**Dias Wealth, LLC**

# Investment Adviser Policies and Procedures Manual

March 2021

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# 1. Introduction

**Policy**

Dias Wealth, LLC ("us" or "we") is an investment adviser registered with the State of Florida.

Our firm has a strong reputation based on the professionalism and high standards of the firm and our employees. The firm's reputation and our advisory client relationships are the firm's most important asset.

As a registered adviser, and as a fiduciary to our advisory clients, our firm has a duty of loyalty and to always act in the utmost good faith, place our clients' interests first and foremost and to make full and fair disclosure of all material facts and, in particular, information as to any potential and/or actual conflicts of interests.

Dias Wealth, LLC and our employees are also subject to various requirements from the states, our policies and procedures manual and our Code of Ethics. These requirements include various anti-fraud provisions, which make it unlawful for advisers to engage in any activities which may be fraudulent, deceptive or manipulative.

Dias Wealth, LLC's principal place of business is Florida. Florida's Office of Financial Regulations requires advisers to adopt a formal compliance program designed to prevent, detect and correct any actual or potential violations by the adviser or its supervised persons.

Elements of Dias Wealth, LLC's compliance program include the designation of a chief compliance officer, adoption and annual reviews of these IA Compliance Policies and Procedures, training, and recordkeeping, among other things.

Our IA Policies and Procedures cover Dias Wealth, LLC and each officer, member, or partner, as the case may be, and all employees who are subject to Dias Wealth, LLC's supervision and control (Supervised Persons).

Our IA Policies and Procedures are designed to meet the requirements of Florida's Securities and Investor Protection Act, as amended, and to assist the firm and our Supervised Persons in preventing, detecting and correcting violations of law, rules and our policies.

Our IA Policies and Procedures cover many areas of the firm's businesses and compliance requirements. Each section provides the firm's policy on the topic and provides our firm's procedures to ensure that the particular policy is followed.

Dias Wealth, LLC's Chief Compliance Officer, Carlos Dias, is responsible for administering our IA Policies and Procedures.

Compliance with the firm's IA Policies and Procedures is a requirement and a high priority for the firm and each person. Failure to abide by our policies may expose you and/or the firm to significant consequences which may include disciplinary action, termination, regulatory sanctions, potential monetary sanctions and/or civil and criminal penalties.

The Chief Compliance Officer will assist with any questions about Dias Wealth, LLC's IA Policies and Procedures, or any related matters. Further, in the event any employee becomes aware of, or suspects, any activity that is questionable, or a violation, or possible violation of law, rules or the firm's policies and procedure, the Chief Compliance Officer is to be notified immediately.

Our IA Policies and Procedures will be updated on a periodic basis to be current with our business practices and regulatory requirements.

Florida's Securities and Investor Protection Act, as amended, imposes a fiduciary duty on investment advisers. As a fiduciary, Dias Wealth, LLC has a duty of utmost good faith to act solely in the best interests of each client. This fiduciary duty is the core principle underlying this policy manual and represents the expected basis of all dealings with clients.

**Background**

Dias Wealth, LLC employees with questions or concerns regarding this policy manual or compliance matters should consult the CCO.

**Responsibility**

Dias Wealth, LLC's Carlos Dias is responsible.

**Procedure**

All employees are required to promptly report any violation of the firm's policies to the CCO (including the discovery of any violation committed by another employee). Examples of items that should be reported include, but are not limited to, non-compliance with federal securities laws and conduct that is harmful to clients.

Employees are encouraged to report any violations or apparent violations. Such reports by employees will not be viewed negatively by firm management, even if the reportable event, upon further review, is determined to not be a violation and determined the employee reported such apparent violation in good faith.

Upon discovery of a violation of these policies, the CCO may impose such sanctions, as it deems appropriate, including, among other sanctions: a verbal warning; a letter of censure or suspension; or termination of the employment of the violator.

# 2. Advertising

**Policy**

Dias Wealth, LLC uses various advertising and marketing materials to obtain new advisory clients and to maintain existing client relationships. Dias Wealth, LLC's policy requires that any advertising and marketing materials must be truthful and accurate, consistent with applicable rules, and reviewed and approved by a designated officer. Dias Wealth, LLC's policy prohibits any advertising or marketing materials that may be misleading, fraudulent, deceptive and/or manipulative.

**Background**

An advertisement is generally defined as any written communication, which includes websites and e-mails, directed to more than one person concerning advice or recommendations about the purchase or sale of securities or any other advisory service.

Florida's Securities and Investor Protection Act's anti-fraud rules prohibit advisers from engaging in advertising practices which are fraudulent, deceptive, and/or manipulative activities. The manner in which investment advisers portray themselves, services and their investment returns, to existing and prospective clients is highly regulated.

In communications with the public (i.e., advertising and sales literature), Dias Wealth, LLC shall not:

- Utilize testimonials of any kind concerning Dias Wealth, LLC or concerning any advice, analysis, report or other service rendered by Dias Wealth, LLC;
- Refer, directly or indirectly, to past specific recommendations of Dias Wealth, LLC which were or would have been profitable to any person;

- Represent, directly or indirectly, that any graph, chart, formula or other device being offered can in and of itself be used to determine or assist any person in determining which securities to buy or sell, or when to buy or sell them, without prominently disclosing in such advertisement the limitations thereof and the difficulties with respect to its use;
- Use any statement to the effect that any report, analysis, or other service will be furnished free or without charge, unless such report, analysis or other service actually is or will be furnished entirely free and without any condition or obligation, directly or indirectly;
- Make any statement of a material fact that is untrue or otherwise false and misleading;
- Use of terms "Investment Counsel" and "Registered Investment Adviser"
  - The term "Investment Counsel" is reserved for use by investment advisers whose principal business consists of acting as an investment adviser, and of which a substantial portion consists of rendering investment supervisory services. Dias Wealth, LLC may refer to itself as "Investment Counsel" or some similar term.
  - The initials "RIA" shall not be used after Dias Wealth, LLC's name to indicate or imply some form of professional designation (such as "CFP®" or "ChFC®"). This shall not preclude Dias Wealth, LLC from using the actual words "registered investment adviser."

**Responsibility**

The CCO or his designee has the responsibility for implementing and monitoring our policy, and for reviewing and approving any advertising and marketing to ensure any materials are consistent with our policy and regulatory requirements. This designated person is also responsible for maintaining, as part of the Dias Wealth, LLC's books and records, copies of all advertising and marketing materials with a record of reviews and approvals in accordance with applicable recordkeeping requirements.

**Procedure**

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

- All advertisements and promotional materials must be reviewed and approved prior to use by a designated officer, president, the compliance officer, or another officer of the firm (other than the individual who prepared such material).
- The initialing and dating of the advertising and marketing materials will document approval.
- Each employee is responsible for ensuring that only approved materials are used and that approved materials are not modified without the express written approval of the designated officer.
- The designated officer must also review other written communications prepared for existing clients or prospective clients including any quarterly letters.
- The designated officer, or a designee, is responsible for maintaining copies of any advertising and marketing materials, including any reviews and approvals, for a total period of five years following the last time any material is disseminated.

# 3. Advisory Agreement

**Policy**

Dias Wealth, LLC's policy requires a written investment advisory agreement for each client relationship which includes a description of our services, non-discretionary authority, financial planning, recommendation of Third-Party Advisers, advisory fees, important disclosures and other terms of our client relationship. Dias Wealth, LLC's advisory agreements meet all appropriate regulatory requirements and contain a non-assignment clause and do not contain any "hedge clauses."

As part of Dias Wealth, LLC's policy, the firm also obtains important relevant and current information concerning the client's identity, occupation, financial circumstances and investment objectives, among many other things, as part of our advisory and fiduciary responsibilities.

**Background**

Written advisory agreements form the legal and contractual basis for an advisory relationship with each client and as a matter of industry and business best practices provide protections for both the client and an investment adviser. An advisory agreement must describe Dias Wealth, LLC's services to be provided, the term of the contract, the investment advisory fee, the formula for computing the fee, the amount of prepaid fee to be returned in the event of termination or nonperformance of the contract, and any grant of discretionary power to the investment adviser. It also must state that no direct or indirect assignment or transfer of the contract may be made by the investment adviser without the consent of the client or other party to the contract.

**Responsibility**

The CCO or his designee has the responsibility for the implementation and monitoring of the firm's advisory agreement policy, practices, disclosures and recordkeeping.

**Procedure**

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

- Dias Wealth, LLC's advisory agreements and advisory fee schedules, and any changes, for the firm's services are approved by management.
- The fee schedules are periodically reviewed by Dias Wealth, LLC to be fair, current and competitive.
- A designated officer, or the compliance officer, periodically reviews the firm's disclosure brochure, marketing materials, advisory agreements and other material for accuracy and consistency of disclosures regarding advisory services and fees.
- Written client investment objectives or guidelines are obtained or recommended as part of a client's advisory agreement.
- Client investment objectives or guidelines are monitored on an on-going and also periodic basis for consistency with client investments/portfolios
- Any solicitation/referral arrangements and solicitor/referral fees must be in writing, reviewed and approved by the designated officer and/or management, meet regulatory requirements and appropriate records maintained.
- Any additional compensation arrangements are to be monitored by the designated officer, or compliance officer, approved and disclosed with appropriate records maintained.

# 4. Anti-Money Laundering

**Policy**

Dias Wealth, LLC has not adopted a formal written policy or procedure to prevent the misuse of the funds it manages, or preventing the use of Dias Wealth, LLC's personnel and facilities for the purpose of money laundering or terrorist financing.

**Background**

On October 26, 2001, the President signed into law the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act). Prior to the passage of the USA PATRIOT Act, regulations applying the anti-money laundering provisions of the Bank Secrecy Act (BSA) were issued only for banks and certain other institutions that offer bank-like services or that regularly deal in cash. The USA PATRIOT Act required the extension of the anti-money laundering requirements to financial institutions, such as registered and unregistered investment companies, that had not previously been subjected to BSA regulations.

In April 2003, the Department of the Treasury proposed new rules that would require SEC registered advisers, and certain unregistered advisers, to adopt an anti-money laundering program. These proposed rules were withdrawn in October 2008 by FinCEN of the Department of the Treasury due to the passage of time and to re-assess financial industry developments.

**Responsibility**

Dias Wealth, LLC has designated the CCO as the designated officer to generally monitor the firm's activities and client relationships for any suspicious client(s) and/or client investment activities that may require inquiry to detect or determine if any possible money laundering activity may exist.

**Procedure**

While Dias Wealth, LLC has not adopted a formal or written AML policy or program, the firm has established general guidelines and procedures in an effort to determine client identities and relationships and monitor client investment activities which include the following:

- As part of Dias Wealth, LLC's procedures for establishing new client relationships, Dias Wealth, LLC obtains personal, business, financial, and family/professional information among other information, to know the client and for identifying investment objectives and financial needs for each client.
- Dias Wealth, LLC's compliance officer monitors various regulatory requirements, including existing and proposed rules relating to anti-money laundering requirements and reporting, among other things.
- Dias Wealth, LLC's investment adviser representatives manage and monitor client investment activities and are aware to report any suspicious activity to the CCO.
- Dias Wealth, LLC will not accept any new or continue any existing client relationship(s), which are deemed unacceptable, for any reason, by senior management.

# 5. Books and Records

**Policy**

As a registered investment adviser, Dias Wealth, LLC is required, and as a matter of policy, to maintain various books and records on a current and accurate basis which are subject to periodic regulatory examination. Our firm's policy is to maintain firm and client files and records in an appropriate, current, accurate and well-organized manner in various areas of the firm depending on the nature of the records.

Dias Wealth, LLC's policy is to maintain required firm and client records and files in an appropriate office of Dias Wealth, LLC for the first 2 years and in a readily accessible facility and location for an additional three years for a total of not less than five years from the end of the applicable fiscal year. Certain records for the firm's performance, advertising and corporate existence are kept for longer periods. (Certain states may require longer record retention.)

**Background**

Registered investment advisers, as regulated entities, are required to maintain specified books and records. There are generally two groups of books and records to be maintained. The first group is financial records for an adviser as an on-going business such as financial journals, balance sheets, bills, etc. The second general group of records is client related files as a fiduciary to the firm's advisory clients and these include agreements, statements, correspondence and advertising, trade records, among many others.

Dias Wealth, LLC will preserve the records for a period of not less than 5 years, the first 2 years in an easily accessible place. After a record or other document has been preserved for 2 years, a photograph thereof on film may be substituted for the balance of the required time.

**Responsibility**

The CCO or designee has the overall responsibility for the implementation and monitoring of our books and records policy, practices, disclosures and recordkeeping for the firm.

**Procedure**

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

- Copy of Dias Wealth, LLC's Articles of Organization, Operating Agreement, Annual Member Meeting Minutes. **These must be kept for the life of the firm;**
- Ledgers (or other records) reflecting all assets and liabilities, income and expense, and capital accounts;
- A record showing all payments received, including date of receipt, purpose and from whom received, and all disbursements, including date paid, purpose and to whom made;
- A record showing all receivables and payables;
- All check books, bank statements, cancelled checks and cash reconciliations;
- All bills or statements (or copies thereof), paid or unpaid, relating to the business of such investment adviser;
- Originals of all communications received, and copies of all communications sent by such investment adviser relating to the business of the investment adviser;

- All written agreements (or copies thereof), entered into by an investment adviser relating to the business of the investment adviser, including agreements with respect to any account, which agreements shall set forth the fees to be charged and the manner of computation and method of payment thereof.
- Checks received and delivered log, which should include all of the following:
    - Amount of check
    - Date of receipt
    - Check number
    - Identity of payee
    - Identity of payer
    - Amount of check
    - Date and time check was forwarded
    - Form of delivery
    - Type of check
- A copy of each notice, circular, advertisement, newspaper article, investment letter, bulletin or other communication that the investment adviser circulates or distributes, directly or indirectly, to ten or more persons (other than persons connected with such investment adviser), and if such notice, circular, advertisement, newspaper article, investment letter, bulletin or other communication recommends the purchase or sale of a specific security and does not state the reasons for such recommendation, a memorandum of the investment adviser indicating the reasons therefor.
- Copies, with original signatures of the investment adviser's appropriate signatory and the investment adviser representative, of each initial Form U-4 and each amendment to Disclosure Reporting Pages (DRPs U-4) must be retained by the investment adviser (filing on behalf of the investment adviser representative) and shall be made available for inspection upon regulatory request.
- A separate file on all written complaints of customers and action taken by the investment adviser, if any, or a separate record of such complaints and a clear reference to the files containing the correspondence connected with such complaints as maintained in such office. A "complaint" shall be deemed to mean any written statement of a customer or any person acting on behalf of a customer alleging a grievance involving the activities of those persons under the control of the investment adviser in connection with the solicitation or execution of any transaction or the disposition of securities or funds of that customer.
- A litigation file open to inspection by the Secretary of State documenting any criminal or civil actions filed in any state or federal court against the investment adviser's branch office or against any of its personnel with respect to a securities transaction and the disposition of any such litigation.
- A copy of the investment adviser's Code of Ethics.
    - A record of any violation of the Code of Ethics, and of any action taken as a result of the violation; and a record of all written acknowledgments as required by the Code of Ethics for each person who is currently, or within the past five years was, a supervised person of the investment adviser.

- A record of each report made by an access person as required by the Code of Ethics.
    - A record of the names of persons who are currently, or within the past five years were, access persons of the investment adviser; and a record of any decision, and the reasons supporting the decision, to approve the acquisition of securities by access persons for at least five years after the end of the fiscal year in which the approval is granted.
- A copy of each brochure and brochure supplement, and each amendment or revision to the brochure and brochure supplement, that satisfies the requirements of Part 2 of Form ADV; any summary of material changes that satisfies the requirements of Part 2 of Form ADV but is not contained in the brochure; and a record of the dates that each brochure and brochure supplement, each amendment or revision thereto, and each summary of material changes not contained in a brochure was given to any client or to any prospective client who subsequently becomes a client.
- A memorandum describing any legal or disciplinary event listed in Item 9 of Part 2A or Item 3 of Part 2B (Disciplinary Information) and presumed to be material, if the event involved the investment adviser or any of its supervised persons and is not disclosed in the brochure or brochure supplement described in paragraph (a)(14)(i) of this section. The memorandum must explain the investment adviser's determination that the presumption of materiality is overcome, and must discuss the factors described in Item 9 of Part 2A of Form ADV or Item 3 of Part 2B of Form ADV.
- A copy of the investment adviser's policies and procedures that are in effect, or at any time within the past five years were in effect, any records documenting the investment adviser's annual review of those policies and procedures; and copy of any internal control report obtained or received.
- All written acknowledgments of receipt obtained from clients pursuant to any cash payments to solicitors and copies of the disclosure documents delivered to clients by solicitors.
- Records showing separately for each client the securities purchased or sold, and, to the extent it has been made available to the investment adviser, the date and amount of and price at which such purchases or sales were executed. If available to the investment adviser, this record should also show the name of the security dealer who handled the transaction.
- Records showing separately all securities acquired by the clients of the investment adviser and indicating thereon the proper identification of this individual account, the date, amount and price at which such securities were purchased or sold by or for each client; or, in the alternative, a record showing all securities (other than securities enumerated in Section 3.A of the Act) bought or sold by or for the accounts of all clients of the investment adviser in each month, the total number of shares or principal amount of each security bought or sold and the lowest and highest price at which purchases or sales were made during the month.
- Copies of dealer's confirmations of all transactions placed by the investment adviser for any account, and the other dealer's confirmations as may be supplied to the investment adviser by a client or dealer.
- A list showing all accounts in which the investment adviser is vested with discretionary power, unless the records required by subsections (a)(4) and (5) of this section are maintained in such a manner as to disclose which are discretionary accounts, provided that the provisions of subsections (a)(4) and (5) of this section shall not apply:
    - to any securities with respect to which the investment adviser renders no services of a supervisory or other nature; or

    - to any securities or transactions which a client declines to disclose to the investment adviser

- Documentation describing the method used to compute managed assets for purposes of Item 4.E of Part 2A of Form ADV, if the method differs from the method used to compute regulatory assets under management in Item 5.F of Part 1A of Form ADV.
- All accounts, books, internal working papers, and any other records or documents that are necessary to form the basis for or demonstrate the calculation of the performance or rate of return of any or all managed accounts or securities recommendations in any notice, circular, advertisement, newspaper article, investment letter, bulletin or other communication that the investment adviser circulates or distributes, directly or indirectly, to ten or more persons (other than persons connected with such investment adviser); *provided, however,* that, with respect to the performance of managed accounts, the retention of all account statements, if they reflect all debits, credits, and other transactions in a client's account for the period of the statement, and all worksheets necessary to demonstrate the calculation of the performance or rate of return of all managed accounts shall be deemed to satisfy the requirements of this paragraph.
- All power of attorneys and other evidence of the granting of any discretionary authority in any account, and copies of resolutions empowering an agent to act on behalf of any client.

Dias Wealth, LLC's filing systems for the books, records and files, whether stored in files or electronic media, are designed to meet the firm's policy, business needs and regulatory requirements as follows:

- Arranging for easy location, access and retrieval.
- Having available the means to provide legible true and complete copies.
- For records stored on electronic media, back-up files are made, and such records stored separately.
- Reasonably safeguarding all files, including electronic media, from loss, alteration or destruction (see back-up procedures in Disaster Recovery Policy).
- Limiting access by authorized persons to Dias Wealth, LLC's records (See additional Privacy procedures related to passwords and safeguarding practices).
- Ensuring that any non-electronic records that are electronically reproduced and stored are accurate reproductions.
- Periodic reviews may be conducted by the designated officer, individual or department managers to monitor Dias Wealth, LLC's recordkeeping systems, controls, and firm and client files, and
- Maintaining client and firm records for five years from the end of the fiscal year during which the last entry was made with longer retention periods for advertising, performance, Code of Ethics and firm corporate/organization documents.

# 6. Branch Offices

**Policy – F.A.C. 600.0004**

As a Florida investment adviser, Dias Wealth, LLC is required to notice file with the Office of Financial Regulation all branch offices prior to engaging in business therefrom.

**Background**

Florida defines a branch office as "any location in this state of a dealer or investment adviser at which one or more associated persons regularly conduct the business of rendering investment advice or effecting any transactions in or inducing or attempting to induce the purchase or sale of any security or any location that is held out as such."

**Responsibility**

The CCO or his designee has the responsibility for the implementation and monitoring of all branch office filings with the State of Florida.

**Procedure**

Prior to opening any new office in the State of Florida, the CCO will review Florida's definition of branch office. The CCO will file the Form BR for all offices that meet the definition.

# 7. Class Actions Policy

**Policy**

Dias Wealth, LLC, as a general policy, does not elect to participate in legal actions such as class action lawsuits on behalf of its clients. Rather, such decisions shall remain with the client or an entity designated by the client. Dias Wealth, LLC may assist the client in determining whether the client should pursue a particular legal action by assisting with the development of an applicable cost-benefit analysis, for example. However, the final determination of whether to participate, and the completion and tracking of any such related documentation, shall generally rest with the client.

**Background**

From time to time, securities held in the accounts of clients may be the subject of class action lawsuits brought by plaintiff attorneys on various grounds. These class action lawsuits will sometimes result in settlements or verdicts in which all shareholders are eligible to participate.

**Responsibility**

The CCO or his designee has the responsibility for the implementation and monitoring of our Class Action policy.

**Procedure**

Dias Wealth, LLC forwards all class action lawsuit information direction to the clients. Dias Wealth, LLC informs clients that they may ask questions, but they are responsible for their participation in the class action lawsuit.

# 8. Complaints

**Policy**

As a registered adviser, and as a fiduciary to our advisory clients, we have adopted this policy, which requires a prompt, thorough and fair review of any advisory client complaint, and a prompt and fair resolution which is documented with appropriate supervisory review.

**Background**

Based on an adviser's fiduciary duty to its clients and as a good business practice of maintaining strong and long-term client relationships, any advisory client complaints of whatever nature and size should be handled in a prompt, thorough and professional manner. Regulatory agencies may also require or request information about the receipt, review and disposition of any written client complaints.

**Responsibility**

Dias Wealth, LLC's designated officer has the primary responsibility for the implementation and monitoring of the firm's complaint policy, practices and recordkeeping for the firm.

**Procedure**

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

- Dias Wealth, LLC maintains a complaint file for any written complaints received from any advisory clients.
- Any person receiving any written client complaint is to forward the client complaint to Dias Wealth, LLC's designated officer.
- If appropriate, the designated officer will promptly send the client a letter acknowledging receipt of the client's complaint letter indicating the matter is under review and a response will be provided promptly.
- The designated officer will forward the client complaint letter to the appropriate person or department, depending on the nature of the complaint, for research, review and information to respond to the client complaint.
- The designated officer will then either review and approve or draft a letter to the client responding to the client's complaint and providing background information and a resolution of the client's complaint. Any appropriate supervisory review or approval will be done and noted.
- The designated officer will maintain records and supporting information for each written client complaint in the firm's complaint file.

# 9. Corporate Records

**Policy**

As a registered investment adviser and legal entity, Dias Wealth, LLC has a duty to maintain accurate and current "Organization Documents." As a matter of policy, Dias Wealth, LLC maintains all Organization Documents, and related records at its principal office. All Organization Documents are maintained in a well-organized and current manner and reflect current directors, officers, members or partners, as appropriate. Our Organization Documents will be maintained for the life of the firm in a secure manner and location and for an additional three years after the termination of the firm.

**Background**

Organization Documents, depending on the legal form of an adviser, may include the following, among others:

- Articles of Incorporation, By-laws, etc. (for corporations)
- Agreements and/or Articles of Organization (for limited liability companies)
- Partnership Agreements and/or Articles (for partnerships and limited liability partnerships)
- Proprietorships (any DBA name files)
- Charters
- Minute Books
- Stock certificate books/ledgers
- Organization resolutions

- Any changes or amendments of the Organization Documents

**Responsibility**

The CCO or designee has the responsibility for the implementation and monitoring of our Organization Documents policy, practices, and recordkeeping.

**Procedure**

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

- Dias Wealth, LLC's designated officer will maintain the Organization Documents in Dias Wealth, LLC's principal office in a secure location.
- Organization Documents will be maintained on a current and accurate basis and periodically reviewed and updated by the designated officer so as to remain current and accurate with Dias Wealth, LLC's regulatory filings and disclosures, among other things.

# 10. Custody and Possession of Client Assets

**Policy**

As a matter of policy and practice, Dias Wealth, LLC does not permit employees or the firm to accept or maintain custody of client assets. It is our policy that we will not accept, hold, directly or indirectly, client funds or securities, or have any authority to obtain possession of them, with the sole exception of direct debiting of advisory fees. Dias Wealth, LLC will not intentionally take custody of client cash or securities.

**Background**

The custody is defined as "holding, directly or indirectly, client funds or securities, or having any authority to obtain possession of them." The custody definition includes three examples to clarify what constitutes custody for advisers as follows:

1. Possession of client funds or securities (but not of checks drawn by clients and made payable to third parties) unless you receive them inadvertently and you return them to the sender promptly but in any case, within three business days of receiving them;
2. Any arrangement (including a general power of attorney) under which you are authorized or permitted to withdraw client funds or securities maintained with a custodian upon your instruction to the custodian; and
3. Any capacity (such as general partner of a limited partnership, managing member of a limited liability company or a comparable position for another type of pooled investment vehicle, or a trustee of a trust) that gives you or your supervised person legal ownership of or access to client funds or securities

If a related person of the adviser is appointed as trustee as a result of a family or personal relationship with the grantor or beneficiary of the trust, and not as a result of employment with the adviser, the role of the supervised person as trustee will not be imputed to the adviser; thus the adviser will not be deemed to have custody of such client's assets.

The custody rule requires advisers with custody to maintain client funds and securities with "qualified custodian(s)," which include U.S. banks and insured savings institutions, registered broker-dealers, futures commission merchants registered under the U.S. Commodity Exchange Act (but only with respect to clients' funds and security futures, or other securities incidental to futures transactions), and certain

foreign custodians. Advisers must also have a reasonable belief after "due inquiry" that the qualified custodian(s) provide at least quarterly account statements directly to the adviser's clients.

If the adviser elects to also send account statements to its advisory clients in addition to those sent by the qualified custodian(s), the adviser must include a legend in its account statements urging clients to compare the account statements they receive from the custodian with those received from the adviser.

Advisers that open an account(s) with a qualified custodian on the client's behalf, either under the client's name or under the adviser's name as agent, must promptly notify the client in writing, detailing the qualified custodian's name, address and the manner in which the client's funds or securities are maintained.

The independent accountant must file its certificate on Form ADV-E with the State of Florida and the SEC within 120 days of the commencement of the examination. Any material discrepancies found by the accountant must be reported to the state of Florida and the SEC within one day. For these purposes, the requirement to deliver an audited balance sheet with Form ADV Part 2 has been eliminated for these advisers, also.

Advisers that deduct fees directly from client accounts are deemed to have custody and must comply with the requirements of the custody rule amendments as before. However, advisers that have custody only because they deduct fees may continue to answer "No" to the custody questions in Item 9 of Form ADV Part 1.

Advisers are exempt from all provisions of the custody rule with respect to clients that are registered investment companies. These accounts are subject to the requirements of section 17(f) of the Investment Company Act and custody rules adopted thereunder.

**Responsibility**

The CCO or his designee has the responsibility for the implementation and monitoring of our policies, practices, disclosures and recordkeeping to ensure we are not deemed a custodian.

In the event any employee of Dias Wealth, LLC receives funds, securities, or other assets from a client, such employee must immediately notify the compliance officer and arrange to return such funds, securities or other assets to the client within three business days of receiving them.

**Procedure**

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

- With the possible exception of certain privately-offered securities, securities and funds of advisory clients are maintained with an unaffiliated qualified custodian or, in the case of accounts holding shares of open-end mutual funds, the fund's transfer agent and held in the client's name or under Dias Wealth, LLC as agent or trustee for the clients.
- After due inquiry, Dias Wealth, LLC has a reasonable belief that the qualified custodian(s) holding client assets provides at least quarterly account statements directly to those clients or an "independent representative" of their choosing that does not have a "control" relationship within the past two years with Dias Wealth, LLC
- If Dias Wealth, LLC receives inadvertently from a client any funds or securities, these assets shall be returned to the client promptly, i.e., within three business days of receipt.
    - Dias Wealth, LLC will keep a log of any securities received and delivered. The log will state:
        - Type of security and series

    - Date of issue
    - Certificate number
    - Name in which security is registered
    - Date RIA received security
    - Date forwarded
    - To whom forwarded
    - Form of delivery
- No employee or supervised person of Dias Wealth, LLC shall knowingly accept actual possession of any client funds or securities. Persons receiving a request from a client to deposit assets with a qualified custodian may assist the client to complete necessary forms and/or mailings but shall not take physical possession of the funds or securities.
- If Dias Wealth, LLC provides client statements in addition to the qualified custodian statements, a client disclosure will be included on the firm's client statements urging clients to compare statement information with the qualified custodian's statement for completeness and accuracy.
- To avoid being deemed to have custody, Dias Wealth, LLC 's procedures prohibit the following practices:
    - Any employee, officer, and/or the firm from having signatory power over any client's checking account;
    - Any employee, officer, and/or the firm from having the power to unilaterally wire funds from a client's account;
    - Any employee, officer, and/or the firm from holding any client's securities or funds in Dias Wealth, LLC's name at any financial institution;
    - Any employee, officer, and/or the firm from physically holding cash or securities of any client;
    - Any employee, officer, and/or the firm from having general power of attorney over a client's account;
    - Any employee, officer, and/or the firm from holding client assets through an affiliate of Dias Wealth, LLC where the firm, its employees or officers have access to advisory client assets;
    - Any employee, officer, and/or the firm from receiving the proceeds from the sale of client securities or interest or dividend payments made on a client's securities or check payable to the firm except for advisory fees;
    - Any employee, officer, and/or the firm from directly deducting advisory fees from a client's account; *
    - Any employee, officer and/or the firm from acting as a trustee or executor for any advisory client trust or estate;
    - Any employee, officer and/or the firm from acting as general partner and investment adviser to any investment partnership; and
    - The firm, or any "related person" acting as a qualified custodian for any advisory client assets.

**Note: Typically, advisers do obtain client authority to directly debit advisory fees from clients' accounts. If an adviser does directly debit fees, the adviser will be deemed to have custody even though Form ADV Part 1 Item 9 may still be checked "No." Advisers that do directly debit fees should treat the firm as having custody and tailor the firm's policy and procedures accordingly. Consider the following as recommended procedures:*

- As an adviser with authority to directly debit advisory fees for client custodian accounts, Dias Wealth, LLC may adopt the following procedures:

- Dias Wealth, LLC must have written authorization from the client to deduct advisory fees from the account held with the qualified custodian;
- each time a fee is directly deducted from a client account, Dias Wealth, LLC must concurrently:
    - send the qualified custodian an invoice of the amount of the fee to be deducted from the client's account;
    - send the client an invoice itemizing the fee. Itemization includes the formula used to calculate the fee, the number of assets under management the fee is based on, and the time period covered by the fee; and
    - the investment adviser must notify the administrator in writing that the investment adviser intends to use the safeguards provided above. Notification is required to be given on Form ADV.
- periodic testing of a sample of client fee calculations to verify accuracy;
- overall testing of the reasonableness of fees in comparison to aggregate assets under management; and
- segregating duties among employees responsible for processing and reviewing client billings.

# 11. Cyber Security

**Policy**

As a matter of policy and practice, Dias Wealth, LLC guards its clients' information from cyber security threats.

**Background**

Information security has become a critical issue in the financial services industry and protecting data from a myriad of threats is a necessity. Threats can be categorized as either internal or external. Internal threats include the theft or malicious destruction of data by a disgruntled employee as well as accidental data loss due to human error or equipment malfunction. Examples of external threats are hackers, natural disasters or compromised vendor access. Although the threats are varied the protections involve controlling access to information, protecting the information from use (encryption) or having redundant systems.

**Responsibility**

The CCO or his designee has the responsibility for the implementation and monitoring of our policies and procedures related to cyber security.

**Procedures**

Dias Wealth, LLC has adopted various procedures to implement the firm's policy, conducts reviews to monitor and ensure the firm's cyber security policy is observed, properly implemented and amended or updated, as appropriate which include the following:

- Password protection - All computers (especially laptops) must have robust passwords to access the system. Robust passwords are at least eight characters and contain alphanumeric characters with no personally identifiable information. Employees are not allowed to share passwords or IDs. Passwords must also be changed on a semi-annual basis.
- Encryption – Clients' personal nonpublic information stored on mobile devices must be encrypted and data stored on a file server must be protected with a firewall.
- Software Updates – All firm devices must have updated software. The firm will update software on at least a quarterly basis, but software is typically set to automatically update.

- Antivirus and Spyware Protection – All computers must have up-to-date antivirus and spyware protection. The firm will update software on at least a quarterly basis, but software is typically set to automatically update.
- Backups – Any data stored on local hard drives or file servers must be backed up to a remote location. The firm backs up all local hard drives on at least a quarterly basis.
- Smartphones – All smartphones that contain client information must be encrypted, password protected and have tracking software.
- Locked Door and Clean Desk – All office doors must be locked and secured on a nightly basis. Only authorized personal will have a key to the office. All file cabinets are locked on a nightly basis. Additionally, all desks must be cleaned of any client information on a nightly basis.
- Vendor Access – Employees must obtain written permission from the firm prior to engaging any vendor that will have access to the firm's books and records. This will typically include performance reporting, financial analysis and forms utilities vendors. The vendor contract must have a confidentiality clause and all data must be maintained in compliance with SEC rules. If the contract does not have a confidentiality clause, a separate confidentiality agreement is required.

# 12. Disaster Recovery

**Policy**

Dias Wealth, LLC maintains a separate business continuity/disaster recovery plan in the event of a disaster or emergency.

**Background**

Since the terrorist activities of 9/11/2001, all advisory firms need to establish written disaster recovery and business continuity plans for the firm's business. This will allow advisers to meet their responsibilities to clients as a fiduciary in managing client assets, among other things. It also allows a firm to meet its regulatory requirements in the event of any kind of an emergency or disaster, such as a bombing, fire, flood, earthquake, power failure or any other event that may disable the firm or prevent access to our office(s).

**Responsibility**

Dias Wealth, LLC's senior management has the overall responsibility for the firm's existence, advisory activities and on-going business activities. Our Compliance Officer has overall responsibility for Dias Wealth, LLC's meeting regulatory requirements, including recordkeeping requirements.

**Procedure**

Dias Wealth, LLC has adopted a business continuity/disaster recovery plan that is maintained as a separate document. Please see the separate document for details.

# 13. Disclosure Brochure

**Policy**

Dias Wealth, LLC, as a matter of policy, complies with relevant regulatory requirements and maintains required disclosure brochures on a current and accurate basis. Our firm's Form ADV Part 2 provides information about the firm's advisory services, business practices, professionals, policies and any actual and potential conflicts of interest, among other things.

**Background**

In July 2010, the SEC unanimously approved and adopted amendments to Form ADV (Release No. IA-3060, File No. S7-10-00, publicly available 07/28/2010), significantly changing the form and content of disclosures that registered investment advisers are generally required to provide to clients and prospective clients. The new Part 2 is comprised of three parts:

- Part 2A, *Firm Brochure*;
- Part 2A Appendix 1, *Wrap Fee Program Brochure* (only required to be filed by investment advisers who sponsor wrap programs; refer to the section below for more detailed information); and
- Part 2B, *Brochure Supplement*.

Under the new rules, an adviser's Form ADV Part 2 will be a narrative disclosure document, written in plain English. Investment advisers are required to respond to each of the required items in a consistent, uniform manner that will facilitate clients' and potential clients' ability to evaluate and compare firms. Each brochure must follow the prescribed format, including a table of contents that lists the eighteen separate items for SEC-registered advisers (nineteen for state-registered advisers), using the headings provided in the new "form". All advisers are required to respond to each item, even if it is inapplicable to the adviser's business; however, if the required disclosure is provided elsewhere in the brochure, the adviser can direct the reader to that item rather than duplicate the disclosure.

**Responsibility**

The CCO or his designee has the responsibility for maintaining Dias Wealth, LLC's required brochure(s) on a current and accurate basis, making appropriate amendments and filings, ensuring initial delivery of the applicable brochure(s) to new clients, annual delivery of the brochures or a Summary of Material Changes, and maintaining all appropriate files.

**Procedure**

Dias Wealth, LLC has adopted various procedures to implement the firm's policy and conducts reviews to monitor and ensure the firm's disclosure policy is observed, implemented properly and amended or updated, as appropriate, which include the following:

1. Initial Delivery
    a. A representative of Dias Wealth, LLC will provide a copy of the *Firm Brochure (*and/or *Wrap Fee Program Brochure*, if applicable), to each prospective client either prior to or at the time of entering into an advisory agreement with a client.
    b. Deliver to each client or prospective client a current brochure supplement for a supervised person before or at the time that supervised person begins to provide advisory services to the client.
    c. If the brochure is not delivered at least 48 hours prior to entering into an advisory contract, the advisory client will have the right to terminate the contract without penalty within five business days after entering the contract.
    d. The compliance officer will maintain dated copies of all Dias Wealth, LLC's brochure(s) so as to be able to identify which brochure(s) were in use at any time.
2. Annual offer to Deliver
    a. Dias Wealth, LLC will agree to deliver to each client without charge a copy of its ADV Part 2A within 120 days of the end of its fiscal year. However, in the event of a material change to Dias Wealth, LLC during the previous fiscal year, Dias Wealth, LLC will deliver to each client, annually within 120 days of the firm's fiscal year end and without charge, either (i) a current copy of the *Firm Brochure* (and/or *Wrap Fee Program Brochure*, if applicable), or (ii) a summary of material changes and an offer to provide clients with a copy of the firm's current

brochure(s) without charge. The summary of material changes will include, as applicable, the following contact information by which a client may request a copy of the brochure(s):

i. the firm's website;
ii. an email address;
iii. a phone number; and
iv. the website address for the IAPD, through which the client may obtain information about the firm.

3. Review and Amendment
    a. Within 90 days of the end of the fiscal year, the CCO or his designee must review and update the firm's brochure along with the firm's ADV Part 1. The update must be submitted through the IARD system.
    b. In addition to the annual update, the designated officer will review the firm's required brochure(s) on a periodic basis to ensure they are maintained on a current and accurate basis, and properly reflect and are consistent with the firm's current services, business practices, fees, investment professionals, affiliations and conflicts of interest, among other things.
    c. When changes or updates to the brochure(s) are necessary or appropriate, the designated officer will make any and all amendments timely and promptly, deliver either the revised brochure(s) or a summary of material changes to clients, and maintain records of the amended filings and subsequent delivery to clients as required.
    d. If the amendment adds disclosure of an event, or materially revises information already disclosed, in response to Item 9 of Part 2A or Item 3 of Part 2B (Disciplinary Information), respectively, the designated officer will promptly deliver, (i) the amended *Firm Brochure* and/or brochure supplement(s), as applicable, along with a statement describing the material facts relating to the change of disciplinary information, or (ii) a statement describing the material facts relating to the change in disciplinary information.

# 14. E-mail and Other Electronic Communications

**Policy**

Dias Wealth, LLC's policy provides that e-mail, instant messaging, social networks and other electronic communications are treated as written communications and that such communications must always be of a professional nature. Our policy covers electronic communications for the firm, to or from our clients, any personal e-mail communications within the firm and social networking sites. Personal use of the firm's e-mail and any other electronic systems is strongly discouraged. Also, all firm and client related electronic communications must be on the firm's systems, and use of personal e-mail addresses, personal social networks and other personal electronic communications for firm or client communications is prohibited.

**Background**

As a result of recent financial industry issues and several regulatory actions against major firms involving very significant fines, financial industry regulators, e.g., SEC and FINRA are focusing attention on advisers and broker-dealer policies and practices on the use of e-mail, other electronic communications and retention practices.

Florida's Books and Records Rule follows the Advisers Act Rule 204-2(a)(7) when it comes to communications. This section provides that specific written communications must be kept including those relating to a) investment recommendations or advice given or proposed; b) receipt or delivery of funds or securities; and c) placing and execution of orders for the purchase or sale of securities.

All electronic communications are viewed as written communications and all electronic communications must be kept for the required record retention periods. If a method of communication lacks a retention

method, then it must be prohibited from use by the firm. Further, regulators will request and expect all electronic communications of supervised persons to be monitored and maintained for the same required periods. E-mails consisting of spam or viruses are not required to be maintained.

(**NOTE:** Advisers should review and update e-mail communication policies and procedures to recognize the regulatory challenges and related issues of social networking sites used by the firm and/or employees for business and personal uses. While these sites offer advantages such as research and marketing, they also present regulatory concerns of confidentiality, security risks, surveillance and recordkeeping.)

For Florida registered advisers, the state's Books and Records requirements generally follow the SEC rule requirements; therefore, state registered advisers are well advised to follow the SEC's interpretations and guidance regarding an e-mail policy and related practices.

**Responsibility**

Each employee has an initial responsibility to be familiar with and follow the firm's e-mail policy with respect to their individual e-mail communications. The CCO or his designee has the overall responsibility for making sure all employees are familiar with the firm's e-mail policy, implementing and monitoring our e-mail policy, practices and recordkeeping.

**Procedure**

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

- Our firm's e-mail policy has been communicated to all persons within the firm and any changes in our policy will be promptly communicated.
- E-mails and any other electronic communications relating to the firm's advisory services and client relationships will be maintained and monitored by the CCO or his designee on an on-going or periodic basis through appropriate software programming or sampling of e-mail, as the firm deems most appropriate based on the size and nature of our firm and our business.
- The firm prohibits employees from creating or maintaining any individual blogs or network pages on behalf of the firm.
- Our firm also prohibits any use on social networking sites of any misleading statements and any information about our firm's clients, investment recommendations or trading activities.
- Electronic communications records will be maintained and arranged for easy access and retrieval so as to provide true and complete copies with appropriate backup and separate storage for the required periods.
- Electronic communications will be maintained in electronic media, with printed copies if appropriate, for a period of two years on-site at our offices and at an off-site location for an additional three years.

# 15. Financial Reporting

**Policy – F.A.C. Rule 69W-600.015 Financial Reporting Requirements**

As a Florida registered adviser, Dias Wealth, LLC must fill financial statements (balance sheet and income statement) with the Office of Financial Regulations within 90 days after the end of the firm's fiscal year.

**Background**

Florida requires the firm to maintain a minimum net capital amount of $2,500 at all times. In order to prove the firm has maintained its minimum financial requirement it must provide updated financials to the state of Florida on an annual basis.

**Responsibility**

The firm's designated officer, Mr. Grant, has the primary responsibility to prepare and submit the firm's financials to the state of Florida's Office of Financial Regulations.

**Procedure**

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

- The firm updates the firm's financials on at least a quarterly basis.
- Mr. Grant reviews the financials to ensure compliance with Florida's minimum financial requirement.
- Within 90 days after the end of the fiscal year, Mr. Grant will submit a balance sheet and income statement as of the last day of the previous fiscal year to the Office of Financial Regulations.

# 16. Insider Trading

**Policy**

Dias Wealth, LLC's policy prohibits any employee from acting upon, misusing or disclosing any material non-public information, known as inside information. Any instances or questions regarding possible inside information must be immediately brought to the attention of the designated officer, legal/compliance Officer or senior management, and any violations of the firm's policy will result in disciplinary action and/or termination. Dias Wealth, LLC's policy is part of the firm's Code of Ethics, which is a separate document.

**Background**

Various federal and state securities laws and the Advisers Act (Section 204A) require every investment adviser to establish, maintain and enforce written policies and procedures reasonably designed, taking into consideration the nature of such adviser's business, to prevent the misuse of material, nonpublic information in violation of the Advisers Act or other securities laws by the investment adviser or any person associated with the investment adviser.

**Responsibility**

The CCO or his designee has the responsibility for the implementation and monitoring of Dias Wealth, LLC's Insider Trading Policy, practices, disclosures and recordkeeping.

**Procedure**

Dias Wealth, LLC has adopted various procedures to implement the firm's Insider Trading Policy and conducts reviews to monitor and ensure the firm's policy is observed, implemented properly and amended or updated, as appropriate, which include the following:

- The Insider Trading Policy is distributed to all employees, and new employees upon hire, and requires a written acknowledgement by each employee.
- Access persons (supervised persons) must disclose personal securities accounts, initial/annual securities holdings and report at least quarterly any reportable transactions in their employee and employee-related personal accounts.
- Employees must report to a designated person or compliance officer all business, financial or personal relationships that may result in access to material, non-public information,
- A designated officer or compliance officer reviews all personal investment activity for employee and employee-related accounts.
- A designated officer or compliance officer provides guidance to employees on any possible insider trading situation or question.
- Dias Wealth, LLC's Insider Trading Policy is reviewed and evaluated on an annual basis and updated as may be appropriate, and
- A designated officer or compliance officer prepares a written report to management and/or legal counsel of any possible violation of the firm's Insider Trading Policy for implementing corrective and/or disciplinary action.

*Note: Many advisers, including Dias Wealth, LLC, now include the firm's Insider Trading Policy as part of the firm's Code of Ethics under recent SEC IA Code of Ethics rule (Rule 204A-1.) This is an acceptable and now a common practice, so advisers need not have a separate Insider Trading Policy or separate procedures for prohibiting and detecting insider trading information if adequately covered in the firm's Code of Ethics.*

# 17. Investment Processes

**Policy**

As a registered adviser, and as a fiduciary to our advisory clients, Dias Wealth, LLC is required, and as a matter of policy, obtains background information as to each client's financial circumstances, investment objectives, investment restrictions and risk tolerance, among many other things, and provides its advisory services consistent with the client's objectives, etc., based on the information provided by each client.

**Background**

The U.S. Supreme Court has held that Section 206 (Prohibited Activities) of the Investment Advisers Act imposes a fiduciary duty on investment advisers by operation of law (SEC v. Capital Gains Research Bureau, Inc., 1963).

Also, the SEC has indicated that an adviser has a duty, among other things, to ensure that its investment advice is suitable to the client's objectives, needs and circumstances, (SEC No-Action Letter, In re John G. Kinnard and Co., publicly available 11/30/1973).

Every fiduciary has the duty and a responsibility to act in the utmost good faith and in the best interests of the client and to always place the client's interests first and foremost.

As part of this duty, a fiduciary and an adviser with such duties, must eliminate conflicts of interest, whether actual or potential, or make full and fair disclosure of all material facts of any conflicts so a client, or prospective client, may make an informed decision in each particular circumstance.

**Responsibility**

Dias Wealth, LLC's investment professionals responsible for the particular client relationship have the primary responsibility for determining and knowing each client's circumstances and recommending a third-party investment adviser consistent with the client's objectives. Dias Wealth, LLC's designated officer has the overall responsibility for the implementation and monitoring of our investment processes policy, practices, disclosures and recordkeeping for the firm.

**Procedure**

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

- Dias Wealth, LLC obtains substantial background information about each client's financial circumstances, investment objectives, and risk tolerance, among other things, through an in-depth interview and information gathering process which includes client profile or relationship forms.
- Advisory clients may also have and provide written investment policy statements or written investment guidelines that the firm reviews, approves, and monitors as part of the firm's investment services, subject to any written revisions or updates received from a client.
- Dias Wealth, LLC provides the firm's applicable Form ADV Part 2 (i.e., *Firm Brochure* and/or *Wrap Fee Program Brochure*) to all prospective clients, disclosing the firm's advisory services, fees, conflicts of interest and portfolio/supervisory reviews and investment reports provided by the firm to clients.
- Dias Wealth, LLC may provide periodic reports to advisory clients which include important information about a client's financial situation, portfolio holdings, values and transactions, among other things. The firm may also provide performance information to advisory clients about the client's performance, which may also include a reference to a relevant market index or benchmark.
- Investment professionals may also schedule client meetings on a periodic basis, or request basis, to review a client's portfolio, performance, market conditions, financial circumstances, and investment objectives, among other things, to confirm the firm's investment decisions and services are consistent with the client's objectives and goals. Documentation of such reviews should be made in the client file.
- Client relationships and/or portfolios may be reviewed on a more formal basis on a quarterly or other periodic basis by designated supervisors or management personnel.

# 18. Privacy

**Policy**

As a registered investment adviser, Dias Wealth, LLC must comply with SEC Regulation S-P (or other applicable regulations), which requires registered advisers to adopt policies and procedures to protect the "nonpublic personal information" of natural person consumers and customers and to disclose to such persons, policies and procedures for protecting that information.

In addition, our firm’s policy, to the extent applicable, is to comply with the FTC’s FACT Act/Red Flags Rule which requires covered entities to develop and maintain an effective client identity theft prevention program.

**Background**

Regulation S-P

The purpose of these Reg S-P requirements and privacy policies and procedures is to provide administrative, technical and physical safeguards which assist employees in maintaining the confidentiality of nonpublic personal information ("NPI") collected from the consumers and customers of an investment adviser. All NPI, whether relating to an adviser's current or former clients, is subject to these privacy policies and procedures. Any doubts about the confidentiality of client information must be resolved in favor of confidentiality.

For Reg S-P purposes, NPI includes nonpublic "personally identifiable financial information" plus any list, description or grouping of customers that is derived from nonpublic personally identifiable financial information. Such information may include personal financial and account information, information relating to services performed for or transactions entered into on behalf of clients, advice provided by Dias Wealth, LLC to clients, and data or analyses derived from such NPI.

Red Flags Rule

The Federal Trade Commission's ("FTC") FACT Act/Red Flags Rule, which became effective 1/1/2008, covers "financial institutions" and "creditors." The Rule defines "financial institution" as any state or federal bank or any person that directly or indirectly holds a "transaction account" belonging to a consumer. A "creditor" includes a broad category of businesses or organizations that regularly defer payment for goods or services which are billed later. The FTC has clarified that any person that provides a product or service for which the consumer pays after delivery is a creditor under the Red Flags Rule.

Accordingly, an adviser who bills for advisory services in arrears is deemed to be a creditor and is, therefore, a "covered entity" under the Red Flags Rule. The FACT Act/Red Flags Rule requires covered entities to develop and maintain written identity theft prevention programs.

In October 2009, the FTC, at the request of Congress, extended for the fourth time the Fact Act/Red Flags Rule compliance date, from 1/1/2010 to 6/1/2010. Once again, the FTC announced that it has further delayed the compliance date for implementation of the Red Flags Rule pursuant to the request of "Members of Congress," while Congress considers legislation that would affect the scope of the entities covered by the Rule. Accordingly, the revised compliance date is now December 31, 2010. Consistent with prior compliance date delays, the FTC indicated that the postponement is limited to the Rule. The deferment of the compliance date does not affect other federal agencies ongoing enforcement of corresponding identity theft program regulations.

**Responsibility**

The CCO or his designee is responsible for reviewing, maintaining and enforcing these policies and procedures to ensure meeting Dias Wealth, LLC's client privacy goals and objectives while at a minimum ensuring compliance with applicable federal and state laws and regulations. The CCO or his designee may recommend to the firm's principal(s) any disciplinary or other action as appropriate. The CCO or his designee is also responsible for distributing these policies and procedures to employees and conducting appropriate employee training to ensure employee adherence to these policies and procedures.

**Procedure**

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

***Non-Disclosure of Client Information***

Dias Wealth, LLC maintains safeguards to comply with federal and state standards to guard each client's nonpublic personal information ("NPI"). Dias Wealth, LLC does not share any NPI with any non-affiliated third parties, except in the following circumstances:

- As necessary to provide the service that the client has requested or authorized, or to maintain and service the client's account;
- As required by regulatory authorities or law enforcement officials who have jurisdiction over Dias Wealth, LLC, or as otherwise required by any applicable law; and
- To the extent reasonably necessary to prevent fraud and unauthorized transactions.

Employees are prohibited, either during or after termination of their employment, from disclosing NPI to any person or entity outside Dias Wealth, LLC, including family members, except under the circumstances described above. An employee is permitted to disclose NPI only to such other employees who need to have access to such information to deliver our services to the client.

***Safeguarding and Disposal of Client Information***

Dias Wealth, LLC restricts access to NPI to those employees who need to know such information to provide services to our clients.

Any employee who is authorized to have access to NPI is required to keep such information in a secure compartments or receptacle on a daily basis as of the close of business each day. All electronic or computer files containing such information shall be password secured and firewall protected from access by unauthorized persons. Any conversations involving NPI, if appropriate at all, must be conducted by employees in private, and care must be taken to avoid any unauthorized persons overhearing or intercepting such conversations.

Safeguarding standards encompass all aspects of Dias Wealth, LLC that affect security. This includes not just computer security standards but also such areas as physical security and personnel procedures. Examples of important safeguarding standards that Dias Wealth, LLC may adopt include:

- Access controls on customer information systems, including controls to authenticate and permit access only to authorized individuals and controls to prevent employees from providing customer information to unauthorized individuals who may seek to obtain this information through fraudulent means (e.g., requiring employee use of user ID numbers and passwords, etc.);
- Access restrictions at physical locations containing customer information, such as buildings, computer facilities, and records storage facilities to permit access only to authorized individuals (e.g., intruder detection devices, and use of fire and burglar resistant storage devices);
- Encryption of electronic customer information, including while in transit or in storage on networks or systems to which unauthorized individuals may have access;
- Procedures designed to ensure that customer information system modifications are consistent with the firm's information security program (e.g., independent approval and periodic audits of system modifications);
- Dual control procedures, segregation of duties, and employee background checks for employees with responsibilities for or access to customer information (e.g., require data entry to be reviewed for accuracy by personnel not involved in its preparation, adjustments and correction of master records should be reviewed and approved by personnel other than those approving routine transactions, etc.);
- Monitoring systems and procedures to detect actual and attempted attacks on or intrusions into customer information systems (e.g., data should be auditable for detection of loss and accidental and intentional manipulation);
- Response programs that specify actions to be taken when the firm suspects or detects that unauthorized individuals have gained access to customer information systems, including appropriate reports to regulatory and law enforcement agencies;

- Measures to protect against destruction, loss, or damage of customer information due to potential environmental hazards, such as fire and water damage or technological failures (e.g., use of fire resistant storage facilities and vaults, and backup and store off site key data to ensure proper recovery); and
- Information systems security should incorporate system audits and monitoring, security of physical facilities and personnel, the use of commercial or in-house services (such as networking services) and contingency planning.

Any employee who is authorized to possess "consumer report information" for a business purpose is required to take reasonable measures to protect against unauthorized access to or use of the information in connection with its disposal. There are several components to establishing “reasonable” measures that are appropriate for the firm:

- Assessing the sensitivity of the consumer report information we collect;
- The nature of our advisory services and the size of our operation;
- Evaluating the costs and benefits of different disposal methods; and
- Researching relevant technological changes and capabilities.

Some methods of disposal to ensure that the information cannot practicably be read or reconstructed that Dias Wealth, LLC may adopt include:

- Procedures requiring the burning, pulverizing, or shredding or papers containing consumer report information;
- Procedures to ensure the destruction or erasure of electronic media; and
- After due diligence, contracting with a service provider engaged in the business of record destruction, to provide such services in a manner consistent with the disposal rule.

***Privacy Notices***

Dias Wealth, LLC will provide each natural person client with initial notice of the firm's current policy when the client relationship is established. Dias Wealth, LLC shall also provide each such client with a new notice of the firm’s current privacy policies at least annually. If Dias Wealth, LLC shares nonpublic personal information ("NPI") relating to a non-Florida consumer with a non-affiliated company under circumstances not covered by an exception under Regulation S-P, the firm will deliver to each affected consumer an opportunity to opt out of such information sharing. If Dias Wealth, LLC shares NPI relating to a Florida consumer with a non-affiliated company under circumstances not covered by an exception under SB1, the firm will deliver to each affected consumer an opportunity to opt out regarding such information sharing. If, at any time, Dias Wealth, LLC adopts material changes to its privacy policies, the firm shall provide each such client with a revised notice reflecting the new privacy policies. The Compliance Officer is responsible for ensuring that required notices are distributed to the Dias Wealth, LLC's consumers and customers.

# 19. Proxy Voting

**Policy**

Dias Wealth, LLC, as a matter of policy and practice, has no authority to vote proxies on behalf of advisory clients. The firm may offer assistance as to proxy matters upon a client's request, but the client always retains the proxy voting responsibility. Dias Wealth, LLC’s policy of having no proxy voting responsibility is disclosed to clients.

**Background**

Proxy voting is an important right of shareholders and reasonable care and diligence must be undertaken to ensure that such rights are properly and timely exercised.

Investment advisers registered with the SEC, and which exercise voting authority with respect to client securities, are required by Rule 206(4)-6 of the Advisers Act to (a) adopt and implement written policies and procedures that are reasonably designed to ensure that client securities are voted in the best interests of clients, which must include how an adviser addresses material conflicts that may arise between an adviser's interests and those of its clients; (b) to disclose to clients how they may obtain information from the adviser with respect to the voting of proxies for their securities; (c) to describe to clients a summary of its proxy voting policies and procedures and, upon request, furnish a copy to its clients; and (d) maintain certain records relating to the adviser's proxy voting activities when the adviser does have proxy voting authority.

**Responsibility**

The CCO or his designee has the responsibility for the implementation and monitoring of our proxy policy and to ensure that the firm does not accept or exercise any proxy voting authority on behalf of clients without an appropriate review and change of the firm's policy with appropriate regulatory requirements being met and records maintained.

**Procedure**

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

- Dias Wealth, LLC discloses its proxy voting policy of not having proxy voting authority in its *Firm Brochure* (and *Wrap Fee Program Brochure*, if applicable) or other client information.
- Dias Wealth, LLC's advisory agreements provide that the firm has no proxy voting responsibilities and that the advisory clients expressly retain such voting authority.
- Dias Wealth, LLC's new client information materials may also indicate that advisory clients retain proxy voting authority.
- Dias Wealth, LLC reviews the nature and extent of advisory services provided by the firm and monitors such services to periodically determine and confirm that client proxies are not being voted by the firm or anyone within the firm.

# 20. Registration

**Policy**

As a Florida registered investment adviser, Dias Wealth, LLC maintains and renews its adviser registration on an annual basis through the Investment Adviser Registration Depository (IARD), for the firm, state notice filings, as appropriate, and licensing of its investment adviser representatives (IARs).

Dias Wealth, LLC’s policy is to monitor and maintain all appropriate firm notice filings and IAR registrations that may be required for providing advisory services to our clients in any location. Dias Wealth, LLC monitors the state residences of our advisory clients, and will not provide advisory services unless appropriately registered as required, or a de minimis or other exemption exists.

**Background**

In accordance with the Advisers Act, and unless otherwise exempt from registration requirements, investment adviser firms are required to be registered either with the Securities and Exchange Commission (SEC) or with the state(s) in which the firm maintains a place of business and/or is otherwise required to register in accordance with each individual state(s) regulations and de minimis requirements. The registered investment adviser is required to maintain such registrations on an annual basis through the timely payment of renewal fees and filing of the firm’s Annual Updating Amendment.

Individuals providing advisory services on behalf of the firm are also required to maintain appropriate registration(s) in accordance with each state(s) regulations unless otherwise exempt from such registration requirements. The definition of investment adviser representative may vary on a state-by-state basis. Supervised persons providing advice on behalf of SEC-registered advisers are governed by the federal definition of investment adviser representative to determine whether or not state IAR registration is required. The investment adviser representative registration(s) must also be renewed on an annual basis through the IARD and the timely payment of renewal fees.

**Responsibility**

The CCO or his designee has the responsibility for the implementation and monitoring of our registration policy, practices, disclosures and recordkeeping.

**Procedure**

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

- The chief compliance officer, or other designated officer, monitors the state residences of our advisory clients, and the firm and/or its IARs will not provide advisory services unless appropriately notice filed or licensed as required, or a de minimis or other exemption exists.
- Dias Wealth, LLC's chief compliance officer, or other designated officer, monitors the firm's and IAR registration requirements on an on-going, as well as an annual basis.
- Notice filings and IAR licensing filings are made on a timely basis and appropriate files and copies of all filings are maintained by the chief compliance officer or other designated officer.

Dias Wealth, LLC's chief compliance officer, or other designated officer, is responsible for overseeing the IARD/CRD Annual Renewal Program, including:

- Conducting a review of the current notice filings/registrations for the firm and its IARs prior to FINRA's publication of the current year's Preliminary Renewal Statement (typically published in early November);
- Adding any necessary notice filings/registrations and/or withdrawing unnecessary notice filings/registrations on the IARD/CRD systems prior to the issuance of the Preliminary Renewal Statement to facilitate renewals and avoid payment of unnecessary registration fees.
- Ensuring that payment of the firm's Preliminary Renewal Statement is made in a timely manner to avoid (1) termination of required notice filings and IAR registrations, and (2) violations of regulatory requirements.
- Obtains and reviews the firm's Final Renewal Statement (published by FINRA on the first business day of the new year) and ensures prompt payment of any additional registration fees or obtains a refund for terminated registrations, if applicable.

# 21. Regulatory Reporting

**Policy**

Dias Wealth, LLC's policy is to maintain the firm's regulatory reporting requirements on an effective and good standing basis at all times. Dias Wealth, LLC also monitors, on an on-going and periodic basis, any regulatory filings or other matters that may require amendment or additional filings with the SEC and/or any states for the firm and its associated persons.

Any regulatory filings for the firm are to be made promptly and accurately. Our firm's regulatory filings may include Form ADV, Form 13D, 13F, 13G, and D filings, among others that may be appropriate.

**Background**

Form ADV serves as an adviser's registration and disclosure brochures. Form ADV, therefore, provides information to the public and to regulators regarding an investment adviser. Regulations require that material changes to Form ADV be updated promptly and that Form ADV be updated annually.

Forms 13D, 13F, 13G, and D, are filings required under the Securities Acts related to client holdings in equity securities. Form D filings under Regulation D of the Securities Act of 1933 allow issuers of private securities to make offerings, (e.g. hedge and private equity fund offerings to investors without registration under the 1933 Act).

**Responsibility**

The CCO or his designee has the responsibility for the implementation and monitoring of our regulatory reporting policy, practices, disclosures and recordkeeping.

**Procedure**

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

- Dias Wealth, LLC makes an annual filing of Form ADV within 90 days of the end of each fiscal year (Annual Updating Amendment) to update certain information required to be updated on an annual basis.
- Dias Wealth, LLC promptly updates our Disclosure Document and certain information in Form ADV, Part 1 and Part 2, as appropriate, when material changes occur.
- All employees should report to the compliance officer or other designated officer any information in Form ADV that such employee believes to be materially inaccurate or omits material information.
- The CCO or his designee will review Forms 13D, 13F, 13G, and D filing requirements and make such filings and keep appropriate records as required.

# 22. Review of Third Party Advisers

**Policy**

Dias Wealth, LLC may use third party investment advisers to manage a portion or all of a client's account.

**Background**

As a fiduciary to our clients we must ensure that the third-party investment advisers are suitable for our clients. It is required that we review third party advisers prior to recommending them to clients and that we continuously monitor them.

**Responsibility**

The CCO or his designee has the responsibility for the implementation and monitoring the third-party investment advisers, along with updating the disclosure documents.

**Procedure**

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

- Prior to offering a new third-party investment adviser to clients, the CCO will review the third-party investment adviser's ADV Part 1 and 2A. The CCO will also review any additional due diligence information provided by the third-party investment adviser. The CCO will determine if the third-party adviser's services are suitable for our clients.
- The CCO will annually review the third-party investment adviser's ADV Part 1 and 2A to insure that the third party adviser remains suitable for a client.

# 23. Social Networking

**Policy**

It is Dias Wealth, LLC's policy to allow its IARs to maintain social media accounts consisting of personal blogs, LinkedIn, Facebook and Twitter accounts subject to the following policies relating to their permitted usage of such accounts.

**Background**

It has become common to advertise on social media. All social media should be considered an advertisement and as such required information to be maintained for a minimum of 5 years, as a best practice, the investment adviser should capture any social media content that relates at all to the firm, whether it be in the form of a mention, a contact, a marketing blurb, a blog, a performance report, a tweet or re-tweet, a Facebook fan page or wall, a LinkedIn profile or otherwise.

**Responsibility**

The CCO or his designee has the responsibility for the implementation and monitoring the firm's social media, along with updating any disclosure documents.

**Procedure**

To meet its supervisory obligations, Dias Wealth, LLC requires all social media accounts to be captured by screen prints of each update to the social media account.

In addition, each investment adviser representative who uses social media shall:

- Notify the firm in writing of their existing and any new social media accounts or blogs he/she may have or wishes to open;
- Provide Dias Wealth, LLC with the name of the account for input into the archival system;
- Sign an authorization, giving the firm authority to monitor the account for purposes of its supervisory obligations;
- Maintain a copy of the CCO's written approval for each social media account he/she has opened; and
- On an annual basis, sign an attestation that all social media accounts or blogs he/she has used during the prior year have been previously reported to the firm and if one or more are no longer in use, a statement to that effect.

Social media policies for investment adviser representatives are in most cases similar to if not identical to the investment adviser's pre-existing considerations with respect to its advertising policies under 206 (4)-1. Although not exclusively limited to the following suggestions, advisory social media policies should generally:

1. Prohibit posting of or linking to comments or content that is harassing, defamatory, indecent or misrepresents the stated policies, practices, performance returns or investment strategies provided by the firm.
2. Be honest and consistent with prior professional comments the IAR has provided to clients while providing investment advisory services or in presentations previously made on behalf of the firm.
3. Not include IAR comments that are in retaliation to negative posts or comments received on the IAR's site. If warranted, the IAR should work through the compliance department to address any issues that directly relate to customer issues identified in such posts.
4. Prohibit the acceptance of third party testimonials or recommendations, if the IAR has mentioned or otherwise indicated that he/she provides investment services on the social media site. While a testimonial as to the IAR's character may or may not be allowable, the *SEC* has not as yet given any leeway to the general prohibition against the use of testimonials by investment advisory professionals, at least if the communication is considered an advertisement. While the IAR cannot delete previously accepted testimonials, it is possible to block them from view. If the IAR has previously accepted a testimonial, he/she should go into their social media site and follow the steps to block from view any testimonials that he/she currently may have. Failure to reject or block previously accepted testimonials might subject the IAR to the investment adviser placing restrictions on the IAR's future social media usage or to possible disciplinary sanctions.
5. Prohibit the IAR's use of the "like" feature on the social media sites of others or from re-tweeting materials unless the investment adviser is fully comfortable with accepting the information that the IAR "liked" or "re-tweeted" as their own. If at all possible, the IAR should disable the like button on their site or blog and remove any instances where someone indicated liking material on these sites as soon as possible. Third party use of the like button could easily be considered an implied testimonial and thus would be prohibited under Rule 206.
6. Not include any favorable comment on the IAR's social media posts or blogs from themselves through other social media accounts the IAR may have.
7. Protect the customer's privacy by prohibiting the use of a customer's name, address, identification information, financial, account holdings or any other information specific to a customer on the IAR's social media site.
8. Prohibit the IAR from using Facebook Chat.

9. Require any IAR who is also a registered representative to notify their broker-dealer prior to making any LinkedIn or other social media profile change or other change that would be considered to be static content for pre-approval or content that would be considered sales literature prior to implementing the change on their social media site.
10. Prohibit IARs from providing legal or tax opinions or making specific investment recommendations on their social media site.
11. Prohibit the IAR from making any negative references about the investment adviser on his/her social media site, or from making any misrepresentation as to his/her title, responsibilities or function with the adviser.
12. Require the IAR to refrain from using superlatives, exaggeration or anything that might suggest a guaranteed return or guaranteed successful results.
13. Require the IAR to refrain from the use of industry jargon, consider his/her audience and prepare any posted materials so that his/her least sophisticated customer can clearly understand them.
14. Prohibit the use of a chart, graph, formula or other tool on the IAR's social media site to be used in determining which securities to buy or sell or when to do so.
15. Require the IAR to follow standard performance guidelines in presenting adviser performance including the requirement to show returns net of applicable advisory fees and other required charges on the account.
16. Not offer any report, service, or analysis labeled as free on the IAR's social media site or blog unless it is, in fact, free with no further obligation or commitment.
17. Not disclose any material non-public information in the IAR's possession
18. Not discuss or disclose the firm's proprietary information, intellectual property interests or other trade secrets on their social media site.
19. Use appropriate disclosures as to the IAR's business affiliations, relevant conflicts of interest and correctly attribute ownership of any comments, statements or quotes to their originator.
20. Prohibit any reference to past specific successful recommendations of securities, unless, the IAR provides a separate detailed list of all past recommendations good or bad over at least the past year, with the name of the security, the date recommended, and the price at which it was recommended. The IAR needs to include a legend that past performance is not an indication of future performance with the materials. This limits the IAR or the investment adviser from advertising past success, unless it is fairly presented. The IAR also needs to disclose all material facts relating to any recommendation. IAR posts as advertisements must not have any untrue statement of material fact or otherwise be false or misleading

While early efforts to comply with the provisions for maintenance of social media content have attempted to use hard copy reproductions of profiles, sites and comments as documentation, supervision under this type of process is virtually impossible to perform. The investment adviser is not easily able to verify whether the investment adviser has received all of the content and because the adviser doesn't have mediation capability, the adviser is unable to compare the hard copies to all of the activity in a social media account.

The firm will periodically monitor the social media archive through use of mediation software or screen printing pages to identify any instances of misuse with respect to the requirements above.

# 24. Soft Dollars

**Policy**

Dias Wealth, LLC, as a matter of policy and practice, does not have any formal or informal arrangements or commitments to utilize research, research-related products and other services obtained from broker-dealers, or third parties, on a soft dollar commission basis.

**Background**

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

Section 28(e) of the Securities Exchange Act of 1934 allows and provides a safe harbor for discretionary investment advisers to pay an increased commission, above what another broker-dealer would charge for executing a transaction, for research and brokerage services, provided the adviser has made a good faith determination that the value of the research and brokerage services qualifies as reasonable in relation to the amount of commissions paid. Further, under SEC guidelines, the determination as to whether a product or service is research or other brokerage services, and eligible for the Section 28(e) safe harbor, is whether it provides lawful and appropriate assistance to the investment manager in performance of its investment decision-making responsibilities.

In Interpretative Release Commission Guidance Regarding Client Commission Practices Under Section 28(e), dated 7/24/2006, the SEC revised and clarified "brokerage and research services" in view of evolving technologies and industry practices. The Release updated prior Section 28(e) guidance and revised definitions including eligible and non-eligible research products and services for the Section 28(2) safe harbor. The SEC Release was effective 7/24/2006.

In 2008, the SEC proposed guidance about the responsibilities of boards of directors of investment companies regarding portfolio trading practices including soft dollars and best execution practices. (See Release Nos. 34-58264, IC-28345, and IA-2763, 7/20/2008).

Pursuant to the SEC's adoption of Amendments to Form ADV (Release No. IA-3060), advisers are required to disclose their practices regarding their use of soft dollars in response to Item 12 of the new Form ADV Part 2. Such disclosures should describe the adviser's practices, including:

- Whether the firm's practices will cause the client to pay-up (i.e., client accounts will pay more than the lowest available commission rate in exchange for the adviser receiving soft dollar products or services);
- The types of products and services received by the adviser or its related persons using client brokerage commissions ***within the adviser's last fiscal year***,
- Procedures used ***during its last fiscal year*** to direct client transactions to certain brokers in return for soft dollar benefits;
- Identify potential conflicts of interest and how the adviser will address them (note that advisers must provide more explicit details for any products or services received that **do not** qualify under Section 28 (e)).

**Responsibility**

The CCO or his designee has the responsibility for the implementation and monitoring of our soft dollar policy that the firm does not utilize any research, research-related products and other services obtained from broker-dealers, or third parties, on a soft dollar commission basis.

**Procedure**

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

- Dias Wealth, LLC's policy of prohibiting utilizing any research, and research-related products or services has been communicated to relevant individuals including management, traders and portfolio managers, among others.
- Dias Wealth, LLC's policy is appropriately disclosed in the firm's Part 2A of Form ADV: *Firm Brochure*.
- The CCO or his designee periodically monitors the firm's business relationships and advisory services to ensure no research services or products are being obtained on a soft dollar basis.
- In the event of any change in the firm's policy, any such change must be approved by management, and any soft dollar arrangements would only be allowed after appropriate reviews and approvals, disclosures, meeting regulatory requirements and maintaining proper records.

# 25. Solicitor Arrangements

**Policy**

Dias Wealth, LLC, as a matter of policy and practice, does not compensate any persons (i.e., individuals or entities) for the referral of advisory clients to the firm.

**Background**

Investment advisers may compensate persons who solicit advisory clients for a firm if appropriate agreements exist, specific disclosures are made, and other conditions met under the rules. A solicitor is defined as "any person who, directly or indirectly, solicits any client for, or refers any client to, an investment adviser.

**Responsibility**

The CCO or his designee has the responsibility for monitoring our firm's policy of not compensating any persons for referring clients or prospective clients to the firm unless appropriate agreements, records, disclosures and other regulatory requirements are met.

**Procedure**

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

- Dias Wealth, LLC's designated officer monitors the firm's business and client relationships to ensure no referral fees are paid to any person as solicitors.
- Dias Wealth, LLC's designated officer also periodically reviews the Form ADV disclosures to ensure disclosures are accurate and current and consistent with the firm's policy of not paying any referral fees for soliciting clients for the firm.
- Dias Wealth, LLC's designated officer may establish a policy and procedures for restricting and monitoring political contributions made by the firm and covered associates to government officials and/or candidates.

# 26. Supervision & Internal Controls

**Policy**

Dias Wealth, LLC has adopted these written policies and procedures which are designed to set standards and internal controls for the firm, its employees, and its businesses and are also reasonably designed to prevent, detect, and correct any violations of regulatory requirements and the firm's policies and procedures. Every employee and manager are required to be responsible for and monitor those individuals and departments he or she supervises to detect, prevent and report any activities inconsistent with the firm's procedures, policies, high professional standards, or legal/regulatory requirements.

**Background**

In Florida all investment advisers must adopt written policies and procedures. The firm must:

1. Adopt and implement written policies and procedures reasonably designed to prevent violations by the firm and its supervised persons;
2. Review, at least annually, the adequacy and effectiveness of the policies and procedures;
3. Designate a chief compliance officer who is responsible for administering the policies and procedures; and
4. Maintain records of the policies and procedures and annual reviews.

**Responsibility**

Every employee has a responsibility for knowing and following the firm's policies and procedures. Every person in a supervisory role is also responsible for those individuals under his/her supervision. The president, or a similarly designated officer, has overall supervisory responsibility for the firm.

The CCO or his designee has the overall responsibility for administering, monitoring and testing compliance with Dias Wealth, LLC's policies and procedures. Possible violations of these policies or procedures will be documented and reported to the appropriate department manager for remedial action. Repeated violations, or violations that the compliance officer deems to be of serious nature, will be reported by the compliance officer directly to the president, or a similarly designated officer, and/or the Board of Directors for remedial action.

**Procedure**

Dias Wealth, LLC has adopted various procedures to implement the firm's policy, conducts reviews of internal controls to monitor and ensure the firm's supervision policy is observed, implemented properly and amended or updated, as appropriate which include the following:

- Designation of a chief compliance officer as responsible for implementing and monitoring the firm's compliance policies and procedures.
- An Annual Compliance Meeting and on-going and targeted compliance training.
- Procedures for screening the background of potential new employees.
- Initial training of newly hired employees about the firm's compliance policies.
- Adoption of these written policies and procedures with statements of policy, designated persons responsible for the policy and procedures designed to implement and monitor the firm's policy.
- Annual review of the firm's policies and procedures by the compliance officer and senior management.

- Periodic reviews of employees' activities (e.g., personal trading).
- Annual written representations by employees as to understanding and abiding by the firm's policies.
- Supervisory reviews and sanctions for violations of the firm's policies or regulatory requirements.

# 27. Trading

**Policy**

As an adviser and a fiduciary to our clients, our clients' interests must always be placed first and foremost, and our trading practices and procedures prohibit unfair trading practices and seek to disclose and avoid any actual or potential conflicts of interests or resolve such conflicts in the client's favor.

Our firm has adopted the following policies and practices to meet the firm's fiduciary responsibilities and to ensure our trading practices are fair to all clients and that no client or account is advantaged or disadvantaged over any other.

Also, Dias Wealth, LLC's trading practices are generally disclosed in response to Item 12 in Part 2A of Form ADV, which is provided to prospective clients and annually delivered to current clients.

**Background**

As a fiduciary, many conflicts of interest may arise in the trading activities on behalf of our clients, our firm and our employees, and must be disclosed and resolved in the interests of the clients. In addition, securities laws, insider trading prohibitions and the Advisers Act, and rules thereunder, prohibit certain types of trading activities.

***Aggregation***

The aggregation or blocking of client transactions allows an adviser to execute transactions in a more timely, equitable, and efficient manner and seeks to reduce overall commission charges to clients.

Our firm's policy is to aggregate client transactions where possible and when advantageous to clients. In these instances, clients participating in any aggregated transactions will receive an average share price and transaction costs will be shared equally and on a pro-rata basis.

In the event transactions for an adviser, its employees or principals ("proprietary accounts") are aggregated with client transactions, conflicts arise, and special policies and procedures must be adopted to disclose and address these conflicts.

***Allocation***

As a matter of policy, an adviser's allocation procedures must be fair and equitable to all clients with no particular group or client(s) being favored or disfavored over any other clients.

Dias Wealth, LLC's policy prohibits any allocation of trades in a manner that Dias Wealth, LLC's proprietary accounts, affiliated accounts, or any particular client(s) or group of clients receive more favorable treatment than other client accounts.

Dias Wealth, LLC has adopted a clear written policy for the fair and equitable allocation of transactions, (e.g., pro-rata allocation, rotational allocation, or other means) which is disclosed in Dias Wealth, LLC's Form ADV Part 2A.

***IPOs***

Initial public offerings ("IPOs") or new issues are offerings of securities which frequently are of limited size and limited availability. These offerings may trade at a premium above the initial offering price.

In the event Dias Wealth, LLC participates in any new issues, Dias Wealth, LLC's policy and practice is to allocate new issues shares fairly and equitably among our advisory clients according to a specific and consistent basis so as not to advantage any firm, personal or related account and so as not to favor or disfavor any client, or group of clients, over any other.

***Trade Errors***

As a fiduciary, Dias Wealth, LLC has the responsibility to effect orders correctly, promptly and in the best interests of our clients. In the event any error occurs in the handling of any client transactions, due to Dias Wealth, LLC's actions, or inaction, or actions of others, Dias Wealth, LLC's policy is to seek to identify and correct any errors as promptly as possible without disadvantaging the client or benefiting Dias Wealth, LLC's in any way.

If the error is the responsibility of Dias Wealth, LLC, any client transaction will be corrected and Dias Wealth, LLC will be responsible for any client loss resulting from an inaccurate or erroneous order.

Dias Wealth, LLC's policy and practice is to monitor and reconcile all trading activity, identify and resolve any trade errors promptly, document each trade error with appropriate supervisory approval and maintain a trade error file.

**Responsibility**

The CCO or his designee has the responsibility for the implementation and monitoring of our trading policies and practices, disclosures and recordkeeping for the firm.

**Procedure**

Dias Wealth, LLC has adopted various procedures to implement the firm's policy and conducts reviews to monitor and ensure the firm's trading policies are observed, implemented properly and amended or updated, which include the following:

- Trading reviews, reconciliations of any and all securities transactions for advisory clients.
- Periodic supervisory reviews of the firm’s trading practices.
- Periodic reviews of the firm's Form ADV, advisory agreements, and other materials for appropriate disclosures of the firm’s trading practices and any conflicts of interests.
- Designation of a Brokerage Committee, or other designated person, to review and monitor the firm’s trading practices.

# 28. Protecting Senior and Vulnerable Adult Clients

**Policy:**

The objective of these policies and procedures is to strengthen our infrastructure so that we can work with senior and vulnerable adult clients in an ethical, respectful, and informed manner. Our policies and procedures provide for heightened supervision and surveillance protecting senior and vulnerable adult clients, as well as steps to take when we suspect that a senior or vulnerable adult client is suffering from diminished capacity or being financially exploited.

**Background:**

In September of 2008, OCIE, FINRA, and NASAA collectively published a report, outlining practices that financial services firms can use to strengthen their policies and procedures for serving clients as they approach and enter retirement. The 2008 report describes new processes and procedures aimed at addressing common issues associated with interactions with senior clients that were implemented by some firms.

In August 2010, OCIE, FINRA, and NASAA published an addendum to update the 2008 report

on business practices regarding senior clients. The addendum includes feedback from firms that participated in the prior review and additional practices they may have implemented. The addendum focuses on specific, concrete steps that firms were taking or practices they had implemented since the prior review to identify and respond to issues that are common in working with senior clients. The addendum also includes other practices that staff identified in various industry publications. In addition, the addendum encourages financial services firms to strengthen their policies and procedures for serving senior clients as these clients approach and enter retirement.

In its recent National Senior Client Initiative report, the SEC has expressed concern that the combination of high levels of wealth and downward yield pressure on conservative income producing investments may create an environment conducive to the recommendation of more complex, and possibly unsuitable, securities to senior clients as a means of replacing that income stream. The commission is worried that after a lifetime of accumulated savings, senior clients may meet the financial and risk threshold requirements to invest in more complex financial securities and that broker-dealers may be recommending unsuitable transactions to these senior clients or may not be providing proper and understandable disclosures regarding the terms and related risks of those recommended securities, particularly non-traditional investments.

**Procedures:**

***Definitions:***

For the purposes of this policy, "senior" means an individual who is over the age of 65, and "vulnerable adult" means an individual who is 18 years of age or older who, due to a physical or mental impairment, is unable to protect himself or herself from abuse, neglect, or exploitation by others.

***Investment Decision-Making and Review:***

When we make an investment decision for or provide a recommendation to a senior or vulnerable adult client, we will do all of the following:

- Obtain detailed initial suitability information, including the client's risk tolerance, employment, income and the sources of that income, and liquidity needs.
- Conduct periodic calls or meetings with the client to determine whether there have been changes that would impact his or her account information, such as financial changes or changes to his or her investment objectives.
- Consider the use of financial planning tools that help the client plan for retirement or future care needs and anticipate his or her expenses, lifestyle changes, and goals.
- Conduct periodic supervisory interviews with our investment professionals to discuss the portfolios of their senior and vulnerable adult clients.
- Require special supervisory review of all new account forms that report investment objectives that are more aggressive than income for a senior or vulnerable adult client.

***Communications with Senior and Vulnerable Adult Clients:***

When communicating with our senior and vulnerable adult clients, we will do all of the following:

- Discuss the potential for future diminished capacity or financial exploitation and methods of addressing it, such as powers of attorney or advance directives. Encourage senior or vulnerable adult clients to, at a minimum, sign a written authorization allowing us to communicate with a designated trusted contact in the event of suspected diminished capacity or financial exploitation
- Document our conversations with the senior or vulnerable adult client, in case he or she has problems with lack of recall and to help resolve any misunderstanding.
- Send a follow-up letter to the senior or vulnerable adult client after each conversation to document and reiterate what was discussed.

- Avoid financial jargon, use plain language, and make larger font versions of marketing materials available.

***Identifying Suspected Diminished Capacity and Financial Exploitation:***
We provide our client-facing employees and their supervisors with information and training to allow them to identify signs of diminished capacity and financial exploitation of our senior or vulnerable adult clients. Signs of diminished capacity may include:

- Inability to process simple concepts, such as doing a simple math problem, understanding important aspects of his or her account, difficulty with checkbook management, or confusion and loss of general knowledge of basic financial terms and concepts.
- Erratic behavior.
- Exhibition of impaired judgment about investments or the use of money.

Signs that a senior or vulnerable adult client is being exploited financially may include:

- Uncharacteristic or repeated withdrawals or wire transfers from his or her account.
- The client appears with new or unknown associates, friends, or relatives.
- Uncharacteristic nervousness or anxiety when visiting our office or conducting telephonic transactions.
- Lack of knowledge regarding his or her financial status.
- Difficulty speaking directly with us without interference by others.
- Unexplained or unusual excitement about an unexplained or unusual windfall, and a reluctance to discuss the details.
- Sudden changes to financial documents, such as powers of attorney, account beneficiaries, wills, or trusts.
- Large, atypical withdrawals or account closings without regard to the penalties.

***Addressing Suspected Diminished Capacity and Financial Exploitation:***
If an employee suspects that a senior or vulnerable adult client is suffering from diminished capacity or is being financially exploited, the employee will immediately report his or her suspicion to Carlos Dias, who will document the report. We will also enhance our supervision of the senior or vulnerable adult client's account. Depending on the nature of the situation and whether the senior or vulnerable adult client has authorized us to discuss his or her financial information with a trusted contact or has executed a power of attorney or advance directive, we will contact any individual the senior or vulnerable adult client has authorized us to contact, with the exception of any individual who is suspected to be financially exploiting the senior or vulnerable adult client. If the senior or vulnerable adult client has not authorized us to discuss his or her financial information with a trusted contact or has not executed a power of attorney or advance directive, we will consult with legal counsel to determine the appropriate steps to take regarding the senior or vulnerable adult client's account.

While we are not required to report any suspected financial exploitation or abuse under state law, we will also report any suspected financial exploitation or abuse to Florida Adult Protective Services, (800) 962-2873. If we suspect that a senior or vulnerable adult client is being financially exploited, we may also delay disbursements from his or her account if permitted under state law. We will carefully monitor the timing of any delayed disbursements to ensure that they're not withheld longer than permissible under state law, and to reduce the risk of hardship to our senior or vulnerable adult client.