

Cover Page - Item 1



## **Acute Investment Advisory, LLC**

**Address**

4856 East Baseline Road, Suite 104  
Mesa, AZ 85206

Telephone: 480-620-6907

Fax: 800-537-4185

E-mail: [matt@acutewealthadvisors.com](mailto:matt@acutewealthadvisors.com)

Web site: [www.acutewealthadvisors.com](http://www.acutewealthadvisors.com)

**April 25, 2019**

### **Form ADV Part 2A Brochure**

Acute Investment Advisory, LLC is an investment adviser registered with the Securities Division of the Arizona Corporation Commission. An "investment adviser" means any person who, for compensation, engages in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities, or who, for compensation and as part of a regular business, issues or promulgates analyses or reports concerning securities. Registration with the SEC or any state securities authority does not imply a certain level of skill or training.

This brochure provides information about the qualifications and business practices of Acute Investment Advisory, LLC. If you have any questions about the contents of this brochure, please contact us at 480-620-6907. 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 Acute Investment Advisory, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Material Changes - Item 2**

The purpose of this page is to inform you of any material changes since the previous version of this brochure.

On April 25, 2019 we completed a rewrite of our entire Form ADV Part 2 Brochure. Clients should read the entire document to familiarize themselves with our firm.

We review and update our brochure at least annually to make sure that it remains current. If you would like to receive a complete copy of our current brochure free of charge at any time, please contact us at 480-620-6907.

**Table of Contents - Item 3**

**Contents**

Cover Page - Item 1 .....	1
Material Changes - Item 2.....	2
Table of Contents - Item 3 .....	3
Advisory Business - Item 4 .....	4
Fees and Compensation - Item 5 .....	5
Performance-Based Fees and Side-By-Side Management - Item 6 .....	7
Types of Clients - Item 7.....	7
Methods of Analysis, Investment Strategies and Risk of Loss - Item 8.....	7
Disciplinary Information - Item 9 .....	9
Other Financial Industry Activities or Affiliations - Item 10.....	9
Code of Ethics, Participation or Interest in Client Transactions and Personal Trading - Item 11.....	10
Brokerage Practices - Item 12 .....	10
Review of Accounts - Item 13 .....	12
Client Referrals and Other Compensation - Item 14 .....	12
Custody - Item 15.....	12
Investment Discretion - Item 16 .....	12
Voting Client Securities - Item 17.....	13
Financial Information - Item 18 .....	13
Requirements of State-Registered Advisers - Item 19.....	13
Miscellaneous .....	14
Form ADV Part 2B Brochure Supplement .....	1
Form ADV Part 2B Brochure Supplement .....	4

#### **Advisory Business - Item 4**

Acute Investment Advisory, LLC (“AIA” or the “firm”) is a registered investment adviser based in Phoenix, Arizona. We are a limited liability company under the laws of the State of Arizona. AIA was created in 2014 and registered as an investment advisor in 2014 and is owned by its two principals, Matthew Deaton and Damon Roberts.

The following paragraphs describe our services. Also, you may see the term Associated Person throughout this Brochure. As used in this Brochure, this term refers to anyone from our firm who is an officer, employee, and all individuals providing investment advice on behalf of our firm. Such persons must register and be properly registered as investment adviser representatives in required jurisdictions. Currently, we offer the following investment advisory services:

- **Portfolio Management Services**
- **Third Party Advisory Services**

##### ***Portfolio Management Services***

Asset management refers to the management of money, including investments. Assets are usually held in what is called a portfolio. Determining the types and quantities of securities to hold in a portfolio is referred to as portfolio management.

Our firm offers discretionary and non-discretionary portfolio management services. Discretionary portfolio management services means that once the portfolio has been agreed upon, the ongoing supervision and management of the portfolio will be our responsibility. This allows our firm to decide on specific securities, the quantity of the securities and placing buy or sell orders for your account without obtaining your approval for each transaction. This type of authorization is granted to us either in the Investment Management Agreement you sign with our firm, a limited power of attorney agreement, or trading authorization forms. You may limit this authority by setting a limit on the type of securities that can be purchased for your account. Simply provide us with your restrictions or guidelines in writing.

The non-discretionary portfolio management service means that we must obtain your approval prior to making any transactions in your account.

Our investment advice is tailored to meet our clients’ needs and investment objectives. If you decide to hire our firm to manage your portfolio, we will meet with you to gather your financial information, determine your goals, and decide how much risk you should take in your investments. The information we gather will help us implement an asset allocation strategy that will be specific to your goals, whether we are actively investing for you or simply providing you with advice.

AIA mainly uses exchange listed equities, over the counter equities, foreign issues, American depository receipts, corporate debt securities, commercial paper, certificates of deposit, municipal securities, investment company securities (including mutual funds and exchange traded funds), U.S. Government securities, options contracts on securities and/or commodities, private equity instruments, and interests in partnership investing in real estate. Additionally, will provide advice on existing investments you may hold at the inception of the advisory relationship or on other types of investments for which you ask advice.

However we construct your investment portfolio, we will monitor your portfolio’s performance on a continuous basis, and rebalance the portfolio whenever necessary, as changes occur in market conditions, your financial circumstances, or both.

### ***Selection of Third Party Investment Advisers***

AIA has entered into agreements with various other third party investment advisers for the provision of certain investment advisory services. Factors considered in the selection of a third party adviser include but may not be limited to: i) AIA's preference for a particular third party adviser; ii) the client's risk tolerance, goals and objectives, as well as investment experience; and, iii) the amount of client assets available for investment. In order to assist clients in the selection of a third party adviser, an Associated Person of AIA will typically gather information from the client about the client's financial situation, investment objectives, and reasonable restrictions the client wants imposed on the management of the account.

The third party adviser customizes the client's portfolio by blending traditional investment strategies with an allocation to asset classes. The investment strategy adopted by the third party adviser may embrace value, growth, or contrarian investing styles. Generally, securities transactions will be decided upon and executed by the third party adviser on a discretionary basis. This means that the manager selected will have the ability to buy and sell securities in your account without obtaining your approval. AIA and its Associated Persons will not manage, or obtain discretionary authority over the assets in accounts participating in these programs; however, clients may grant AIA the discretionary authority to hire and fire such third party managers. Generally, clients may not impose restrictions on investing in certain securities or types of securities in accounts managed by a third party adviser.

Associated Persons of AIA will periodically review reports provided to the client. An Associated Person of AIA will contact the client at least annually, or more often as agreed upon with each client, to review the client's financial situation and objectives, communicate information to the third party adviser managing the account as necessary, and to assist the client in understanding and evaluating the services provided by the third party adviser. Clients will be expected to notify AIA of any changes in their financial situation, investment objectives, or account restrictions.

The third party adviser may offer wrapped or non-wrapped pricing options. Wrap pricing structures allow the client to pay an all-inclusive fee for management, brokerage, clearance, custody, and administrative services. In a non-wrap pricing structure, the third party adviser's fee may be separated from the advisory fee charged by AIA. Transaction costs may also be charged for the execution and clearance of advisory transactions directed by such Third Party Advisory Services. A complete description of the programs and services provided, the amount of total fees, the payment structure, termination provisions and other aspects of each program are detailed and disclosed in: i) the third party adviser's Form ADV Part 2A; ii) the program wrap brochure (if applicable) or other applicable disclosure documents; iii) the disclosure documents of the portfolio manager(s) selected; or, iv) the third party adviser's account opening documents. A copy of all relevant disclosure documents of the third party adviser and of the individual portfolio manager(s) will be provided to anyone interested in these programs/managers.

### **Wrap Fee Programs**

We do not sponsor or manage any wrap fee programs.

### **Assets Under Management**

As of April 25, 2019, AIA did not directly manage any client assets on either a discretionary or non-discretionary basis and had no regulatory assets under management.

## **Fees and Compensation - Item 5**

### ***Portfolio Management Services***

AIA charges a portfolio management that is based on a percentage of client assets under management. The fee is payable monthly in arrears, based on the average daily market value of client's account during the preceding month as reported by client's account custodian. The exact payment arrangement will be listed in the Investment Management Agreement signed by the firm and the client.

At this time, our fees are based on the following fee schedule:

<b>Assets Under Management</b>	<b>Advisory Fee</b>
First \$500,000	1.30%
Next \$500,000	1.25%
over \$1,000,000	1.20%

AIA will either invoice you directly for the payment of advisory fees or fee will be deducted directly from your account. We usually deduct advisory fees from a designated account to facilitate billing. If you choose to have AIA's fee deducted directly from your account, you must provide written authorization. The qualified custodian holding your funds and securities will send you an account statement at least quarterly. This statement will detail account activity. Please review each statement for accuracy. AIA will also receive a copy of your account statements from the custodian.

Our annual fee is exclusive of, and in addition to brokerage commissions, transaction fees, and other related costs and expenses which will be incurred by the client. However, we will not receive any portion of the commissions, fees, and costs. Please see Item 12 – Brokerage Practices for further information on brokerage and transaction costs.

At the inception of investment management services, the first month's fees will be calculated on a pro-rata basis. The Investment Management Agreement between AIA and the client will continue in effect until either party terminates the Investment Management Agreement in accordance with the terms of the Investment Management Agreement. Refunds are not applicable because the fee is payable in arrears.

#### **Third Party Adviser (TPAs) Fees**

AIA will perform management searches of various independent registered investment advisers for referral to AIA clients. AIA will share in the fee paid to the TPA. The management fee is disclosed in the TPA's disclosure documents. These fees may or may not be negotiable. AIA's compensation may differ depending upon the firm's individual agreement with each TPA. AIA or its Associated Persons may have an incentive to recommend one TPA over another TPA with whom it has less favorable compensation arrangements or other advisory programs offered by TPAs with which it has no compensation arrangements.

#### **Additional Fees and Expenses**

The fees AIA charges may be negotiable based on the amount of assets under management, complexity of client goals and objectives, and level of services rendered. As described above, the fees are charged as described and are not based on a share of capital gains of the funds of an advisory client. All fees paid to AIA for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds to their shareholders. These fees and expenses are described in each fund's prospectus. These fees generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without the services of AIA. In that case, the client would not receive the services provided by AIA which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and the fees charged by AIA to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

#### **Compensation for the Sale of Insurance Products**

Certain Executive officers and other Associated Persons of AIA are licensed as independent insurance agents. These persons will earn commission-based compensation for selling insurance products, including insurance products they sell to clients of AIA. Insurance commissions earned by these persons are separate and in addition to

AIA's advisory fees. This practice presents a conflict of interest because persons providing investment advice on behalf of our firm who are insurance agents have an incentive to recommend insurance products to you for the purpose of generating commissions rather than solely based on your needs. **Clients of our firm are under no obligation, contractually or otherwise, to purchase insurance products through any person or entity affiliated with our firm.**

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

Performance based fees are based on a share of capital gains on or capital appreciation of the client's assets. We and our Associated Persons do not accept performance based fees.

#### Types of Clients - Item 7

We provide advisory services to a variety of types of clients including individuals, trusts, individual's pension plan accounts, and retirement plan trustees. We do not currently impose a minimum account size requirement.

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

The following are different methods of analysis that we may use when providing you with investment advice. All analysis and research is provided by various third party research providers:

- Fundamental Analysis – fundamental analysis is a technique that attempts to determine a security's value by focusing on underlying factors that affect a company's actual business and its future prospects. The term refers to the analysis of the economic well-being of a financial entity as opposed to only its price movements.
- Technical Analysis – technical analysis is a technique that relies on the assumption that current market data (such as charts of price, volume, and open interest) can help predict future market trends, at least in the short term. It assumes that market psychology influences trading and can predict when stocks will rise or fall.

We use one or more of the following investment strategies when advising you on investments:

- Long Term Purchases – securities held for over a year.
- Short Term Purchases – securities held for less than a year.
- Trading – securities are sold within 30 days.
- Short Sales – short selling is the selling of a stock that the seller doesn't own. More specifically, a short sale is the sale of a security that isn't owned by the seller, but that is promised to be delivered.
- Margin Transactions – margin strategies allow an investor to purchase securities on credit and to borrow on securities already in their custodial account. Interest is charged on any borrowed funds for the period of time that the loan is outstanding.
- Covered Options – covered option is a strategy in which an investor writes an option contract while at the same time owning an equivalent number of shares of the underlying stock.

The investment advice provided along with the strategies suggested by AIA will vary depending on each client's specific financial situation and goals. This brief statement does not disclose all of the risks and other significant

aspects of investing in financial markets. In light of the risks, you should fully understand the nature of the contractual relationship(s) into which you are entering and the extent of your exposure to risk. Certain investing strategies may not be suitable for many members of the public. You should carefully consider whether the strategies employed will be appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances.

**Investing in securities involves risk of loss that clients should be prepared to bear**

**General Investment Risk:** All investments come with the risk of losing money. Investing involves substantial risks, including complete possible loss of principal plus other losses and may not be suitable for everyone. Investments, unlike savings and checking accounts at a bank, are not insured by the government to protect against market losses. Different market instruments carry different types and degrees of risk and you should familiarize yourself with the risks involved in the particular market instruments in which you intend to invest.

**Loss of Value:** There can be no assurance that a specific investment will achieve its investment objectives and past performance should not be seen as a guide to future returns. The value of investments and the income derived may fall as well as rise and investors may not recoup the original amount invested. Investments may also be affected by any changes in exchange control regulation, tax laws, withholding taxes, international, political, and economic developments, and government, economic, or monetary policies.

**Interest Rate Risk:** Fixed income securities and funds that invest in bonds and other fixed income securities may fall in value if interest rates change. Generally, the prices of debt securities rise when interest rates fall, and their prices fall when interest rates rise. Longer-term debt securities are usually more sensitive to interest rate changes.

**Credit Risk:** Investments in bonds and other fixed income securities are subject to the risk that the issuer(s) may not make required interest payments. An issuer suffering an adverse change in its financial condition could lower the credit quality of a security, leading to greater price volatility of the security. A lowering of the credit rating of a security may also offset the security's liquidity, making it more difficult to sell. Funds investing in lower quality debt securities are more susceptible to these problems and their value may be more volatile.

**Foreign Exchange Risk:** Foreign investments may be affected favorably or unfavorably by exchange control regulations or changes in the exchange rates. Changes in currency exchange rates may influence the share value, the dividends or interest earned and the gains and losses realized. Exchange rates between currencies are determined by supply and demand in the currency exchange markets, the international balance of payments, governmental intervention, speculation, and other economic and political conditions. If the currency in which a security is denominated appreciates against the U.S. Dollar, the value of the security will increase. Conversely, a decline in the exchange rate of the currency would adversely affect the value of the security.

**Risks Associated with Investing in Equities:** Investments in equities generally refers to buying shares of stocks by an individual or firms in return for receiving a future payment of dividends and capital gains if the value of the stock increases. There is an innate risk involved when purchasing a stock that it may decrease in value and the investment may incur a loss.

**Risks Associated with Investing in Exchange Traded Funds (ETF):** Investing in stocks & ETF's carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Investments in these securities are not guaranteed or insured by the FDIC or any other government agency.

**Recommendation of Particular Types of Securities**

As disclosed under the Advisory Business section in this brochure, we recommend all types of securities and we do not necessarily recommend one particular type of security over another since each client has different needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not



be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with that investment.

**Risks Associated with Investing in Options:** Transactions in options carry a high degree of risk. A relatively small market movement will have a proportionately larger impact, which may work for or against the investor. Placing certain orders, which are intended to limit losses to certain amounts, may not be effective because market conditions may make it impossible to execute such orders. Selling an option generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of that amount. The seller will also be exposed to the risk of the purchaser exercising the option and the seller will be obliged either to settle the option in cash or to acquire or deliver the underlying investment. If the option is "covered" by the seller holding a corresponding position in the underlying investment or a future on another option, the risk may be reduced.

**Cybersecurity Risk:** AIA relies on the use of technologies to conduct business, and is susceptible to operational, information security and related risks, including risks of unintentional cyber incidents and deliberate cyber attacks. Cyber attacks include, but are not limited to, gaining unauthorized access to digital systems (e.g., through "hacking" or malicious software coding) for purposes of corrupting data, or causing operational disruption, as well as denial-of-service attacks on websites. Cyber incidents may cause disruptions and impact business operations, potentially resulting in financial losses, interference with a client's ability to value its securities or account investments, impediments to trading, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs. While AIA and its most significant counterparties and vendors have established business continuity plans and risk management systems to help mitigate cyber incidents, there are inherent limitations in such plans and systems that AIA is not in a position to control.

#### Disciplinary Information - Item 9

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of us or of the integrity of our management. Neither AIA nor its management persons have a history of material legal or disciplinary events that are required to be reported in this section.

#### Other Financial Industry Activities or Affiliations - Item 10

Matthew Deaton and Damon Roberts are licensed insurance agents and can effect transactions in insurance products for their clients and earn commissions for these activities. Mr. Deaton owns The Deaton Group, LLC and Mr. Roberts owns Acute Financial. Messrs. Deaton and Roberts collectively own Acute Wealth Advisors. All three entities are insurance agencies based in the State of Arizona. The firm expects that clients to whom it offers advisory services may also be clients for whom Messrs. Deaton and Roberts act as insurance agents. Clients are instructed that the fees paid to the firm for advisory services are separate and distinct from the commissions earned by Messrs. Deaton and Roberts for placing the client in insurance products. Clients to whom the firm offers advisory services are informed that they are under no obligation to use Messrs. Deaton and Roberts for insurance services and may use the insurance brokerage firm and agent of their choosing. Messrs. Deaton and Roberts spend about 50% of their time in their capacities as insurance agents with the remaining 50% spent in their capacities as the Managing Members and investment adviser representatives of AIA.

### **Recommendation of Other Advisors**

We may recommend that you use a third party adviser as part of our asset allocation and investment strategy. AIA will share in the compensation received by the third party advisor for managing your account. The compensation arrangement presents a conflict of interest due to a financial incentive to recommend the services of the third party adviser. You are not required to use the services of any third party advisor we recommend.

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

### **Description of Our Code of Ethics**

AIA 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 AIA'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; and
- The principle that independence in the investment decision-making process is paramount.

A copy of AIA's Code of Ethics is available upon request to Matthew Deaton, Managing Member, at 480-620-6907.

### **Personal Trading Practices**

At times AIA and/or its Advisory Representatives may take positions in the same securities as clients, which may pose a conflict of interest with clients. AIA and its Advisory Representatives will generally be "last in" and "last out" for the trading day when trading occurs in close proximity to client trades. We will not violate our fiduciary responsibilities to our clients. Front running (trading shortly ahead of clients) is prohibited. Should a conflict occur because of materiality (i.e. a thinly traded stock), disclosure will be made to the client(s) at the time of trading. Incidental trading not deemed to be a conflict (i.e. a purchase or sale which is minimal in relation to the total outstanding value, and as such would have negligible effect on the market price), would not be disclosed at the time of trading.

## **Brokerage Practices - Item 12**

Our firm participates in the TD Ameritrade Institutional program. TD Ameritrade Institutional is a division of TD Ameritrade, Inc. ("TD Ameritrade") member FINRA/SIPC. TD Ameritrade offers independent investment advisers services, which include custody of securities, trade execution, clearance, and settlement of transactions. Our firm receives research and benefits from TD Ameritrade through our participation in the program.

### **Research and Other Benefits**

As disclosed above, our firm participates in TD Ameritrade's institutional customer program and we may require clients to maintain accounts with TD Ameritrade. There is no direct link between our firm's participation in the program and the investment advice we give to our clients, although we receive economic benefits through our

participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving our firm's participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to our client accounts); the ability to have our advisory fees deducted directly from our clients' accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to our firm by third party vendors. TD Ameritrade may also pay for business consulting and professional services received by our firm's related persons and may also pay or reimburse expenses (including travel, lodging, meals, and entertainment expenses) for our firm's personnel to attend conferences or meetings relating to the program or to TD Ameritrade's adviser custody and brokerage services generally. Some of the products and services made available by TD Ameritrade through the program may benefit our firm, but may not benefit our client accounts. These products or services may assist us in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help us manage and further develop our business enterprise. The benefits received by our firm or our personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of our fiduciary duties to clients, our firm endeavors at all times to put the interests of our clients first. You should be aware, however, that our firm's receipt of economic benefits in and of itself creates a potential conflict of interest and may indirectly influence our choice of TD Ameritrade for custody and brokerage services.

We may also utilize research and other products or services provided to us free of charge by other recommended broker-dealers. Receipt of such research and other products or services is not dependent on client securities transactions and such products and services are not paid for with "soft dollars." However, we do receive some economic benefit since we do not pay for such research and other products or services.

#### **Brokerage for Client Referrals**

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

#### **Directed Brokerage**

AIA does not accept directed brokerage arrangements. As such, all clients will be required to use the services of TD Ameritrade. Not all advisers require their Clients to direct brokerage to a particular broker-dealer/custodian. By directing brokerage, we may be unable to always achieve the most favorable execution of Client transactions, which may result in higher commissions and/or trading costs than those that may be available elsewhere.

#### **Block Trades**

We combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as "block trading") whenever possible. We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. The distribution of the shares purchased is typically proportionate to the size of the account, but it is not based on account performance or the amount or structure of management fees. In rare instances, such as partial fills or limited shares of thinly traded or illiquid stocks, it may be necessary to place block trades for only small groups of clients over a period of time. Subject to our discretion regarding factual and market conditions, when we combine orders, each participating account pays an average price per share for all transactions and pays a proportionate share of all transaction costs. Accounts owned by our firm or persons associated with our firm may participate in block trading with your accounts; however, they will not be given preferential treatment. We do not combine multiple orders for shares of the same mutual funds purchased for advisory accounts we manage because mutual funds do not trade in blocks.

#### Review of Accounts - Item 13

AIA monitors the individual investments within AIA's portfolio management accounts each day the market is open. Portfolio performance is reviewed, at a minimum, on a quarterly basis. AIA offers portfolio management clients an in-person portfolio review meeting on an annual basis. The Associated Person assigned to the account will perform account reviews.

Triggering factors for interim reviews include changes in market conditions, change of employment, re-balancing of assets to maintain proper asset allocation and any other activity that is discovered as the account is reviewed.

Clients will receive statements directly from their account custodian(s) on at least a quarterly basis.

#### Client Referrals and Other Compensation - Item 14

Apart from the research and other benefits received from TD Ameritrade, as disclosed in the Research and Other Soft Dollar Benefits section of Item 12 above, we do not receive economic benefits from third parties in exchange for providing investment advice or other advisory services to our clients.

We and our related persons do not compensate, either directly or indirectly, any person or entity who is not our supervised person for client referrals.

#### **Recommendation of Other Advisors**

We may recommend that you use a third party adviser as part of our asset allocation and investment strategy. AIA will share in the compensation received by the third party adviser for managing your account. The compensation arrangement presents a conflict of interest due to a financial incentive to recommend the services of the third party adviser. You are not required to use the services of any third party adviser we recommend.

#### Custody - Item 15

AIA is deemed to have custody of client assets because of the fee deduction authority granted by the client in the Investment Management Agreement. Generally, clients will receive monthly account statements from the broker-dealer or other qualified custodian. Inactive accounts may receive quarterly account statements. The custodian will not verify the calculation of the advisory fees. As such, we urge our clients to review their custodial account statements for accuracy.

#### Investment Discretion - Item 16

AIA offers Portfolio Management Services on a discretionary basis. Clients must grant discretionary authority in the Investment Management Agreement. Discretionary authority extends to the types and amounts of securities to be bought and sold in client accounts. Apart from the ability to withdraw management fees, AIA does not have the ability to withdraw funds or securities from the client's account. The client provides AIA discretionary authority via a limited power of attorney in the Investment Management Agreement and in the contract between the client and the custodian.

If you wish, you may limit our discretionary authority, for example, by setting a limit on the type of securities that can be purchased for your account. Simply provide us with your restrictions or guidelines in writing. Please refer to the "Advisory Business" section in this Brochure for more information on our discretionary management services.

If you have engaged us for non-discretionary portfolio management services, AIA will obtain your approval prior to executing all transactions in your account(s).

#### Voting Client Securities - Item 17

AIA does not vote proxies. It is the client's responsibility to vote proxies. Clients will receive proxy materials directly from the custodian. Questions about proxies may be made via the contact information on the cover page.

#### Financial Information - Item 18

We are required in this Item to provide you with certain financial information or disclosures about AIA's, financial condition. AIA does not require the prepayment of over \$500, six or more months in advance. Additionally, AIA has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

#### Requirements of State-Registered Advisers - Item 19

##### **Principal Executive Officers and Management Persons**

###### **Matthew Deaton**

Matthew Deaton was born in 1977. He attended Arizona State University where he earned a Bachelor of Science degree in Finance. He also completed his Masters in Business Administration at Arizona State University.

###### Business Experience

- Acute Investment Advisory, LLC, March 2014 to Present, Managing Member
- The Deaton Group, LLC, 2005 to Present, Member
- Acute Wealth Advisors, LLC , February 2017 to Present, Member

###### **Damon Roberts**

Damon Roberts was born in 1974. He attended Brigham Young University where he earned a Bachelor of Science degree in Psychology. He also received a Master of Science degree in Social Work from Arizona State University.

###### Business Experience

- Acute Investment Advisory, September 2014 to present, Managing Member
- Acute Financial, February 2009 to present, Member
- Acute Wealth Advisors, February 2017 to present, Member

###### **Outside Business Activities**

Please see Item 10 – Other Financial Industry Activities and Affiliations for further information about our Managing Members' outside business activities.

**Performance Based Fees**

We and our Associated Persons do not accept performance based fees. Performance based fees are based on a share of capital gains on or capital appreciation of the client's assets.

**Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of us or of the integrity of our management. Neither AIA nor its management persons have a history of material legal or disciplinary events that are required to be reported in this section.

**Other Relationships or Arrangements With Issuers of Securities**

Our firm and our related persons do not have any relationships or arrangements with any issuer of securities.

Miscellaneous

**Confidentiality**

AIA views protecting its customers' private information as a top priority and, pursuant to the requirements of the Gramm-Leach-Bliley Act, the firm has instituted policies and procedures to ensure that customer information is kept private and secure.

AIA does not disclose any nonpublic personal information about its customers or former customers to any nonaffiliated third parties, except as permitted by law. In the course of servicing a client account, AIA may share some information with its service providers, such as transfer agents, custodians, broker-dealers, accountants, and lawyers.

AIA restricts internal access to nonpublic personal information about its clients to those employees who need to know that information in order to provide products or services to the client. AIA maintains physical and procedural safeguards that comply with state and federal standards to guard a client's nonpublic personal information and ensure its integrity and confidentiality. As emphasized above, it has always been and will always be the firm's policy never to sell information about current or former customers or their accounts to anyone. It is also the firm's policy not to share information unless required to process a transaction, at the request of the client, or as required by law.

A copy of the firm's privacy policy notice will be provided to each client prior to, or contemporaneously with, the execution of the Investment Management Agreement. If you have any questions on this policy, please contact Matthew Deaton, Managing Member, at 480-620-6907.

# Matthew Deaton

Managing Member/Investment Adviser Representative



## Acute Investment Advisory, LLC

### Address

4856 East Baseline Road  
Mesa, AZ 85206

Telephone: 480-620-6907

Fax: 800-537-4185

E-mail: [matt@acutewealthadvisors.com](mailto:matt@acutewealthadvisors.com)

Web site: [www.acutewealthadvisors.com](http://www.acutewealthadvisors.com)

**April 25, 2019**

### Form ADV Part 2B Brochure Supplement

This Brochure Supplement provides information about Matthew Deaton that supplements Acute Investment Advisory, LLC (hereinafter "AIA") Brochure. You should have received a copy of that Brochure. Please contact us at 480-620-6907 if you did not receive Acute Investment Advisory, LLC's Brochure or if you have any questions about the contents of this supplement.

Additional information about Matthew Deaton is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Mr. Deaton's CRD number is 6298275.

### Educational Background and Business Experience - Item 2

#### **Education Background and Business Experience**

##### **Matthew Deaton**

Matthew Deaton was born in 1977. He attended Arizona State University where he earned a Bachelor of Science degree in Finance. He also completed his Masters in Business Administration at Arizona State University.

##### Business Experience

- Acute Investment Advisory, LLC, March 2014 to present, Managing Member
- The Deaton Group, LLC, Member, 2005 to Present
- Acute Wealth Advisors, LLC, February 2017 to present, Member

### Disciplinary Information - Item 3

Mr. Deaton does not have a reportable disciplinary history.

### Other Business Activities - Item 4

Mr. Deaton is a licensed insurance agent and can effect transactions in insurance products for his clients and earn commissions for these activities. Mr. Deaton is also the owner of The Deaton Group, LLC and a part owner of Acute Wealth Advisors, LLC. Both firms are insurance agencies based in the State of Arizona. The firm expects that clients to whom it offers advisory services may also be clients for whom Mr. Deaton acts as an insurance agent. Clients are instructed that the fees paid to the firm for advisory services are separate and distinct from the commissions earned by Mr. Deaton for placing the client in insurance products. Clients to whom the firm offers advisory services are informed that they are under no obligation to use Mr. Deaton for insurance services and may use the insurance brokerage firm and agent of their choosing. Mr. Deaton spends about 50% of his time in his capacities as an insurance agent with the remaining 50% spent in his capacities as the Managing Member and investment adviser representative of AIA.

Mr. Deaton is also a member of the following Limited Liability Companies: Equity Point, LLC, VOSE Holdings, LLC, Coolidge 88, LLC, and Matthew J Deaton, PLC (inactive). These entities are designed to hold various real estate holdings. Matthew Deaton is also a Member of Permanent Makeup by Katie, LLC.

### Additional Compensation – Item 5

Apart from the receipt of compensation from the activities listed under Item 4 above, Mr. Deaton does not receive additional compensation or economic benefits from third party sources in connection to his advisory activities.

### Supervision - Item 6

Mr. Deaton is an investment adviser representative of AIA. In this role, Mr. Deaton is responsible for the supervision and management of advisory accounts. As Managing Member, Mr. Deaton is responsible for the



overall management of the company and supervision of its personnel, including its investment adviser representatives.

AIA has implemented a Code of Ethics that guides each Associated Person in meeting their fiduciary obligations to clients. Mr. Deaton adheres himself to AIA's code of ethics as mandated.

Additionally, AIA is subject to regulatory oversight by various agencies. These agencies require registration by AIA and its management, and its investment adviser representatives. As a registered entity, AIA is subject to examinations by regulators, which may be announced or unannounced. AIA is required to periodically update the information provided to these agencies and to provide various reports regarding firm business and assets under management.

Clients and prospective clients may contact Mr. Deaton at 480-620-6907 to obtain a copy of AIA's code of ethics.

#### Requirements for State-Registered Advisers - Item 7

##### **Disciplinary Information**

Mr. Deaton does not have any reportable disciplinary events.

##### **Bankruptcy Petition**

Mr. Deaton has not been subject of a bankruptcy petition.

## **Damon Roberts**

Managing Member/Investment Adviser Representative



## **Acute Investment Advisory, LLC**

### **Address**

4856 East Baseline Road  
Mesa, AZ 85206

Telephone: 480-620-6907

Fax: 800-537-4185

E-mail: [damon@acutewealthadvisors.com](mailto:damon@acutewealthadvisors.com)

Web site: [www.acutewealthadvisors.com](http://www.acutewealthadvisors.com)

**April 25, 2019**

### **Form ADV Part 2B Brochure Supplement**

This Brochure Supplement provides information about Damon Roberts that supplements Acute Investment Advisory, LLC (hereinafter "AIA") Brochure. You should have received a copy of that Brochure. Please contact us at 480-620-6907 if you did not receive Acute Investment Advisory, LLC's Brochure or if you have any questions about the contents of this supplement.

Additional information about Damon Roberts is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Mr. Roberts's CRD number is 6298279.

### Educational Background and Business Experience - Item 2

#### **Education Background and Business Experience**

##### **Damon Roberts**

Damon Roberts was born in 1974. He attended Brigham Young University where he earned a Bachelor of Science degree in Psychology. He also received a Master of Science degree in Social Work from Arizona State University.

##### Business Experience

- Acute Investment Advisory, LLC, September 2014 to present, Managing Member
- Acute Financial, LLC, February 2009 to Present, Member
- Acute Wealth Advisors, LLC, February 2017 to Present, Member

### Disciplinary Information - Item 3

Mr. Roberts does not have a reportable disciplinary history.

### Other Business Activities - Item 4

Mr. Roberts is a licensed insurance agent and can effect transactions in insurance products for his clients and earn commissions for these activities. Mr. Roberts is also the owner of Acute Financial, LLC and a part owner of Acute Wealth Advisors. Both firms are insurance agencies based in the State of Arizona. The firm expects that clients to whom it offers advisory services may also be clients for whom Mr. Roberts acts as an insurance agent. Clients are instructed that the fees paid to the firm for advisory services are separate and distinct from the commissions earned by Mr. Roberts for placing the client in insurance products. Clients to whom the firm offers advisory services are informed that they are under no obligation to use Mr. Roberts for insurance services and may use the insurance brokerage firm and agent of their choosing. Mr. Roberts spends about 50% of his time in his capacities as an insurance agent with the remaining 50% spent in his capacities as the Managing Member and investment adviser representative of AIA.

### Additional Compensation – Item 5

Apart from the receipt of compensation from the activities listed under Item 4 above, Mr. Roberts does not receive additional compensation or economic benefits from third party sources in connection to his advisory activities.

### Supervision - Item 6

Mr. Roberts is an investment adviser representative of AIA. In this role, Mr. Roberts is responsible for the supervision and management of advisory accounts. As Managing Member, Mr. Roberts is responsible for the overall management of the company and supervision of its personnel, including its investment adviser representatives.

AIA has implemented a Code of Ethics that guides each Associated Person in meeting their fiduciary obligations to

clients. Mr. Roberts adheres himself to AIA's code of ethics as mandated.

Additionally, AIA is subject to regulatory oversight by various agencies. These agencies require registration by AIA and its management, and its investment adviser representatives. As a registered entity, AIA is subject to examinations by regulators, which may be announced or unannounced. AIA is required to periodically update the information provided to these agencies and to provide various reports regarding firm business and assets under management.

Clients and prospective clients may contact Mr. Roberts at 480-620-6907 to obtain a copy of AIA's code of ethics.

#### **Requirements for State-Registered Advisers - Item 7**

##### **Disciplinary Information**

Mr. Roberts does not have any reportable disciplinary events.

##### **Bankruptcy Petition**

Mr. Roberts has not been subject of a bankruptcy petition.

## David Deaton

Investment Adviser Representative



## Acute Investment Advisory, LLC

### Address

4856 East Baseline Road, Suite 104  
Mesa, AZ 85206

Telephone: 480-620-6907

Fax: 800-537-4185

E-mail: [david@acutewealthadvisors.com](mailto:david@acutewealthadvisors.com)

Web site: [www.acutewealthadvisors.com](http://www.acutewealthadvisors.com)

**April 25, 2019**

### Form ADV Part 2B Brochure Supplement

This Brochure Supplement provides information about David Deaton that supplements Acute Investment Advisory, LLC (hereinafter "AIA") Brochure. You should have received a copy of that Brochure. Please contact us at 480-620-6907 if you did not receive Acute Investment Advisory, LLC's Brochure or if you have any questions about the contents of this supplement.

Additional information about David Deaton is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Mr. Deaton's CRD number 6765138.

### Educational Background and Business Experience - Item 2

#### **Education Background and Business Experience**

##### **David I. Deaton**

David Deaton was born in 1988.

##### Business Experience

- Acute Investment Advisory, LLC, December 2016 to Present, Investment Adviser Representative
- State Farm, October 2016 to December 2016, Auto Claims Associate
- Federal Aviation Administration, May 2016 to September 2016, Air Traffic Control – Trainee
- Titan Restoration of AZ, March 2012 to December 2015, Lead Water Technician

### Disciplinary Information - Item 3

Mr. Deaton does not have a reportable disciplinary history.

### Other Business Activities - Item 4

Mr. Deaton is a licensed insurance agent and can effect transactions in insurance products for his clients and earn commissions for these activities. The firm expects that clients to whom it offers advisory services may also be clients for whom Mr. Deaton acts as an insurance agent. Clients are instructed that the fees paid to the firm for advisory services are separate and distinct from the commissions earned by Mr. Deaton for placing the client in insurance products. Clients to whom the firm offers advisory services are informed that they are under no obligation to use Mr. Deaton for insurance services and may use the insurance brokerage firm and agent of their choosing. Mr. Deaton spends about 50% of his time in his professional capacities as an insurance agent.

### Additional Compensation – Item 5

Apart from the receipt of compensation from the activities listed under Item 4 above, Mr. Deaton does not receive additional compensation or economic benefits from third party sources in connection to his advisory activities.

### Supervision - Item 6

Mr. Deaton is an investment adviser representative of AIA. In this role, Mr. Deaton is responsible for the supervision and management of advisory accounts. Mr. Deaton is supervised by Damon Roberts, Managing Member of AIA. As Managing Member, Mr. Roberts is responsible for the overall management of the company and supervision of its personnel, including its investment adviser representatives.

AIA has implemented a Code of Ethics that guides each Associated Person in meeting their fiduciary obligations to clients. Mr. Deaton adheres himself to AIA's code of ethics as mandated.

Additionally, AIA is subject to regulatory oversight by various agencies. These agencies require registration by AIA and its management, and its investment adviser representatives. As a registered entity, AIA is subject to examinations by regulators, which may be announced or unannounced. AIA is required to periodically update the information provided to these agencies and to provide various reports regarding firm business and assets under management.

Clients and prospective clients may contact Mr. Deaton at 480-620-6907 to obtain a copy of AIA's code of ethics.

#### **Requirements for State-Registered Advisers - Item 7**

##### **Disciplinary Information**

Mr. Deaton does not have any reportable disciplinary events.

##### **Bankruptcy Petition**

Mr. Deaton has not been subject of a bankruptcy petition.

## **Abbey E. Brennan**

Account Manager/Investment Adviser Representative



## **Acute Investment Advisory, LLC**

### **Address**

4856 East Baseline Road, Suite 104  
Mesa, AZ 85206

Telephone: 480-620-6907

Fax: 800-537-4185

E-mail: [abbey@acutewealthadvisors.com](mailto:abbey@acutewealthadvisors.com)

Web site: [www.acutewealthadvisors.com](http://www.acutewealthadvisors.com)

**April 25, 2019**

### **Form ADV Part 2B Brochure Supplement**

This Brochure Supplement provides information about Abbey Brennan that supplements Acute Investment Advisory, LLC (hereinafter "AIA") Brochure. You should have received a copy of that Brochure. Please contact us at 480-620-6907 if you did not receive Acute Investment Advisory, LLC's Brochure or if you have any questions about the contents of this supplement.

Additional information about Abbey Brennan is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Ms. Brennan's CRD number is 5102728.



### Educational Background and Business Experience - Item 2

#### **Education Background and Business Experience**

##### **Abbey E. Brennan**

Abbey Brennan was born in 1983. She attended the University of Arizona where she earned a Bachelor of Arts degree in Communication.

##### Business Experience

- Acute Investment Advisory, LLC, September 2015 to Present, Account Manager/Investment Adviser Representative
- Wells Fargo Advisors, May 2010 to September 2015, Registered Client Associate

### Disciplinary Information - Item 3

Ms. Brennan does not have a reportable disciplinary history.

### Other Business Activities - Item 4

Ms. Brennan is a licensed insurance agent and can effect transactions in insurance products for her clients and earn commissions for these activities. The firm expects that clients to whom it offers advisory services may also be clients for whom Ms. Brennan acts as an insurance agent. Clients are instructed that the fees paid to the firm for advisory services are separate and distinct from the commissions earned by Ms. Brennan for placing the client in insurance products. Clients to whom the firm offers advisory services are informed that they are under no obligation to use Ms. Brennan for insurance services and may use the insurance brokerage firm and agent of their choosing. Ms. Brennan spends about 0% of her time in her professional capacities as an insurance agent.

### Additional Compensation – Item 5

Apart from the receipt of compensation from the activities listed under Item 4 above, Ms. Brennan does not receive additional compensation or economic benefits from third party sources in connection to her advisory activities.

### Supervision - Item 6

Ms. Brennan is an investment adviser representative of AIA. In this role, Ms. Brennan is responsible for the supervision and management of advisory accounts. Ms. Brennan is supervised by Damon Roberts, Managing Member of AIA. As Managing Member, Mr. Roberts is responsible for the overall management of the company and supervision of its personnel, including its investment adviser representatives.

AIA has implemented a Code of Ethics that guides each Associated Person in meeting their fiduciary obligations to clients. Ms. Brennan adheres herself to AIA's code of ethics as mandated.

Additionally, AIA is subject to regulatory oversight by various agencies. These agencies require registration by AIA and its management, and its investment adviser representatives. As a registered entity, AIA is subject to examinations by regulators, which may be announced or unannounced. AIA is required to periodically update the information provided to these agencies and to provide various reports regarding firm business and assets under management.

Clients and prospective clients may contact Ms. Brennan at 480-620-6907 to obtain a copy of AIA's code of ethics.

#### **Requirements for State-Registered Advisers - Item 7**

##### **Disciplinary Information**

Ms. Brennan does not have any reportable disciplinary events.

##### **Bankruptcy Petition**

Ms. Brennan has not been subject of a bankruptcy petition.