



Registered Investment Adviser

P.O. Box 197
North Pembroke, MA 02358
(781) 236 3025

www.ariadnewa.com

Form ADV Part 2
Advisory Brochure
January 2018

This brochure provides clients and prospective clients with information about Ariadne Wealth Advisors, LLC and the qualifications, business practices, and nature of its services that should be carefully considered before becoming an advisory client.

The contents of this brochure have not been approved or verified by the Securities and Exchange Commission (SEC) or any other state or federal authority. Questions relative to the firm, its services, or this ADV Part 2 may be made to the attention of Timothy Brennan at (781) 236-3025. Additional information about the firm, other advisory firms, or associated investment adviser representatives is available on the Internet at www.adviserinfo.sec.gov.

While the firm is an investment adviser registered with the Commonwealth of Massachusetts or other jurisdictions, registration in itself does not imply a certain level of skill or training on the part of the firm or its associated personnel.

CRD: 173544

Item 2 - Material Changes

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

No material changes since the January 2017 version of this document.

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Important Information: Throughout this document, Ariadne Wealth Advisors, LLC shall also be referred to as “AWA” or the “firm,” “our,” “we”, “us” or “Ariadne”. These terms are utilized for the reader’s ease of use while reviewing the brochure and are not meant to imply the firm is larger than it actually may be at the time of publication. The client or prospective client may also be referred to as “you,” “your,” etc., and refers to a client engagement involving a single person as well as two or more persons.

Item 4 - Advisory Business

Firm Information

Ariadne Wealth Advisors offers financial planning, portfolio management and investment consulting for individuals, families, trusts, estates and charitable organizations in Massachusetts and other states. AWA was founded in November of 2014. Timothy Brennan is the sole/principal owner of the firm.

AWA is a fee-only investment advisor. The only compensation we receive comes directly from our clients. Neither AWA, its officers or any of its employees receives any share of commissions, sales charges, marketing fees, custody fees, administrative fees or referral fees from any third parties.

During or prior to a client’s first meeting with our firm, they will be provided with a current Form ADV Part 2 firm brochure that includes a statement with regard to our privacy policy (found in Item 11). We will also ensure that we disclose any material conflicts of interest that could be reasonably expected to impair the rendering of unbiased and objective advice.

Types of Advisory Services

AWA provides comprehensive financial planning, investment advisory and investment supervisory services to its clients.

The initial “Discovery” meeting with our clients involves an in-depth discussion of clarifying goals and understanding values surrounding money. Subsequent to the initial meeting, the client will be asked to provide information necessary to complete the following areas of analysis: cash flow & budgeting, education funding, retirement planning, risk management, employee benefit planning, estate planning, tax planning and investment planning.

At a second meeting, AWA will deliver and review a suggested plan and a cost of services. If the client then decides to commit to an ongoing relationship with AWA, they will be asked to sign appropriate engagement and advisory agreements.

The first two meetings with clients are noncommittal and come at no cost to the potential client. We strongly believe this due-diligence is necessary to ensure each party has the level of information required to make an educated decision about moving forward with the relationship. Fees pertaining to the following services are outlined in Item 5 of this brochure.

Financial Planning

Understanding one's total financial picture is a necessary precursor for suitable investing. Although the breadth of our services may be as broad-based or narrowly focused as the client desires, at a minimum, we require all clients to engage in initial discussions surrounding their goals and values.

For those interested in holistic plan implementation, we work closely with clients to develop, implement and monitor an appropriate plan by evaluating all aspects of financial planning including, but not limited to, the following:

- **Retirement Planning:** Our retirement planning services typically include projections of your likelihood of achieving your financial goals, typically focusing on financial independence as the primary objective. For situations where projections show less than the desired results, we may make recommendations, including those that may impact the original projections by adjusting certain variables (i.e., working longer, saving more, spending less, taking more risk with investments).
- **Insurance Review:** Review of existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home and automobile.
- **Education Funding:** Includes projecting the amount that will be needed to achieve college or other post-secondary education funding goals, along with advice on ways for you to save the desired amount. Recommendations as to savings strategies are included, and, if needed, we will review your financial picture as it relates to eligibility for financial aid or the best way to contribute to other family members (if appropriate).
- **Cash Flow & Debt Management:** We will conduct a review of your income and expenses to determine your current surplus or deficit along with advice on prioritizing how any surplus should be used or how to reduce expenses if they exceed your income. Advice may also be provided on which debts to pay off first based on factors such as the interest rate of the debt and any income tax ramifications. We may also recommend what we believe to be an appropriate cash reserve that should be considered for emergencies and other financial goals, along with a review of accounts (such as money market funds) for such reserves, plus strategies to save desired amounts.
- **Employee Benefits Optimization:** We will provide a review and analysis as to whether you, as an employee, are taking full advantage of your employee benefits. If you are a business owner, we will consider and/or recommend the various benefit programs that can be structured to meet both business and personal retirement goals.
- **Estate Planning:** This usually includes analysis of your exposure to estate taxes and your current estate plan, which may include whether you have a will, powers of attorney, trusts and other related documents. Our advice may also include ways for you to minimize or avoid future estate taxes by implementing appropriate estate planning strategies such as the use of applicable trusts.

We always recommend that you consult with a qualified attorney when you initiate, update, or complete estate planning activities. We may provide you with contact information for attorneys who specialize in estate planning when you wish to hire an attorney for such purposes. From time-to-time, we will participate in meetings or phone calls between you and your attorney with your approval or request.

- **Financial Goals:** We will help clients identify financial goals and develop a plan to reach them. We will identify what you plan to accomplish, what resources you will need to make it happen, how much time you will need to reach the goal, and how much you should budget for your goal.
- **Investment Analysis:** This may involve developing an asset allocation strategy to meet clients' financial goals and risk tolerance, providing information on investment vehicles and strategies, reviewing employee stock options, as well as assisting you in establishing your own investment account at a selected broker/dealer or custodian. The strategies and types of investments we may recommend are further discussed in Item 8 of this brochure.
- **Risk Management:** A risk management review includes an analysis of your exposure to major risks that could have a significant adverse impact on your financial picture, such as premature death,

disability, property and casualty losses, or the need for long-term care planning. Advice may be provided on ways to minimize such risks and about weighing the costs of purchasing insurance versus the benefits of doing so and, likewise, the potential cost of not purchasing insurance (“self-insuring”).

- **Tax Planning Strategies:** Advice may include ways to minimize current and future income taxes as a part of your overall financial planning picture. For example, we may make recommendations on which type of account(s) or specific investments should be owned based in part on their “tax efficiency,” with consideration that there is always a possibility of future changes to federal, state or local tax laws and rates that may impact your situation.

We recommend that you consult with a qualified tax professional before initiating any tax planning strategy, and we may provide you with contact information for accountants or attorneys who specialize in this area if you wish to hire someone for such purposes. We will participate in meetings or phone calls between you and your tax professional with your approval.

Portfolio Advisory Services

AWA offers investment advisory services by recommending clients, where appropriate, to sub-advisors or (“Outside Managers”) for portfolio management services. We work with clients to determine an appropriate allocation and relay that information to the Outside Managers. Our review process and analysis of outside managers is further discussed in Item 8 of this Form ADV Part 2A. Additionally, we will meet with the client on a periodic basis to discuss changes in their personal or financial situation, suitability, and any new or revised restrictions to be applied to the account.

This service has no minimum account size requirements and will be offered to all clients. Clients whose accounts are managed by a sub-advisor will pay an additional fee directly to the sub-advisor in addition to fees paid to AWA. Fees pertaining to this service are outlined in Item 5 of this brochure.

Portfolio Supervisory Services

In certain circumstances, we personally manage individually tailored investment portfolios for our clients. We design, manage and monitor the portfolio based on criteria outlined in their personal Investment Policy Statement.

Account supervision is guided by the stated objectives of the client (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

This service has no minimum account size requirements and will be offered to all clients.

Client Tailored Services and Client Imposed Restrictions

We offer the same suite of services to all of our 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 restrictions, needs, and targets.

Wrap Fee Programs

AWA does not manage or place client assets into a wrap fee program. Investment management services are provided directly by AWA.

Assets Under Management

AWA has the following assets under management as of January 1, 2018:

Discretionary AUM: \$4,600,000

Non-discretionary AUM: \$0

Item 5 - Fees and Compensation

Please note, unless a client has received the firm's disclosure brochure at least 48 hours prior to signing the investment advisory contract, the investment advisory contract may be terminated by the client within five (5) business days of signing the contract without incurring any advisory fees. How we are paid depends on the type of advisory service we are performing. Please review the fee and compensation information below.

All fees are determined based on the unique needs and complexity of a client's situation. The services to be provided to clients and their specific fees will be detailed in the engagement agreement. Our published fees may be discounted by our firm but they are not negotiable. We strive to offer fees that are fair and reasonable in light of the experience of the firm and the services to be rendered to our clients, however, similar services may be made available from other providers and potentially at a lower fee.

For new clients, Ariadne imposes an initial engagement fee of \$1,500. Beyond the engagement fee, the cost to retain our services is an ongoing fee that is paid monthly, or quarterly in arrears. Our

These services may be terminated within 30 days' notice. Upon termination of any account, any unearned fee will be billed pro-rata to the client.

Retained Advisory Services

\$3,600 - \$4,800 per year, per client relationship.

Consulting Services

For one-time non-discretionary financial consulting services AWA bills at an hourly rate of \$250. Fees are subject to negotiation.

Fee Billing

Our retainer fees may be directly debited directly from client accounts, paid by check or through an unaffiliated payment processing service.

We will deduct our fee directly from the client account through the qualified custodian holding client funds and securities provided the following requirements are met:

- Client provides our firm with written authorization permitting the fees to be paid directly from client's account held by the qualified custodian as part of the Investment Advisory Agreement.
- We send client an invoice itemizing the fee.
- The qualified custodian agrees to send the client a statement, at least quarterly, indicating all amounts dispersed from your account including the amount of the advisory fee paid directly to our firm.

It is the responsibility of the client to verify the accuracy of these fees as listed on the custodian's brokerage statement as the custodian does not assume this responsibility.

Non-discretionary consulting fees are invoiced directly to the client and payable upon receipt.

Other Fees and Expenses

All fees paid to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee, which we do not retain. A client could invest in a mutual fund or an ETF directly, without the services of AWA. In that case, the client would not receive the services provided by us which are designed, among other things, to assist the client in determining which mutual fund or funds or ETFs are most appropriate to each client's financial conditions and objectives. Accordingly, the client should review both fees charged by the funds and ETFs and the fees charged by us to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

In addition to advisory fees paid to our firm, clients will also be responsible for all transaction, brokerage, trade-way and custodial fees incurred as part of their account management. Please see Item 12 of this brochure for important disclosures regarding our brokerage practices.

Outside Manager Fees

In addition to AWA's fee, when AWA directs clients to Outside Managers, the Outside Manager will debit the client's account for the advisory fee. These fees will be disclosed to all clients in advance and the client will receive a copy of the manager's ADV at the outset of the relationship.

Limited Prepayment of Fees

Under no circumstances do we require or solicit payment of fees in excess of \$500 more than six months in advance of services rendered.

Compensation for Sales of Securities

AWA does not buy or sell securities to or from clients and does not receive any compensation for securities transactions in a client account, other than the fees noted above.

Termination of the Advisory Relationship

A client agreement may be cancelled at any time, by either party, for any reason upon receipt of written notice to the other. Upon termination of any account, any unpaid fees will be promptly billed to the client. In calculating a client's fees, we will pro-rate the fee according to the number of days remaining in the billing period. AWA will not be responsible for future allocations, transactions, etc., upon receipt of a termination notice.

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

AWA does not accept performance-based fees, nor are any accounts set up in a side-by-side fee structure.

Item 7 - Types of Clients

AWA offers financial planning and portfolio management services to individuals, families, trusts, estates and charitable organizations. We do not have a minimum account size requirement.

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

Method of Analysis

When we are engaged to provide investment advice, we will first gather and consider several factors, including your:

- current financial situation
- current and long-term needs
- investment goals and objectives
- level of investment knowledge
- tolerance or appetite for risk
- reasonable investment restrictions involving your account(s)

Our research is drawn from sources that include financial periodicals, reports from economist and other industry professionals, annual reports as well as prospectuses and other regulatory filings.

Investment Strategies

We recognize that each client's needs and goals are different; subsequently portfolio strategies and underlying investment vehicles may vary. Generally, our investment advice is based on the belief that proper diversification and risk management will provide an investor client with a stable and consistent return over time. We favor evidence-based risk management strategies with periodic rebalancing to maintain desired risk levels.

For other investors we may choose to employ a Core + Satellite Strategy: blending passive (or index) and active investing, where passive investments are used as the basis or "core" of a portfolio and actively-managed investments are added as "satellite" positions. For example, the core of a portfolio may be built with low-cost index funds or ETFs, and satellite holdings would include active holdings believed capable of adding value beyond a stated benchmark over a full market cycle. The core represents the majority of the portfolio and the remainder of the portfolio employs holdings that take a shorter duration to assist in the over-or-under allocation to specific sectors, regions, assets classes, etc..

Investment Vehicles Generally Recommended

We typically recommend portfolios that contain investment vehicles considered diversified, tax-efficient and low-cost whenever practical. It would be common to find a broad range of index funds, no-load and/or no transaction fee mutual funds, and ETFs within a portfolio that we have designed. We may also recommend an investor retain pre-existing holdings when appropriate.

All investment strategies are discussed openly and transparently with clients at their request.

Risk of Loss

Our investment strategies do not attempt to anticipate market movements. This presents a potential risk, as the price of securities can move up or down along with the overall market. Our investment strategy attempts to mitigate this risk by allocating investments broadly across asset classes and strategies. To further reduce risk, we may exit markets and allocate a significant portion of the portfolio to fixed assets such as cash and short-term income investments when our risk indicators signal conditions that are unfavorable for a particular strategy. Despite these attempts, the risk of loss remains an inherent component to investing.

Market Risk – The price of any security or the value of an entire asset class can decline for a variety of reasons outside of AWA's control, including, but not limited to, changes in the macroeconomic environment, unpredictable market sentiment, forecasted or unforeseen economic developments, interest rates, regulatory changes, and domestic or foreign political, demographic, or social events. If a Client has a high allocation in a particular asset class it may negatively affect overall performance to the extent that the asset class underperforms relative to other market assets. Conversely, a low allocation to a particular asset class that outperforms other asset classes in a particular period will cause that Client Account to underperform relative to the overall market.

Advisory Risk – There is no guarantee that AWA's judgment or investment decisions about particular securities or asset classes will necessarily produce the intended results. AWA's judgment may prove to be incorrect, and a Client might not achieve her investment objectives. AWA may also make future changes to the investing models and advisory services that it provides. AWA and its representatives are not responsible to any Client for losses unless caused by AWA breaching its fiduciary duty.

Volatility and Correlation Risk – Clients should be aware that AWA's asset selection process is based in part on a careful evaluation of past price performance and volatility in order to evaluate future probabilities. However, it is possible that different or unrelated asset classes may exhibit similar price changes in similar directions which may adversely affect a Client, and may become more acute in times of market upheaval or high volatility. Past performance is no guarantee of future results, and any historical returns, expected returns, or probability projections may not reflect actual future performance.

Liquidity and Valuation Risk – High volatility and/or the lack of deep and active liquid markets for a security may prevent a Client from selling her securities at all, or at an advantageous time or price because AWA and the Client's Broker may have difficulty finding a buyer and may be forced to sell at a significant discount to market value. Some securities (including ETFs) that hold or trade financial instruments may be adversely affected by liquidity issues as they manage their portfolios. While AWA values the securities held in Client Accounts based on reasonably available exchange-traded security data, AWA may from time to time receive or use inaccurate data, which could adversely affect security valuations, transaction size for purchases or sales, and/or the resulting advisory fees paid by a Client to AWA.

Credit Risk – AWA cannot control and Clients are exposed to the risk that financial intermediaries or security issuers may experience adverse economic consequences that may include impaired credit

ratings, default, bankruptcy or insolvency, any of which may affect portfolio values or management. This risk applies to assets on deposit with any Broker utilized by Client, notwithstanding asset segregation and insurance requirements that are beneficial to Broker clients generally. In addition, exchange trading venues or trade settlement and clearing intermediaries could experience adverse events that may temporarily or permanently limit trading or adversely affect the value of Client securities. Finally, any issuer of securities may experience a credit event that could impair or erase the value of the issuer's securities held by a Client. AWA seeks to limit credit risk by generally adhering to the purchase of ETFs, which are subject to regulatory limits on asset segregation and leverage such that fund shareholders are given liquidation priority versus the fund issuer; however, certain funds and products may involve higher issuer credit risk because they are not structured as a registered fund.

Legislative and Tax Risk - Performance may directly or indirectly be affected by government legislation or regulation, which may include, but is not limited to: changes in investment advisor or securities trading regulation; change in the U.S. government's guarantee of ultimate payment of principal and interest on certain government securities; and changes in the tax code that could affect interest income, income characterization and/or tax reporting obligations (particularly for ETF securities dealing in natural resources). AWA does not engage in financial or tax planning, and in certain circumstances a Client may incur taxable income on her investments without a cash distribution to pay the tax due.

Foreign Investing and Emerging Markets Risk - Foreign investing involves risks not typically associated with U.S. investments, and the risks may be exacerbated further in emerging market countries. These risks may include, among others, adverse fluctuations in foreign currency values, as well as adverse political, social and economic developments affecting one or more foreign countries. In addition, foreign investing may involve less publicly available information and more volatile or less liquid securities markets, particularly in markets that trade a small number of securities, have unstable governments, or involve limited industry. Investments in foreign countries could be affected by factors not present in the U.S., such as restrictions on receiving the investment proceeds from a foreign country, foreign tax laws or tax withholding requirements, unique trade clearance or settlement procedures, and potential difficulties in enforcing contractual obligations or other legal rules that jeopardize shareholder protection. Foreign accounting may be less transparent than U.S. accounting practices and foreign regulation may be inadequate or irregular.

ETF Risks, including Net Asset Valuations and Tracking Error - ETF performance may not exactly match the performance of the index or market benchmark that the ETF is designed to track because 1) the ETF will incur expenses and transaction costs not incurred by any applicable index or market benchmark; 2) certain securities comprising the index or market benchmark tracked by the ETF may, from time to time, temporarily be unavailable; and 3) supply and demand in the market for either the ETF and/or for the securities held by the ETF may cause the ETF shares to trade at a premium or discount to the actual net asset value of the securities owned by the ETF. Certain ETF strategies may from time to time include the purchase of fixed income, commodities, foreign securities, American Depositary Receipts, or other securities for which expenses and commission rates could be higher than normally charged for exchange-traded equity securities, and for which market quotations or valuation may be limited or inaccurate.

Clients should be aware that to the extent they invest in ETF securities they will pay two levels of advisory compensation – advisory fees charged by AWA plus any management fees charged by the issuer of the ETF. This scenario may cause a higher advisory cost (and potentially lower investment returns) than if a Client purchased the ETF directly.

An ETF typically includes embedded expenses that may reduce the fund's net asset value, and therefore directly affect the fund's performance and indirectly affect a Client's portfolio performance or an index benchmark comparison. Expenses of the fund may include investment advisor management fees, custodian fees, brokerage commissions, and legal and accounting fees. ETF expenses may change from time to time at the sole discretion of the ETF issuer. AWA attempts to disclose each ETF's current information, including expenses, to each client on an annual basis. ETF tracking error and expenses may vary.

Inflation, Currency, and Interest Rate Risks - Security prices and portfolio returns will likely vary in response to changes in inflation and interest rates. Inflation causes the value of future dollars to be worth less and may reduce the purchasing power of an investor's future interest payments and principal. Inflation also generally leads to higher interest rates, which in turn may cause the value of many types of fixed income investments to decline. In addition, the relative value of the U.S. dollar-denominated assets primarily managed by AWA may be affected by the risk that currency devaluations affect Client purchasing power.

Failure to Implement - Financial planning clients are free to accept or reject any or all of the recommendations made to you. While no advisory firm can guarantee future performance, no plan can succeed if it is not implemented. Clients who choose not to take the steps recommended in their financial plan may face an increased risk that their stated goals and objectives will not be achieved.

Passive Markets Theory - A portfolio that employs a passive, efficient markets approach (representative of Modern Portfolio Theory) has the potential risk at times to generate lower-than-expected returns for the broader allocation than might be the case for a more narrowly focused asset class, and the return on each type of asset may be a deviation from the average return for the asset class. We believe this variance from the "expected return" is generally low under normal market conditions when a portfolio is made up of diverse, low or non-correlated assets.

Socially Conscious Investing - If you require your portfolio to be invested according to socially conscious principles, you should note that returns on investments of this type may be limited and because of this limitation you may not be able to be as well diversified among various asset classes. The number of publicly traded companies that meet socially conscious investment parameters is also limited, and due to this limitation, there is a probability of similarity or overlap of holdings, especially among socially conscious mutual funds or ETFs. Therefore, there could be a more pronounced positive or negative impact on a socially conscious portfolio, which could be more volatile than a fully diversified portfolio.

Item 9 - Disciplinary Information

AWA has no reportable disciplinary events to disclose.

Item 10 - Other Financial Industry Activities and Affiliations

Firm policies require associated persons to conduct business activities in a manner that avoids conflicts of interest between the firm and its clients, or that may be contrary to law. AWA will provide disclosure to each client prior to and throughout the term of an engagement regarding any conflicts of interest which might reasonably compromise its impartiality or independence.

Our firm is not registered nor has an application pending to register as a Financial Industry Regulatory Authority (FINRA) or National Futures Association (NFA) member firm, nor are we required to be registered with such entities. Neither our firm nor its management is or has a material relationship with any of the following types of entities:

- accounting firm or accountant
- bank, credit union or thrift organization
- insurance company or insurance agency
- lawyer or law firm
- pension consultant
- real estate broker or dealer
- sponsor or syndicator of limited partnerships
- trust company
- issuer of a security, to include 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)

Upon your request, you may be provided a referral to various professionals, such as an accountant, attorney or insurance representative. While these referrals are based on our best information, we do not guarantee the quality or adequacy of the work provided by these referred professionals. We do not have an agreement with or receive fees from these professionals for these informal referrals. Any fees charged by these other entities for their services are completely separate from fees charged by our firm.

Recommendations or Selections of Other Investment Advisors

The portfolio model managers we recommend are required to be registered as an investment advisor. If we recommend that your portfolio be created and maintained by an external model manager, we will first ensure that model manager is appropriately registered and/or notice-filed within your state of residence. As referenced in Item 5 of this brochure, Outside Managers are compensated via an advisory fee paid by the client for their respective services.

Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

AWA has adopted a Code of Ethics (the “Code”) to address investment advisory conduct. The Code focuses primarily on fiduciary duty, personal securities transactions, insider trading, gifts, and conflicts of interest. The Code includes AWA’s policies and procedures developed to protect client’s interests in relation to the following topics:

- The duty at all times to place the interests of clients first.
- The requirement that all personal securities transactions be conducted in such a manner as to be consistent with the code of ethics.
- The responsibility to avoid any actual or potential conflict of interest or misuse of an employee's position of trust and responsibility.
- The fiduciary principle that information concerning the identity of security holdings and financial circumstances of clients is confidential.
- The principle that independence in the investment decision-making process is paramount.

A copy of AWA's Code of Ethics is available upon request.

Personal Trading Practices

AWA allows our employees to purchase or sell the same securities that may be recommended to and purchased on behalf of clients. We take pride in the fact that AWA's ownership generally invests its personal assets alongside those of our clients, using the same model portfolios and securities. Owning the same securities we recommend (purchase or sell) to you presents a potential conflict of interest that, as fiduciaries, we must disclose to you and mitigate through policies and procedures. As noted above, we have adopted, consistent with Section 204A of the Investment Advisers Act of 1940, a Code of Ethics, which addresses insider trading (material non-public information controls) and personal securities reporting procedures. We have also adopted written policies and procedures to detect the misuse of material, non-public information. We may have an interest or position in certain securities, which may also be recommended to you.

While AWA allows our employees to purchase or sell the same securities that may be recommended to and purchased on behalf of clients, these trades do not occur at the same time. AWA will place trades only after client orders have been placed and filled.

At no time will AWA or any associated person of AWA transact in any security to the detriment of a client.

Item 12 - Brokerage Practices

AWA does not have discretionary authority to select the broker-dealer-custodian for custodial and execution services or the administrator for defined contribution accounts. The client will select the qualified custodian to safeguard client assets and authorize AWA to direct trades to this custodian as agreed in the Investment Advisory Agreement. Further, AWA does not have the discretionary authority to negotiate commissions on behalf of our clients on a trade-by-trade basis.

Where AWA does not exercise discretion over the selection of the custodian, it may recommend the custodians to clients for execution and/or custodial services. Clients are not obligated to use the recommended custodian and will not incur any extra fee or cost associated with using a broker not recommended by AWA. AWA may recommend a custodian based on criteria such as, but not limited to, reasonableness of commissions charged to the client, breadth of investment products available, reputation and financial strength, services made available to the client, and products and services that benefit AWA (as described in Item 14.A below). AWA does not receive research services, other products, or compensation as a result of recommending a particular broker that may result in the client paying higher commissions than those obtainable through other brokers.

The following are additional details regarding the brokerage practices of the advisor:

- **Soft Dollars** - Soft dollars are revenue programs offered by broker-dealers whereby an advisor entered into an agreement to place security trades with the broker in exchange for research and other services. AWA does not participate in soft dollar programs sponsored or offered by any broker-dealer.
- **Brokerage Referrals** - AWA does not receive any compensation from any third party in connection with the recommendation for establishing a brokerage account.
- **Directed Brokerage** - All clients are serviced on a “directed brokerage basis”, where AWA will place trades within the established account(s) at the custodian designated by the client. All client accounts are traded within their respective brokerage account(s). The advisor will not engage in any principal transactions (i.e., trade of any security from or to the advisor’s own account) or cross transactions with other client accounts (i.e, purchase of a security into one client account from another client’s account(s)). In selecting the custodian, AWA will not be obligated to elect competitive bids on securities transactions and does not have an obligation to seek the lowest available transaction costs. These costs are determined by the designated custodian.

The Custodians and Brokers We Use

We may recommend that our clients use MTG, LLC dba Betterment Securities (“Betterment Securities”), a registered broker-dealer, member SIPC, as the qualified custodian. We are independently owned and operated and are not affiliated with Betterment Securities. Betterment Securities will hold your assets in a brokerage account and buy and sell securities when we and/or you instruct them to. While we may recommend that you use Betterment Securities as custodian/broker, you will decide whether to do so and will open your account with Betterment Securities by entering into an account agreement directly with them. We do not open the account for you, although we may assist you in doing so. If you do not wish to place your assets with Betterment Securities, then we cannot manage your account on Betterment Institutional (defined below).

Your Brokerage and Custody Costs

For our clients’ accounts that Betterment Securities maintains, Betterment Securities generally does not charge you separately for custody services, but is compensated as part of the Betterment Institutional (defined below) platform fee, which is a percentage of the dollar amount of assets in the account in lieu of commissions. We have determined that having Betterment Securities execute trades is consistent with our duty to seek “best execution” of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see “Factors Used to Select Custodians and/or Broker-Dealers”).

Services Available to Us via Betterment Institutional

Betterment Securities serves as broker dealer to Betterment Institutional, an investment and advice platform serving independent investment advisory firms like us (“Betterment Institutional”). Betterment Institutional also makes available various support services which may not be available to Betterment’s retail customers. Some of those services help us manage or administer our clients’ accounts, while others help us manage and grow our business. Betterment Institutional’s support services are generally available on an unsolicited basis (we don’t have to request them) and at no charge to us. Following is a more detailed description of Betterment Institutional’s support services:

1. **SERVICES THAT BENEFIT YOU.** Betterment Institutional includes access to a range of investment products, execution of securities transactions, and custody of client assets through Betterment Securities. Betterment Securities’ services described in this paragraph generally benefit you and your account.

2. **SERVICES THAT MAY NOT DIRECTLY BENEFIT YOU.** Betterment Institutional also makes available to us other products and services that benefit us, but may not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts, such as software and technology that may:
 - a. Assist with back-office functions, record keeping, and client reporting of our clients' accounts.
 - b. Provide access to client account data (such as duplicate trade confirmations and account statements).
 - c. Provide pricing and other market data.
 - d. Assist with back-office functions, record keeping, and client reporting.
3. **SERVICES THAT GENERALLY BENEFIT ONLY US.** By using Betterment Institutional, we will be offered other services intended to help us manage and further develop our business enterprise. These services include:
 - a. Educational conferences and events.
 - b. Consulting on technology, compliance, legal, and business needs.
 - c. Publications and conferences on practice management and business succession.

Our Interest in Betterment Securities' Services

The availability of these services from Betterment Institutional benefits us because we do not have to produce or purchase them. In addition, we don't have to pay for Betterment Securities' services. These services may be contingent upon us committing a certain amount of business to Betterment Securities in assets in custody. We may have an incentive to recommend that you maintain your account with Betterment Securities, based on our interest in receiving Betterment Institutional and Betterment Securities' services that benefit our business rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a potential conflict of interest. We believe, however, that our selection of Betterment Securities as custodian and broker is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of Betterment Securities' services and not Betterment Institutional and Betterment Securities' services that benefit only us.

Trade Aggregation/Block Trades

The primary objective in placing orders for purchase or sale is to obtain the most favorable net results taking into account such factors as price, size of order, difficulty of execution and confidentiality. AWA will execute transactions through an unaffiliated broker-dealer selected by the client. Our investment process often results in the purchase or sale the same securities across several client accounts. In this situation, AWA may aggregate orders in a block trade or trades when securities are purchased or sold through the same broker-dealer for multiple discretionary accounts. If a block trade cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated in a manner that is consistent with the initial pre-allocation or other written statement. This must be done in a way that does not consistently advantage or disadvantage particular client accounts.

Outside managers used by AWA may block client trades at their discretion. Their specific practices are further discussed in their ADV Part 2A, Item 12.

Item 13 - Review of Accounts

Mr. Brennan, President of AWA, monitors all AWA client accounts on an ongoing basis and will conduct account reviews at least annually to ensure that the advisory services provided to you and/or the portfolio

mix are consistent with your stated investment needs and objectives. Additional reviews may be conducted based on various circumstances, including, but not limited to:

- Contributions and Withdrawals
- Year-end tax planning
- Market moving events
- Security specific events
- Changes in your risk/return objectives

You will receive trade confirmations and monthly/quarterly statements from your account custodian(s).

Clients are encouraged to contact AWA anytime via email or phone to address any questions or concerns.

Item 14 - Client Referrals and Other Compensation

AWA does not receive any economic benefits from any persons or entities who are not clients. The firm, or any of its supervised persons, does not directly or indirectly compensate any person or entity for client referrals.

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

Item 15 - Custody

AWA does not accept or maintain custody over any client assets. If agreed upon in the Investment Advisory Agreement, your independent custodian will directly debit your account(s) for the payment of our advisory fees. This ability to deduct advisory fees from your accounts, causes our firm to exercise limited custody over your funds and/or securities. Your funds and securities will be held with a bank, broker-dealer, or other independent qualified custodian. Clients should receive at least quarterly statements from the custodian, bank or other qualified accounts that holds and maintains client's investments. The account statements from your custodian(s) will indicate the amount of our advisory fees deducted from your account(s) each billing period. You should carefully review account statements for accuracy. AWA will also provide statements to you reflecting the amount of the advisory fee deducted from your account.

You should compare our statements with the statements from your account custodian(s) to reconcile the information reflected on each statement. If you have a question regarding your account statement, or if you did not receive a statement from your custodian, please contact us directly at the telephone number on the cover page of this brochure.

Item 16 - Investment Discretion

AWA generally receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is

to be exercised in a manner consistent with the stated investment objectives for the particular client account. When selecting securities and determining amounts, AWA observes the investment policies, limitations and restrictions of the clients for which it advises as set forth in the Investment Policy Statement.

Item 17 - Voting Client Securities

AWA does not have any authority to and does not vote proxies on behalf of clients. Clients retain the responsibility for receiving and voting proxies for securities maintained in client portfolios. If requested, we may provide advice to clients regarding the clients voting of proxies.

Item 18 - Financial Information

Neither AWA nor its management has any adverse financial situations that would reasonably impair the ability of AWA to meet all obligations to its clients. Neither AWA nor any of its advisory persons has been subject to a bankruptcy or financial compromise. AWA is not required to deliver a balance sheet along with this brochure as the firm does not collect advance fees for services to be performed six months or more in advance.

Item 19 - Requirements for State-Registered Advisers

Educational Background and Business Experience of Principal Officer

Timothy Brennan is the President of Ariadne Wealth Advisors. Information regarding the formal education and background of Mr. Brennan is included in Item 2 of the Form ADV Part 2B Brochure Supplement.

Other Business Activities of Principal Officer

Mr. Brennan has no additional business activities.

Performance Fee Calculations

AWA does not charge performance-based fees for its investment advisory services. The fees charged by AWA are described in Item 5 - Fees and Compensation above and are not based upon the capital appreciation of the funds or securities held by any client.

Disciplinary Information

There are no legal, civil or disciplinary events to disclose regarding AWA or Mr. Brennan. There have been no client complaints, lawsuits, arbitration claims or administrative proceedings against AWA or Mr. Brennan.

Securities laws require an advisor to disclose any instances where the advisor or its advisory persons have been found liable in a legal, regulatory, civil or arbitration matter that alleges violation of securities and other statutes; fraud; false statements or omissions; theft, embezzlement or wrongful taking of

property; bribery, forgery, counterfeiting, or extortion; and/or dishonest, unfair or unethical practices. As previously noted, there are no legal, civil or disciplinary events to disclose regarding AWA or Mr. Brennan.

Material Relationships with Issuers of Securities

Neither AWA nor Mr. Brennan has any relationships or arrangements with issuers of securities.