

Part 2A of Form ADV: Firm Brochure

Item 1 Cover Page

Compass Investments LLC  
1513 Walnut Street  
Williamsport, PA 17701

Telephone: 570-772-8250

E-Mail: [JReed@compassinvestmentsllc.com](mailto:JReed@compassinvestmentsllc.com)

May 18, 2021

**This brochure provides information about the qualifications and business practices of Compass Investments LLC. If you have any questions about the contents of this brochure, please contact us at: 570-772-8250 or e-mail: [JReed@compassinvestmentsllc.com](mailto:JReed@compassinvestmentsllc.com). 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 Compass Investments LLC is also available on the SEC's website at: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

Item 2 Material Changes

Compass Investments is required to disclose any material changes here in Item 2.  
There are currently no material changes to report.

Table of Contents

Cover Page	Page 1
Material Changes	Page 2
Table of Contents	Page 3
Advisory Business	Page 4
Fees and Compensation	Page 5
Performance Based Fees and Side by Side Management	Page 6
Types of Clients	Page 7
Methods of Analysis, Investment Strategies and Risk of Loss	Page 8
Disciplinary Information	Page 9
Other Financial Industry Activities and Affiliations	Page 10
Code of Ethics, Participation in Client Transactions and Personal Trading	Page 11
Brokerage Practices	Page 12
Review of Accounts	Page 13
Client Referrals and Other Compensation	Page 14
Custody	Page 15
Investment Discretion	Page 16
Voting Clients Securities	Page 17
Financial Information	Page 18

Item 4 Advisory Business

A. Compass Investments LLC was established on August 31, 2006 and serves an extremely diverse client base. Each of the firm's investment advisors has a unique set of clients, ranging from military personnel to artists, and from business owners to high-tech professionals. While each advisor employs his or her own individual approach to investment management, all are united under Compass Investment's mission to provide the highest quality service, tailored to the goals and needs of the client, while upholding the strictest standards of ethics and best practices. Julia C. Reed is the principal owner of Compass Investments. There are no intermediate subsidiary relationships.

B. Compass Investments LLC is first and foremost a money management firm. Each of its advisors uses a variety of methods (explained in Item 8) without specializing in any one type of service. Secondly, Compass advisors offer varying degrees of financial planning to its clients. Issues typically addressed include tax implications of different investment options; how much to save for retirement or for college; reasonable withdrawal rates from an investment portfolio for those in or near retirement; whether to take out an equity loan or withdraw funds from an investment account for a needed purchase; and other topics raised by clients.

C. The investment management that Compass Investments LLC provides for its clients takes into consideration each client's individual situation. In order to best serve the client, Compass advisors assess a variety of factors to determine an investment plan: risk tolerance, the needs of each client and/or the client's investment goals, how many years before the client is likely to need their investment funds, how involved the client wants to be in the investment process, the likelihood of clients reaching their goals through a combination of investment returns and savings.

D. Compass Investments LLC does not participate in a wrap fee program.

E. As of March 17, 2021 Compass Investments LLC managed \$162,685,502 of current clients' assets. All assets under management are managed under a discretionary basis.

Item 5 Fees and Compensation

A. Fees are deducted quarterly in arrears or advance based on a calculated percentage of discretionary assets under management and generally fees vary from 0.50% to 1.35% per annum of the market value of a client's assets managed by Compass. The fee range stated is a guide. Fees are negotiable, and may be higher or lower than this range, based on the nature of the account. Factors affecting fee percentages include the size of the account, complexity of asset structures, and other factors.

B. Management fees are deducted from the clients' accounts. Clients may request that they be invoiced for fees. The client can select either account fee deduction or invoice.

C. In addition to the advisory fees that each client pays, there are additional fees or expenses that clients may be subject to. The fees that a client can see on their statements are: brokerage charges for buying and selling individual stocks, bonds and electronically traded funds (ETF's); transaction charges for the purchase or sale of certain mutual funds; and (rarely) an annual fee for holding an alternative asset in their account. Fees that a client does not see on their statement are primarily the expense fees that mutual funds charge in order to do their work: management fees, administrative fees, 12(b)(1) fees, trading fees, etc. Compass Investments does not receive any compensation from these mutual fund fees. Charles Schwab & CO and Fidelity Institutional Wealth Services Group receive 12(b)(1) fees from many mutual funds, and in exchange Charles Schwab & CO and Fidelity make those funds available to investors on a "no-transaction fee" basis. There are currently no custodial fees charged by Schwab or Fidelity for maintaining retirement accounts.

D. To permit Compass clients to have access to as many investment solutions as possible, certain professionals of Compass are registered representatives of Purshe Kaplan Sterling Investments, Inc. ("PKS"), a FINRA member broker-dealer. The relationship with PKS allows these professionals to provide additional products to clients' portfolios that would not otherwise be available. Because PKS supervises the activities of these professionals as registered representatives of PKS, the relationship may be deemed material. However, PKS is not affiliated with Compass or considered a related party. PKS does not make investment decisions for client accounts. Registered representative status enables these professionals to receive customary commissions for the sales of various securities, including those recommended to clients. Commissions charged for these products will not offset management fees owed to Compass.

Receipt of commissions for investment products that are recommended to clients gives rise to a conflict of interest for the representative, in that the individual who will receive the commissions is also the individual that is recommending that the client purchase a given product. This conflict is disclosed to clients verbally and in this brochure. Clients are advised that they may choose to implement any investment recommendation through another broker-dealer that is not affiliated with Compass. Compass attempts to mitigate this conflict by requiring that all investment recommendations have a sound basis for the recommendation, and by requiring employees to acknowledge their fiduciary responsibility toward each client.

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

We do not accept performance-based fees or participate in side-by-side management. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees.

Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Our fees are calculated as described in the Fees and Compensation section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

We offer investment advisory services to individuals, trusts, estates, charitable organizations, self-employed persons and other business entities.

We may combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts to meet the stated minimum as well as to meet a lower fee threshold.

The minimum amount required to open an account is \$50,000. If an account drops below \$50,000 due to client withdrawals, Compass Investments may, at its discretion, after discussing with the client the likelihood and timing of future deposits into the account, discontinue the advisory relationship.

There are currently some remaining households with less than \$50,000.00 of current assets. With the raising of the minimum account size to \$50,000.00 Compass Investments LLC does not believe it is fair to disengage long term clients because of their current financial situation.

There may be an exception to the initial minimum account size requirement based on extenuating circumstances, such as: a valued client referral, expected larger deposit of money into an account in a reasonable time frame, and potential for greater assets based on financial circumstances. An example would be that a person is anticipating leaving their current job and wants to rollover their 401K to one of the qualified custodians for Compass Investments LLC to manage.

The Firm employs a wide range of methods to evaluate investments and manage portfolios, including fundamental analysis, some aspects of technical analysis and study of price trends, and analysis of economic, market, industry, firm, and product cycles and trends. The Firm's investment philosophy is eclectic and opportunistic, with an emphasis on seeking a margin of safety in price.

Typical sources of information include company SEC filings, press releases, company websites, company earnings calls, financial news and quotation services, financial data providers, financial newspapers and magazines, corporate rating services, analyst research reports, financial weblogs, internet discussion boards, and financial websites.

Some Advisers do subscribe to various investment advisory newsletters and based on the information published in those newsletters may make specific recommendations. Some examples of current newsletters that are subscribed to are: Stansberry Research, The Street Authority, Agora Financial, Active Trading Partners, St. Paul's Research, and the American Association of Individual Investors.

The Firm continually adapts its investment strategies to market conditions and individual client needs. Years of experience have shown that no one approach works at all times for all clients.

Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio.

Compass does utilize the services of Investment Research Partners, LLC, a Registered Investment Advisor, to assist in portfolio management for select accounts. Investment Research Partners provides market commentary, research and recommendations to Compass. Investment Research Partners is granted discretionary authority to affect trades on accounts as selected by Compass.

#### Risk of Loss

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.



Item 9      Disciplinary Information

Julia C. Reed, Principal, Compass Investments LLC, has been registered since 2006 and has been providing investment advisory services since then. Neither she nor any of the associated persons of the firm have any reportable disciplinary information.

To permit Compass clients to have access to as many investment solutions as possible, certain professionals of Compass are registered representatives of Purshe Kaplan Sterling Investments, Inc. (“PKS”), a FINRA member broker-dealer. The relationship with PKS allows these professionals to provide additional products to clients' portfolios that would not otherwise be available. Because PKS supervises the activities of these professionals as registered representatives of PKS, the relationship may be deemed material. However, PKS is not affiliated with Compass or considered a related party. PKS does not make investment decisions for client accounts. Registered representative status enables these professionals to receive customary commissions for the sales of various securities, including those recommended to clients. Commissions charged for these products will not offset management fees owed to Compass.

Receipt of commissions for investment products that are recommended to clients gives rise to a conflict of interest for the representative, in that the individual who will receive the commissions is also the individual that is recommending that the client purchase a given product. This conflict is disclosed to clients verbally and in this brochure. Clients are advised that they may choose to implement any investment recommendation through another broker-dealer that is not affiliated with Compass. Compass attempts to mitigate this conflict by requiring that all investment recommendations have a sound basis for the recommendation, and by requiring employees to acknowledge their fiduciary responsibility toward each client.

Certain professionals of Compass Investments are separately licensed as independent insurance agents. As such, these professionals may conduct insurance product transactions for Compass Investments clients, in their capacity as licensed insurance agents, and will receive customary commissions for these transactions in addition to any compensation received in his capacity as employees of Compass Investments. Commissions from the sale of insurance products will not be used to offset or as a credit against advisory fees. These professionals therefore have incentive to recommend insurance products based on the compensation to be received, rather than on a client's needs. The receipt of additional fees for insurance commissions is therefore a conflict of interest, and clients should be aware of this conflict when considering whether to engage Compass Investments or utilize these professionals to implement any insurance recommendations. Compass Investments attempts to mitigate this conflict of interest by disclosing the conflict to clients, and informing the clients that they are always free to purchase insurance products through other agents that are not affiliated with Compass Investments, or to determine not to purchase the insurance product at all. Compass Investments also attempts to mitigate the conflict of interest by requiring employees to acknowledge in the firm's Code of Ethics, their individual fiduciary duty to the clients of Compass Investments, which requires that employees put the interests of clients ahead of their own.

Certain professionals registered with Compass may provide consulting services on behalf of a separate, registered investment advisor. Consulting may include providing clients advice on how to manage assets. At the onset of each of these engagements, it will be disclosed that the individual is an IAR of Compass. Geoffrey Caber, an IAR of Compass, and Stuart Feinzig, a client relationship manager of Compass, are also part owners of Investment Research Partners, LLC (“IRP”), a separate registered investment advisor. They may have a financial incentive to recommend clients of Compass to utilize the sub-advisory services of IRP. IRP and Compass attempt to mitigate this conflict of interest by disclosing the conflict to clients, and informing the clients that they are always free to engage other companies that are not affiliated with IRP or Compass. IRP and Compass also attempt to mitigate the conflict of interest by requiring employees to acknowledge the firm’s Code of Ethics, their individual fiduciary duty to the clients of Compass, which requires that employees put the interests of clients ahead of their own.

Neither the principal of Compass, nor any related persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

As discussed in Item 8, Compass may recommend the use of one or more third party managers.

Compass has a referral arrangement with Efficient Advisors, LLC. Compass refers clients to Efficient Advisors, who in turn manages a 401k plan, and in return Compass receives a referral fee.

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

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for our Associated Persons. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All of our Associated Persons are expected to adhere strictly to these guidelines. Persons associated with our firm are required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm. Our Code of Ethics is available to you upon request. You may obtain a copy of our Code of Ethics by contacting Julia Reed at 570-772-8250. From time to time, Compass or persons associated with Compass may buy or sell securities that are recommended to its Clients or securities in which its Clients are invested. Please note that Client accounts will have priority when it comes to the purchase and/or sale of securities over trades conducted in the accounts of associated persons of Compass. Our firm or persons associated with our firm may buy or sell securities for you at the same time we or persons associated with our firm buy or sell such securities for our own account. We may also combine our orders to purchase securities with your orders to purchase securities (“block trading”). Please refer to the “Brokerage Practices” section in this Brochure for information on our block trading practices. A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To mitigate this conflict of interest, it is our policy that neither our Associated Persons nor we shall have priority over your account in the purchase or sale of securities.

The brokerage firms of Charles Schwab & Co., Inc. and Fidelity Institutional Wealth Services Group are recommended to clients. The client signs a Limited Power of Attorney allowing Compass Investments discretion to manage the account.

In choosing these custodians as the required broker-dealers for client transactions, Compass Investments assessed the following factors: robustness of the trading platform, breadth of investment options available to clients, ease of use of the advisor-side technology, ease of integration with other required software platforms, the reputation of the firm, the firm's commitment to work with individual advisors, the firm's commitment to continue to improve its platform, the effectiveness of the client-side interface, and the transaction fee structure. Compass believes that both custodians offer the best balance of all the above factors, and that the transaction fees charged for stock, bond and certain mutual fund transactions are reasonable.

Not all advisors require their clients to execute transactions through a specified broker-dealer. Using a different broker-dealer could result in a more favorable execution of transactions at lower cost to clients. Compass Investments LLC receives no economic advantages from using Schwab or Fidelity. The choice to recommend Schwab or Fidelity as the broker-dealer is based on an assessment of the totality of advantages for using their services, not solely on most favorable execution.

#### Block Trades

We may combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as "block trading"). We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. The distribution of the shares purchased is typically proportionate to the size of the account, but it is not based on account performance or the amount or structure of management fees.

We highly recommend that clients sign up for electronic delivery of documents from the custodian in order to reduce their trading costs.

Certain financial advisors will monitor client accounts on a continuous basis and will conduct account reviews at least annually and upon your request to ensure that the advisory services provided to you are consistent with your current investment needs and objectives.

More frequent account reviews are triggered by such factors as: a) awareness of a material change in a client's circumstances or investment objectives, b) significant changes in market conditions, c) changes in the portfolio manager's assessment of a security held in an account, and d) divergence of an account's investment performance from management's expectations.

We will provide you with quarterly performance reports in conjunction with account reviews. Reports we provide to you will contain relevant account and/or market-related information such as an inventory of account holdings and account performance, etc. These reports are generated by the Assetbook Portfolio Management System. The reports will be both written and in graph format.

In addition, you will receive trade confirmations and monthly statements from your account custodian. You should compare our statements with the statements from your account custodian to reconcile the information reflected on each statement.

Item 14 *Client Referrals and Other Compensation*

The Firm does not provide any form of compensation for client referrals, this includes: prizes, sales awards, or any other economic benefit.

We will either send you an invoice by mail, e-mail or posting through the Client Access Portal in Assetbook for the payment of our advisory fees, or we will deduct our fee directly from your account through the qualified custodian holding your funds and securities. This ability to deduct our advisory fees from your accounts causes our firm to exercise limited custody over your funds or securities.

**We do not have physical custody of any of your funds and/or securities. Your funds and securities will be held with the qualified account custodian.**

You will receive account statements from your account custodian on a monthly basis. The account statements will indicate the amount of our advisory fees deducted from your account(s) each billing period. You should carefully review account statements for accuracy. We will also provide statements to you reflecting the amount of advisory fee deducted from your account by either postal mail, e-mail, or posting through the Client Access Portal in Assetbook.

You should compare our statements with the statements from your account custodian(s) to reconcile the information reflected on each statement. If you have a question regarding your account statement or if you did not receive a statement from your custodian, please contact Julia C. Reed at 570-772-8250.

Compass Investments LLC accepts discretionary authority on the accounts of its clients. Such authority is granted by clients either on the original account application in the Authorizations section, or is granted by a client signing a Limited Power of Attorney form. Clients can place limits on the types of securities purchased by an advisor, and these limitations are typically spelled out in the client questionnaire.

Limitations include, but are not limited to: socially responsible investment restrictions, investments only in certain sectors, asking to be consulted before an actual purchase or sale is executed, etc.



### Proxy Voting

We will not vote proxies on behalf of your advisory accounts. On rare occasions and only at your request, we will offer you advice regarding corporate actions and the exercise of your proxy voting rights. You can contact your adviser to discuss proxy materials at toll-free: 570-772-8250.

If you own shares of common stock or mutual funds, you are responsible for exercising your right to vote as a shareholder. You will receive your voting materials from the custodian of your accounts.

We are not required to provide financial information to our clients because we do not:

- require the prepayment of more than \$1,200 in fees and six or more months in advance,
- or take custody of client funds or securities,
- or have a financial condition that is reasonably likely to impair our ability to meet our commitments to you.