## Item 1 ADV Part 2A Cover Page

SOFI WEALTH, LLC
One Letterman Dr., Bldg. A, Suite 4700
San Francisco, CA 94129
855-525-7634
March 31, 2017

**This brochure provides information about the qualifications and business practices of SoFi Wealth, LLC ("SW" or the "Firm"). If you have any questions about the contents of this brochure, please contact us at (855) 525-7634 or advisor@sofiwealth.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. SW is registered with the SEC as an investment adviser; please note that such registration does not imply a certain level of skill or training.**

**Additional information about SW also is available on the SEC's website at www.adviserinfo.sec.gov.**

## Item 2 Material Changes

Effective the date of the most recent filing of its Form ADV Part 1, SW no longer relies on the "Internet Advisor" exemption for registration with the Securities and Exchange Commission. The Firm will provide investment advice not only through an interactive website, but also through licensed financial advisors available through online chat, email and telephone. In that SW would otherwise be required by the laws of 15 or more states to register as an investment advisor with the state securities authority in the respective States, the Firm relies on the "Multi-state Advisor" exemption for registration with the Commission.

The Fee Structure of SW was revised from fixed monthly charge to a annual charge of .25%, or 25 basis points, billed quarterly, calculated as a percentage of assets under management. Please see Item 5, Fees and Compensation, for detailed information regarding this change.

Under SEC Rules, you will receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our fiscal year, which is in December. We may also provide you with a new Brochure or other ongoing disclosure information about material changes as necessary, without charge.



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## Item 3 Table of Contents





ONE LETTERMAN DR. BLDG. A SUITE 4700 SAN FRANCISCO CA 94129

T 855-525-7634 F 415 520-9772

## Item 4 Advisory Business

SoFi Wealth, LLC ("SW") is an internet based (or "online") investment advisor registered with the Securities and Exchange Commission ("SEC"). SW provides investment advice to individual investors utilizing proprietary software along with an experienced investment team to advise clients on general asset allocation for a fee. SW is a wholly owned subsidiary of Social Finance, Inc. ("SoFi"), a Delaware corporation founded in 2011 by a group of Stanford Graduate School of Business students to implement the premise that the student loan industry can be improved by private community solutions.

**The Services We Provide**

In performing our functions as an investment advisor, we have a fiduciary duty to our clients. We will perform our obligations under each Advisory Agreement with reasonable care and good faith, in a manner consistent with the standard of care exercised by prudent institutional managers of national standing in the United States. That means we will exercise a degree of skill and attention no less than that which we exercise with respect to comparable assets that we manage for ourselves and for others.

In accordance with an Advisory Agreement, the Investment Advisor will manage portfolios and perform certain advisory functions with respect to each portfolio. This includes recommending asset allocation portfolios to investors and providing portfolio rebalancing services.

The Investment Advisor is authorized to, among other things:

- Recommend asset allocation models to investors after evaluating their risk profiles through our online risk-evaluation system, also referred to as the Goals, Risk and Objectives Exercise. Through a series of questions, SW reasonably identifies appropriate risk profiles and creates portfolios for our clients, which allow us to manage client risk;

- Identify optimal security choices for our clients in order to minimize trading costs and other fees; we continuously evaluate the performance of a range of indices and securities to determine if we should replace an asset class or implement an additional asset class in our client's portfolios;



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T 855-525-7634 F 415 520-9772

- Determine optimal times for portfolio rebalancing that not only return the client to the target risk profile but can also minimize trading costs, minimize other fees, and in some cases incorporate tax-loss harvesting in the same process;

- Identify asset classes and securities which are appropriate considering the specifics of a client's account: for instance, minimizing tax inefficient securities in taxable accounts while maximizing their potential in tax-deferred accounts. The election of a non-qualified or qualified account will result in different allocations and underlying holdings, but models with a risk tolerance band will have similar target risk and return characteristics;

- Perform tax-loss harvesting, where applicable, in order to reduce a client's tax burden for a given year in any taxable account;

- Identify and evaluate the timing and method of disposition or liquidation of investments, select and determine investments to be disposed of or liquidated, and cause an investor to dispose of or liquidate investments in accordance with the terms of the Advisory Agreement in order to facilitate allocation remodeling;

- Engage personnel to assist the Investment Advisor in providing investment advisory services, including, without limitation, counsel, consultants, accountants, investment bankers, financial advisors and sub-investment advisors;

- Open, maintain and close accounts, including custodial accounts, but excluding collection accounts, with banks, including banks located outside the United States, and draw checks or other orders for the payment of monies;

- Incur expenditures as the Investment Advisor determines to be appropriate in furtherance of the purpose of the best interest of investors, and, to the extent that the funds of an investor are available, pay all expenses, debts and obligations;

- Perform such other duties, activities, functions and all other similar things necessary to achieve, implement or facilitate any of the foregoing provisions in the United States as well as foreign jurisdictions.

There is no limitation or restriction on the ability of the Investment Advisor or any of its Affiliates to act as an investment manager (or in a similar role) for other persons. This and other future activities of the Investment Advisor and its Affiliates may give rise to conflicts of interest. See Item 10, below, for how we handle potential conflicts of interest.

## Termination of our Advisory Agreement



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T 855-525-7634 F 415 520-9772

The Advisory Agreement may be terminated without cause by the Investment Advisor, and the Investment Advisor may resign upon 30 days' prior written notice to each investor. Investors may withdraw their money at any time by requesting a withdrawal. SW will promptly liquidate their holdings and, upon settlement, disperse the proceeds per the investor's instructions.

**Wrap Fee Programs**

Assets of SoFi Wealth are managed as part of SoFi Wealth's Wrap Program. A wrap account is a professionally managed investment plan in which all expenses, including brokerage commissions, management fees, and administrative costs, are "wrapped" into a single charge. SoFi Wealth's Wrap Program provides clients with investment guidance, portfolio management, and brokerage services for one comprehensive fee based on a percentage of individual account assets. SoFi Wealth may buy or sell securities consistent with analysis designed to seek an investment return suitable to the investment objectives and goals of each distinct client account.

SoFi Wealth determines a suitable course of action by performing a review of the data entered by the client in establishing the account, also referred to as the Goals, Risk and Objectives Exercise. This review may include type of account, client goals, investment objectives, overall financial condition, income and tax status, personal and business assets, risk tolerance, and other factors unique to the individual client's situation. Based on client suitability parameters, SoFi Wealth will design, revise, and reallocate a client's custom portfolio.

Client accounts are managed on a discretionary basis. SoFi Wealth will contact clients periodically to determine whether their financial situation or investment objectives have changed or if they want to modify their target asset allocation. Clients may modify their target asset allocation at any time through the SoFi Wealth website.

**Assets Under Management**

SW has $12,248,900 under management as of March 30, 2017.

**Personnel**

**John Gardner, General Manager**

John Gardner, CFA®, is the General Manager of Wealth at SoFi, where he's responsible for the development for SoFi's investment, insurance and advisory services platforms. Prior to SoFi, John was a Co-founder & CFO of LearnVest, a subscription based financial planning platform acquired by Northwestern Mutual in 2015. He also was a co-founder of Cabezon Investment Group, a Global Macro Hedge fund.

John graduated with a Bachelor of Science in Finance and Marketing from Lehigh University.

**Alan Carlisle, Chief Compliance Officer**

Alan has over 20 years of experience in the financial services industry working in compliance, management, supervision, risk and marketing at a diverse range of financial services companies. Alan is responsible for regulatory compliance of the investment advisor. Alan holds FINRA Series 4, 7, 9, 10, 24, 27, 53, 55, 63, 65, 79 and 99 licenses. Alan also serves as the Chief Compliance Officer of SoFi Securities LLC, an affiliate of SW under common ownership and control.

## Item 5 Fees and Compensation

SW charges a percentage of assets under management in the form of "basis point", or hundreds of one percent, as a management fee, which is disclosed in the Fees disclosure on our website. The annual fee is generally calculated as follows:

Accounts valued under $10,000 – no SoFi Management fee is charged
Accounts valued $10,000 or over - .25 basis points (or .25%)

This fee may change from time to time and is charged quarterly in arrears.

Such management fees are not negotiable, but SW may waive all or part of the fee, permanently or for a period of time, at their sole discretion based on a client's prior relationship with SW or any affiliate, the amount of AUM, or for any other reason. The management fee may be waived for clients who have borrowed money from an affiliate, such as SoFi Lending Corp, for the duration of the client's loan. Although the Management Fee is not refundable, SW may elect to reduce, otherwise modify or waive the Management Fee with respect to any investor.

The Management Fee will be paid quarterly in arrears, for any month or part thereof in which the client is in the SW program. The fee is calculated as an Average Daily Balance ("ADB") of the subject account during the respective billing period. This methodology adds the ending daily value of the account for each day in the billing period and subsequently divides this sum by the number of days in the period, otherwise known as an "arithmetic average". The management fee is multiplied the Average Daily Balance to determine the fee due by the client. SW will rely on valuation data provided by a third-party service provider to compute the end of day values. Fees will be pro-rated for the number of days the account is funded (opened or closed). Accounts of the same household are not aggregated to meet the $10,000 threshold.



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*T* 855-525-7634 *F* 415 520-9772

SW may also receive revenue from lending client securities under the terms of the Master Securities Lending Agreement. This revenue is not shared with the client. It is used to reduce management fees. See the Fully Paid Lending Disclosures for additional information.

SW does not receive any sales commissions, 12b-1 fees or other fees from ETFs for investing such funds on behalf of advisory clients. Clients who invested in ETFs may also pay ETF fees in addition to the SW management fee. An ETF typically includes embedded expenses that may reduce the fund's net asset value, and therefore directly affect the fund's performance and indirectly affect a Client's portfolio performance or an index benchmark comparison. Expenses of an ETF may include management fees, custodian fees, brokerage commissions, and legal and accounting fees. ETF expenses may change from time to time at the sole discretion of the ETF issuer.

Investors may be charged incidental fees for certain services provided by our clearing firm such as IRA administration, sending money or securities to another firm via ACAT, or sending paper statements or confirms (electronically delivered documents are free). These fees may change from time to time and are listed under our Fees link on the SW website.

The single, all-inclusive fee for portfolio management, brokerage, custodial and recordkeeping services may cost the client more or less than the cost of purchasing these services separately. The primary factor affecting the comprehensive fee is the provision by SW of individualized investment advice and portfolio management services tailored to needs of each individual. SoFi Securities, LLC, an affiliate of the Firm, marks up these charges under certain circumstances to cover costs associated with the administration of such fees.

Neither SW nor any of its Affiliates receive compensation for the sale of securities to SW investors. Some investors in SW may also be clients of SoFi Securities and may purchase securities through them. Some employees of SW may also be employees of SoFi Securities and may receive incentive based compensation on these separate investments outside of the SW wrap program.

At the end of each month during which an account had activity, but not less than quarterly, SW's Clearing Broker Dealer, Apex Clearing, will prepare and provide a statement to each investor. The statement will include:

- the net asset value of a portfolio in accordance with generally accepted accounting principles, as applied in the United States as of such time;
- the amount of distributions;
- the securities holdings;
- change in value; and
- the Management Fee, if any.



ONE LETTERMAN DR. BLDG. A SUITE 4700 SAN FRANCISCO CA 94129

T 855-525-7634 F 415 520-9772

SW will make these statements available online from their proprietary site, as well as keep client positions, including: shares owned, account value, and transaction history available to the client through the site, which will be updated after the end of each business day.

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

SW does not engage in Side-by-Side Management or receive any performance based compensation.

## Item 7 Types of Clients

SW's clients will be individual investors, including individuals, high net-worth individuals, trusts, and estates. The minimum commitment of an Investor in a portfolio will be $500 or the client may invest as little as $100 per month via ACH transfers, except as approved by the Manager. Account and ACH minimums may be waived as the election of the Firm. SW leverages its technology platform in order to allow for smaller client minimums as we rely on our risk and portfolio management systems to develop optimal portfolios for our clients.

SW relies heavily on technology to perform investment management services. SW Clients are made aware of the following when utilizing SW's software based IA services via this disclosure document:

- Clients of SW agree to rely primarily on the SW website for their account information, including, but not limited to, their positions, profits and losses, account value, account performance, statements, and confirmations. However, quarterly or monthly statements as well as trade confirmations will be provided electronically to the client by the clearing broker-dealer on the SW website;

- Clients of SW agree that their risk profile is created through our profiling system, and this information is used to map clients to their recommended portfolios. All client risk profiling information is confidential. We recommend that clients re-evaluate their risk profile if any of their circumstances have changed in a material way. This will allow SW to quickly recommend a new portfolio, and to establish the client in those new positions;

- Typical investments in the SW wrap program will be ETFs, and SW will focus on ETFs with low expense ratios and high liquidity, while still sufficiently tracking their underlying indices. However, SW is not limited in what it may recommend to its clients, and may offer additional services outside the wrap program that may include positions in individual equity securities, debt securities, futures, foreign exchange, options, and commodities in order to meet client objectives. Client accounts which include products outside of ETFs will be subject to higher supervision, higher fees, and require the client be sufficiently sophisticated to understand and be able to afford the risks of these strategies.

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

### Methods of Analysis

SoFi Wealth uses a Goals, Risk and Objectives Exercise and an asset class based strategic asset allocation to create a plan for clients to reach their financial goals. We begin by gathering information about the client. Next we gather information the client's goals and the amounts they intend to invest to reach those goals. We then use target-specific strategic asset allocation to formulate a portfolio that helps them reach those goals. Finally, we help them implement the plan by creating and managing a portfolio based on the target they selected. Algorithms are utilized to assess the risk tolerance of a client and to recommend an asset allocation.

SW target portfolios typically contain 4-12 ETF securities, which track world indices and will allow us to create diversified portfolios for our clients. These portfolios attempt to offer optimum expected returns at the level of expected volatility the client has chosen. SW will adjust portfolios periodically to reflect our analysis of world market conditions. This could result in periods of time where the portfolios are completely in cash.

There are many ways to build a portfolio of stocks and bonds. Most approaches fall into one of two categories: passive or active. Passive investing picks a benchmark index and mirrors it. An ETF tracking the S&P 500 index is an example. Active involves making decisions that differ from the benchmark index. A mutual fund benchmarked to the MSCI World that picks what it thinks are the best stocks from anywhere in the world, or one that might overweight Europe at the expense of Japan are examples of active investing.

SoFi Wealth employs both active management of passive assets. We actively curate a portfolio of passively managed index ETFs. First, we assemble a universe of liquid global stock and bond indices, and measure both their historical volatility (variance), and how each moves relative to the others (covariance). Then we add our return assumptions for the next twelve months, broken out by dividends, coupons, and price appreciation, as each has potentially different tax treatment.

Potential Asset Classes Include:

| **Stocks:** | **Bonds:** |
|---|---|
| U.S. Stocks | 1-3 Month Treasury Bills |



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T 855-525-7634 F 415 520-9772

| | |
|---|---|
| International Stocks | Inflation Protected Treasuries |
| Emerging Markets Stocks | Short Duration Treasuries |
| U.S. Energy Stocks | Intermediate Duration Treasuries |
| REITs | Short Duration Corporates |
| | Intermediate Duration Corporates |
| | High Yield Corporates |
| | Short Duration High Yield Corporates |
| | Investment Grade Municipal |
| | Short Duration Investment Grade Municipal |
| | High Yield Municipal |
| | Dollar Denominated Emerging Market Government |

Our return assumptions are a combination of historical returns, current valuation, and our macroeconomic forecasts. The latter is of particular relevance, as it generally drives the greatest disparity in our portfolios versus their benchmarks. Macroeconomic forecasts generally involve central bank or government policy and/or the factors that determine domestic and global growth. For example, if Europe is lowering rates while the Fed is raising them, we might expect European stocks to outperform, other things being equal. This will bias our International Stocks return assumptions higher than they might otherwise be.

Once we have our variance, covariance, and return assumptions, we define five discrete levels of risk – ranging from conservative to aggressive. Each risk level is defined by its annual volatility, ranging from 3.25% for conservative to 20% for aggressive. Using our universe of indices as inputs, we use a mean-variance optimization algorithm to build the highest expected return portfolio for each level of risk. In addition, each strategy is constrained to have a tracking error of 3% or less relative to broad benchmarks compromised of the MSCI All Country World Index and the Bloomberg Barclays Global-Aggregate Bond Index. Benchmarks are chosen for each strategy by matching on the relative holdings of equity and fixed income.

Finally, we do one last qualitative overlay in order to avoid excess concentration or prevent ETF holdings that are less than 5%. Extremely small positions add little in the way of diversification or expected return but can be needlessly costly if they have higher than average expense ratios or add tax complexity. Though these small reallocations our initial volatility targets may no longer hold with equality, but our tracking error constraint remains binding. Our Investment Committee drives our decisions, and they publish their work periodically to help provide transparency on our portfolio selections. In our periodic market updates, we explain why we have any biases and what we hope to achieve by using them. We also track whether our bias is adding value to the portfolios.



ONE LETTERMAN DR. BLDG. A SUITE 4700 SAN FRANCISCO CA 94129

T 855-525-7634 F 415 520-9772

We believe this approach will deliver better returns over the long run than holding the same mix of indices with no adjustments for changing economic conditions.

SW will recommend one of our five target portfolios based on the client's risk profile and our own analysis of the global market. We will establish our client's risk profile based on their age and other factors, then recommend the target portfolio we feel is the best match for the client to reach his or her goals. Clients may accept our recommendation of the target portfolio or select a different one.

The recommendation of a given target portfolio is heavily dependent on the information provided to SW during the risk profile component of the account opening and during subsequent client update requests, which are transmitted to all clients annually. A client may also log in to their account at any time and provide updated information. If inaccurate information is provided or if a client fails to respond to update requests, the quality and reliability of advice could be materially impacted. SW recommends investment strategies based on risk assumptions that are correlated primarily to the age of the investor and do not consider assets or objective outside of the stated client goal. The limitations of such a "target date" derived algorithm should be considered in the evaluation of services provided by the Firm.

Client contribution plans, the target portfolio along with their savings and goals, are subjected to a Monte Carlo Analysis to determine the probability of success. The client may change their goals, contribution level, and the level of risk they wish to take with their investments to improve the probability of success and create a plan that works for them. Once they have chosen a target portfolio, they open an account, fund it electronically, and we implement their plan by investing in the target portfolio.

Portfolios are periodically rebalanced. This rebalancing may include tax loss harvesting. The Investment Committee may alter the mix of a given target portfolio from time to time, either by altering the percentages of existing ETFs or replacing one or more ETFs in the portfolio. The algorithms described prior and/or a zero neutral allocation to cash might rebalance client accounts without regard to market conditions and on a more frequent basis than a client might expect.

### Investment Strategies

- Aggressive – Designed for investors with a long time frame who are willing and able to bear a significant amount of volatility in the pursuit of faster potential growth.

- Moderately Aggressive – Designed for potential long-term growth with somewhat less variable returns for people who don't mind volatility and have a goal in over 10 years.



One Letterman Dr. Bldg. A Suite 4700 San Francisco CA 94129

*T* 855-525-7634 *F* 415 520-9772

- Moderate – Designed to reduce the risk of stock price volatility for investors approaching retirement or with a goal beginning in 5 to 10 years. It has the interest rate risk and lower potential return of bond funds, but less stock exposure and volatility.

- Moderately Conservative – Designed to generate income during the early years of retirement, or for goals in 3 to 5 years. It has interest rate risk, but lower volatility with the potential to preserve purchasing power.

- Conservative – Designed to generate income in the later years of retirement when growth is less of a concern than income and safety. This portfolio is usually over 90% bond funds, which have interest rate risk, but less volatility than stock funds.

The asset allocations in these target portfolios and the specific securities used to implement them may change from time to time. SW maintains allocations within qualified accounts that are distinct from non-qualified accounts to account for the tax treatment of such assets. Expected Returns are decomposed into dividend/interest and capital gains. Assumed tax rates, which are applied on an asset specific basis, are applied to each portion in order to get to an approximate after tax return. Taxable account strategies are optimized using these after-tax returns. Nontaxable accounts, however, are optimized under the pretax return and thus results in a different asset allocation than a taxable account of the same risk.

The performance benchmark for our investment strategies is a blended benchmark of the MSCI ACWI (ALL COUNTRY WORLD INDEX) and the Bloomberg Barclays Global- Aggregate Bond Index, blended in the proportion of Equity to Fixed income of each of the five portfolios.

The portfolios will be managed by our Portfolio Manager, Michael Cagney. Mr. Cagney has over 20 years' experience in financial markets, including managing the assets of institutions and high-net-worth individuals. He is also the Managing Partner of Cabezon Capital, CEO of Social Finance, and former Senior Vice President of Proprietary Trading and Financial Products at Wells Fargo.

Governance will be provided by an investment committee consisting of Michael Cagney, Nino Fanlo, President and CFO of Social Finance, John Foley CFP®, John Gardner CFA®, Paul Fielding, Vice President and General Manager of SoFi Capital Markets, and Dr. Michael Dooley, Professor Emeritus of Economics at University of California, Santa Cruz. Corporate oversight and governance is provided by the SoFi Board of Directors and executive management team.

## Risk of Loss



ONE LETTERMAN DR. BLDG. A SUITE 4700 SAN FRANCISCO CA 94129

T 855-525-7634 F 415 520-9772

The SW investment program entails risk, including the risk of a total loss of principal. There can be no assurance that the investment objective of the portfolios will be achieved and that investors will not incur losses. When investing in securities, clients may be subject to numerous risks including those that arise as a result of changes in general economic and market conditions, such as interest rates, availability of credit, inflation rates, and economic uncertainty. While the use of diversified investment vehicles, such as exchange traded funds (ETFs), reduces the risk of investing in individual securities, it cannot completely eliminate this risk. These ETFs invest in individual stocks and bonds that are subject to the risks that include industry conditions, laws, governmental regulation, competition, technological developments, and national and international political circumstance. It is possible that these portfolios will lose money. The shorter the holding period one considers, the greater the probability of a loss over that given holding period.

## Item 9 Disciplinary Information

None.

## Item 10 Other Financial Industry Activities and Affiliations

SW is owned by Social Finance Inc., and affiliated with SoFi Securities LLC, a registered broker-dealer; SoFi Capital Advisors LLC, an exempt reporting investment adviser; and SoFi Lending Corp., a non-bank consumer lending company. None of these affiliates have control over SW and there is no revenue sharing. Additional information about SW's structure and directors is provided on Part 1 of SoFi Wealth's Form ADV which is available online at http://www.adviserinfo.sec.gov.

Clients of SW, who are accredited investors, may also invest in the private placements of SoFi Lending Corp. or Social Finance Inc. These investments may be made through SoFi Securities LLC. SW does not manage or recommend these investments.

SW does not recommend or select other investment advisors or broker-dealers for clients.

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

SW has adopted a Code of Ethics expressing its commitment to ethical conduct to comply with applicable securities laws including those relating to employees' personal trading, insider trading and anti-money laundering. SW's Code of Ethics describes the firm's fiduciary duties and responsibilities to clients and sets forth SW's practice of supervising the personal securities transactions of employees. Individuals associated with SW may buy or sell securities for their personal accounts identical to or different from those recommended to clients of the advisor.

Transactions in ETFs have been pre-approved for trading by SW's Chief Compliance Officer based on the security's liquidity profile and structural characteristics. Associated persons may also buy or sell specific securities for their own accounts that are not purchased or sold for Clients. SW monitors the securities transactions of all associated persons and investigates any unusual patterns that it detects. Neither SW nor any of its associated persons has any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this brochure.

To avoid a conflict of interest between SW and its clients, SW prohibits principal securities transactions between SW and any advisory client without first obtaining the prior written approval of the Chief Compliance Officer and the written consent of the client. SW will also not cross trades between client accounts. SW will provide a complete copy of its Code of Ethics to any client or prospective client upon request.

Affiliates of the Investment Advisor may provide other services to investors and may receive fees from the investors in such capacities. Other present and future activities of the SW and other Affiliates of SW may give rise to additional conflicts of interest. Notwithstanding such potential conflicts, SW understands that it is a fiduciary to the investors and is committed to implement the obligations stated in its Code of Ethics.

## Item 10 Brokerage Practices

SoFi Securities, a member of FINRA and SIPC, acts as an introducing broker-dealer (or agent for custody) in effecting securities transactions for Clients' Accounts in which Apex Clearing provides trade execution and clearing services.

SW seeks the best overall execution of transactions for Client Accounts consistent with its judgment as to the business qualifications of the various brokers through which SW accounts are available. SW obtains information as to the general level of commission rates being charged by the brokerage community from time to time, and will periodically evaluate the overall reasonableness of brokerage commissions paid on Client transactions by reference to such data to ensure competitive commission rates. "Best execution" means the best overall qualitative execution, not necessarily the lowest possible commission cost. Accordingly, the factors that SW considers when selecting or recommending Brokers are matters that directly benefit Client Accounts, and consistent with obtaining the best execution of their transactions. These factors include: execution capability and available liquidity; timing and size of particular orders; commission rates;



One Letterman Dr. Bldg. A Suite 4700 San Francisco CA 94129

T 855-525-7634 F 415 520-9772

responsiveness; trading experience; reputation, integrity and fairness in resolving disputes; quality of their application programming interfaces and technology; and other factors.

SW does not engage in any "soft dollar" practices involving the receipt of research or other brokerage service in relation to client commission money, nor do we receive any research or other products in connection with Client transactions. SW also does not use Client commission money to compensate or otherwise reward any brokers for client referrals.

SW aggregates orders for a Client's Account with orders of other Clients. SW may aggregate securities sale and purchase orders for a Client with similar orders being made contemporaneously for other Client Accounts. In such event, the average price of the securities purchased or sold in such a transaction may be determined and a Client may be charged or credited, as the case may be, the average transaction price. As a result, however, the price may be less favorable to the Client than it would be if similar transactions were not being executed concurrently for other Accounts.

## Item 13 Review of Accounts

Portfolios are monitored regularly using software that tracks portfolio drift from neutral allocations and cash holdings. Drift is managed as a percentage deviation above and below the neutral allocation, known as tolerance band. When a tolerance band is breached or cash exceeds a maximum threshold, the portfolio is rebalanced to neutral. Investment advisory personnel oversee algorithms and respond to identified exceptions, but each client's account may not be regularly reviewed by such personnel. A client should be aware that SW relies heavily on technology and that limited direct human oversight or intervention occurs in the surveillance of account activity. If account activity does not align with client expectations, they should notify SW immediately.

Exception based account reviews are performed no less than quarterly by the Chief Compliance Officer and/or other compliance officers. Upon request, SW provides quarterly statements on client accounts that show account balances, account activity and profits (losses) of the accounts. These statements are delivered electronically and are made available through the SW website. Statements may be mailed to clients, at their request, for an additional fee.

SW reviews each Client's Account when it is opened, and continuously monitors and periodically rebalances each Client's portfolio to seek to maintain a Client's targeted risk tolerance and optimal return for the Client's risk level. SW also conducts reviews when material changes may have occurred to a Client's portfolio or investment objectives.

On a not less than annual basis, SW contacts each Client to remind them to review and update the profile information they previously provided.



One Letterman Dr. Bldg. A Suite 4700 San Francisco CA 94129

T 855-525-7634 F 415 520-9772

## Item 14 Client Referrals and Other Compensation

SW does not provide or accept compensation from any person for referrals of investors. SW receives economic benefits from APEX Clearing, including revenue from lending securities in client accounts. There is no direct link between this revenue and the investment advice it gives to its Clients. APEX Clearing may also have paid for business consulting and professional services received by SW's related persons. Some of the products and services made available by APEX Clearing through the program may benefit SW but may not benefit its Client accounts. These products or services may assist SW in managing and administering Client accounts, including accounts not maintained at APEX Clearing.

Other services made available by APEX Clearing are intended to help Advisor manage and further develop its business enterprise. The benefits received by Advisor or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to APEX Clearing. As part of its fiduciary duties to clients, Advisor endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Advisor or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the Advisor's choice of APEX Clearing for custody and brokerage services.

## Item 15 Custody

SW does not maintain custody of any client funds or securities. SW provides instructions to SoFi Securities regarding the investment of the Client's assets. Advisory client assets are generally held by APEX Clearing, a member of FINRA and SIPC. APEX Clearing electronically sends monthly or quarterly brokerage and custodial statements directly to clients on an ongoing basis along with electronic transaction confirmations. These statements and confirmations may be delivered via mail for an additional fee at the client's request. These statements should be carefully reviewed by clients. SW encourages its clients to carefully compare reports and data provided by SW on its website to custodial and brokerage statements issued by APEX Clearing or other custodians.

## Item 16 Investment Discretion

The portfolios are managed on a discretionary basis. Investors approve recommended risk tolerance and select the investment strategy, but do not approve rebalancing and asset allocation executions. SW requires that an Account Agreement be completed by a Client who decides to retain SW as their investment advisor. Under the terms of the Account Agreement, SW assumes



ONE LETTERMAN DR. BLDG. A SUITE 4700 SAN FRANCISCO CA 94129

*T* 855-525-7634 *F* 415 520-9772

full discretionary trading and investment authority over the Client's assets held with the Broker and Apex Clearing.

## Item 17 Voting Client Securities

SW does not vote on proxy statements issued by the securities held in client portfolios. Proxies will be forwarded directly to client's mailing addresses by Apex Clearing.

## Item 18 Financial Information

This Item is not applicable because SW does not require or solicit the prepayment of any advisory fees, and does not have any adverse financial condition that is reasonably likely to impair our ability to continuously meet our contractual commitments to our clients.

## Item 19 Requirements for State-Registered Advisers

N/A.



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## ADV Part 2B

### Item 1 Cover Page

SOFI WEALTH, LLC
One Letterman Dr., Bldg. A, Suite 4700
San Francisco, CA 94129
855-525-7634
March 31, 2017

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**This brochure supplement provides information about John Gardner – General Manager of SoFi Wealth (SW), and Alan Carlisle, Chief Compliance officer of SoFi Wealth, which supplements the SoFi Wealth LLC brochure. You should have received a copy of that brochure. If you have not received that brochure or have any questions about the contents of this brochure, please contact us at (855) 525-7634 or advisor@sofiwealth.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. SW is registered with the SEC as an investment adviser; please note that such registration does not imply a certain level of skill or training.**

**Additional information about John Gardner and Alan Carlisle is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number known as a CRD number. The CRD number for SW is 167958. The CRD number for John Gardner is 2663783. The CRD number for Alan Carlisle is 2646681.**

March 31st, 2017

## Item 2 Educational Background and Business Experience

**John Gardner, CFA®**

**A.** Year of birth: 1974

**B.** Education: Mr. Gardner graduated with a Bachelor of Science in Finance and Marketing from Lehigh University and is a Certified Financial Analyst®.

**C.** Business Experience:
John Gardner, CFA, is the General Manager of Wealth at SoFi, where he's responsible for the development for SoFi's investment, insurance and advisory services platforms. Prior to SoFi, John was a Co-founder & CFO of LearnVest, a subscription based financial planning platform acquired by Northwestern Mutual in 2015. He also was a co-founder of Cabezon Investment Group, a Global Macro Hedge fund.

**Alan Carlisle, CIPM®**

**A.** Year of birth: 1974

**B.** Mr. Carlisle holds FINRA Series 4, 7, 9, 24, 27, 53, 55, 63, 65, 79 and 99 licenses and holds the CFA Institute's Certificate in Investment Performance Measurement designation. In 2016, Alan completed a graduate level program in FinTech and Future Commerce at Massachusetts Institute of Technology.

**C.** Business Experience: Mr. Carlisle has nearly 20 years of experience in the financial services industry, including serving as an industry panelist for FINRA Dispute Resolutions Roster of Neutrals, being a FINRA District Committee appointee for District 1 and ADISA (Alternative & Direct Investment Securities Association) Capital Markets Committee chairperson. Additional experience includes being a designee of the CFA Institute's CIPM (Certificate in Investment Performance Measurement) program. In the commercial investment real estate field, Mr. Carlisle holds a California Real Estate Broker's License, the CCIM (Certified Commercial Investment Member) designation (commercial investment real estate) and is a LEED AP BD+C and AP O+M. In addition to serving as a FINRA Dispute Resolutions panelist, his service includes or has included CCIM Professional Standards Roster and ULI (Urban Land Institute) Sustainable Development Council member.

As a CCO for independent broker dealers, investment advisors and investment companies, Mr. Carlisle has designed and implemented risk and compliance controls across a range of business models. He has directly managed teams as large as 10 compliance professionals and has indirectly supervised over 50 registered operations and compliance personnel in prior roles. Most recently, Alan served as the CCO of an enterprise seeking to leverage Titles II, III, and IV of the JOBs act to increase efficiency in capital formation. This group of companies included a FINRA registered $250k broker dealer (partially subject to 15c3-3), a FINRA registered Funding Portal, a SEC registered Transfer Agent and an Exempt Reporting Advisor, for which Mr. Carlisle was responsible for the development and compliance oversight.

## Item 3 Disciplinary Information

Neither Mr. Gardner, Mr. Carlisle, nor SoFi Wealth, LLC have had any legal or disciplinary events.

## Item 4 Other Business Activities

Mr. Carlisle participates in real estate transactions as a licensed broker and holds a CA insurance license. He is also an employee of Social Finance, Inc. and serves in compliance roles for SoFi Securities, LLC and SoFi Capital Advisors, LLC. Additionally, he serves as an Industry Arbitrator for cases heard by FINRA Dispute Resolution.

Mr. Gardner is an employee of Social Finance, Inc.

## Item 5 Additional Compensation

Mr. Gardner and Mr. Carlisle have employee stock options in Social Finance, Inc., the parent company of SoFi Wealth. The value of these options will be impacted, positively and negatively, by the performance of the other business units of Social Finance, Inc.

## Item 6 Supervision

Alan Carlisle will supervise SW's investment adviser representatives. John Gardner will supervise Alan Carlisle. Neither Mr. Gardner nor Mr. Carlisle will be producing managers.

Mr. Gardner is responsible for supervising all employees of SW. He reports to the board and executive management of Social Finance Inc.

## Item 7 Requirements for State-Registered Advisers

N/A.