**Item 1 Title Page**

# Veraz Advisors, LLC

Part 2A of Form ADV: Firm Brochure

**CRD # 304619/SEC File No: 801-136155**

**Dated: June 4, 2026**


844-848-3729

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**This Brochure provides information about the qualifications and business practices of Veraz Advisors, LLC ("Veraz"). If you have any questions about the contents of this Brochure, please contact our Chief Compliance Officer Jay Mehta at 844-848-3729 or via email at jay@verazadvisors.com. Veraz Advisors, LLC is a registered investment adviser with the U.S. Securities and Exchange Commission (SEC). Registration does not imply a certain level of skill or training. 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 Veraz Advisors, LLC also is available on the SEC's website at www.adviserinfo.sec.gov.**

**References herein to Veraz Advisors, 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 item discusses specific material changes to the Veraz Advisors, LLC Disclosure Brochure. Throughout this Disclosure Brochure, Veraz Advisors, LLC is referred to as “Veraz.” Since our last annual amendment dated March 31, 2026, Veraz Advisors, LLC has transitioned from state-level registration with the California Department of Financial Protection and Innovation (DFPI) to registration with the U.S. Securities and Exchange Commission (SEC) due to exceeding the $100,000,000 threshold in Regulatory Assets Under Management. Accordingly, this Brochure has been updated to reflect federal compliance standards and to remove state-specific disclosures. Pursuant to current SEC Rules, clients will receive either (i) a summary of material changes along with an offer to provide the full brochure, or (ii) the full updated brochure within 120 days of the close of Veraz’s fiscal year, which occurs at the end of the calendar year. Veraz may further provide other ongoing disclosure information about material changes as necessary. Veraz may also provide clients with a new disclosure brochure as necessary based on changes or new information, at any time, without charge.

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## Item 4 Veraz Advisors Business

Veraz Advisors, LLC ("Veraz") offers investment advice on individual securities and portfolios of securities. Veraz was founded in 2019 and is indirectly owned by Jay Mehta and Stephen Stanton.

Veraz provides the following services:

**Investment Advisory Services**

Veraz provides investment advice to assist with: college savings, retirement savings, retirement planning, income planning, preserving assets and growing assets. The investment advice we provide is on a discretionary basis meaning you give us limited power to buy and sell securities in your account. Clients that determine to engage Veraz on a non-discretionary investment basis must be willing to accept that Veraz cannot affect any account transactions without obtaining prior consent to any such transaction(s) from the client. Thus, in the event of a market correction during which the client is unavailable, Veraz will be unable to effect any account transactions (as it would for its discretionary clients) without first obtaining the client's consent. Terms of an actual engagement, including description of service, limitations and restrictions, fees, etc., are all detailed before any engagement begins in a written client agreement.

It is important to understand that certain conflicts of interest may exist regarding the services we offer. All material conflicts of interest are disclosed in this Brochure regarding Veraz, its representatives or any of its employees, which could be reasonably expected to impair the rendering of unbiased and objective advice.

Veraz may hire sub-advisors to manage all or a portion of the assets in the client account. Veraz may hire or terminate sub-advisors in accordance with client agreements and applicable law, including obtaining client consent where required. Sub-advisors will maintain the models or investment strategies agreed upon between sub-advisor and Veraz. Sub-advisors execute all trades on behalf of Veraz in client accounts.

**Referrals to Third Party Money Managers**

Veraz utilizes the services of select third party managers for the management of certain client accounts. In this instance, Investment advice and trading of securities will only be through the chosen third-party manager (TPM). Veraz will not offer advice on any specific securities or other investments in connection with this service. Prior to referring clients, Veraz will provide initial due diligence on each TPM and ongoing reviews of their management of client accounts. In order to assist in the selection of a TPM, Veraz will gather client information pertaining to financial situation, investment objectives, and reasonable restrictions to be imposed upon the management of the account. Veraz will review third party money manager reports provided to the client at least annually. Veraz will contact clients from time to time in order to review their financial situation and objectives; communicate information to TPM as warranted; and assist the client in understanding and evaluating the services provided by the TPM. Veraz will be responsible for the overall direct relationship with the client. Veraz retains the authority to terminate the TPM relationship at Veraz's discretion. Veraz acts as the liaison between the client and the TPM in return for an ongoing portion of the advisory fees charged by the TPM. Veraz will deliver the Form ADV Part 2, Privacy Notice and Solicitors Disclosure Statement of the TPM. This is detailed in Item 10 of this brochure. Clients will be expected to notify Veraz of any changes to their financial situation, investment objectives, or account restrictions that could affect their financial standing.

**Financial Planning and Consulting Services**

Veraz provides financial planning and/or consulting services (including investment and non-investment related matters, including tax planning, insurance planning, etc.) on a fixed fee or hourly fee basis. Prior to engaging Veraz to provide planning or consulting services, clients are required to enter into a *Financial Planning and Consulting Agreement* with Veraz setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the portion of the fee that is due from the client prior to Veraz commencing services.

The client always retains absolute discretion over all such implementation decisions and always has the right to accept or reject any recommendation from Veraz. **Please Note**: It remains the client's responsibility to promptly notify Veraz if there is ever any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising Veraz's previous recommendations and/or services. As indicated above, Veraz may provide financial planning and related consulting services regarding non-investment related matters, such as tax planning, tax planning, insurance planning, etc. Neither Veraz nor its representatives serve as an attorney or accountant, and no portion of its services should be construed as legal or accounting advice. Accordingly, Veraz **does not** prepare estate planning documents or tax returns. To the extent requested by a client, Veraz may recommend the services of legal or tax professionals. Clients are reminded that they always have the right to decide whether to engage the services of any such recommended professional.

**Fiduciary Duty and Conflicts of Interest**

As an investment adviser registered with the SEC, Veraz Advisors, LLC is a fiduciary under Section 206 of the Investment Advisers Act of 1940. This federal statutory status binds us to nationwide, federal anti-fraud standards and the strict **Duty of Care** and the **Duty of Loyalty**.

- **Our Duty of Care** requires us to provide investment advice that is tailored to each client's unique financial situation, investment objectives, and tolerance for risk based on reasonable initial and ongoing inquiry. It further obligates us to seek best qualitative execution for client transactions, to perform comprehensive due diligence on any sub-advisors or Third-Party Managers we recommend (VERAZ ADV Part 2A, p. 4), and to monitor client portfolios continuously.
- **Our Duty of Loyalty** requires us to place our clients' financial interests ahead of our own at all times. We have an affirmative duty to completely eliminate conflicts of interest where possible, or to provide full, fair, and transparent disclosure of all material facts when a conflict exists so that clients can make an informed decision.

Material conflicts of interest exist regarding our affiliated entities, specifically Veraz Insurance Solutions (insurance commissions) (VERAZ ADV Part 2A, pp. 5, 15) and Urok Tax Planners, LLC (tax planning referrals) (VERAZ ADV Part 2A, p. 14). Because our owners, Jay Mehta and Stephen Stanton, share in the profits of these companies, we have an economic incentive to recommend their services (VERAZ ADV Part 2A, pp. 5, 14-15). We manage these conflicts strictly in accordance with our federal fiduciary duty by ensuring all recommendations are made solely in the client's best interest (VERAZ ADV Part 2A, pp. 5, 15). Clients retain absolute discretion over implementation and are under no obligation to use our affiliates (VERAZ ADV Part 2A, pp. 5, 14-15).

**Investment Advice Relating to Retirement Accounts.**

When Veraz provides investment advice regarding a retirement plan account or individual retirement account, Veraz is a fiduciary within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable. The way we make money creates some conflicts with your interests, so when applicable, Veraz acts as a fiduciary under ERISA and/or the Internal Revenue Code that requires us to act in your best interest and not put our interest ahead of yours.As such, Veraz is subject to specific duties and obligations under ERISA and the IRC that include, among other things, prohibited transaction rules which are intended to prohibit fiduciaries from acting on conflicts of interest. When a fiduciary gives advice in which it has a conflict of interest, the fiduciary must either avoid or eliminate the conflict or rely upon a prohibited transaction exemption (a "PTE").

Under this special rule's provisions, Veraz must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

**Retirement Rollovers Conflict of Interest**.
To the extent Veraz recommends you roll over your account from a current retirement plan account to an individual retirement account managed by Veraz, please know that Veraz and our investment adviser representatives have a conflict of interest.

We can earn increased investment advisory fees by recommending that you roll over your account at the retirement plan to an IRA managed by Veraz. We will earn fewer investment advisory fees if you do not roll over the funds in the retirement plan to an IRA managed by Veraz.

Thus, our investment adviser representatives have an economic incentive to recommend a rollover of funds from a retirement plan to an IRA which is a conflict of interest because our recommendation that you open an IRA account to be managed by our firm can be based on our economic incentive and not based exclusively on whether or not moving the IRA to our management program is in your overall best interest.

We have taken steps to manage this conflict of interest. We have adopted an impartial conduct standard whereby our investment adviser representatives will (i) provide investment advice to a retirement plan participant regarding a rollover of funds from the retirement plan in accordance with the fiduciary status described below, (ii) not recommend investments which result in Veraz receiving unreasonable compensation related to the rollover of funds from the retirement plan to an IRA, and (iii) fully disclose compensation received by Veraz and our supervised persons and any material conflicts of interest related to recommending the rollover of funds from the retirement plan to an IRA and refrain from making any materially misleading statements regarding such rollover.

When providing advice to you regarding a retirement plan account or IRA, our investment advisor representatives will act with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims, based on the investment objectives, risk, tolerance, financial circumstances, and a client's needs, without regard to the financial or other interests of Veraz or our affiliated personnel.

**Use of Mutual and Exchange Traded Funds**

Most mutual funds and exchange traded funds are available directly to the public. Thus, a prospective client can obtain many of the funds that may be utilized by Veraz independent of engaging Veraz as an investment. However, if a prospective client determines to do so, he/she will not receive Veraz's initial and ongoing investment services. **Please Note**: In addition to Veraz's investment fee described below, and transaction and/or custodial fees discussed below, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses).

**Portfolio Activity**

Veraz has a fiduciary duty to provide services consistent with the client's best interest. As part of its investment services, Veraz will review client portfolios on an ongoing basis to determine if any changes are necessary based upon various factors, including, but not limited to, investment performance, account additions/withdrawals, and/or a change in the client's investment objective. Based upon these factors, there may be extended periods of time when Veraz determines that changes to a client's portfolio are neither necessary nor prudent. Of course, as indicated below, there can be no assurance that investment decisions made by Veraz will be profitable or equal any specific performance level(s)

**Please Note: Cash Positions**

At any specific point in time, depending upon perceived or anticipated market conditions/events (there being **no guarantee** that such anticipated market conditions/events will occur), Veraz may maintain cash positions for defensive purposes. All cash positions (money markets, etc.) shall be included as part of assets under management for purposes of calculating Veraz's fee.

**Client Obligations**

In performing its services, Veraz shall not be required to verify any information received from the client or from the client's other professionals, and is expressly authorized to rely thereon. Moreover, each client is advised that it remains their responsibility to promptly notify Veraz if there is ever any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising Veraz's previous recommendations and/or services.

Veraz shall provide investment services specific to the needs of each client. Prior to providing investment services, an investment adviser representative will ascertain each client's investment objective(s). Thereafter, Veraz shall allocate and/or recommend that the client allocate investment assets consistent with the designated investment objective(s). The client may, at any time, impose reasonable restrictions, in writing, on Veraz's services.

**Educational Workshops**

Veraz provides educational seminar sessions for those desiring information on personal finance and investing. Topics may include issues related to general financial planning, educational funding, estate planning, retirement strategies, tax strategies, insurance planning and various other current economic or investment topics..

**Wrap Program**

Veraz does not participate in a wrap fee program.

**Assets Under Management**

As of December 31, 2025, total assets under management are $109,563,851 on a discretionary basis and $0 are advised on a non-discretionary basis.

## Item 5 Fees and Compensation

Veraz believes that its fees are reasonable in relation to the services it provides and the fees charged by other investment advisers offering similar services. However, Veraz's fees may be higher than that charged by other investment advisers offering similar services.

**Assets Under Management Fee**

We charge an annual fee (“Advisory Fee”) based on the amount of assets we are managing (Assets Under Management, or AUM) or advising on for you (Assets Under Advisement, or AUA). (“Advisory Fee”).

The maximum Advisory Fee that can be charged to you is 2.99%. This fee is negotiable. As a result, similarly situated clients could pay different fees and the services to be provided by Veraz to any particular client could be available from other advisers at lower fees.

The Advisory Fee charged to you is based upon various factors including but not limited to: the amount of assets to be managed and/or advised; portfolio composition; the scope and complexity of the engagement; the anticipated number of meetings and servicing needs; related accounts; future earning capacity; anticipated future additional assets; the professional(s) rendering the service(s); prior relationships with Veraz and/or its representatives.

The Advisors Fee charged is agreed to in an Advisory Agreement signed between both Parties. The Advisory Fee is prorated and paid quarterly in advance, calculated based upon the market value of the assets on the last day of the preceding quarter.

Client may terminate our services within five (5) days of the date of acceptance without fee or penalty. Thereafter Client will incur a pro rata charge for bona fide services actually rendered prior to such termination. After the five-day period, either party may terminate the Agreement by providing thirty (30) days advance written notice to the other party. Upon termination, any Advisory Fees will be pro-rated to the date of termination and any earned unpaid fees will be due to Client.

Veraz may also utilize the services of a sub-adviser to manage clients’ investment portfolios. Veraz will enter into sub-advisor agreements with other registered investment advisor firms. When using sub-advisors, you will not pay additional fees. The sub-advisory fees paid by Veraz will vary depending upon the strategy utilized, but shall not exceed 2.99% and any fees paid to sub-advisor are included in the Advisory Fee charged by Veraz in accordance with the description above and the maximum fee that client will be charged will not exceed 2.99%.

Veraz shall deduct fees quarterly in advance directly from the custodial account, based upon the market value of the assets on the last business day of the previous quarter.

Advisory Fee is deducted directly from the client's custodial account(s) . Clients may elect to be invoiced for their Advisory Fee. In the limited event that Veraz bills the client directly, payment is due upon receipt of Veraz's invoice.

Unless the client directs otherwise or an individual client’s circumstances require, Veraz shall generally recommend Charles Shwab & Co., Inc. Member serve as the broker-dealer/custodian for client investment management assets. Broker-dealers may charge brokerage commissions and/or transaction fees for effecting certain securities transactions (i.e. transaction fees are charged for certain no-load mutual funds, commissions are charged for fixed income securities transactions). In addition to Veraz's Advisory Fee, brokerage commissions and/or transaction fees, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses).

Other than the commissions from insurance as discussed above in item 4, neither Veraz, nor its representatives, accepts compensation from the sale of securities or other investment products.

**Third Party Money Managers**
Veraz will be compensated for the referral of Third Party Managers and receives a portion of the fee the client pays to the Third Party Managers. The Referral fee shall not exceed our maximum Advisory Fee and shall be disclosed to the Client at the time the recommendation is made pursuant to a Written Disclosure Form.

**Financial Planning and Consulting Services**
Veraz's planning and consulting fees are negotiable and may be complementary at Veraz's discretion, but generally range from $1,000 to $50,000 when charged on a fixed fee basis or up to $750 per hour when charged on an hourly rate basis, depending upon the level and scope of the service(s) required and the professional(s) rendering the service(s) . While Veraz must endeavor at all times act in the client’s best interest as part of Veraz's fiduciary duty, clients should be aware that a material conflict of interest exists as this presents a conflict of interest, which Veraz addresses in accordance with its fiduciary duty. Client is under no obligation to act upon Veraz’s recommendations. The client always retains absolute discretion over all such implementation decisions and always has the right whether to accept or reject any recommendation made by Veraz or its representatives or any affiliated entities. If client elects to act on any recommendations made by Veraz or its representatives or any affiliated entities, client is under no obligation to effect the transaction through Veraz and may choose to effect the transaction through another investment adviser.

**Educational Seminars**
While certain Educational Seminars may be complimentary at Veraz's discretion, generally Educational Seminars attendees may be assessed a fee ranging from $40 to $100. The workshop fee will be announced in advance and will be determined by the length of the event, the number and expertise of the presenters involved, and whether or not educational materials are being provided. Payment will be due in advance of the first session.

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

Neither Veraz, nor any supervised person of Veraz, accepts performance-based fees and therefore Veraz does not engage in side-by-side management.

## Item 7 Types of Clients

Veraz's clients shall generally include individuals and business entities. Veraz does not generally require a minimum asset level for investment services. Veraz, in its sole discretion, may charge a lesser investment management fee and/or reduce and/or waive its minimum asset level requirement based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.).

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

We customize investment strategies based upon individual needs, goals and objectives developed in conjunction with the client. We primarily offer advice on equity securities, ETFs, corporate debt securities (other than commercial paper), certificates of deposit, municipal securities, U.S. government securities and mutual fund shares. Security analysis may include Modern Portfolio Theory (MPT), fundamental, technical, or cyclical analysis and other academically and industry identified methods. Investment selection may be based upon data provided by third parties, information obtained from financial newspapers and magazines, professional research materials, annual reports, prospectuses, filings with the SEC, and company press releases. There is always a risk that our analysis may be flawed because of missing, inaccurate or misleading information. We explain to our clients that investing in securities involves risk of loss that they must be prepared to bear.

We may recommend alternative investments (also known as limited partnerships, hedge funds, private equity, or direct investments) to accredited clients. Such alternative investments carry a significant risk of loss, including total loss of investment. Recommendations for investments in alternative investments will only be made when appropriate to accredited investors and cannot be made on a discretionary basis. Clients must directly subscribe to the alternative investment. Unregistered investments are illiquid and may be difficult to value accurately in the first few years of their existence. Some require holding periods of 5 to 10 years. They may use significant leverage, which can increase potential gains as well as potential losses. Unregistered investments can be difficult to accurately price (mark to market) and value. They may offer less transparency into the underlying investments and do not offer investors the same protection as registered investments. For this reason they carry significant risks, including the risk of fraud. Only sophisticated investors who can bear a loss of investment should invest in unregistered investments.

Technical Analysis

Technical analysis involves the examination of past market data rather than specific company data in determining which securities to buy/sell. Technical analysis may involve the use of various quantitative-based calculations, variation metrics and charts to identify market patterns and trends which may be based on investor sentiment rather than the fundamentals of a company. These trends may include put/call ratios, pricing trends, moving averages, volume, and changes in volume, among many others. These trends, both short and long-term, are used for determining specific trade entry and exit points and broad economic analysis.

Cyclical Analysis

Cyclical analysis is similar to technical analysis in that it involves the assessment of market conditions at a macro (e.g., the entire market/economy) or micro (e.g., company specific) level, rather than the overall fundamental analysis of the health of a particular company. Cyclical analysis involves the historical patterns and trends of securities, markets or economies as a whole in an effort to determine future behaviors, the estimation of price movement and an evaluation of a transaction before entry into the market in terms of risk and profit potential.

Fundamental Analysis

Fundamental analysis is a method of evaluating a security in an attempt to assess its intrinsic value by examining related economic, financial, and other qualitative and quantitative factors. Fundamental analysts study everything that can affect the security's value, including macroeconomic factors (e.g. economy and industry conditions) and microeconomic factors (e.g. financial conditions and company management). The end goal of fundamental analysis is to produce a quantitative value that an investor can compare with a security's current price, thus indicating whether the security is undervalued or overvalued.

Investing in securities involves risk of loss that each client should be prepared to bear. The value of a client's investment may be affected by one or more of the following risks, any of which could cause a client's portfolio return, the price of the portfolio's shares or the portfolio's yield to fluctuate:

Market Risk. The value of portfolio assets will fluctuate as the stock or bond market fluctuates. The value of investments may decline, sometimes rapidly and unpredictably, simply because of economic changes or other events that affect large portions of the market.

Management Risk. A client's portfolio is subject to management risk because it is actively managed. Veraz will apply its investment techniques and risk analysis in making investment decisions for a client's portfolio, but there is no guarantee that these techniques and Veraz's judgment will produce the intended results.

Quantitative Tools Risk. Some of Veraz's investment techniques may incorporate, or rely upon, quantitative models. There is no guarantee that these models will generate accurate forecasts, reduce risks or otherwise produce the intended results.

Interest Rate Risk. Changes in interest rates will affect the value of a portfolio's investments in fixed-income securities. When interest rates rise, the value of investments in fixed-income securities tend to fall and this decrease in value may not be offset by higher income from new investments. Interest rate risk is generally greater for fixed-income securities with longer maturities or durations.

Credit Risk. An issuer or guarantor of a fixed-income security, or the counterparty to a derivatives or other contract, may be unable or unwilling to make timely payments of interest or principal, or to otherwise honor its obligations. The issuer or guarantor may default causing a loss of the full principal amount of a security. The degree of risk for a particular security may be reflected in its credit rating. There is the possibility that the credit rating of a fixed-income security may be downgraded after purchase, which may adversely affect the value of the security. Investments in fixed- income securities with lower ratings tend to have a higher probability that an issuer will default or fail to meet its payment obligations.

Allocation Risk. The allocation of investments among different asset classes may have a significant effect on portfolio value when one of these asset classes is performing more poorly than the others. As investments will be periodically reallocated, there will be transaction costs which may be, over time, significant. In addition, there is a risk that certain asset allocation decisions may not achieve the desired results and, as a result, a client's portfolio may incur significant losses.

Foreign (Non-U.S.) Risk. A portfolio's investments in securities of non-U.S. issuers may involve more risk than those of U.S. issuers. These securities may fluctuate more widely in price and may be less liquid due to adverse market, economic, political, regulatory or other factors.

Emerging Markets Risk. Securities of companies in emerging markets may be more volatile than those of companies in developed markets. By definition, markets, economies and government institutions are generally less developed in emerging market countries. Investment in securities of companies in emerging markets may entail special risks relating to the potential for social instability and the risks of expropriation, nationalization or confiscation. Investors may also face the imposition of restrictions on foreign investment or the repatriation of capital and a lack of hedging instruments.

Capitalization Risk. Investments in small- and mid-capitalization companies may be more volatile than investments in large-capitalization companies. Investments in small-capitalization companies may have additional risks because these companies have limited product lines, markets or financial resources.

Issuer Specific Risk. The value of an equity security or debt obligation may decline in response to developments affecting the specific issuer of the security or obligation, even if the overall industry or economy is unaffected. These developments may comprise a variety of factors, including, but not limited to, management issues or other corporate disruption, political factors adversely affecting governmental issuers, a decline in revenues or profitability, an increase in costs, or an adverse effect on the issuer's competitive position.

Legal or Legislative Risk. Legislative changes or court rulings may impact the value of investments or the securities' claim on the issuer's assets and finances.

Veraz's methods of analysis and investment strategies do not present any significant or unusual risks.

Veraz's securities analysis methods rely on the assumption that the companies whose securities the firm purchases and sells, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While the firm is alert to indications that data may be incorrect, there is always the risk that the analysis may be compromised by inaccurate or misleading information.

Technical Analysis

The primary risk in using technical analysis is that spotting historical trends may not help predict such trends in the future. Even if the trend will eventually recur, there is no guarantee that Veraz will be able to accurately predict such a reoccurrence.

Cyclical Analysis

The primary risk of cyclical analysis is that economic/business cycles may not be predictable and may have many fluctuations between long-term expansions and contractions. The lengths of economic cycles may be difficult to predict with accuracy and therefore, there is an attendant difficulty in predicting economic trends.

**Risks Associated with Specific Securities Utilized**

Equity Securities

The major risks associated with investing in equity securities relate to the company's capitalization, quality of the company's management, quality and cost of the company's services, the company's ability to manage costs, efficiencies in the manufacturing or service delivery process, management of litigation risk and the company's ability to create shareholder value (e.g., increase the value of the company's stock price).

Exchange Traded Funds

ETFs are subject to risks similar to those of stocks. Investment returns will fluctuate and are subject to market volatility, so that when shares are sold they may be worth more or less than their original cost. ETF shares are bought and sold at market price (not Net Asset Value) and are not individually redeemed from the fund. ETFs purchased at a premium may not yield a premium upon sale.

Equity Mutual Funds

The major risks associated with investing in equity mutual funds is similar to the risks associated with investing directly in equity securities, including market risk, which is the risk that investment returns will fluctuate and are subject to market volatility, so that an investor's shares, when redeemed or sold, may be worth more or less than their original cost. Other risks include the quality and experience of the portfolio management team and its ability to create fund value by investing in securities that have positive growth, the amount of individual company diversification, the type and amount of industry diversification and the type and amount of sector diversification within specific industries. In addition, mutual funds tend to be tax inefficient and therefore investors may pay capital gains taxes on fund investments while not having yet sold their shares in the fund.

Fixed-Income Mutual Funds

In addition to the risks associated with investing in equity mutual funds, fixed-income mutual funds also carry the following risks:

Credit Risk – the risk that a company or bond issuer may fail to pay principal and interest payments in a timely manner.

Interest Rate Risk – the risk that the market value of the bonds will go down when interest rates rise.

Prepayment Risk – the risk that a bond will be paid off early.

Indexed Funds

Indexed Funds have the potential to be affected by "tracking error risk" which means a deviation from a stated benchmark index. Since the core of a portfolio may attempt to closely replicate a benchmark, the source of the tracking error (deviation) may come from a "sample index" that may not closely align the benchmark. In addition, while many index mutual funds are known for their potential tax efficiency and higher "qualified dividend income" (QDI) percentages, there are asset classes within these funds or holding periods that may not benefit. Shorter holding periods, as well as commodities and currencies that may be part of a fund's portfolio, may be considered "non-qualified" under certain tax code provisions.

## Item 9 Disciplinary Information

Neither Veraz nor its management persons have any disciplinary actions to disclose.

## Item 10 Other Financial Industry Activities and Affiliations

A. Neither Veraz, nor its representatives, are registered or have an application pending to register as a broker-dealer or a registered representative of a broker-dealer.

B. Neither Veraz, nor its representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trader or a representative of the foregoing.

C. Affiliations

1. **Broker Dealer:** No
2. **Investment Company:** No
3. **Another Investment Advisor:** No
4. **Futures Commission, merchant, commodity pool operator, or commodity trader:** No
5. **Bank of Thrift:** No
6. **Accountant or accounting firm:** Yes. Urok Tax Planners, LLC ("Urok") is indirectly owned by Jay Mehta and Stephen Stanton. Mr. Mehta and Mr. Stanton has an ownership and financial interest in both Veraz and Urok. Therefore, there is a financial incentive for Veraz to recommend Urok for estate and tax planning services. Clients always have the right to decide whether to engage the services of Urok and are under no obligation to engage such services offered by Urok.
7. **Lawyer or law firm**: None
8. **Insurance Company:** Yes. Veraz is affiliated with an insurance agency: Veraz Insurance Solutions which is indirectly owned by our indirect owners, Jay Mehta and Stephen Stanton. Fixed insurance product sales may be conducted through Veraz Insurance Solutions. Jay Mehta and Stephen Stanton share profits of the insurance agency and Jay Mehta and Stephen Stanton may be compensated through payment of commissions when insurance products are sold by them. While Veraz must endeavor at all times to act in the client's best interest as part of Veraz's fiduciary duty, clients should be aware a material conflict of interest exists as they have a financial incentive to recommend products to clients for the purpose of generating commissions, rather than solely based on client needs. Clients always have the right to decide whether to purchase insurance products offered through Veraz Insurance Solutions. Veraz will exercise its fiduciary duty in regard to any sale of such insurance products and clients are reminded that they have the right to decide whether to act on any such recommendations to purchase any insurance products from anyone they so choose.
9. **Pension Consultant:** No
10. **Real Estate Broker:** No
11. **Sponsor or syndicator of limited partnerships:** No
12. **Mortgage Broker:** No

D. Recommendation or Selection of Other Investment Advisers

Veraz recommends or selects certain investment advisors, including Tax Efficient Asset Management Solutions, Inc. (Third Party Managers) for clients.

Clients referred to Third Party Managers are billed in accordance with the Third Party Managers Fee Schedule executed by the Client. Veraz ensures that before selecting Third Party Managers for the Client that Third Party Managers are properly licensed or registered as an investment advisor.

When Veraz recommends such Third Party Managers, Veraz receives compensation in the form of a solicitor fee directly from Third Party Managers for its recommendation. This practice creates a conflict of interest, as Veraz may have a financial incentive to refer Third Party Managers, from whom it receives compensation.

In order to mitigate this conflict of interest when referring Clients to a Third Party Manager: the Client's best interest will be the main determining factor of such recommendation; Each client referred to a Third Party Manager, receives a disclosure document with details of the agreement including the fees Veraz receives; Fees paid by Client to Third Party Managers or received by Veraz for such referral will never exceed Veraz's maximum Advisory Fee; and clients are not required to accept any referral to or recommendation of Third Party Managers and always have the option to receive investment advice through any money managers of their choosing.

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

Veraz maintains a policy relative to personal securities transactions pursuant to Rule 204A-1 under the Investment Advisers Act of 1940. This policy is part of Veraz's overall Code of Ethics, which serves to establish a standard of business conduct for all of Veraz's Representatives that is based upon fundamental principles of openness, integrity, honesty and trust, a copy of which is available upon request.

Veraz also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by Veraz or any person associated with Veraz.

Neither Veraz nor any related person of Veraz recommends, buys, or sells for client accounts, securities in which Veraz, or any related person of Veraz, has a material financial interest.

Veraz and/or representatives of Veraz *may* buy or sell securities that are also recommended to clients. This practice may create a situation where Veraz and/or representatives of Veraz are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a conflict of interest. Practices such as "scalping" (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if Veraz did not have adequate policies in place to detect such activities. In addition, this requirement can help detect insider trading, "front-running" (i.e., personal trades executed prior to those of Veraz's clients) and other potentially abusive practices.

Veraz has adopted a Code of Ethics expressing the firm's fiduciary obligations to its clients and maintaining compliance with Rule 204A-1. In accordance with federal rules, all Access Persons must submit a complete report of their personal securities holdings within 10 days of becoming an access person and annually thereafter (with information current within 45 days of submission). Furthermore, Access Persons are required to submit quarterly personal securities transaction reports no later than 30 days after the end of each calendar quart. , however, at any time that Veraz has only one Access Person, he or she shall not be required to submit any securities report described above.

Veraz and/or representatives of Veraz *may* buy or sell securities, at or around the same time as those securities are recommended to clients. This practice creates a situation where Veraz and/or representatives of Veraz are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a conflict of interest. As indicated above, Veraz has a personal securities transaction policy in place to monitor the personal securities transaction and securities holdings of each of Veraz's Access Persons and are not permitted to front run or disadvantage trading for client accounts.

## Item 12 Brokerage Practices

In the event that the client requests that Veraz recommend a broker-dealer/custodian for execution and/or custodial services (exclusive of those clients that may direct Veraz to use a specific broker-dealer/custodian), Veraz generally recommends that investment management accounts be maintained at Charles Schwab. Prior to engaging Veraz to provide investment management services, the client will be required to enter into a formal Investment Agreement with Veraz setting forth the terms and conditions under which Veraz shall manage the client's assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian.

Factors that Veraz considers in recommending Charles Schwab (or any other broker-dealer/custodian to clients) include historical relationship with Veraz, financial strength, reputation, execution capabilities, pricing, research, and service. Although the commissions and/or transaction fees paid by Veraz's clients shall comply with Veraz's duty to obtain best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where Veraz determines, in good faith, that the commission/transaction fee is reasonable. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer’s services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although Veraz will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, Veraz's Advisory Fee. Veraz's best execution responsibility is qualified if securities that it purchases for client accounts are mutual funds that trade at net asset value as determined at the daily market close.

1. <u>Research and Soft Dollars</u>

“Soft dollars” are defined as a form of payment that investment advisers can use to pay for goods and services such as news subscriptions or research. When an investment adviser gives its business to a particular brokerage firm, the brokerage firm in return can agree to use some of its revenue to pay for these types of services. Veraz does not receive research or other products or services other than execution from a broker-dealer or Third Party in connections with client securities transactions.

2. Veraz does not receive referrals from broker-dealers.

3. Veraz does not generally accept directed brokerage arrangements (when a client requires that account transactions be effected through a specific broker-dealer). In such client directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and Veraz will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by Veraz. As a result, client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.

**Please Note**: In the event that the client directs Veraz to effect securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through another custodian.

To the extent that Veraz provides investment management services to its clients, the transactions for each client account generally will be effected independently, unless Veraz decides to purchase or sell the same securities for several clients at approximately the same time. Veraz may (but is not obligated to) combine or “bunch” such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among Veraz's clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. Veraz shall not receive any additional compensation or remuneration as a result of such aggregation.

## Item 13 Review of Accounts

For those clients to whom Veraz provides investment supervisory services, account reviews are conducted on an ongoing basis by Veraz's Principals and/or representatives. All investment supervisory clients are advised that it remains their responsibility to advise Veraz of any changes in their investment objectives and/or financial situation. All clients (in person or via telephone) are requested to review financial planning issues (to the extent applicable), investment objectives and account performance with Veraz on an annual basis.

The Chief Compliance Officer, Jay Mehta may conduct account reviews on an other than 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.

Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian for the client accounts.

**Item 14 Client Referrals and Other Compensation**

19As referenced above, Veraz receives an indirect economic benefit from Charles Schwab. Veraz, without cost (and/or at a discount), may receive support services and/or products from Charles Schwab.

Veraz's clients do not pay more for investment transactions effected and/or assets maintained at Charles Schewab as a result of this arrangement. There is no corresponding commitment made by Veraz to Charles Schwab, or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement.

**Client Referrals:** Veraz has entered into promoter arrangement with and may refer certain clients to Tax Efficient Asset Management Solutions, Inc. ("Third Party Managers").

In such instances, Veraz acts as a promoter and receives a portion of the fee client pays to the Third Party Managers. This practice creates a conflict of interest, as Veraz may have a financial incentive to refer Third Party Managers, from whom it receives compensation.

In order to mitigate this conflict of interest: the Client's best interest will be the main determining factor of Veraz in recommending Third Party Managers; each client referred to a Third Party Manager, receives a disclosure document with details of the agreement including the fees Veraz receives; fees paid by Client to Third Party Managers or received by Veraz for such referral will never exceed Veraz's maximum Advisory Fee; and clients should be aware they are not required to accept any referral to or recommendation of Third Party Managers and always have the option to receive investment advice through any money managers of their choosing.

**Item 15 Custody**

Physical custody of client assets will be maintained with the independent custodian. Veraz is deemed to have "custody" of client funds and securities solely as a consequence of its authority to debit advisory fees directly from client accounts to pay its advisory fee.

Veraz will receive written authorization from client to debit advisory fees directly from the account(s) held with the qualified custodian.

Veraz Advisors, LLC is deemed to have custody of client funds solely because of our authority to directly debit advisory fees from client accounts. To comply with Rule 206(4)-2 under the Investment Advisers Act of 1940, client assets are maintained with a qualified custodian (typically Charles Schwab). The qualified custodian sends account statements directly to clients, at least quarterly, identifying the amount of all funds and securities in the account and all transactions during the period, including the amount of the advisory fee deducted. Clients are urged to carefully review and compare the official statements provided by the custodian against any reports or invoices issued by Veraz.

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## Item 16 Investment Discretion

Veraz contracts for limited discretionary authority to transact portfolio securities accounts on behalf of clients. Discretionary authority is granted either by the investment advisory agreement and/or by a separate limited power of attorney where such document is required.

When a client authorizes us with investment discretion, Veraz has the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. The firm's discretionary authority regarding investments may however be subject to certain limitations. These limitations are recognized as the restrictions and prohibitions placed by the Client on transactions in certain types of business or industries. All such restrictions are to be agreed upon in writing at the account's inception.

It is the Client's responsibility to inform investment adviser representatives and Veraz annually of any changes on the restriction due to reorganizations, mergers, or changes in the security over time that would affect any related restrictions.

The Client authorizes the discretion to select the custodian to be used and the commission rates paid. The Advisor does not receive any portion of the transaction fees or commissions paid by the client to the custodian on certain trades.

Investment Discretion does not authorize the following and therefore we must receive your written approval before: investing in privately offered securities, purchasing insurance contracts, investing in alternative investments, and opening or closing custodial accounts.

## Item 17 Voting Client Securities

Veraz 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 shall 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.

Clients will receive their proxies or other solicitations directly from their custodian. Clients may contact Veraz to discuss any questions they may have with a particular solicitation.

## Item 18 Financial Information

Veraz does not require or solicit the prepayment of advisory fees of more than $1,200, per client, six months or ,more in advance, therefore we are not required to include a financial balance sheet with this Brochure

Veraz does not have any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts.

Veraz has not been the subject of a bankruptcy petition.

Business Continuity Plan

Veraz has a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, services or key people. A summary of the Business Continuity Plan is available upon request to Veraz's Chief Compliance Officer, Jay Mehta.

Jay Mehta is Veraz's Chief Compliance Officer. Mr. Mehta's educational background and business experience is provided on Form ADV Part 2B, The Brochure Supplement, Item 2.

Mr. Mehta is engaged in other business activities. Please refer to Item 4 of the respective Form ADV Part 2B Brochure Supplement for further information regarding outside business activities.

Veraz does not accept performance-based compensation.

Neither Veraz nor any of its management personnel have any disciplinary events to disclose.

Neither Veraz nor any of its management personnel have any relationship or arrangement with an issuer of securities.