



Potentia RIA, LLC dba Potentia Wealth

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Form ADV Part 2A – Appendix 1: Wrap Fee Program Brochure

Effective: March 2026

This Wrap Fee Program Brochure provides information about the qualifications and business practices of Potentia RIA, LLC. dba Potentia Wealth (“Potentia” or “us” or “we” or the “Firm”). If you have any questions about the contents of this brochure, please contact us at (408) 288-7886 or ask@potentiawealth.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about Potentia RIA also is available on the SEC’s website at www.adviserinfo.sec.gov. The site may be searched by using a unique identifying number known as a CRD number. Potentia RIA’s CRD number is 329135.

References herein to Potentia RIA, LLC as a “registered investment adviser” or any reference to being "registered" does not imply a certain level of skill or training.

ITEM 2: MATERIAL CHANGES

This Wrap Fee Program Brochure is being filed for the first time. Accordingly, there are no material changes to report.

In the future, if and when material changes are made to this Wrap Fee Program Brochure, Potentia will describe such changes in this section and deliver the required disclosures to its clients in accordance with applicable regulatory requirements.

For additional details, please see the item in this Wrap Fee Program Brochure referenced in the summary above. Additional editorial and non-material changes were made throughout the brochure.

At any time, you may contact Kevin Swanson, Potentia's Chief Compliance Officer by phone at (408) 288-7886, if you have any additional questions or concerns regarding the contents of this Wrap Fee Program Brochure.

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ITEM 4: SERVICES, FEES AND COMPENSATION

A. FIRM DESCRIPTION

Potentia RIA, LLC dba Potentia Wealth (“Potentia” or “Firm” or “us” or “we”) is a California Limited Liability Company founded in October 2023. Potentia became an SEC-Registered Investment Adviser in January 2024, and is based in San Jose, California.

Potentia is principally owned and managed by Kevin C. Swanson. Potentia is not owned by LPL Financial LLC, member FINRA / SIPC (the “Custodian” or “LPL”).

As of December 31, 2025, Potentia managed \$569,095,699 in client assets on a discretionary basis and \$0.00 on a non-discretionary basis.

B. SERVICES

Potentia primarily offers advisory clients discretionary investment management services, in a wrap fee account, through LPL’s Strategic Wealth Management platform (“SWM”). When clients engage Potentia on a discretionary basis, the Investment Advisor Representative (“IAR”) will make investment decisions, including determining which securities to purchase or sell for the client’s account, without further approval from the client. Clients who decide to engage Potentia on a non-discretionary investment advisory basis must be willing to accept that Potentia cannot affect any account transactions without obtaining the client’s prior consent.

Potentia typically manages wrap fee accounts similarly to non-wrap fee accounts. The difference between a wrap fee account and a non-wrap fee account is whether Potentia or the client pay for the custodial transaction-based charges. **Note:** Both wrap fee and non-wrap fee accounts held at LPL the client will incur account maintenance, cash management services, and other investment-specific fees as outlined in the LPL disclosures and account agreements. *The overall cost you will incur if you participate in a wrap fee account may be higher or lower than you might incur by paying transaction costs separately in a non-wrap fee account.* To compare the cost of the wrap fee program with non-wrap fee investment management services, you should consider the anticipated frequency of trading activity associated with your investment strategies and the transaction charges involved in the anticipated securities/transactions in the account.

C. FEES AND COMPENSATION

Potentia will charge clients ongoing fees for investment management services based on the total assets held in all household accounts under Potentia’s management. The investment management fees are calculated as a percentage of the Client’s assets under management, including all cash and other assets in the Account(s) (the “Account Value”). Legacy clients may be subject to a fee schedule that differs from the below-stated fee schedule, based on the investment management agreement signed at time of engagement.

Clients are generally billed in advance from their advisory accounts and will also have the option for direct billing or flexible billing from another account, if applicable. The client’s first billing cycle will be prorated based on the number of days the client’s account was opened and how much

money was funded into the account during their first quarter. For Clients billed in advance, upon the termination of an account, any prepaid Investment management fees will be prorated according to the days the account was opened during the billing period, and excess fees will be refunded to the Client.

Fees due to Potentia are typically deducted by the custodian directly from the client's account under management and will be paid to Potentia as appropriate. **Note:** At LPL, Potentia may choose a different billing cycle (e.g., February, May, August, November or March, June, September, December); however, Potentia's investment advisory fee will still be calculated using the last valuation date in the 3-month period and billed in advance. The client will provide written authorization permitting the fees to be paid directly from the account. Both Potentia's IMA and the custodial / clearing agreement authorize the custodian to debit the account for Potentia's investment management fees and to directly remit that fee to Potentia in compliance with regulatory procedures.

Annual Advisory Fee:

Clients pay an annual advisory fee in advance on a quarterly basis between 2.0% and 0.6%. The investment management fee charged is subject to negotiation with each client based on the client's characteristics and may differ from client to client. Lower fees for investment management services may be available from other sources. **NOTE:** Under a wrap or non-wrap account, Potentia will charge an annual investment management fee based on a percentage of the assets to be managed, unless other services and/or fee structure have been negotiated by the client and Potentia. *When managing a client's account on a wrap fee basis, Potentia receives the balance of the wrap fee after deducting the custodial transaction-based charges.*

For wrap accounts held at LPL the client will incur account maintenance, cash management services, and other investment-specific fees as outlined in the LPL disclosures and account agreements. These are fees that are imposed by third parties in connection with investments made through a client's account, such as trading, exchange, custodial and investment management fees. In addition to our investment management fees, clients are responsible for paying all fees associated with investing their accounts.

Mutual funds and/or exchange traded funds ("ETFs") pass along costs to investors by imposing fees and expenses, such as shareholder fees, operating expenses and/or transaction costs. These costs reduce the returns on mutual funds and ETFs. Therefore, clients should fully understand the costs incurred through these investments, as fully described in the mutual fund or ETF prospectus that is available upon request from your Financial Professional and fully discuss these costs with your Financial Professional. Clients may invest in many of the ETFs and mutual funds that APP makes available through another broker-dealer, custodian, investment adviser or another financial institution and, as a result, the client's fees may be higher or lower than those charged through LPL. Additionally, Mutual funds and ETFs have different share classes with different fee structures and costs. Some share classes of a fund charge higher internal expenses, whereas other share classes of a fund charge lower internal expenses. Institutional and advisory share classes typically have lower expense ratios and are less costly for a client to hold than Class A shares or other share classes that are eligible for purchase in an advisory account. In some instances, a mutual fund offers only Class A Shares, but another similar mutual fund may be available that

offers institutional shares. Some share classes incur a ticket charge (commonly described as TF shares). Other share classes incur no ticket charges (commonly described as NTF shares), but usually have higher underlying costs, and the associated costs would ultimately be incurred by the client. While Potentia strives to utilize the lowest cost share class available through LPL, there may be other less costly share classes offered by a fund that are 1) not available for use by Potentia due to constraints imposed by the terms of the fund's prospectus, 2) not available on the custodial platform, and/or 3) subject to other conditions or restrictions that make utilizing such share class unreasonable, costly or prohibitive. A conflict of interest exists in those limited situations in which Potentia elects to utilize a share class more costly to the client than the lowest cost share class available at the custodian.

Clients are responsible for their own legal fees regarding private placements and alternative investments that are recommended by the Firm. These fees are not billed by the Firm and are the direct responsibility of the client.

Certain IARs of Potentia are also registered with LPL Financial as FINRA broker-dealer registered representatives. In these capacities, individuals will collect additional compensation in the form of commissions. Depending on, among other things, the size of the account, type of securities held in the account, changes in its value over time, the ability to negotiate fees or commissions, the historical or expected size or number of transactions, and the number of and range of supplementary advisory and client-related services provided to the client, the amount of this compensation may be more or less than what we would receive if the client participated in other programs, whether through LPL or another sponsor, or paid separately for investment advice, brokerage and other services. Even though we believe LPL's fees are competitive, lower fees for similar services may be available from other sources.

The client and Potentia may voluntarily terminate the engaged investment management services for any reason with thirty (30) days' notice to the other party. The date of receipt of the notice will be the effective date of termination. Upon the termination of an account, any prepaid, investment management fees will be prorated according to the days the account was opened during the billing period, and unearned, prepaid fees will be promptly refunded to the Client.

ITEM 5: ACCOUNTING REQUIREMENTS AND TYPES OF CLIENTS

Potentia generally provides investment management services to high-net-worth individuals, and individuals.

Potentia does not require an annual minimum fee or minimum asset level for investment advisory services. Certain investment programs or investment products require annual minimum fees or minimum asset levels for participation. Clients should thoroughly review disclosure materials or relevant Form ADV Part 2A brochures and consult with their IAR about the implications of such minimum requirements before investing in such programs or products.

ITEM 6: PORTFOLIO MANAGER SELECTION AND EVALUATION

A. ADVISORY BUSINESS

Potentia offers investment management and financial consulting services. The investment management services and recommendations offered by Potentia are based on the individual needs of our clients and the suitability of products and services. Specific client financial plans and their implementation are dependent upon the client's risk assessment which outlines each client's current situation (income, objectives, 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.

Prior to engaging Potentia to provide investment advisory services, including wealth management, each client will be required to enter into Potentia's written Investment Management Agreement ("IMA") setting forth the terms and conditions under which Potentia will manage the client's assets, including client specific fee and expense information.

Upon signing the IMA and before providing investment advisory services, we will discuss and review each client's particular investment objectives and risk tolerances. This information will include, but not be limited to investment objectives, investment horizons, financial needs and goals, current financial situation, existing resources, risk tolerance, and any reasonable guidelines and restrictions a client may impose. Based on this information, an investment approach is presented to the client. Client investment portfolios are regularly monitored and, if necessary, rebalanced based upon the client's individual needs, stated goals, and objectives.

Potentia's Wrap and Non-Wrap Fee Investment Management Services

Potentia primarily offers advisory clients discretionary investment management services, in a wrap fee account, through LPL's Strategic Wealth Management platform ("SWM"). When clients engage Potentia on a discretionary basis, the Investment Advisor Representative ("IAR") will make investment decisions, including determining which securities to purchase or sell for the client's account, without further approval from the client. Clients who decide to engage Potentia on a non-discretionary investment advisory basis must be willing to accept that Potentia cannot affect any account transactions without obtaining the client's prior consent.

Potentia typically manages wrap fee accounts similarly to non-wrap fee accounts. The difference between a wrap fee account and a non-wrap fee account is whether Potentia or the client pay for the custodial transaction-based charges. **Note:** Both wrap fee and non-wrap fee accounts held at LPL the client will incur account maintenance, cash management services, and other investment-specific fees as outlined in the LPL disclosures and account agreements. *The overall cost you will incur if you participate in a wrap fee account may be higher or lower than you might incur by paying transaction costs separately in a non-wrap fee account.* To compare the cost of the wrap fee program with non-wrap fee investment management services, you should consider the anticipated frequency of trading activity associated with your investment strategies and the transaction charges involved in the anticipated securities/transactions in the account.

LPL Managed Programs:

In addition, Potentia provides advisory services to clients through certain (non-wrap fee) programs managed by LPL, including, but not limited to:

Model Wealth Portfolios Program (“MWP”) – The MWP platform is a professionally managed mutual fund and exchange-traded fund (“ETF”) asset allocation program. Potentia will obtain the necessary financial data from the client, assist the client in determining the suitability of the MWP program and assist the client in setting an appropriate investment objective. Our IARs will initiate the steps necessary to open an MWP account and will have discretion to select a model portfolio designed by LPL’s Research Department or a third-party investment strategist, consistent with the client’s stated investment objective. LPL’s Research Department or third-party portfolio strategists are responsible for selecting the mutual funds or ETFs within a model portfolio and for making changes to the mutual funds or ETFs selected. The client will authorize LPL to act on a discretionary basis to purchase and sell mutual funds and ETFs and to liquidate previously purchased securities. The client will also authorize LPL to effect rebalancing for MWP accounts. MWP requires a minimum asset value for a program account to be managed. The minimums vary depending on the portfolio(s) selected and the account’s allocation amongst portfolios. The lowest minimum for a portfolio is \$25,000. In certain instances, a lower minimum for a portfolio is permitted.

Optimum Market Portfolios Program (“OMP”) - The OMP platform is a managed mutual fund asset allocation platform using Optimum Funds shares. Under OMP, the client authorizes LPL on a discretionary basis to purchase and sell Optimum Funds pursuant to investment objectives chosen by the client. Potentia will assist the client in determining the suitability of OMP for the client and assist the client in setting an appropriate investment objective. Clients invest in one or more model portfolios designed by LPL’s Research Department, each consisting of up to six mutual funds from the Optimum Family of Funds. LPL will also have authority to rebalance the account. A minimum account value of \$10,000 is required for OMP. In certain instances, LPL will permit a lower minimum account size.

Manager Access Select Program (“MAS”) - The MAS platform provides clients with access to the investment advisory services of third-party asset managers (“TPAMs”) for the individual management of client accounts. Potentia will assist clients in identifying a TPAM from a list made available by LPL. TPAM manages the client’s assets on a discretionary basis. Potentia will provide initial and ongoing assistance regarding the TPAM selection process. A minimum account value of \$100,000 is required for Manager Access Select; however, in certain instances, the minimum account size may be lower or higher.

B. PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Potentia does not charge its clients performance-based fees. Performance-based fees are based on a share of capital gains on or capital appreciation of the assets.

C. METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Potentia uses the methods of analysis identified below to determine the proper investment strategy for each client. Our strategies are heavily based on each client’s personal circumstances, financial goals, and their risk tolerance. We utilize a blend of strategic approaches and strategies that enable us to allocate client assets by liquidity and time horizon.

Fundamental analysis concentrates on factors that determine a company's value and expected future earnings. It involves analyzing its financial statements and health, its management and competitive advantages and its competitors and markets. Fundamental analysis is performed on historical and present data but with the goal of making financial forecasts. There are several possible objectives: to conduct a company stock valuation and predict its probable price evolution; to make a projection on its business performance; to evaluate its management and make internal business decisions and to calculate its credit risk. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

Technical analysis is a method of evaluating securities by relying on the assumption that market data, such as charts of price, volume and open interest can help predict future (usually short-term) market trends. It attempts to predict a future stock price or direction based on market trends. Technical analysis assumes that market psychology influences trading in a way that enables predicting when a stock will rise or fall. Technical analysis methods employ software and other financial data management tools to assess various aspects of the marketplace. The risk is that markets do not always follow patterns and relying solely on this method may not work long term.

Top-Down analysis is a method of analyzing securities by starting with the big picture and then narrowing down to the specific details. This strategy includes macroeconomic analysis, geopolitical and capital market conditions, business regulations and industry developments. The analysis is used to determine what areas have the most favorable conditions for investing. The next step is to analyze the sectors or industries within the selected area that are expected to benefit from the macroeconomic trends. The final step in the analysis is to evaluate individual stocks or securities within the chosen sectors or industries based on fundamental analysis. This may include looking at financial statements, earning reports, valuation ratios, competitive advantages, growth prospects and dividend policies. These factors are compared across different stocks or securities to select the ones that have the most attractive features and potential returns.

Investment Strategy

Our approach to investment management is derived from the belief that hard work is rewarded, a clear mind makes the best decisions, and that people are deeper than their pockets. We know our clients and they know us. It is a bond of mutual trust and appreciation - something we do not take for granted. We strive to minimize fees and tax implications but recognize that the ultimate goal for our clients is not the mitigation of costs, but the overall growth of their assets. We focus on what has been proven, over time, to produce results. We believe the most effective means of outperforming the market is to use creative analysis, to research our investments diligently, and to exercise cautious decisiveness.

Every method of analysis has its own inherent risks. To perform an accurate investment analysis Potentia must have access to current market information. Potentia has no control over the dissemination rate of market information; therefore, unbeknownst to Potentia certain analyses may be compiled with old and inaccurate market information, severely limiting the value of Potentia's analysis. Furthermore, an accurate investment analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by Potentia) will be profitable or equal any specific performance level(s). Potentia does not represent, warrant, or imply that its services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. Notwithstanding Potentia's method of analysis or investment strategy, the assets within the client's portfolio are subject to risk of devaluation or loss. The client should be aware that there are many different events that can affect the value of the client's assets or portfolio including, but not limited to, changes in financial status of companies, market fluctuations, changes in exchange rates, trading suspensions and delays, economic reports, and natural disasters. Investing in securities involves a risk of loss that clients should be prepared to bear.

The information contained in this Wrap Fee Program Brochure cannot disclose every potential risk associated with an investment strategy, nor all of the risks applicable to a particular manager, security or investment. Risks vary by client according to their investment objectives, guidelines, liquidity needs or risk tolerances and not every strategy or portfolio will be exposed to each of the risks described in this Wrap Fee Program Brochure. This list is not intended to be exhaustive of all of the risks associated with investing in strategies or securities that are utilized or recommended by Potentia. Rather, it is a general description of the nature and risks of the investment advisory services provided by Potentia and the related investments. Please refer to Item 8 of Potentia's Form ADV Part 2A Brochure for additional information on risks.

D. VOTING CLIENT SECURITIES

Potentia does not vote client proxies. Clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client will be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Generally, clients will receive proxy materials directly from the applicable custodian(s) or issuer's proxy agent and should direct any questions as instructed in the specific proxy matter.

Potentia does not provide legal advice or represent or facilitate class action claims or participate in other similar legal proceedings on behalf of clients. Furthermore, Potentia and its IARs do not instruct or give advice as to whether or not a client should participate as a member of a class action lawsuit or participate in other legal proceedings and will not file claims on behalf of its clients. The responsibility and authority for responding to class actions and other legal proceedings rests solely with the registered shareholder (e.g., client) or legally appointed agent (e.g., custodian) of the client or the client's attorney.

As it pertains to proxy voting matters, class action claims, and other similar legal proceedings, Potentia and its IARs retain no authority, through the investment advisory relationship, and therefore have no responsibility for reviewing any proxy materials, corporate action materials, prospectuses and/or other offering documents and any other related information related to such.

ITEM 7: CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS

Potentia's IARs allocate each client's investment assets consistent with the client's designated investment objectives and risk tolerances. Clients may, at any time, impose restrictions, in writing, on Potentia's services. Potentia and its IARs will be in periodic contact with clients to discuss clients' investments, investment objectives and risk tolerances.

Please Note: Each client is responsible for promptly notifying Potentia of any change in financial situation or investment objectives.

ITEM 8: CLIENT CONTACT WITH PORTFOLIO MANAGERS

A client's primary contact is with an IAR, and the client has, without restriction, reasonable access to Potentia's IAR who provides the investment advisory services for the client's account.

To the extent Potentia utilizes custodian-sponsored programs and services, representatives from those entities may not be generally available to discuss client-specific investment issues.

ITEM 9: ADDITIONAL INFORMATION

A. DISCIPLINARY INFORMATION

Registered investment advisers are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our investment management business or the integrity of our management. Neither Potentia nor any of its supervised persons have been the subject of disciplinary action.

B. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

A. LPL. Certain of Potentia's IARs are also registered with LPL Financial as broker-dealer registered representatives. LPL is independently owned and operated and is not affiliated with Potentia. Clients may, but are in no way required to, choose to engage Potentia's IARs in their individual capacities as registered representatives of LPL and to implement investment recommendations on a commission basis.

B. Neither Potentia, nor its supervised persons, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.

C. Other Material Relationships or Arrangements.

Licensed Insurance Agents. Certain of Potentia's supervised persons are, in their separate individual capacities, licensed insurance agents. As discussed above, clients can choose to engage these representatives, in their individual capacities to affect the purchase of insurance products on a commission basis. The recommendation by Potentia that a client purchase an insurance commission

product through one of its representatives presents a conflict of interest. No client is under any obligation to engage the services of our representatives to purchase insurance products. Clients can purchase insurance products through other, non-affiliated insurance agents.

Potentia Tax. Potentia is related through common ownership and control to Enabled Nation, Inc., DBA name “Potentia Tax.” Though not owned by Potentia, Potentia Tax is a separate entity owned by the principal owner of Potentia and is under common control. This entity prepares and files federal income tax returns, and applicable tax returns for the state and local taxing authorities in which individuals declare residency. Owner Kevin Swanson acts in a separate capacity for this entity. Because of the affiliated nature, referral to Potentia Tax presents a conflict of interest as both firms have an economic incentive to refer clients to each other as opposed to other tax providers.

Use of Potentia Tax requires separate engagement with this company. It’s important that you know that when we recommend the services of Potentia Tax, you are never obligated or required to use their services. However, these services are included in the subscription financial plan services and Potentia Tax will charge their hourly fees to Potentia RIA and not the client. There are other tax preparation firms that offer similar services to Potentia Tax, and those services may be available for less expensive rates. Whenever we recommend Potentia Tax, we encourage you to consider other tax preparers as well.

D. Other Investment Advisors. Potentia does not recommend or select other investment advisors for its clients for which it receives a fee.

C. CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Potentia maintains an investment policy relative to personal securities transactions. This investment policy is part of Potentia’s overall Code of Ethics, which serves to establish a standard of business conduct for Potentia’s IARs that is based upon fundamental principles of openness, integrity, honesty and trust. A copy of Potentia’s Code of Ethics is available upon request using the information on the cover page of this Brochure.

Potentia has policies and procedures in place for: the protection of personal and confidential information; the prevention of insider trading; gifts and entertainment; contributions to elected public officials and personal securities trading practices. In accordance with Section 204A of the Investment Advisers Act of 1940, as amended (the “Advisers Act”), Potentia also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by Potentia or any person associated with Potentia.

The following includes a brief description of certain aspects of Potentia’s Code of Ethics.

- A. Neither Potentia nor any related person of Potentia recommends, purchases, or sells for client accounts, securities in which Potentia or any related person of Potentia has a material financial interest.
- B. Potentia and/or its supervised persons may purchase or sell securities that are also recommended to clients. This practice may create a situation where Potentia and its supervised persons are in a position to materially benefit from the sale or purchase of those securities.

Therefore, this situation creates a potential conflict of interest. Potentia has implemented procedures that are designed to help detect insider trading, “front-running” (*i.e.*, personal trades executed prior to those of Potentia’s clients) and other potentially abusive practices.

Potentia has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of the Potentia’s “supervised persons.” Potentia’s securities transaction policy requires that Supervised Person of Potentia must provide the Chief Compliance Officer or his/her designee with a written report of their current securities holdings within ten (10) days after becoming a Supervised Person. Additionally, each Supervised Person must provide the Chief Compliance Officer or his/her designee with a written report of the Supervised Person’s current securities holdings at least once each twelve (12) month period thereafter on a date Potentia selects.

- C. Potentia and its supervised persons may purchase or sell securities, at or around the same time as those securities are recommended to clients. This practice creates a situation where Potentia and its supervised persons are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. As indicated above in Item 11.B., Potentia has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each Potentia Supervised Person.
- D. Potentia does not engage in principal or agency cross transactions for any client account. Potentia does not cross-trade between any client accounts.

D. REVIEW OF ACCOUNTS

Periodic Reviews

For those clients to whom Potentia provides investment management services, account reviews are conducted on a periodic basis by the IAR, at least annually. All investment management clients are advised that it remains their responsibility to advise Potentia of any changes in their investment objectives or financial situation. All clients (in person or via telephone) are encouraged to review financial planning issues (to the extent applicable), investment objectives and account performance with Potentia on an annual basis. Periodic reviews do not necessarily result in transactions or changes in the client’s investment allocation. We may utilize an investment strategy that generally seeks investments that are long term in nature with a buy and hold basis. Due to the nature of these strategies, investments in accounts could incur low turnover.

Intermittent Review Factors

The Registrant may conduct account reviews on other than a periodic basis upon the occurrence of a triggering event, such as a change in client investment objectives and/or financial situation, market corrections and client request. Each client is responsible for promptly notifying Potentia of any change in financial situation or investment objectives.

Reports

Clients are provided with written transaction confirmations and account statements directly from the custodian. Potentia also provides written periodic reports summarizing account activities and

performance. Clients are urged to compare any report provided by Potentia with the confirmations and statements received from the custodian.

E. CLIENT REFERRALS AND OTHER COMPENSATION

Economic Benefits from Others

Potentia may receive an economic benefit from LPL Financial. Potentia, without cost (and/or at a discount), may receive support services and/or products from LPL Financial. Potentia's clients do not pay more for investment transactions effected and/or assets maintained at LPL Financial because of this arrangement. There is no corresponding commitment made by Potentia to LPL Financial or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products because of the above arrangement.

From time to time, product sponsors pay for client luncheons, educational meetings, customer appreciation events, marketing events or advertising initiatives, including services for identifying prospective clients. This includes third-party speakers that Potentia or its IARs do not have to compensate (although Potentia or its IARs may also pay consultants to attend these events or other client meetings to offer their expertise). These arrangements may give rise to conflicts of interest, or perceived conflicts of interest in that Potentia and its IARs have an incentive to invest client assets in investment products or services managed, sold or offered by such product sponsors that provide these benefits to Potentia and/or its IARs. Potentia's commitment to its clients and the policies and procedures it has adopted that require the review of such arrangements are designed to limit any interference with Potentia and its IARs' independent decision making when choosing investment products and/or services for clients.

Compensation to Unaffiliated Third Parties

Potentia does not compensate, directly or indirectly, any person who is not a supervised person for client referrals.

F. FINANCIAL INFORMATION

Potentia does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.

Potentia has no financial commitment or condition that is reasonably likely to impair its ability to meet contractual commitments to its clients.

Potentia has not been the subject of a bankruptcy petition at any time during the last 10 years.