage**

We routinely recommend that you direct our firm to execute transactions through Schwab. As such, we may be unable to achieve the most favorable execution of your transactions and you may pay higher brokerage commissions than you might otherwise pay through another broker-dealer that offers the same types of services. Not all advisers require their clients to direct brokerage.

#### **Block Trades**

Transactions for each client generally will be effected independently, unless we decide to purchase or sell the same securities for several clients at approximately the same time. We may, but are not obligated to, combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as "block trading"). We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. The distribution of the shares purchased is typically proportionate to the size of the account, but it is not based on account performance or the amount or structure of management fees. Subject to our discretion regarding factual and market conditions, when we combine orders, each participating account pays an average

price per share for all transactions and pays a proportionate share of all transaction costs on any given day. Accounts owned by our firm or persons associated with our firm may participate in block trading with your accounts; however, they will not be given preferential treatment.

## **Item 13 Review of Accounts**

Your investment adviser representative will monitor your accounts on a continuous basis and will seek to meet with you for account reviews at least annually, or upon your request. The reviews are designed to ensure the advisory services provided to you, and the portfolio mix, are consistent with your stated investment needs and objectives. Additional reviews may be conducted based on various circumstances, including, but not limited to:

- contributions and withdrawals,
- year-end tax planning,
- market moving events,
- security specific events, and/or,
- changes in your risk/return objectives.

We will provide you with additional or regular written reports in conjunction with account reviews. Reports we provide to you will contain relevant account and/or market-related information such as an inventory of account holdings and account performance. You will receive trade confirmations and monthly or quarterly statements from your account custodian(s).

We will review your financial plan periodically upon your request to ensure that the planning advice is consistent with your stated investment needs and objectives. Written updates to the financial plan will be provided in conjunction with the review. If you implement financial planning advice through Steel Tower Investments you will receive trade confirmations and monthly or quarterly statements from relevant custodians.

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

We do not receive any compensation from any third party in connection with providing investment advice to you.

Please refer to the *Brokerage Practices* section above for disclosures on research and other benefits we may receive resulting from our relationship with Schwab.

## **Item 15 Custody**

As paying agent for our firm, your Custodian will directly debit your account(s) for the payment of our advisory fees. This ability to deduct our advisory fees from your accounts causes our firm to exercise limited custody over your funds or securities. We do not have physical custody of any of your funds and/or securities. Your funds and securities will be held with a bank, broker-dealer, or other qualified custodian. You will receive standard account statements on holdings (monthly or quarterly) from the Custodian(s) holding your funds and securities, as well as confirmations of transactions. The account statements from your Custodian(s) will indicate the amount of our advisory fees deducted from your account(s) each billing period. You should carefully review account statements for accuracy.

Clients should carefully review all statements and confirmations received, and compare statements received from Custodians with any fee statements received from the Firm. If you have a question regarding your account statement, or if you did not receive a statement from your custodian, please contact us immediately at the telephone number on the cover page of this brochure.

SEC interpretations of the applicable custody rules have determined that custody may exist in circumstances where and advisor has the user ID and password in order to manage a client's outside accounts, and where the client has a standing letter of authorization that allows the advisor to direct the transfer of assets to third parties. The Firm may accept client relationships which fall under either of these situations, but will comply with SEC rules on custody should those circumstances arise in the future.

## **Item 16 Investment Discretion**

Before we can buy or sell securities on your behalf, you must first sign our discretionary management agreement, and the appropriate trading authorization forms.

You may grant our firm discretion over the selection and amount of securities to be purchased or sold for your account(s) without obtaining your consent or approval prior to each transaction. You may specify investment objectives, guidelines, and/or impose certain conditions or investment parameters for your account(s). For example, you may specify that the investment in any particular stock or industry should not exceed specified percentages of the value of the portfolio and/or restrictions or prohibitions of transactions in the securities of a specific industry or security. Please refer to the *Advisory Business* section in this brochure for more information on our discretionary management services.

*Limitation on our discretionary authority.* It is important to note, if you use your managed investment account as collateral for a letter of credit, you will be required to sign a *Control Agreement* with your lending institution, whereby, the lending institution has the authority to issue a "Notice of Exclusive Control," which may prevent Steel Tower Investments from making any trades or taking any other investment management actions with respect to the account(s). Refer to your *Control Agreement* for the terms that are specific to you and your account(s).

If you enter into non-discretionary arrangements with our firm, we will obtain your approval prior to the execution of any transactions for your account(s). You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

## **Item 17 Voting Client Securities**

We will not vote proxies on behalf of your advisory accounts. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights. If you own shares of applicable securities, you are responsible for exercising your right to vote as a shareholder.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we may forward any electronic solicitation to vote proxies.

## **Item 18 Financial Information**

We are not required to provide a balance sheet or other financial information to our clients because we do not require the prepayment of fees in excess of \$1200 six months or more in advance; we do not take custody of client funds or securities; and, we do not have a financial condition that is reasonably likely to impair our ability to meet our commitments to you. Moreover, we have never been the subject of a bankruptcy petition.

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

We are a federally registered investment adviser; therefore, we are not required to respond to this item.

## **Item 20 Additional Information**

### **Your Privacy**

We view protecting your private information as a top priority. Pursuant to applicable privacy requirements, we have instituted policies and procedures to keep your personal information private and secure.

We do not disclose any non-public personal information about you to any non-affiliated third parties, except as permitted by law. In the course of servicing your account, we may share some information with our service providers, such as transfer agents, custodians, broker-dealers, sub-advisors, accountants, consultants, and attorneys.

We restrict internal access to non-public personal information about you to employees, consultants and sub-advisors, who need that information in order to provide products or services to you. We maintain physical and procedural safeguards that comply with regulatory standards to guard your nonpublic personal information and to maintain our integrity and confidentiality. We will not sell information about you or your accounts to anyone. We do not share your information unless it is to provide services, process a transaction, at your request, or required by law.

You will receive a copy of this privacy notice prior to or at the time you sign an advisory agreement with our firm. Thereafter, we will deliver a copy of the current privacy policy notice to you on an annual basis. Please contact our main office at the telephone number on the cover page of this brochure if you have any questions regarding this policy.

### **Trade Errors**

In the event a trading error occurs in your account, our policy is to restore your account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the account. If a trade error results in a profit, you will not be able to keep the profit and such profit will be handled and distributed in accordance with the custodian's policy.

### **Class Action Lawsuits**

We do not determine if securities held by you are the subject of a class action lawsuit or whether you are eligible to participate in class action settlements or litigation nor do we initiate or participate in litigation to recover damages on your behalf for injuries as a result of actions, misconduct, or negligence by issuers of securities held by you.