

# Ark Advisors, LLC

## Firm Brochure - Form ADV Part 2A

*This brochure provides information about the qualifications and business practices of Ark Advisors, LLC. If you have any questions about the contents of this brochure, please contact Patrick Vance, Chief Compliance Officer, via email at [patrick@arkadvisorsllc.com](mailto:patrick@arkadvisorsllc.com) or at (309) 661-2000. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.*

*Additional information about Ark Advisors, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Ark Advisors, LLC's CRD number is: 167456.*

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*Registration does not imply a certain level of skill or training.*

Version Date: January 1, 2024

## Item 2: Material Changes

This Brochure is amended and prepared pursuant to the SEC's requirements and rules. This Brochure contains material changes in content from our last annual amendment disclosure document dated January 9, 2023, and provides new and updated information in plain simple English. Ark Advisors, LLC has the following material changes to disclose:

Item 5 – Ark's fees have changed for new clients with less than \$250,000 in assets under management with Ark Advisors. Ark will charge a fee of 1.5% for new clients with less than \$250,000 in Assets under management with Ark Advisors, LLC. These fees will take effect January 1, 2024.

Item 12 – As of 9/5/2023 Ark has established a new custodial relationship with Charles Schwab. This change in custodian is the result of Charles Schwab purchasing TD Ameritrade Institutional. This change will not result in any changes to the advisory services provided to clients. Client accounts previously custodied with TD Ameritrade Institutional have been seamlessly transitioned to Charles Schwab, with no impact on account holdings or management.

Item 12 – As of 10/13/2023 Ark has established a new custodial relationship with Trade-PMR Inc. This change in custodian has been implemented to provide enhanced services and improve operational efficiency. This change will not result in any changes to the advisory services provided to clients. Client accounts previously custodied with Charles Schwab will have the opportunity to seamlessly transition to Trade-PMR Inc., with no impact on account holdings or management. Clients who choose this option will sign a new Ark Agreement and receive updated disclosures before any assets transition to new custodian. Existing clients will not be impacted until January 1, 2024.

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This Brochure is required to be delivered to you 48 hours before or at the time you hire us, as well as offered OR delivered to our existing clients on an annual basis, but not later than 120 days after the close of our fiscal year-end.

When there are material changes in our business activities or key personnel, this Brochure will be updated and automatically delivered to you; if there are only minor changes and no material changes to this Brochure, we will offer it to you annually. The annual offer or delivery upon your request is free of charge.

If you misplace this Brochure, contact us at (309) 661-2000 and another will be provided at no cost.

## Item 3: Table of Contents

<b>Item 2: Material Changes</b> .....	<b>i</b>
<b>Item 3: Table of Contents</b> .....	<b>ii</b>
<b>Item 4: Advisory Business</b> .....	<b>1</b>
<i>A. Description of the Advisory Firm</i> .....	1
<i>B. Types of Advisory Services</i> .....	1
Investment Supervisory Services .....	1
Financial Planning .....	1
Retirement Plan Services .....	2
Services Limited to Specific Types of Investments.....	7
<i>C. Client Tailored Services and Client Imposed Restrictions</i> .....	7
<i>D. Wrap Fee Programs</i> .....	7
<i>E. Amounts Under Management</i> .....	8
<b>Item 5: Fees and Compensation</b> .....	<b>8</b>
<i>A. Fee Schedule</i> .....	8
Investment Supervisory Services Fees .....	8
Financial Planning Fees .....	8
Fixed Fees.....	8
Retirement Plan Fees .....	9
<i>B. Payment of Fees</i> .....	9
Payment of Investment Supervisory Fees.....	9
Payment of Financial Planning Fees.....	9
<i>C. Clients Are Responsible For Third Party Fees</i> .....	10
<i>D. Prepayment of Fees</i> .....	10
<i>E. Outside Compensation for the Sale of Securities to Clients</i> .....	10
1. This is a Conflict of Interest .....	10
2. Clients Have the Option to Purchase Recommended Products From Other Brokers .....	10
3. Primary Source of Income .....	10
4. Advisory Fees in Addition to Commissions or Markups .....	10
<b>Item 6: Performance-Based Fees and Side-By-Side Management</b> .....	<b>11</b>
<b>Item 7: Types of Clients</b> .....	<b>11</b>
Minimum Account Size .....	11
<b>Item 8: Methods of Analysis, Investment Strategies, and Risk of Investment Loss</b> .....	<b>11</b>
<i>A. Methods of Analysis and Investment Strategies</i> .....	11
Methods of Analysis.....	11
Fundamental analysis.....	11
Investment Strategies .....	11

B. <i>Material Risks Involved</i> .....	12
Methods of Analysis.....	12
Fundamental analysis.....	12
Investment Strategies .....	12
C. <i>Risks of Specific Securities Utilized</i> .....	12
<b>Item 9: Disciplinary Information .....</b>	<b>13</b>
A. <i>Criminal or Civil Actions</i> .....	13
B. <i>Administrative Proceedings</i> .....	13
C. <i>Self-regulatory Organization (SRO) Proceedings</i> .....	13
<b>Item 10: Other Financial Industry Activities and Affiliations .....</b>	<b>13</b>
A. <i>Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor</i> .....	13
B. <i>Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests</i> .....	14
C. <i>Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections</i> .....	14
<b>Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .....</b>	<b>14</b>
A. <i>Code of Ethics</i> .....	14
B. <i>Recommendations Involving Material Financial Interests</i> .....	14
C. <i>Investing Personal Money in the Same Securities as Clients</i> .....	15
D. <i>Trading Securities At/Around the Same Time as Clients' Securities</i> .....	15
<b>Item 12: Brokerage Practices .....</b>	<b>15</b>
A. <i>Factors Used to Select Custodians and/or Broker/Dealers</i> .....	15
1. <i>Research and Other Soft-Dollar Benefits</i> .....	16
2. <i>Brokerage for Client Referrals</i> .....	16
3. <i>Clients Directing Which Broker/Dealer/Custodian to Use</i> .....	16
B. <i>Aggregating (Block) Trading for Multiple Client Accounts</i> .....	17
<b>Item 13: Reviews of Accounts .....</b>	<b>17</b>
A. <i>Frequency and Nature of Periodic Reviews and Who Makes Those Reviews</i> .....	17
B. <i>Factors That Will Trigger a Non-Periodic Review of Client Accounts</i> .....	17
C. <i>Content and Frequency of Regular Reports Provided to Clients</i> .....	17
<b>Item 14: Client Referrals and Other Compensation.....</b>	<b>17</b>
A. <i>Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)</i> 18	
B. <i>Compensation to Non – Advisory Personnel for Client Referrals</i> .....	18
<b>Item 15: Custody .....</b>	<b>18</b>
<b>Item 16: Investment Discretion .....</b>	<b>18</b>
<b>Item 17: Voting Client Securities (Proxy Voting) .....</b>	<b>18</b>

<b>Item 18: Financial Information .....</b>	<b>19</b>
A. <i>Balance Sheet .....</i>	<i>19</i>
B. <i>Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients .....</i>	<i>19</i>
C. <i>Bankruptcy Petitions in Previous Ten Years .....</i>	<i>19</i>
<b>Item 19: Requirements For State Registered Advisers .....</b>	<b>19</b>
A. <i>Principal Executive Officers and Management Persons; Their Formal Education and Business Background .....</i>	<i>19</i>
B. <i>Other Businesses in Which This Advisory Firm or its Personnel are Engaged and Time Spent on Those (If Any) .....</i>	<i>19</i>
C. <i>How Performance-based Fees are Calculated and Degree of Risk to Clients .....</i>	<i>19</i>
D. <i>Material Disciplinary Disclosures for Management Persons of this Firm .....</i>	<i>20</i>
E. <i>Material Relationships That Management Persons Have With Issuers of Securities (If Any) .....</i>	<i>20</i>

## Item 4: Advisory Business

### A. Description of the Advisory Firm

Ark Advisors, LLC is a Limited Liability Company organized in the state of Illinois. The firm was formed in March of 2013, and the principal owners are Patrick Andrew Vance and Brad Richard Metz.

### B. Types of Advisory Services

Ark Advisors, LLC (hereinafter "Ark") offers the following services to advisory clients:

#### ***Investment Supervisory Services***

Ark offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. Ark creates an Investment Policy Statement for each client, which outlines the client's current situation (income, tax levels, and risk tolerance levels) and then constructs a plan to aid in the selection of a portfolio that matches each client's specific situation. Investment Supervisory Services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment policy
- Asset selection
- Regular portfolio monitoring

Ark evaluates the current investments of each client with respect to their financial goals, time horizon, other financial assets, and risk tolerance levels. Ark will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

#### ***Financial Planning***

Financial plans and financial planning may include, but are not limited to: investment planning, insurance planning; retirement planning; college planning; cash flow planning, tax planning with respect to brokerage/retirement accounts, and high level estate planning. For tax and estate planning, we emphasize that we are not tax professionals or attorneys and clients should consult these professionals. These services are based on fixed fees and the final fee structure is documented in Exhibit II of the Financial Planning Agreement.

## ***Retirement Plan Services***

Ark offers retirement plan services to retirement plan sponsors and to individual participants in the retirement plans with Ark. For a corporate sponsor of a retirement plan, our retirement plan services can include, but are not limited to, the following services:

### Fiduciary Consulting Services

- Investment Policy Statement Preparation. Ark will help client develop an investment policy statement. The investment policy statement establishes the investment policies and objectives for the Plan. Client will have the ultimate responsibility and authority to establish such policies and objectives and to adopt and amend the investment policy statement.
- Non-Discretionary Investment Advice. Ark will provide client with general, non-discretionary investment advice regarding assets classes and investment options, consistent with the Plan's investment policy statement.
- Investment Selection Services. Ark will provide client with recommendations of investment options consistent with ERISA section 404(c).
- Investment Due Diligence Review. Ark will provide client with periodic due diligence reviews of the Plan's reports, investment options and recommendations.
- Investment Monitoring. Ark will assist in monitoring investment options by preparing periodic investment reports that document investment performance, consistency of fund management and conformation to the guidelines set forth in the investment policy statement and Ark will make recommendations to maintain or remove and replace investment options.
- Default Investment Alternative Advice. Ark will provide client with non-discretionary investment advice to assist client with the development of qualified default investment alternative(s) ("QDIA"), as defined in DOL Reg. Section 2550.404c-5(e)(4)(i), for participants who are automatically enrolled in the Plan or who otherwise fail to make an investment election. Client will retain the sole responsibility to provide all notices to participants required under ERISA section 404(c)(5).
- Individualized Participant Advice. Upon request, Ark will provide one-on-one advice to Plan participants regarding their individual situations.

For Fiduciary Consulting Services, all recommendations of investment options and portfolios will be submitted to client for ultimate approval or rejection. For retirement plan Fiduciary Consulting Services, the retirement plan sponsor client or the plan participant who elects to implement any recommendations made by Ark is solely responsible for implementing all transactions.

Fiduciary Consulting Services are not management services, and Ark does not serve as administrator or trustee of the plan. Ark does not act as custodian for any client account or have access to client funds or securities (with the exception of, some accounts, having written authorization from the client to deduct our fees).

Ark acknowledges that in performing the Fiduciary Consulting Services listed above that it is acting as a "fiduciary" as such term is defined under Section 3(21)(A)(ii) of Employee Retirement Income Security Act of 1974 ("ERISA") for purposes of providing non-discretionary investment advice only. Ark will act in a manner consistent with the requirements of a fiduciary under ERISA if, based upon the facts and circumstances, such services cause Ark to be a fiduciary as a matter of law. However, in providing the Fiduciary Consulting Services, Ark (a) has no responsibility and will not (i) exercise any discretionary authority or discretionary control respecting management of Client's retirement plan, (ii) exercise any authority or control respecting management or disposition of assets of Client's retirement plan, or (iii) have any discretionary authority or discretionary responsibility in the administration of Client's retirement plan or the interpretation of Client's retirement plan documents, (b) is not an "investment manager" as defined in Section 3(38) of ERISA and does not have the power to manage, acquire or dispose of any plan assets, and (c) is not the "Administrator" of Client's retirement plan as defined in ERISA.

#### Non-Fiduciary Services

Although an investment adviser is considered a fiduciary under the Investment Advisers Act of 1940 and required to meet the fiduciary duties as defined by the Advisers Act, the services listed here as non-fiduciary should not be considered fiduciary services for the purposes of ERISA since Ark is not acting as a fiduciary to the Plan as the term "fiduciary" is defined in Section 3(21)(A)(ii) of ERISA. The exact suite of services provided to a client will be listed and detailed in the Ark Advisors, LLC Retirement Plan Services Agreement.

Ark offers clients the following Non-Fiduciary Retirement Plan Consulting Services upon request:

- Participant Education. Ark will provide education services to Plan participants about general investment principles and the investment alternatives available under the Plan. Ark's assistance in participant investment education will be



consistent with and within the scope of DOL Interpretive Bulletin 96-1. Education presentations will not take into account the individual circumstances of each participant and individual recommendations will not be provided unless otherwise agreed upon. Plan participants are responsible for implementing transactions in their own accounts.

- Participant Enrollment. Ark will assist client with group enrollment meetings designed to increase retirement plan participation among employees and investment and financial understanding by the employees.
- Qualified Plan Development. Ark will assist client with the establishment of a qualified plan by working with client and a selected Third-Party Administrator. If client has not already selected a Third-Party Administrator, Ark shall assist client with the review and selection of a Third-Party Administrator for the Plan.
- Due Diligence Review. Ark will provide client with periodic due diligence reviews of the Plan's fees and expenses and the Plan's service providers.

Ark can also meet with individual participants to discuss their specific investment risk tolerance, investment time frame and investment selections.

Securities and other types of investments all bear different types and levels of risk. Those risks are typically discussed with clients in defining the investment policies and objectives that will guide investment decisions for their qualified plan accounts. Upon request, as part of our retirement plan services, Ark can discuss those investments and investment strategies that Ark believes may tend to reduce these risks for a particular client's circumstances and plan participants.

Clients and plan participants must realize that obtaining higher rates of return on investments entails accepting higher levels of risk. Based upon discussions with the client, Ark will attempt to identify the balance of risks and rewards that is appropriate and comfortable for the client and other employees. It is still the clients' responsibility to ask questions if the client does not fully understand the risks associated with any investment. All plan participants are strongly encouraged to read prospectuses, when applicable, and ask questions prior to investing.

Ark strives to render its best judgment for clients. Still, Ark cannot assure that investments will be profitable or assure that no losses will occur in client portfolios. Past performance is an important consideration with respect to any investment or investment advisor, but it is not necessarily an accurate predictor of future performance.

Ark will disclose, to the extent required by ERISA Regulation Section 2550.408b-2(c), any change to the information that Ark is required to disclose under ERISA Regulation Section 2550.408b-2(c)(1)(iv) as soon as practicable, but no later than sixty (60) days from the date on which Ark is informed of the change (unless such disclosure is precluded due to extraordinary circumstances beyond our control, in which case the information will be disclosed as soon as practicable).

In accordance with ERISA Regulation Section 2550.408b-2(c)(vi)(A), Ark will disclose within thirty (30) days following receipt of a written request from the responsible plan fiduciary or Plan Administrator (unless such disclosure is precluded due to extraordinary circumstances beyond our control, in which case the information will be disclosed as soon as practicable) all information related to the Qualified Retirement Plan Agreement and any compensation or fees received in connection with the Agreement that is required for the Plan to comply with the reporting and disclosure requirements of Title 1 of ERISA and the regulations, forms and schedules issued thereunder.

If Ark makes an unintentional error or omission in disclosing the information required under ERISA Regulation Section 2550.408b-2(c)(1)(iv) or (vi), Ark will disclose to client the correct information as soon as practicable, but no later than thirty (30) days from the date on which Ark learns of such error or omission.

#### ERISA Rollovers and Transfers PTE 2020-02

When Ark provides investment advice about your retirement plan account or individual retirement account ("IRA") including whether to maintain investments and/or proceeds in the retirement plan account, roll over such investment/proceeds from the retirement plan account to a IRA or make a distribution from the retirement plan account, we acknowledge that Ark is a "**fiduciary**" within the meaning of Title I of the Employee Retirement Income Security Act ("ERISA") and/or the Internal Revenue Code ("IRC") as applicable, which are laws governing retirement accounts. The way Ark makes money creates conflicts with your interests so Ark operates under a special rule that requires Ark to act in your best interest and not put our interest ahead of you.

Under this special rule's provisions, Ark must act as a fiduciary to a retirement plan account or IRA under ERISA/IRC:

- Meet a professional standard of care when making investment recommendations (e.g., give prudent advice);
- Never put the financial interests of Ark ahead of you when making recommendations (e.g., give loyal advice);

- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that Ark gives advice that is in your best interest;
- Charge no more than is reasonable for the services of Ark; and
- Give Client basic information about conflicts of interest.

To the extent we recommend you roll over your account from a current retirement plan account to an individual retirement account managed by Ark, please know that Ark and our investment adviser representatives] have a conflict of interest.

We can earn increased investment advisory fees by recommending that you roll over your account at the retirement plan to an IRA managed by Ark. We will earn fewer investment advisory fees if you do not roll over the funds in the retirement plan to an IRA managed by Ark.

Thus, our investment adviser representatives have an economic incentive to recommend a rollover of funds from a retirement plan to an IRA which is a conflict of interest because our recommendation that you open an IRA account to be managed by our firm can be based on our economic incentive and not based exclusively on whether or not moving the IRA to our management program is in your overall best interest.

We have taken steps to manage this conflict of interest. We have adopted an impartial conduct standard whereby our investment adviser representatives will (i) provide investment advice to a retirement plan participant regarding a rollover of funds from the retirement plan in accordance with the fiduciary status described below, (ii) not recommend investments which result in Ark receiving unreasonable compensation related to the rollover of funds from the retirement plan to an IRA, and (iii) fully disclose compensation received by Ark and our supervised persons and any material conflicts of interest related to recommending the rollover of funds from the retirement plan to an IRA and refrain from making any materially misleading statements regarding such rollover.

When providing advice to you regarding a retirement plan account or IRA, our investment advisor representatives will act with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity

and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims, based on the investment objectives, risk, tolerance, financial circumstances, and a client's needs, without regard to the financial or other interests of Ark or our affiliated personnel.

### ***Services Limited to Specific Types of Investments***

Ark generally limits its investment advice and/or money management to mutual funds, equities, bonds, fixed income, debt securities, ETFs, REITs, and insurance products including annuities. Ark may use other securities as well to help diversify a portfolio when applicable.

Ark offers ongoing advisement for clients regarding 529 college savings plans. When providing these services, we review your financial situation, goals and objectives as well as the investment options available in the 529 plan. Ark will review your 529 plan account at agreed upon intervals and will make such recommendations from the list of available investment options in your 529 account as are deemed appropriate and consistent with your stated investment objectives and risk tolerance. 529 college savings plans limit how often an account owner can reallocate existing assets within a 529 college savings plan account. This service is included with our Investment Supervisory Services and/or our Financial Planning Services at no additional charge. Ark will have investment discretion or trading authority over your 529 plan account as stated in your advisory agreement with Ark.

### **C. Client Tailored Services and Client Imposed Restrictions**

Ark offers the same suite of services to all of its clients. However, specific client financial plans and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches each client's needs and targets.

Clients may not impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs.

### **D. Wrap Fee Programs**

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and any other administrative fees. Ark does not participate in any wrap fee programs.

## E. Amounts Under Management

Ark Advisors, LLC has \$98,034,821 in discretionary assets under management and \$11,444,635 in non-discretionary assets under management for a total of \$109,479,456 in assets under management as of 10/31/2023.

## Item 5: Fees and Compensation

### A. Fee Schedule

#### *Investment Supervisory Services Fees*

Total AUM < \$250,000	Annual Fee
\$0-250,000	1.50%

Total Assets Under Management	Annual Fee
First \$1,000,000	1.00%
\$1,000,001 - \$3,000,000	0.50%
Above \$3,000,001	0.25%

These fees are negotiable depending upon the needs of the client and complexity of the situation and the final fee schedule is attached as Exhibit I of the Investment Advisory Contract. Fees are paid monthly or quarterly in arrears depending on the custodian, and clients may terminate their contracts with written notice. Because fees are charged in arrears, no refund policy is necessary. Clients may terminate their accounts without penalty within 5 business days of signing the advisory contract. Advisory fees are withdrawn directly from the client's accounts with client written authorization.

#### *Financial Planning Fees*

##### *Fixed Fees*

Depending upon the complexity of the situation and the needs of the client, the rate for creating client financial plans is between \$500 and \$10,000. Fees are paid in advance, but never more than six months in advance. Fees that are charged in advance will be refunded

based on the prorated amount of work completed at the point of termination. The fees are negotiable, and the final fee schedule will be attached as Exhibit I of the Financial Planning Agreement. Clients may terminate their contracts without penalty within five business days of signing the advisory contract.

### ***Retirement Plan Fees***

For retirement plan clients, Ark will charge a fixed annual fee. This fee is negotiable based upon the complexity of the plan, the size of the plan assets, the actual services requested and the potential for additional deposits.

Ark will typically charge an annual fixed fee of .50% - 1.00%. The exact amount of the fixed fee will be specified in the retirement plan agreement with Ark.

For individual participants, Ark does not charge a fee for its services. It would be included in the services provided to the retirement plan, if requested.

Either party may terminate services by providing written notice of termination to the other party. If services are terminated within five business days of signing the client agreement, services are terminated without penalty.

Ark does not reasonably expect to receive any other compensation, direct or indirect, for its services. If Ark receives any other compensation for such services, Ark will (i) offset that compensation against our stated fees, and (ii) will disclose the amount of such compensation, the services rendered for such compensation and the payer of such compensation to client.

## **B. Payment of Fees**

### ***Payment of Investment Supervisory Fees***

Advisory fees are withdrawn directly from the client's accounts with client written authorization. Fees are paid monthly or quarterly in arrears depending on the custodian. Advisory fees may also be invoiced and billed directly to the client monthly in arrears. Clients may select the method in which they are billed.

### ***Payment of Financial Planning Fees***

Fixed Financial Planning fees are paid via check in advance, but never more than six months in advance. Fees that are charged in advance will be refunded based on the prorated amount of work completed at the point of termination.

## **C. Clients Are Responsible For Third Party Fees**

Clients are responsible for the payment of all third-party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by Ark. Please see Item 12 of this brochure regarding broker/custodian.

## **D. Prepayment of Fees**

Ark collects fees in advance and in arrears. Fees will be returned within fourteen days to the client via mailed check. Fixed financial planning fees that are collected in advance will be refunded based on the prorated amount of work completed at the point of termination.

## **E. Outside Compensation for the Sale of Securities to Clients**

Patrick Andrew Vance and Brad Richard Metz in their role as insurance agents will receive compensation for the sale of insurance products to Ark clients.

### ***1. This is a Conflict of Interest***

The supervised persons will accept compensation for the sale of insurance products. This presents a conflict of interest and gives the supervised person an incentive to recommend products based on the compensation received rather than on the client's needs. When recommending the sale of insurance products for which the supervised persons receives compensation, they will document the conflict of interest in the client file and inform the client of the conflict of interest.

### ***2. Clients Have the Option to Purchase Recommended Products From Other Brokers***

Clients always have the option to purchase Ark recommended products through other brokers or agents that are not affiliated with Ark.

### ***3. Primary Source of Income***

Commissions are not Ark's primary source of compensation.

### ***4. Advisory Fees in Addition to Commissions or Markups***

Advisory fees that are charged to clients are not reduced to offset the commissions on insurance products recommended to clients.

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

Ark does not accept performance-based fees or other fees based on a share of capital gains or capital appreciation of the assets of a client.

## Item 7: Types of Clients

Ark generally provides investment advice and/or management supervisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Pension and Profit Sharing Plans
- ❖ Charitable Organizations

### ***Minimum Account Size***

There is no account minimum.

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

### **A. Methods of Analysis and Investment Strategies**

#### ***Methods of Analysis***

Ark's methods of analysis include fundamental analysis.

**Fundamental analysis** involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

#### ***Investment Strategies***

Ark uses long term trading, short term trading.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**



## B. Material Risks Involved

### *Methods of Analysis*

**Fundamental analysis** concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

### *Investment Strategies*

Long term trading is designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## C. Risks of Specific Securities Utilized

Ark generally seeks investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international equity markets. The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) are not guaranteed or insured by the FDIC or any other government agency.

**Mutual Funds:** Investing in mutual funds carries the risk of capital loss and thus you can lose money investing in mutual funds. All mutual funds have costs that lower investment returns. They can be of bond "fixed income" nature (lower risk) or stock "equity" nature (mentioned above).

**Equity** investment generally refers to buying shares of stocks by an individual or firms in return for receiving a future payment of dividends and capital gains if the value of the stock increases. There is an innate risk involved when purchasing a stock that it can decrease in value and the investment will incur a loss.

**Treasury Inflation Protected/Inflation Linked Bonds:** The Risk of default on these bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal.

**Fixed Income** is an investment that guarantees fixed periodic payments in the future that can involve economic risks such as inflationary risk, interest rate risk, default risk, repayment of principal risk, etc.

**Stocks & Exchange Traded Funds (ETF):** Investing in stocks & ETF's carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy).

**REITs** have specific risks including valuation due to cash flows, dividends paid in stock rather than cash, and the payment of debt resulting in dilution of shares.

**Precious Metal ETFs** (Gold, Silver, Palladium Bullion backed "electronic shares" not physical metal): Investing in precious metal ETFs carries the risk of capital loss.

**Long term trading** is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various other types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

**Past performance is not a guarantee of future returns. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## Item 9: Disciplinary Information

### A. Criminal or Civil Actions

There are no criminal or civil actions to report.

### B. Administrative Proceedings

There are no administrative proceedings to report.

### C. Self-regulatory Organization (SRO) Proceedings

There are no self-regulatory organization proceedings to report.

## Item 10: Other Financial Industry Activities and Affiliations

### A. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

Neither Ark nor its representatives are registered as or have pending applications to become a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor.

## **B. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

Patrick Andrew Vance and Brad Richard Metz are licensed insurance agents. From time to time, they may offer clients advice or products from this activity. Clients should be aware that these services pay a commission and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. Ark always acts in the best interest of the client, including with respect to the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any investment advisor representative of Ark in such individual's outside capacities.

## **C. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections**

Ark does not utilize nor select other advisers or third-party managers. All assets are managed by Ark management.

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

## **A. Code of Ethics**

Ark has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Our Code of Ethics is available free upon request to any client or prospective client.

## **B. Recommendations Involving Material Financial Interests**

Ark does not recommend that clients buy or sell any security in which a related person to Ark or Ark has a material financial interest.

### **C. Investing Personal Money in the Same Securities as Clients**

From time to time, representatives of Ark may buy or sell securities for themselves that they also recommend to clients. This provides an opportunity for representatives of Ark to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions create a conflict of interest. Ark will always document any transactions that could be construed as conflicts of interest and will always transact client business before their own when similar securities are being bought or sold.

### **D. Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, representatives of Ark can buy or sell securities for themselves at or around the same time as clients. This provides an opportunity for representatives of Ark to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions create a conflict of interest. Ark will always transact client's transactions before its own when similar securities are being bought or sold.

## **Item 12: Brokerage Practices**

### **A. Factors Used to Select Custodians and/or Broker/Dealers**

Ark has established relationships with several qualified custodians. The type of advisory services provided to you by Ark will determine the qualified custodian of your account. Ark does not receive any compensation, directly or indirectly, from any qualified custodian. Your qualified custodian may charge a separate fee for the custody services it provides to your account. The terms and fees of the custody services will be included in the agreement between the client and custodian.

Current Custodians:

1. Charles Schwab & Co., Inc. Member FINRA/SIPC
2. Trade-PMR, Inc. Member FINRA/SIPC
3. American Fund Distributors, Inc. Member FINRA/SIPC
  - a. DBA Capital Group
4. Nationwide Securities, LLC. Member FINRA/SIPC

Factors Used when selecting Custodians:

1. **Security and Custody Services:** The custodian should provide secure storage and custody services for the firm's clients' assets, including stocks, bonds, mutual funds, ETFs, and/or other financial instruments.
2. **Financial Stability:** The financial stability and reputation of the custodian.
3. **Regulatory Compliance:** The custodian must comply with relevant regulations. This helps Ark maintain compliance with industry standards and protect our clients' interests.
4. **Technology and Reporting Capabilities:** The custodian's technology platform and reporting capabilities are important for seamless integration with Ark's systems. Efficient reporting and technology support contribute to streamlined operations.
5. **Transaction Execution and Settlement:** The ability of the custodian to execute trades efficiently and settle transactions in a timely manner is crucial.
6. **Costs and Fees:** The fee structure of the custodian, including transaction costs and custody fees, is a significant consideration.
7. **Range of Investment Options:** The custodian should offer a broad range of investment options, including various asset classes and investment vehicles.
8. **Customer Service and Support:** Responsive and reliable customer service is essential. The custodian should provide support for any operational issues or client inquiries promptly.
9. **Integration with Portfolio Management Systems:** Seamless integration with Ark's portfolio management systems is critical for efficient operations and accurate reporting.

Ark will never charge a premium or commission on transactions, beyond the actual cost imposed by the custodian.

### ***1. Research and Other Soft-Dollar Benefits***

Ark receives no research, product, or services other than execution from a broker-dealer or third-party in connection with client securities transactions ("soft dollar benefits").

### ***2. Brokerage for Client Referrals***

Ark receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

### ***3. Clients Directing Which Broker/Dealer/Custodian to Use***

Ark will require clients to use a specific broker-dealer to execute transactions.

## **B. Aggregating (Block) Trading for Multiple Client Accounts**

Ark maintains the ability to block trade purchases across accounts. Block trading may benefit a large group of clients by providing Ark the ability to purchase larger blocks resulting in smaller transaction costs to the client. Declining to block trade can cause more expensive trades for clients.

## **Item 13: Reviews of Accounts**

### **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

Client accounts are reviewed at least quarterly only by Patrick Andrew Vance and Brad Richard Metz, Managing Members. Patrick Andrew Vance and Brad Richard Metz are the chief advisors and are instructed to review clients' accounts with regard to clients' respective investment policies and risk tolerance levels. All accounts at Ark are assigned to these reviewers.

All financial planning accounts are reviewed upon financial plan creation and plan delivery by Patrick Andrew Vance and Brad Richard Metz, Managing Members. There is only one level of review and that is the total review conducted to create the financial plan.

### **B. Factors That Will Trigger a Non-Periodic Review of Client Accounts**

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

### **C. Content and Frequency of Regular Reports Provided to Clients**

Each client will receive at least quarterly from the custodian, a written report/statement that details the client's account including assets held and asset value which will come from the custodian.

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

## **A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)**

Ark does not receive any economic benefit, directly or indirectly from any third party for advice rendered to Ark clients.

## **B. Compensation to Non – Advisory Personnel for Client Referrals**

Ark does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

### **Item 15: Custody**

Ark, with client written authority, has limited custody of client’s assets through direct fee deduction of Ark’s fees only. If the client chooses to be billed directly by a custodian (see section 12), Ark would have constructive custody over that account and must have written authorization from the client to do so. Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy.

### **Item 16: Investment Discretion**

For those client accounts where Ark will have investment discretion, the client has given Ark written discretionary authority over the client’s accounts with respect to securities to be bought or sold and the amount of securities to be bought or sold. Details of this relationship are fully disclosed to the client before any advisory relationship has commenced. The client provides Ark discretionary authority via a discretionary investment management clause in the Investment Advisory Agreement and/or a limited power of attorney clause in the contract between the client and the custodian.

Retirement plan services are provided on a non-discretionary basis only. See Item 4 – *Advisory Business* – for additional information.

### **Item 17: Voting Client Securities (Proxy Voting)**

Ark will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

## Item 18: Financial Information

### A. Balance Sheet

Ark does not require nor solicit prepayment of more than \$500 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

### B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients

Neither Ark nor its management have any financial conditions that are likely to reasonably impair our ability to meet contractual commitments to clients.

### C. Bankruptcy Petitions in Previous Ten Years

Ark has not been the subject of a bankruptcy petition in the last ten years.

## Item 19: Requirements For State Registered Advisers

### A. Principal Executive Officers and Management Persons; Their Formal Education and Business Background

Ark currently has two management persons/executive officers: Patrick Andrew Vance and Brad Richard Metz. Patrick Andrew Vance and Brad Richard Metz's education and business background can be found on the Supplemental ADV Part 2B form.

### B. Other Businesses in Which This Advisory Firm or its Personnel are Engaged and Time Spent on Those (If Any)

Patrick Andrew Vance and Brad Richard Metz's other business activities can be found on the Supplemental ADV Part 2B form.

### C. How Performance-based Fees are Calculated and Degree of Risk to Clients

Ark does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.



#### **D. Material Disciplinary Disclosures for Management Persons of this Firm**

No management person at Ark or Ark has been involved in an arbitration claim or been found liable in a civil, self-regulatory organization, or administrative proceeding that is material to the client's evaluation of the firm or its management.

#### **E. Material Relationships That Management Persons Have With Issuers of Securities (If Any)**

Neither Ark, nor its management persons, has any relationship or arrangement with issuers of securities.