



Form ADV Part 2A Firm Brochure

Item 1 – Cover Page

**Sequoia Wealth, LLC doing business as
Sequoia Wealth Advisors and Sequoia Wealth Management**

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Palm Springs, CA 92262
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www.SequoiaWealth.com

Date of Firm Brochure: January 2018

This firm brochure provides information about the qualifications and business practices of Sequoia Wealth, LLC (also referred to as “we”, “us” and “Sequoia Wealth” throughout this firm brochure). If you have any questions about the contents of this firm brochure, please contact Craig Ferree at 760-282-8015 or [craig @sequoiawealth .com](mailto:craig@sequoiawealth.com). The information in this firm brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Sequoia Wealth is also available on the Internet at www.adviserinfo.sec.gov. You can view our firm’s information on this website by searching for Sequoia Wealth, LLC or our firm’s CRD number 170044.

*Registration as an investment adviser does not imply a certain level of skill or training.

Item 2 – Material Changes

Since our firm's annual firm brochure was submitted in March 2017, we have not made any changes to our brochure.

We will ensure that you receive a summary of any material changes to this and subsequent firm brochures within 120 days after our firm's fiscal year ends. Our firm's fiscal year ends on December 31, so you will receive the summary of material changes no later than April 30 each year. At that time we will also offer or provide a copy of the most current firm brochure. We may also provide other ongoing disclosure information about material changes as necessary.

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Item 4 – Advisory Business

Sequoia Wealth, LLC, also doing business under the names Sequoia Wealth Advisors and Sequoia Wealth Management, is an investment adviser registered with the State of California Department of Business Oversight and is a limited liability company (LLC) formed under the laws of the State of California.

- Craig Ferree is the Chief Compliance Officer (CCO) and Managing Member of Sequoia Wealth. Craig Ferree controls 100.00% of Sequoia Wealth. Full details of his education and business background are provided at *Item 19* of this Firm Brochure.
- Sequoia Wealth was formed in December 2013 and was registered as an investment adviser in January 2014.

Per the requirements of CCR Section 260.238(k), Sequoia Wealth has fully disclosed within this firm brochure all material conflicts of interest regarding Sequoia Wealth, its representatives or any of its employees that could reasonably be expected to impair the rendering of unbiased and objective advice.

Introduction

The investment advisory services of Sequoia Wealth are provided to you through an appropriately licensed and qualified individual who is an investment adviser representative of Sequoia Wealth (referred to as your investment adviser representative throughout this brochure).

Description of Advisory Services

The following are descriptions of the primary advisory services of Sequoia Wealth. Please understand that a written agreement, which details the exact terms of the service, must be signed by you and Sequoia Wealth before we can provide you the services described below.

Asset Management Services – Sequoia Wealth offers asset management services, which involves Sequoia Wealth providing you with continuous and ongoing supervision over your specified accounts.

You must appoint our firm as your investment adviser of record on specified accounts (collectively, the “Account”). The Account consists only of separate account(s) held by qualified custodian(s) under your name. The qualified custodians maintain physical custody of all funds and securities of the Account, and you retain all rights of ownership (e.g., right to withdraw securities or cash, exercise or delegate proxy voting and receive transaction confirmations) of the Account.

The Account is managed by us based on your financial situation, investment objectives and risk tolerance. We actively monitor the Account and provide advice regarding buying, selling, reinvesting or holding securities, cash or other investments of the Account.

We will need to obtain certain information from you to determine your financial situation and investment objectives. You will be responsible for notifying us of any updates regarding your financial situation, risk tolerance or investment objective and whether you wish to impose or modify existing investment restrictions; however we will contact you at least annually to discuss any changes or updates regarding your financial situation, risk tolerance or investment objectives. We are always reasonably available to consult with you relative to the status of your Account. You have the ability to impose reasonable restrictions on the management of your accounts, including the ability to instruct us not to purchase certain securities.

It is important that you understand that we manage investments for other clients and may give them advice or take actions for them or for our personal accounts that is different from the advice we provide to you or actions taken for you. We are not obligated to buy, sell or recommend to you any security or other investment that we may buy, sell or recommend for any other clients or for our own accounts.

Conflicts may arise in the allocation of investment opportunities among accounts that we manage. We strive to allocate investment opportunities believed to be appropriate for your account(s) and other accounts advised by our firm among such accounts equitably and consistent with the best interests of all accounts involved. However, there can be no assurance that a particular investment opportunity that comes to our attention will be allocated in any particular manner. If we obtain material, non-public information about a security or its issuer that we may not lawfully use or disclose, we have absolutely no obligation to disclose the information to any client or use it for any client's benefit.

Managed Account Select and Managed Account Access

We have established a relationship with Charles Schwab & Company, Inc. (Schwab) to participate in their Managed Account Select and Managed Account Access Programs (the "Schwab Programs"). The Schwab Programs are generally recommended to clients seeking managed accounts comprised primarily of equity securities.

Both Schwab Programs are wrap-fee programs developed by Schwab that provide clients with the opportunity to establish separate account portfolios and unified managed account portfolios investing in equities developed by third party money managers that are registered as investment advisors (collectively referred to as money managers). Money managers available through the Schwab Programs are evaluated and monitored by Charles Schwab Investment Advisory, Inc., an affiliated investment advisor of Schwab. Money managers selected by Sequoia Wealth through the Schwab Programs are not affiliated with Sequoia Wealth or Schwab and are considered, unaffiliated third party money managers.

Through The Schwab Programs, we act as referral parties when recommending money managers available through the Schwab Programs. We will help you determine your investment objectives and asset allocation, and which money managers and strategies to select for your accounts in the Schwab Programs. We are also responsible for ongoing monitoring and review of each money manager's performance, your asset allocation and your investment objectives. In addition to the due diligence conducted by Charles Schwab Investment Advisory, Inc., money managers must pass our own, internal due diligence before we will recommend a money manager to a client.

Your portfolios held in accounts established through the Schwab Programs will be managed by the selected money managers. Therefore, selected money managers will have limited discretionary authority with respect to the purchase and sale of securities in mutual fund portfolios, separate account portfolios and unified managed account portfolios. Discretionary authority permits the money managers to make changes to your account(s) without your prior approval before each trade. Although money managers will be responsible for making all investment decisions and you may contact them directly, we will be available to answer questions you may have regarding your account and act as the communication conduit between the client and the money manager.

The decision to hire, remove or replace a money manager is always made on a non-discretionary basis. This means we will consult with you prior to adding or removing money managers. You will have the ultimate decision and must provide your approval to select or remove a money manager. When the decision to remove or add a money manager is finalized, we will contact Schwab to implement the change.

We only select the money managers approved by Charles Schwab Investment Advisory, Inc. and thus available on the Schwab Programs platform. Therefore, we may have a conflict of interest in that we will

not recommend third-party money managers to clients if the money manager is not available through the Schwab Programs platform. Subsequently, you are advised that there may be other third-party investment advisory programs not recommended by our firm that are suitable for you and may be more or less costly than arrangements recommended by our firm.

Sequoia Wealth does not refer a client to the Schwab Programs unless Charles Schwab and the money manager(s) are registered or are exempt from registration as required in the client's state of residence.

Clients establishing Schwab Programs accounts will receive the Charles Schwab Managed Account Services for Clients of Investment Advisers Disclosure Brochure in addition to the selected sub-adviser(s)'s Disclosure Brochure.

Financial Planning & Consulting Services - Sequoia Wealth offers financial planning services, which involve preparing a written financial plan covering specific or multiple topics. We provide full written financial plans, which typically address the following topics:

- Investment Planning,
- Retirement Planning,
- Insurance Planning,
- Tax Planning,
- Estate Planning,
- Education Planning,
- Portfolio(s) Review, and
- Asset Allocation.

When providing financial planning and consulting services, the role of your investment adviser representative is to find ways to help you understand your overall financial situation and help you set financial objectives. We also provide modular written financial plans which only cover those specific areas of concern mutually agreed upon by you and us. A modular written financial plan is limited or segmented and does not involve the creation of a full written financial plan. You should be aware that there are important issues that may not be taken into consideration when your investment adviser representative develops his or her analysis and recommendations under a modular written financial plan. Written financial plans prepared by us do not include specific recommendations of individual securities. We also offer consultations in order to discuss financial planning issues when you do not need a written financial plan. We offer a one-time consultation, which covers mutually agreed upon areas of concern related to investments or financial planning.

Our financial planning and consulting services do not involve implementing any transaction on your behalf or the active and ongoing monitoring or management of your investments or accounts. You have the sole responsibility for determining whether to implement our financial planning and consulting recommendations. To the extent that you would like to implement any of our investment recommendations through Sequoia Wealth or retain Sequoia Wealth to actively monitor and manage your investments, you must execute a separate written agreement with Sequoia Wealth for our asset management services.

Limits Advice to Certain Types of Investments

Sequoia Wealth provides investment advice on the following types of investments:

- Mutual Funds
- Exchange Traded Funds (ETFs)
- Exchange-listed Securities
- Securities Traded Over-the-Counter
- Foreign Issues

- Warrants
- Corporate Debt Securities
- Commercial Paper
- Certificates of Deposit
- Municipal Securities
- Variable Annuities
- Variable Life Insurance
- US Government Securities
- Options Contracts on Securities
- Options Contracts on Commodities
- Interests in Partnerships Investing in Real Estate
- Interests in Partnerships Investing in Oil and Gas Interests
- Securities Properly Exempted from Registration

Although we generally provide advice only on the products previously listed, we reserve the right to offer advice on any investment product that may be suitable for each client's specific circumstances, needs, goals and objectives.

It is not our typical investment strategy to attempt to time the market, but we may increase cash holdings modestly as deemed appropriate based on your risk tolerance and our expectations of market behavior. We may modify our investment strategy to accommodate special situations such as low basis stock, stock options, legacy holdings, inheritances, closely held businesses, collectibles, or special tax situations.

(Please refer to Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss for more information.)

Tailor Advisory Services to Individual Needs of Clients

Our services are always provided based on your individual needs. This means, for example, that when we provide asset management services, you are given the ability to impose restrictions on the accounts we manage for you, including specific investment selections and sectors. We work with you on a one-on-one basis through interviews and questionnaires to determine your investment objectives and suitability information. Our financial planning and consulting services are always provided based on your individual needs. When providing financial planning and consulting services, we work with you on a one-on-one basis through interviews and questionnaires to determine your investment objectives and suitability information.

We will not enter into an investment adviser relationship with a prospective client whose investment objectives may be considered incompatible with our investment philosophy or strategies or where the prospective client seeks to impose unduly restrictive investment guidelines.

When managing client accounts through our firm's Asset Management Services program, we may manage a client's account in accordance with one or more investment models. When client accounts are managed using models, investment selections are based on the underlying model and we do not develop customized (or individualized) portfolio holdings for each client. However, the determination to use a particular model or models is always based on each client's individual investment goals, objectives and mandates. *(Please refer to Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss for more information.)*

Client Assets Managed by Sequoia Wealth

The amount of client's assets managed by us total \$13,133,782 as of December 31, 2017. \$6,859,519 is under discretionary basis and \$6,274,263 is managed under non-discretionary basis. See Item 16 - Investment Discretion for more information regarding discretionary and non-discretionary basis.

Item 5 – Fees and Compensation

In addition to the information provided in *Item 4 – Advisory Business*, this section provides additional details regarding our firm’s services along with descriptions of each service’s fees and compensation arrangements. It should be noted that lower fees for comparable service may be available from other sources. The exact fees and other terms will be outlined in the agreement between you and Sequoia Wealth.

Asset Management Services

Annual fees charged for our asset management services are charged based on a percentage of assets under management, billed in advance (at the start of the billing period) on a quarterly basis and calculated based on the fair market value of your account as of the last business day of the previous billing period. Our standard policy is to divide and collect annual fees on a quarterly basis. Fees are prorated (based on the number of days service is provided during the initial billing period) for your account opened at any time other than the beginning of the billing period. If asset management services are commenced in the middle of a billing period, then the prorated fee for the initial billing period will be billed in arrears at the same time as the next full billing period’s fee is billed.

The asset management services continue in effect until terminated. You may terminate the services by providing Sequoia Wealth with 30 days written notice. Sequoia Wealth may terminate the services by providing you with written notice effective 30 days after you receive the written notice. In the event that there is a remaining balance of any investment advisory fees paid in advance after the deduction of fees owed from the final invoice, those remaining proceeds will be refunded to you by Sequoia Wealth.

Fees charged for our asset management services are negotiable based on the type of client, the complexity of the client’s situation, the total amount of assets under management for the client, the geographical location of the client, and the use of individual portfolios versus model portfolios. Clients with individually developed portfolios are assessed higher fees than clients choosing to invest using one or more of our investment models.

The following fee schedules are provided as our standard or basic fee arrangements. They are provided as examples for illustrative purposes. Your exact fee arrangement and fee schedule will be detailed in your client agreement.

Model Portfolio Management Fees

<u>Assets Under Management</u>	<u>Annual Fees</u>
Up to \$999,999	1.50%
\$1,000,000 – \$1,999,999	1.25%
\$2,000,000 – \$2,999,999	1.10%
\$3,000,000 – \$3,999,999	1.00%
\$4,000,000 – \$4,999,999	0.90%
\$5,000,000 and above	0.75%

Sequoia Wealth believes that its annual fee is reasonable in relation to: (1) services provided and (2) the fees charged by other investment advisers offering similar services/programs. However, our annual investment advisory fee may be higher than that charged by other investment advisers offering similar services/programs. In addition to our compensation, you may also incur charges imposed at the mutual fund level (e.g., advisory fees and other fund expenses).

The investment advisory fees can be deducted from your account and paid directly to our firm by the qualified custodian(s) of your account.

If you choose to have the investment advisory fees deducted from your account, you must authorize the qualified custodian(s) of your account to deduct fees from your account and pay such fees directly to Sequoia Wealth. Our firm will send you a billing statement prior to the time that fee deduction instruction is sent to the qualified custodian(s) of your account. The billing statement will detail the formula used to calculate the fee, the assets under management and the time period covered.

You should review your account statements received from the qualified custodian(s) and verify that appropriate investment advisory fees are being deducted. The qualified custodian(s) will not verify the accuracy of the investment advisory fees deducted.

Brokerage commissions and/or transaction ticket fees charged by the qualified custodian are billed directly to you by the qualified custodian. Sequoia Wealth does not receive any portion of such commissions or fees from you or the qualified custodian. In addition, you may incur certain charges imposed by third parties other than Sequoia Wealth in connection with investments made through your account including, but not limited to, mutual fund sales loads, 12(b)-1 fees and surrender charges, variable annuity fees and surrender charges, IRA and qualified retirement plan fees, and charges imposed by the qualified custodian(s) of your account. Management fees charged by Sequoia Wealth are separate and distinct from the fees and expenses charged by investment company securities that may be recommended to you. A description of these fees and expenses are available in each investment company security's prospectus.

Managed Account Select and Managed Account Access Program - Description of Fees

The following is a brief explanation of the fees you will be charged by Schwab to participate in the Schwab Programs. Please refer to the applicable Charles Schwab Managed Account Services for Clients of Investment Advisers Disclosure Brochure for full details.

Sequoia Wealth does not receive a referral fee from Schwab for opening new client accounts through the Schwab Programs. Further, we do not receive a portion of the fee charged by Schwab to your account. We are compensated exclusively by the fee we charge you as described in the previous section of this Item 5 – Fees and Compensation. See “Investment Management Services’ Fees”. Assets held in Select Program accounts will be applied to the total amount of assets managed by Sequoia Wealth and the agreed upon fee schedule as detailed in that section and in your Sequoia Wealth client agreement for services.

In addition to paying Sequoia Wealth a fee for services, Schwab charges the client an asset-based fee for the services provided by Schwab and selected money managers. The maximum fee charged by Schwab for the Schwab Programs is an annual, asset-based fee ranging between 0.25% and 1.00% of the total assets in your the Schwab Programs account(s). The exact fee charged depends on the strategy selected and dollar value of assets in the Schwab Programs accounts. The fees may be negotiable based on a number of factors that may result in a particular client paying a fee greater or less than the standard fees. The exact fee you will pay is specified in your Schwab account application. Schwab may change the actual fee charged to you by notice to you in accordance with your account application and your Schwab account agreement. Schwab's annual fee is divided and billed from your account, monthly in arrears.

The program fee covers selected money manager(s)'s asset management services, as well as the following services provided by Schwab: (1) execution of transactions in equity securities, ETFs and agency transactions in fixed income securities; (2) custody of account assets; (3) program administration; and (4) monthly account statements. The program fee covers trade execution for transactions in equity securities executed through Schwab. It does not include (1) execution of transactions in fixed income securities by Schwab as principal and (2) execution of transactions in securities by other broker-dealers.

You may terminate your participation in the programs at any time upon written notice to Schwab without penalty, subject to the payment of any fees incurred and allowing at least two business days for Schwab to process your termination instruction. Please refer to your the Schwab Programs agreement and the Charles Schwab Managed Account Services for Clients of Investment Advisers Disclosure Brochure for full details.

Financial Planning & Consulting Services

Fees charged for our financial planning and consulting services are negotiable based upon the type of client, the services requested, the complexity of the client's situation and other advisory services provided. The following are the fee arrangements available for financial planning and consulting services offered by Sequoia Wealth.

Fees Written Financial Plans

Sequoia Wealth provides *written* financial planning services under a fixed fee arrangement. A mutually agreed upon fixed fee is charged for written financial planning services under this arrangement. There is a range in the amount of the fixed fee charged by Sequoia Wealth for financial planning services. The minimum fixed fee is generally \$595 and the maximum fixed fee is generally no more than \$3,500. The amount of the fixed fee for your engagement is specified in your financial planning agreement with Sequoia Wealth. At our sole discretion, you may be required to pay in advance, up to 50% of the fixed fee at the time you execute an agreement with Sequoia Wealth; however, at no time will Sequoia Wealth require payment of more than \$500 in fees more than six months in advance. Upon completion and delivery of the financial plan, the fixed fee is considered earned by Sequoia Wealth and any unpaid amount is immediately due.

The financial planning services terminate upon delivery of the written financial plan or upon either party providing the other party with written notice of termination.

You may terminate the financial planning services within five (5) business days of entering into an agreement with Sequoia Wealth without penalty or fees due. If you terminate the financial planning services after five (5) business days of entering into an agreement, you will be responsible for immediate payment of any financial planning services performed by Sequoia Wealth prior to the receipt by Sequoia Wealth of your notice. For financial planning services performed by Sequoia Wealth under a fixed fee arrangement, you will pay Sequoia Wealth a pro-rated fixed fee equivalent to 50% of the quoted fixed fee as agreed to with Sequoia Wealth. In the event that there is a remaining balance of any fees paid in advance after the deduction of fees from the final invoice, those remaining proceeds will be refunded by Sequoia Wealth to you.

Fees for Consulting Services

Sequoia Wealth provides consulting services under an hourly fee arrangement. An hourly fee of \$175 per hour is charged by Sequoia Wealth for consulting services. Before providing consulting service, Sequoia Wealth will provide an estimate of the approximate hours needed to complete the consulting services. If Sequoia Wealth anticipates exceeding the estimated amount of hours required, Sequoia Wealth will contact you to receive authorization to provide additional services. Consulting fees will be due immediately upon completion of the consulting services.

The one-time consulting services will terminate upon completion of the consultation or either party providing the other party with written notice.

You may terminate the consulting services within five (5) business days of entering into an agreement with Sequoia Wealth without penalty or fees due. If you terminate the consulting services after five (5)

business days of entering into an agreement with Sequoia Wealth, you will be responsible for immediate payment of any consulting work performed by Sequoia Wealth prior to the receipt by Sequoia Wealth of your notice. For consulting services performed by Sequoia Wealth under an hourly arrangement, you will pay Sequoia Wealth for any hourly fees incurred at the rates described above.

Other Fee Terms for Financial Planning & Consulting Services

You may pay the investment advisory fees owed for the financial planning services by submitting payment directly (for example, by check).

You should notify Sequoia Wealth within ten (10) days of receipt of an invoice if you have questions about or dispute any billing entry.

To the extent Sequoia Wealth engages an outside professional (i.e. attorney, independent investment adviser or accountant) while providing financial planning and consulting services to you, Sequoia Wealth will be responsible for the payment of the fees for the services of such an outside professional, and you will not be required to reimburse Sequoia Wealth for such payments. To the extent that you personally engage such an outside professional, you will be responsible for the payment of the fees for the services of such an outside professional, and Sequoia Wealth will not be required to reimburse Client for such payments. Fees for the services of an outside professional (i.e. attorney, independent investment adviser or accountant) will be in addition to and separate from the fees charged by Sequoia Wealth, and you will be responsible for the payment of the fees for the services of such an outside professional. In no event will the services of an outside professional be engaged without your express approval.

All fees paid to Sequoia Wealth for advisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. These fees and expenses are described in each mutual fund's prospectus. These fees will generally include a management fee, other fund expenses and a possible distribution fee. If the fund also imposes sales charges, you may pay an initial or deferred sales charge.

All fees paid to Sequoia Wealth for financial planning and consulting services are separate and distinct from the commissions charged by a broker-dealer or asset management fees charged by an investment adviser to implement such recommendations.

It should be noted that lower fees for comparable services may be available from other sources.

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

Performance-based fees are defined as fees based on a share of capital gains on or capital appreciation of the assets held in a client's account. *Item 6* is not applicable to this Firm Brochure because we do not charge or accept performance-based fees.

Item 7 – Types of Clients

Sequoia Wealth generally provides investment advice to the following types of clients:

- Individuals
- High net worth individuals
- Pension and profit sharing plans
- Charitable organizations
- Corporations and other business entities

You are required to execute a written agreement with Sequoia Wealth specifying the particular advisory services in order to establish a client arrangement with Sequoia Wealth.

Minimum Investment Amounts Required

- Sequoia Wealth does not require a minimum investment amount in order to open an account through our Asset Management Services program.
- The minimum annual fee generally charged for asset management services is \$1,000.
- The minimum fee generally charged for written financial planning services on a fixed fee basis is \$595.
- The minimum hourly fee generally charged for consulting services is \$175.

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

Methods of Analysis

Sequoia Wealth uses the following methods of analysis in formulating investment advice:

Fundamental – This is a method of evaluating a security by attempting to measure its intrinsic value by examining related economic, financial and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of a company). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short). Fundamental analysis is considered to be the opposite of technical analysis. Fundamental analysis is about using real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security.

The risk associated with fundamental analysis is that it is somewhat subjective. While a quantitative approach is possible, fundamental analysis usually entails a qualitative assessment of how market forces interact with one another in their impact on the investment in question. It is possible for those market forces to point in different directions, thus necessitating an interpretation of which forces will be dominant. This interpretation may be wrong, and could therefore lead to an unfavorable investment decision.

Investment Strategies

Sequoia Wealth uses some or all of the following investment strategies when managing client assets and/or providing investment advice, provided that such strategies are appropriate to the needs of the client and are consistent with the client's objectives, tolerance for risk, time horizons and other client specific considerations.

- Long term purchases. Investments held at least a year.
- Short term purchases. Investments sold within a year.
- Strategic asset allocation. Strategic asset allocation (SAA) is the most important determinant in establishing total return of a broadly diversified portfolio with limited market timing. The strategy is used for setting long-term target allocations among major

asset classes such as stocks, bonds, and cash. Rebalancing of asset classes is required as underlying investment valuations change. Of course, SAA targets may change over time as the client's goals and needs change, and as the time horizon for major events such as retirement and college funding grow shorter.

- Top Down Risk Management. An investment approach that involves looking at the "big picture" among world financial markets, including the United States, and then breaking those economies and their components down into finer detail. Diversification across markets, among a broad range of sectors within those markets, as well as the use of sector limits, are employed to reduce portfolio risk. Allocation across sectors is followed by specific investment selections.

Sequoia Wealth has developed several strategies covering equity risk preferences for clients choosing our Model Portfolios. Allocation among fixed income investments within each model is available using either taxable or tax-free investments, based on individual client objectives.

- Aggressive: This method has market risk associated with volatile stock markets.
- Moderately Aggressive: This method has reduced equity risk due to additional holdings in the fixed income category. Even so, this method is susceptible to equity market risk as well as fixed income interest rate and credit risk.
- Balanced: This method attempts to balance risk proportionally between both the equity and fixed income markets. Even so, there is some market, interest rate, and credit risk involved.
- Moderately Conservative: This method allocates a greater percentage toward fixed income investments, which makes the portfolio more sensitive to interest rate and credit risk relative to equity market risk.
- Conservative: This method further tilts the allocation towards fixed income and has a significant minority of the account in equity risk holdings, thus having increased sensitivity to interest rate and credit risk.

Risk of Loss

Past performance is not indicative of future results. Therefore, you should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, and bonds, etc.) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. You should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, our firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. There are certain additional risks associated with investing in securities through our investment management program, as described below:

- Market Risk – Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.
- Equity (stock) market risk – Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common

stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.

- Company Risk. When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.
- Fixed Income Risk. When investing in bonds, there is the risk that the issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- Options Risk. Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.
- ETF and Mutual Fund Risk – When investing in a an ETF or mutual fund, you will bear additional expenses based on your pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. You will also incur brokerage costs when purchasing ETFs.
- Management Risk – Your investment with our firm varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment may decrease.

Item 9 – Disciplinary Information

Item 9 is not applicable to this Firm Brochure because there are no legal or disciplinary events that are material to a client's or prospective client's evaluation of our business or integrity.

Item 10 – Other Financial Industry Activities and Affiliations

Sequoia Wealth is **not** and does **not** have a related person that is a broker/dealer, municipal securities dealer, government securities dealer or broker, an investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund), another investment adviser or financial planner, a futures commission merchant, commodity pool operator, or commodity trading advisor, a banking or thrift institution, accountant or accounting firm, a lawyer or law firm, insurance company or agency, a pension consultant, a real estate broker or dealer, and a sponsor or syndicator of limited partnerships.

We are an independent registered investment adviser and only provide investment advisory services. Sequoia Wealth is not engaged in any other business activities and offer no other services except those described in this Firm Brochure.

Third-Party Money Managers

As described in *Item 4 – Advisory Business* and *Item 5 – Fees and Compensation*, Sequoia Wealth may recommend and select independent, third-party money managers through Schwab's Managed Account Select and Managed Account Access programs. It should be noted that the total fees incurred by clients when utilizing third-party managers will include both management fees payable to Schwab and selected money managers for the services of the third-party investment managers as well as the fees payable to Sequoia Wealth for their investment advisory services. We do not receive referral or solicitor fees from Schwab or any other third-party manager thus our decision to recommend a third-party manager is not based on compensation we could receive directly from a third-party manager.

Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading

Code of Ethics Summary

An investment adviser is considered a fiduciary and has a fiduciary duty to all clients. Sequoia Wealth has established a Code of Ethics to comply with the requirements of the securities laws and regulations that reflects its fiduciary obligations and those of its supervised persons. The Code of Ethics also requires compliance with federal securities laws. Sequoia Wealth' Code of Ethics covers all individuals that are classified as "supervised persons". All employees, officers, directors and investment adviser representatives are classified as supervised persons. Sequoia Wealth requires its supervised persons to consistently act in your best interest in all advisory activities. Sequoia Wealth imposes certain requirements on its affiliates and supervised persons to ensure that they meet the firm's fiduciary responsibilities to you. The standard of conduct required is higher than ordinarily required and encountered in commercial business.

This section is intended to provide a summary description of the Code of Ethics of Sequoia Wealth. If you wish to review the Code of Ethics in its entirety, you should send us a written request and upon receipt of your request, we will promptly provide a copy of the Code of Ethics to you.

Affiliate and Employee Personal Securities Transactions Disclosure

Sequoia Wealth or associated persons of the firm may buy or sell for their personal accounts, investment products identical to those recommended to clients. This creates a potential conflict of interest. It is the express policy of Sequoia Wealth that all persons associated in any manner with our firm must place clients' interests ahead of their own when implementing personal investments. Sequoia Wealth and its associated persons will not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of employment or association with our firm unless the information is also available to the investing public upon reasonable inquiry.

We are now and will continue to be in compliance with applicable state and federal rules and regulations. To prevent conflicts of interest, we have developed written supervisory procedures that include personal investment and trading policies for our representatives, employees and their immediate family members (collectively, associated persons):

- Supervised persons cannot prefer their own interests to that of the client.
- Supervised persons cannot purchase or sell any security for their personal accounts prior to implementing transactions for client accounts.
- Supervised persons cannot buy or sell securities for their personal accounts when those decisions are based on information obtained as a result of their employment, unless that information is also available to the investing public upon reasonable inquiry.

- Supervised persons are prohibited from purchasing or selling securities of companies in which any client is deemed an “insider”.
- Supervised persons are discouraged from conducting frequent personal trading.
- Supervised persons are generally prohibited from serving as board members of publicly traded companies unless an exception has been granted to the Chief Compliance Officer of Sequoia Wealth.

Any supervised person not observing our policies is subject to sanctions up to and including termination.

Item 12 – Brokerage Practices

Clients are under no obligation to act on the financial planning recommendations of Sequoia Wealth. If the firm assists in the implementation of any recommendations, we are responsible to ensure that the client receives the best execution possible. Best execution does not necessarily mean that clients receive the lowest possible commission costs but that the qualitative execution is best. In other words, all conditions considered, the transaction execution is in your best interest. When considering best execution, we look at a number of factors besides prices and rates including, but not limited to:

- Execution capabilities (e.g., market expertise, ease/reliability/timeliness of execution, responsiveness, integration with our existing systems, ease of monitoring investments)
- Products and services offered (e.g., investment programs, back office services, technology, regulatory compliance assistance, research and analytic services)
- Financial strength, stability and responsibility
- Reputation and integrity
- Ability to maintain confidentiality

We exercise reasonable due diligence to make certain that best execution is obtained for all clients when implementing any transaction by considering the back office services, technology and pricing of services offered.

Brokerage Recommendations

Sequoia Wealth may recommend/require that clients establish brokerage accounts with the Schwab Institutional division of Charles Schwab & Co., Inc. (“Schwab”), a FINRA-registered broker-dealer, Member SIPC, to maintain custody of clients’ assets and to effect trades for their accounts. Although Sequoia Wealth may recommend/require the clients establish accounts at Schwab, it is the client’s decision to custody assets with Schwab. Sequoia Wealth is independently owned and operated and not affiliated with Schwab. Sequoia Wealth may recommend additional unaffiliated broker-dealers to affect fixed income transactions.

Schwab provides Sequoia Wealth with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to independent investment advisors so long as a total of at least \$10 million of the advisor’s clients’ assets are maintained at Schwab Institutional. These services are not contingent upon Sequoia Wealth committing to Schwab any specific amount of business (assets in custody or trading commissions). Schwab’s brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require significantly higher minimum initial investment.

For Sequoia Wealth’ clients’ accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset based fees for securities trades that are executed through Schwab or that settle into Schwab accounts. Schwab Institutional also makes available to Sequoia Wealth other products

are services that benefit Sequoia Wealth but may not directly benefit clients' accounts. Many of these products and services may be used to service all or some substantial number of Sequoia Wealth' accounts, including accounts not maintained Schwab.

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

Schwab Institutional also offers other services intended to help Sequoia Wealth manage and further develop its business enterprise. These services may include: (i) compliance, legal and business consulting; (ii) publications and conferences on practice management and business succession; and (iii) access to employee benefits providers, human capital consultants and insurance providers. Schwab Institutional may discount or waive fees it would otherwise charge for some of these services or pay all or part of the fees of a third-party providing these services to Sequoia Wealth. Schwab Institutional may also provide other benefits such as educational events or occasional business entertainment of Sequoia Wealth personnel. While as a fiduciary, Sequoia Wealth endeavors to act in its clients' best interests, Sequoia Wealth' recommendation that clients maintain their assets in accounts at Schwab may take into account availability of some of the foregoing products and services and other arrangements not solely on the nature of cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

Directed Brokerage

Clients are allowed to select the broker-dealer that will be used for their accounts. Clients directing the use of a particular broker/dealer or other custodian must understand that we may not be able to obtain the best prices and execution for the transaction. Under a client-directed brokerage arrangement, clients may receive less favorable prices than would otherwise be the case if the client had not designated a particular broker/dealer or custodian. Directed brokerage account trades are generally placed by Sequoia Wealth after effecting trades for other clients of Sequoia Wealth. In the event that a client directs Sequoia Wealth to use a particular broker or dealer, Sequoia Wealth may not be authorized to negotiate commissions and may be unable to obtain volume discounts or best execution. In addition, under these circumstances a disparity in commission charges may exist between the commissions charged to clients who direct Sequoia Wealth to use a particular broker or dealer versus clients who do not direct the use of a particular broker or dealer.

Block Trading Policy

Investment advisors may elect to purchase or sell the same securities for several clients at approximately the same time when they believe such action may prove advantageous to clients. This process is referred to as aggregating orders, batch trading or block trading. Sequoia Wealth does not engage in block trading.

It should be noted that implementing trades on a block or aggregate basis may be less expensive for client accounts; however, it is our trading policy is to implement all client orders on an individual basis. Therefore, we do not aggregate or "block" client transactions. Considering the types of investments we hold in advisory client accounts, we do not believe clients are hindered in any way because we trade accounts individually. This is because we develop individualized investment strategies for clients and holdings will vary. Our strategies are primarily developed for the long-term and minor differences in price execution are not material to our overall investment strategy.

Item 13 – Review of Accounts

Account Reviews and Reviewers

Managed accounts are reviewed at least quarterly. While the calendar is the main triggering factor, reviews can also be conducted at your request. Account reviews will include investment strategy and objectives review and making a change if strategy and objectives have changed. Reviews are conducted by Craig Ferree, with reviews performed in accordance with your investment goals and objectives.

Our financial planning services terminate upon the presentation of the written plan. Our financial planning and consulting services do not include monitoring the investments of your account(s), and therefore, there is no ongoing review of your account(s) under such services.

Statements and Reports

For our asset management services, you are provided with transaction confirmation notices and regular quarterly account statements directly from the qualified custodian.

Financial planning clients do not receive any report other than the written plan originally contracted for and provided by Sequoia Wealth.

Item 14 – Client Referrals and Other Compensation

Sequoia Wealth does not directly or indirectly compensate any person for client referrals.

The only compensation received from advisory services is the fees charged for providing investment advisory services as described in *Item 5* of this Firm Brochure. Sequoia Wealth receives no other forms of compensation in connection with providing investment advice.

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

Please see Item 5, Fees and Compensation, Item 10, Other Financial Industry Activities and Affiliations and Item 12, Brokerage Practices, for additional discussion concerning other compensation.

Item 15 – Custody

Custody, as it applies to investment advisors, has been defined by regulators as having access or control over client funds and/or securities. In other words, custody is not limited to physically holding client funds and securities. If an investment adviser has the ability to access or control client funds or securities, the investment adviser is deemed to have custody and must ensure proper procedures are implemented.

Sequoia Wealth is deemed to have custody whenever we are authorized to deduct advisory fees from client accounts. However, this is the only form of custody we maintain.

When fees are deducted from an account, Sequoia Wealth is responsible for calculating the fee and delivering instructions to the custodian. At the same time Sequoia Wealth instructs the custodian to deduct fees from your account; Sequoia Wealth will send you an invoice itemizing the fee. Itemization will include the formula used to calculate the fee, the amount of assets under management the fee is based on, and the time period covered by the fee.

- All client funds and securities are held at an independent broker/dealer, who serves as the qualified custodian, in a separate account for each client under that client's name.
- Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address and the manner in which the funds or securities are maintained.
- Account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. Clients should carefully review those statements and are urged to compare the statements against reports received from Sequoia Wealth. When clients have questions about their account statements, they should contact us or the qualified custodian preparing the statement.

Item 16 – Investment Discretion

When providing asset management services, Sequoia Wealth maintains trading authorization over your Account and can provide management services on a **discretionary** basis. When discretionary authority is granted, we will have the authority to determine the type of securities and the amount of securities that can be bought or sold for your portfolio without obtaining your consent for each transaction.

If you decide to grant trading authorization on a **non-discretionary** basis, we will be required to contact you prior to implementing changes in your account. Therefore, you will be contacted and required to accept or reject our investment recommendations including:

- The security being recommended
- The number of shares or units
- Whether to buy or sell

Once the above factors are agreed upon, we will be responsible for making decisions regarding the timing of buying or selling an investment and the price at which the investment is bought or sold. If your accounts are managed on a non-discretionary basis, you need to know that if we are not able to reach you or you are slow to respond to our request, it can have an adverse impact on the timing of trade implementations and we may not achieve the optimal trading price.

You will have the ability to place reasonable restrictions on the types of investments that may be purchased in your Account. You may also place reasonable limitations on the discretionary power granted to Sequoia Wealth so long as the limitations are specifically set forth or included as an attachment to the client agreement.

Item 17 – Voting Client Securities

Sequoia Wealth does not vote proxies on behalf of Clients. We have determined that taking on the responsibilities for voting client securities does not add enough value to the services provided to you to justify the additional compliance and regulatory costs associated with voting client securities. Therefore, it is your responsibility to vote all proxies for securities held in Account.

You will receive proxies directly from the qualified custodian or transfer agent; we will not provide you with the proxies. You are encouraged to read through the information provided with the proxy-voting documents and make a determination based on the information provided. Although we do not vote client proxies, if you have a question about a particular proxy feel free to contact us. However, you will have the ultimate responsibility for making all proxy-voting decisions.

Item 18 – Financial Information

This *Item 18* is not applicable to this brochure. Sequoia Wealth does not require or solicit prepayment of more than \$500 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for the most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, Sequoia Wealth has not been the subject of a bankruptcy petition at any time.

Item 19 – Requirements for State-Registered Advisers

Executive Officer and Management Personnel

Joseph Craig Ferree, Jr. (Craig Ferree)

Educational Background:

- Hobart College, Bachelor of Arts in Psychology and History: 1980

Business Experience:

- Sequoia Wealth, LLC, Managing Member and Chief Compliance Officer, 12/2013 to Present;
- NestEgg Investment Advisors, LLC, Managing Member and Chief Compliance Officer, 06/2013 to 12/2013;
- Body2Body LLC, CEO & Founder, 10/2010 to 12/2013
- American Beauty Products LLC, Managing Member, 05/2010 to 12/2010
- Self Employed, Real Estate Developer, 12/2007 to 06/2010
- Susan Gale Group, Director of Residential Sales, 09/2005 to 10/2007
- Self Employed, Real Estate Developer, 03/1993 to 09/2005

Summary of Work Experience

Craig Ferree began asset management work in 1982 as a Registered Representative for the brokerage house Moseley, Hallgarten, Estabrook and Weeden, Inc., Philadelphia, Pennsylvania.

Mr. Ferree moved in 1984 to Mellon Bank, N.A. in Philadelphia, where he served as a Trust Officer in Trust Administration before taking a position in 1986 as Trust Investment Officer, Private Wealth Management, Mellon Bank, N.A until 1989.

As an Investment Officer, Trust & Investment Department, Southeast Bank, N.A. of Miami, Florida, he managed Personal Trust, Family Complex, Charitable Foundation and Investment Advisory accounts. He left Southeast Bank, N.A. in 1992 to pursue interests in Real Estate Development in Miami Beach, Florida.

In 2010, Mr. Ferree entered the Health & Wellness industry with his formation of American Beauty Products, LLC in Palm Springs, California and later, Body2Body LLC of Palm Beach Gardens, Florida. From June 2013 to December 2013 he was with NestEgg Investment Advisors, LLC in Palm Springs, California. In December 2013 he formed the wealth management firm, Sequoia Wealth, LLC of Palm Springs, California.

Other Business Activities

Sequoia Wealth is not involved in any other business activities.

No Performance Based Fees

As previously disclosed in *Item 6*, Sequoia Wealth does not charge or accept performance-based fees.

No Arbitrations

Sequoia Wealth or any of its associated persons have not been the subject of any client arbitrations or similar legal disputes.

No Arrangements with Issuers of Securities

Sequoia Wealth and its associated persons do not have arrangements with any issuer of securities.

Customer Privacy Policy Notice

In November of 1999, Congress enacted the Gramm-Leach-Bliley Act (GLBA). The GLBA requires certain financial institutions, such as investment advisor firms, to protect the privacy of customer information. In situations where a financial institution does disclose customer information to non-affiliated third parties, other than permitted or required by law, customers must be given the opportunity to opt-in to such disclosure. Sequoia Wealth does not share or disclose customer information to non-affiliated third parties except as permitted or required by law.

Sequoia Wealth is committed to safeguarding the confidential information of its clients. We hold all personal information provided by clients in the strictest confidence and it is the objective of our firm to protect the privacy of all clients. Except as permitted or required by law, we do not share confidential information about clients with non-affiliated parties. In the event that there were to be a change in this policy, we will provide clients with written notice and clients will need to direct our firm as to whether such disclosure is permissible.

To conduct regular business, Sequoia Wealth may collect personal information from sources such as:

- Information reported by the client on applications or other forms the client provides to our firm
- Information about the client's transactions implemented by others
- Information developed as part of financial plans, analyses or investment advisory services

To administer, manage, service, and provide related services for client accounts, it is necessary for Sequoia Wealth to provide access to customer information within the firm and to non-affiliated companies with whom we have entered into agreements with. To provide the utmost service, our firm may disclose the information below regarding customers and former customers, as necessary, to companies to perform certain services on the firm's behalf.

- Information our firm receives from the client on applications (name, social security number, address, assets, etc.)
- Information about the client's transactions with others (account information, payment history, parties to transactions, etc.)
- Information concerning investment advisory account transactions
- Information about a client's financial products and services with our firm

Since Sequoia Wealth shares nonpublic information solely to service client accounts, our firm does not disclose any nonpublic personal information about our customers or former customers to anyone, except as permitted by law. However, we may also provide customer information outside of the firm as required by law, such as to government entities, consumer reporting agencies or other third parties in response to subpoenas. In the event that our firm has a change to its customer privacy policy that would allow it to disclose non-public information not covered under applicable law, we will allow our clients the opportunity to opt out of such disclosure.