

# Wealthaven LLC

## Firm Brochure - Form AD V Part 2A

*This brochure provides information about the qualifications and business practices of Wealthaven LLC.*

*If you have any questions about the contents of this brochure, please contact us at (215) 280-0844 or by email at: [info@wealthaven.com](mailto:info@wealthaven.com).*

***The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.***

*Additional information about Wealthaven LLC is also available on the SECs website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Wealthaven LLC's CRD number is: 161646 Registration does not imply a certain level of skill or training. **Version Date 3/25/2014***

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## ***Item 2. Material Changes***

Wealthaven LLC does not have any material changes to report in its brochure for this last year.

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### *Firm Overview*

Wealthaven LLC (hereinafter "Wealthaven" or the "Firm") is an investment adviser that was organized as a limited liability company in Pennsylvania in April 2011. The Firm is registered with the US Securities and Exchange Commission and its principal owner is Margaret Holly Isdale. Wealthaven offers financial consulting services that combine investment oversight with broad based financial planning and counseling to families, family offices and closely held businesses. Wealthaven believes that many such investors struggle to establish clarity and order in their financial and personal affairs. As a result, the Firm develops a structured financial framework for these clients from which they can develop broad based strategic plans that will provide them with greater stability and security in their portfolios and investment income. The Firm combines this with close coordination with investment managers on their execution of selected strategies and investments.

Wealthaven also provides consulting services on a project basis for families. In this, the Firm oversees asset allocations or portfolio construction as well as non-investment activities, such as estate planning or business succession planning. Wealthaven works closely with families who need ongoing oversight in addition to strategic planning.

### *Investment Supervisory Services*

The Firm often initiates its investment advisory service with an in-depth analysis of its client's individual goals, objectives, time horizons and risk tolerances, and, from this, develops an Investment Policy Statement, which details the client's current financial situation and targeted objectives (income, tax levels, and risk tolerance levels). Wealthaven uses this statement to construct a plan for the management of the client's investments and overall wealth requirements. Working closely with the client, the Firm then identifies and engages those investment managers and investment platforms best suited to effectuate this plan. Thereafter, Wealthaven monitors these managers to determine their adherence to client goals, objectives, and risk tolerances. Wealthaven primarily oversees external investment managers, but, in limited instances when requested, may exercise investment discretion over some client accounts.

### *Consulting and Financial Planning Services*

Wealthaven is often engaged initially to address a specific client issue, and, in so doing, will make a review of the client's financial situation and prepare an initial assessment of the specific issue. In this analysis, Wealthaven collects all relevant documents from the client and their other advisors (attorneys, accountants) for review and provides a summary report for the client of any noted issues and concerns, as well as illustrations as to potential gifting or estate strategies. This includes a summary analysis of their estate and gifting programs and balance sheet and cash flow considerations as well as a review of their current and suggested investment allocations and risk analysis. Clients can then work with the Firm to execute these proposals or implement them with their existing legal or financial advisors. All services can be performed on either a fixed project fee or an hourly fee basis.

### *Educational Workshops*

Wealthaven provides ongoing educational workshops and seminars for families on a variety of areas, as requested by the client, including estate and financial planning, philanthropic planning, business succession and family/corporate governance, as well as investment management and asset allocation.

Wealthaven offers the same suite of services to all of its clients. Clients may impose restrictions on investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent Wealthaven from properly servicing the client account, or if the restrictions would require Wealthaven to deviate from its standard suite of services, the Firm reserves the right to terminate the relationship. Wealthaven does not participate in any WRAP fee programs.

Wealthaven generally limits its investment advice and/or investment oversight to publicly traded stocks, mutual funds, equities, bonds, fixed income, debt securities, ETFs, real estate, hedge funds, REITs, private placements and government securities. Wealthaven may use other securities as well to help diversify a portfolio, when applicable. Wealthaven will work with a client who holds non-publicly traded securities but Wealthaven does not generally provide investment advice on these assets. The Firm will however discuss the implications of concentrated positions in non-publicly traded assets on a client's portfolio but will not assume investment discretion over these assets. Wealthaven does not participate in wrap

fee programs.

Wealthaven has over \$160 million of publicly traded assets currently under management or supervision and over \$600 million of privately traded securities or other assets under management or supervision. Unless specifically mandated under the Investment Management Agreement, Wealthaven will not have discretionary trading authority over any of these assets. The Firm may have non-discretionary trading authority over certain of the publicly traded assets that are in brokerage accounts maintained by its client's, if authorized by the Investment Management Agreement.

### ***Item 5. Fees and Compensation***

Wealthaven is compensated by its clients for its services through either the payment of a fee based on a percentage of assets under management, a flat fee or an hourly fee. Fees are paid in arrears or in advance, but never more than six months in advance. Clients may terminate their Investment Management Agreement without penalty, for full refund, within 5 business days of signing the agreement. Clients may terminate an existing Investment Management Agreement with thirty days' written notice. Fees that are collected in advance will be refunded based on the appropriate prorated amount of work completed at the point of termination and the total days during the billing period. Fees will be returned within fourteen days to the client via check. The Firm does not accept any compensation for the sale of securities or other investment products, including asset-based sales charges or services fees from the sale of mutual funds.

#### *Published Fees for Assets under Management*

Total Assets Under Management	Annual Fee
\$1 - \$1,000,000	1.00%
\$1,000,001 - \$5,000,000	0.75%
Over \$5,000,000	Negotiable

The schedule above sets forth investment management fees for discretionary accounts. All fees are negotiable depending upon the needs of the client and complexity of the situation, and the final fee schedule is attached as Exhibit II of the Investment Management Agreement. These fees are invoiced to the client in advance.

#### *Financial Planning Fees*

Depending upon the complexity of the situation and the needs of the client, the rate for creating client financial plans varies between \$10,000 and \$50,000. The fees for this are negotiable, and the agreed-upon fee will be noted in the Investment Management Agreement.

### *Hourly Fees*

The hourly fee for Wealthhaven's services is \$500/hour, unless otherwise negotiated. The fee is negotiable and the agreed-upon hourly fee will be noted in the Investment Management Agreement.

### *Payment of Fees*

All fees are invoiced and billed directly to the client with payments due upon receipt of the invoice. Clients are responsible for the payment of all third party fees (i.e. custodian fees, investment management fees, brokerage fees, mutual fund fees, transaction fees, etc.) related to their accounts. Those fees are separate and distinct from the fees and expenses charged by Wealthhaven.

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

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

## ***Item 7. Types of Clients***

Wealthhaven generally provides investment advice and/or management supervisory services to high net worth individuals, corporations or similar business entities, trusts, foundations and endowments. There is no account minimum for our services.

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

### *Methods of Analysis*

Wealthhaven employs various methods of analysis when working with clients on their portfolio construction, including both fundamental and technical analysis. In this, the Firm relies on external software packages, not proprietary systems or information, for analysis of all publicly traded investments and will use their external-reporting models. For private company analysis, the method is discussed with the client and will be appropriate to their business interests and the information available.

### *Investment Strategies*

Wealthhaven will use both long term trading and short term trading strategies, as outlined in the Investment Policy Statement for the client portfolios.

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.

Technical analysis attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not

always follow patterns and relying solely on this method may not work long term.

### *Risk of Loss*

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.

Short term trading generally holds greater risk and clients should be aware that there is a material risk of loss using any of those strategies.

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

Wealthaven generally seeks investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international equity markets. *Be advised that all investments have unique risks and clients should be mindful that, with respect to:*

- *Mutual Funds:* Investing in mutual funds carries the risk of capital loss. Mutual funds are not guaranteed or insured by the FDIC or any other government agency. 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 a firm 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 may decrease in value and the investment may 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 may involve economic risks such as inflationary risk, interest rate risk, default risk, repayment of principal risk, etc.
- *Debt securities* carry risks such as the possibility of default on the principal, fluctuation in interest rates, and counterparties being unable to meet obligations.
- *Exchange Traded Funds (ETF):* Investing in ETF's carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Investments in these securities are not guaranteed or insured by the FDIC or any other government agency.
- *Real Estate Funds* face several kinds of risk that are inherent in this sector of the market. Liquidity risk, market risk and interest rate risk are just some of the factors that can influence the gain or loss that is passed on to the investor. Liquidity and market risk tend to have a greater effect on funds that are more growth-oriented, as the sale of appreciated properties depends upon market demand. Conversely, interest rate risk impacts the amount of dividend income that is paid by income-

oriented funds.

- *Hedge Funds* are not suitable for all investors and involve a high degree of risk due to several factors that may contribute to above average gains or significant losses. Such factors include leveraging or other speculative investment practices, commodity trading, complex tax structures, a lack of transparency in the underlying investments, and generally the absence of a secondary market.
- *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.
- *Private placements* carry a substantial risk, as they are largely unregulated offerings not subject to securities laws.
- *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.
- *Short-term trading* risks include liquidity, economic stability and inflation.

### ***Items 9 and 10. Disciplinary Information and Other Financial Industry Activities and Affiliations***

Neither Wealthhaven nor M. Holly Isdale have any history of any disciplinary actions to report, including criminal or civil actions, administrative proceedings, or self-regulatory organization proceedings.

M. Holly Isdale is a licensed attorney in the state of New York; however, she is not engaged in the active practice of law.

Wealthhaven and its representatives are not registered as a broker/dealer, a registered representatives of a broker/dealer, a Futures Commission Merchant, Commodity Pool Operator or Commodity Trading Advisor.

Wealthhaven will utilize or select other advisers or third party managers solely on direction by the client. Wealthhaven does not receive compensation from any manager or other advisor, other than what is paid by the client per the terms of the Investment Management Agreement.

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

Wealthhaven 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.

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

From time to time, representatives of Wealthaven may buy or sell securities for themselves that they also recommended to clients. This may provide an opportunity for representatives of Wealthaven 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 may create a conflict of interest. Wealthaven 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.

From time to time, representatives of Wealthaven may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of Wealthaven 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 may create a conflict of interest. Wealthaven will always transact client's transactions before its own when similar securities are being bought or sold.

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

### ***Item 12. Brokerage Practices***

Wealthaven always acts in the best interest of the client in its placement of client transactions. Each client determines its own custodian(s), and Wealthaven never charges a premium or commission on transactions, beyond the actual cost imposed by the custodian. The first consideration when discussing broker/dealers with clients is best execution, and Wealthaven conducts a regular review of the broker-dealers used by its clients to ensure that they are providing best execution to them. Wealthaven receives no referral fees from a broker-dealer or third party in exchange for using that broker-dealer or third party in client transactions and does not employ the use of any soft dollar arrangements. While Wealthaven permits clients to direct brokerage, clients should know that the use of directed brokerage may result in a less favorable trade execution and higher brokerage commissions, as the broker may not be able to aggregate orders to reduce transaction costs.

### ***Item 13. Review of Accounts***

M. Holly Isdale, Managing Member of Wealthaven, reviews all Client accounts quarterly to ensure their adherence to strategic objectives and goals. Ms. Isdale is the chief advisor and will review all clients' accounts with regards to their investment policies and risk tolerance levels. All financial planning mandates are likewise reviewed upon the creation and delivery of the financial plan.



Additional Account or Financial Planning 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). Wealthaven delivers its clients at least annually, a review of their accounts that provides an evaluation of the investment policies, goals and objectives.

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

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

#### ***Item 15. Custody***

Wealthaven does not maintain custody of any client funds or securities.

#### ***Item 16. Investment Discretion***

Unless specifically mandated under the Investment Management Agreement, Wealthaven does not have discretion over client accounts at any time.

#### ***Item 17. Voting Client Securities***

Wealthaven 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***

Wealthaven does not require nor solicit prepayment of more than \$1,200 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

Neither Wealthaven nor its management has any financial condition likely to reasonably impair their ability to meet contractual commitments to clients. Wealthaven has not been the subject of a bankruptcy petition in the last ten years.

#### ***Item 19. Requirements for State-registered Advisers***

This section is not applicable.