

Wrap Fee Program Brochure

Effective June 16, 2025

Axos Invest, Inc.

Wrap Fee Program Brochure

Effective June 16, 2025

This wrap fee program brochure provides information about the qualifications and business practices of Axos Invest, Inc. If you have any questions about the contents of this brochure, please contact us at 888-585-4965. 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. Axos Invest, Inc. is registered with the SEC as an investment advisor. Registration does not imply a certain level of skill or training.

Additional information about Axos Invest, Inc. is also available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2: Material Changes

This is the first version of the Wrap Brochure. For a list of all material changes, see our ADV 2A.

Item 3: Table of Contents

Item 2: Material Changes	2
Item 3: Table of Contents	3
Item 4: Services, Fees And Compensation	4
Item 5: Account Requirements And Types Of Clients	6
Item 6: Portfolio Manager Selection And Evaluation	7
Item 7: Client Information Provided To Portfolio Managers	9
Item 8: Client Contact With Portfolio Managers	9
Item 9: Additional Information	9

Item 4: Services, Fees And Compensation

Axos Invest, Inc. is an investment advisor registered with the Securities and Exchange Commission ("SEC") since 2013. Throughout this Brochure, Axos Invest, Inc. will be called "Axos Invest", the "Firm", "our", "we", or "us". The Firm provides investment advice to individual investors utilizing digital questionnaires, self-service tools, and through an experienced investment team that provides asset allocation, portfolio management and rebalancing services. Individual investors are supported by investment advisor representatives who are available to assist with investors' education on investment options and services. The Firm is an indirect, wholly owned subsidiary of Axos Financial, Inc., a publicly traded company (NYSE: AX).

Axos Invest, Inc. Managed Portfolios

The Firm offers an online investment advisory program designed to help you pursue your investing goals. We collect information about you by asking you to complete an online questionnaire. Based on the information you provide and the program choices you make, we assign your account to a model portfolio that we will manage through Axos Invest or to third-party model manager firms that have been selected using Axos Invest's due diligence processes. The Axos Invest Portfolio Management Group ("APMG") will make the initial investments, invest your subsequent deposits, rebalance your portfolio to ensure that it remains allocated in accordance with the relevant model's targets, and make any updates to your account that are necessary to conform to any changes we make to the model portfolio. You will also be provided with information and periodically contacted about the ongoing management of your account, all online.

This program is designed for clients who are comfortable with online access, want to receive the asset allocation and monitoring services described in this Brochure, are comfortable with the investment choices selected based on the profile information the client provides, and are willing to pay an asset-based fee for these services. This program is generally *not* for clients who have more complex needs, or who prefer in-person interactions with their advisors. **You should consider carefully whether this service is appropriate for your investment needs and goals.**

Wrap Fee

This online investment advisory program is offered as a Wrap Program, which means that expenses, including the model fee as well as brokerage commissions, management fees, and administrative costs, are "wrapped" into a single charge – the "wrap fee".

The wrap fee is an annual asset-based fee based on the value of each account enrolled in the program. Axos Invest calls the wrap fee a "Model Fee". The Model Fee may differ depending on which model is used and the amount of the assets in the Account. The following are the current Model Fees:

Model Fee Schedule

Equity MF Models (10% to 100%)

	<u>Axos MF Equity Models</u>	<u>Meeder* MF Equity Models</u>	
\$100-\$4,999	0.25%	-	-
\$5000-\$24,999	0.25%	0.25%	-
\$25,000-\$99,999	0.24%	0.24%	
\$100,000-\$499,999	0.23%	0.23%	
\$500,000-\$999,999	0.22%	0.22%	
\$1 million-\$2,999,999	0.21%	0.21%	
\$3 million+	0.20%	0.20%	

Equity MF/ETF Models (10% to 100%)

	<u>Axos Equity MF/ETF Models</u>	<u>Genter* DFA Equity MF/ETF Models</u>	<u>Dana* MF/ETF Models</u>
\$1000-\$4,999	0.50%	-	-
\$5,000-\$14,999	0.49%	-	0.59%
\$15,000-\$24,999	0.48%	0.58%	0.58%
\$25,000-\$99,999	0.47%	0.57%	0.57%
\$100,000-\$499,999	0.46%	0.56%	0.56%
\$500,000-\$999,999	0.45%	0.55%	0.55%
\$1 million-\$2,999,999	0.44%	0.54%	0.54%
\$3 million+	0.43%	0.53%	0.53%

Equity ETF/Stock Models (10% to 100%)

	<u>Axos Equity ETF Models</u>	<u>Sage* Equity ETF Models</u>	<u>Genter* Stock Model</u>	<u>Dana* Stock Models</u>	<u>Clearbridge* Stock Models</u>
\$1000-\$24,999	0.50%	-	-	-	-
\$25,000-\$49,999	0.49%	0.59%	0.59%	-	-
\$50,000-\$99,999	0.48%	0.58%	0.58%	0.58%	0.58%
\$100,000-\$499,999	0.47%	0.57%	0.57%	0.57%	0.57%
\$500,000-\$999,999	0.46%	0.56%	0.56%	0.56%	0.56%
\$1 million-\$2,999,999	0.45%	0.55%	0.55%	0.55%	0.55%
\$3 million+	0.44%	0.54%	0.54%	0.54%	0.54%

Fixed Income Models (100%)

	<u>Axos MF Fixed Income Model</u>	<u>Axos ETF Fixed Income Models</u>	<u>Invesco* ETF Fixed Income Models</u>	<u>Sage* ETF Fixed Income Models</u>	<u>Dana* ETF Fixed Income Models</u>
\$100-\$999	0.25%	-	-	-	-
\$1000-\$4,999	0.25%	0.25%	-	-	-
\$5000-\$24,999	0.25%	0.25%	0.25%	-	-
\$25,000-\$99,999	0.24%	0.24%	0.24%	0.54%	0.54%
\$100,000-\$499,999	0.23%	0.23%	0.23%	0.53%	0.53%
\$500,000-\$999,999	0.22%	0.22%	0.22%	0.52%	0.52%
\$1 million-\$2,999,999	0.21%	0.21%	0.21%	0.51%	0.51%
\$3 million+	0.20%	0.20%	0.20%	0.50%	0.50%

* Third-party model manager

The Model Fee is non-negotiable. It is payable quarterly, in arrears, and is generally billed and collected on the first trading day of the following month after quarter end. The Model Fee amount is calculated by multiplying the daily average balance for the fee period by the annual model fee percentage. If the account was opened and invested intra quarter, the quarterly fee amount will be divided by number of days in the quarter to achieve a daily rate. The daily rate will be multiplied by the number of days the account was funded in the quarter. Clients are required to agree to authorize the Firm to deduct the Model Fee from their accounts. The amount charged to each client quarterly is shown on the Client's account statements issued by the custodian and is also reported in the Client's account online.

The Model Fee is subject to change from time to time, upon notice to you. Your continued use of Axos Invest's services will constitute your agreement to any change in the fee. Upon your request, and at no charge, you may contact the Firm at (888-585-4965) to request information about the Model Fee charged to your account including how it is calculated.

The Model Fee may cost more or less than purchasing brokerage, custodial, and recordkeeping services separately. To see what the client would pay for these services in a non-wrap account, clients should refer to the custodian/ broker-dealer's pricing guide.

Additional Fees And Expenses

The Model Fee does not cover:

- Transfer taxes
- Exchange fees, alternative trading system fees, required SEC fees or similar fees charged by third parties, including issuers
- The Trading and Special Fees and Administration Fees listed in Axos Invest's Managed Portfolios Client Fee Schedule, a copy of which can be found here: [Legal Disclosures | Terms and Conditions](#). Axos Invest's Managed Portfolios Client Fee Schedule may list other charges and fees not covered by the Model Fee.
- Expenses and charges charged by mutual funds and ETFs or by the managers or sponsors of mutual funds and ETFs, including internal fees, expenses and charges of the mutual funds and ETFs used in models
- Any other charges imposed by law or otherwise agreed to relating to your account

The Firm models and the third-party manager models may use ETFs and mutual funds, and stocks, singularly or combinations thereof. Each mutual fund and ETF has internal fees and expenses that are specified in the individual fund's prospectus or offering materials. The fees and expenses are paid by the funds and are borne by all fund shareholders owning the same share class. These fees and expenses can include, but are not limited to, mutual fund servicing fees, sub-accounting fees, management fees, custody fees, portfolio transaction execution costs, administration fees, distribution fees, and shareholder servicing fees. Fees and expenses charged by these funds or institutions are deducted from each fund's net asset value and, as such, are an indirect expense of the client. Actively managed funds generally charge higher fees than passive, non-managed "index" funds. All fees and expenses that are charged directly or indirectly to the client will reduce the client's investment return. Clients should review each fund's prospectus to understand the total amount of fees paid. Mutual fund and ETF expenses change from time to time at the sole discretion of the issuer. The Firm does not receive a share of these third party fees.

Revenue To Affiliates

The Firm's custodian and affiliate, Axos Clearing earns revenue in two main ways when clients invest with the Firm. One way is payment for order flow ("PFOF"), which is the practice of wholesale market makers paying brokers for routing clients' orders to the market maker for execution. By acquiring order flow in this way, market makers are able to trade profitably against client orders, while clients potentially benefit from reduced trading costs. Axos Clearing also earns revenue through its provision of custody services and by lending clients' ETF shares held in brokerage accounts to short-sellers in an activity commonly called stock loan or lending. Under certain circumstances, Axos Clearing may also earn revenue by charging for trade executions (purchases and sales).

When trades are executed in certain mutual funds, Axos Clearing's AAS division retains the associated trailing compensation from these mutual fund shares. Axos Invest is not a party to these shares and does not receive any compensation related to them.

Firm personnel do not receive compensation based on recommendations to a client to participate in this wrap program.

Item 5: Account Requirements And Types Of Clients

The Firm's clients are individual investors, including individuals and high net-worth individuals. The Firm's platform supports taxable and non-taxable accounts. Retirement plan accounts such as SoloK, SIMPLE, and SEP are supported by the Firm's platform.

The wrap fee program requires a minimum investment amount. The minimum investment varies and is based on the model chosen for invested assets. Each Firm model or third-party manager model has its own required minimum. The investor must maintain this minimum to invest or maintain their investment in the model.

Generally, in every model there is 1% to 3% cash invested in a constant NAV money market fund. This cash may be used to pay advisory fees charged to the account or for discretionary model trading.

Electronic Accessibility Requirement

As this service is provided exclusively online, you must be able to log in to our website to access important documents, ensure your information is accurate and current, and complete periodic reviews. You will be required to sign documents, including our advisory agreement, electronically. Our agreement and other disclosures and notices will be delivered to you only in electronic format; we will generally not send paper versions unless required by applicable law. You will be responsible for maintaining the security and confidentiality of your account access information, and you will be responsible for all user activity that occurs in your account. You must notify us immediately if you believe your account has been accessed without authorization or if its security has been compromised.

Item 6: Portfolio Manager Selection And Evaluation

The Firm acts as the portfolio manager for this wrap fee program. The Firm has developed a model portfolio for each portfolio option, risk profile (as determined from the client's goal, time horizon and risk tolerance) and account type (taxable or IRA). Each model portfolio has a different, diversified asset allocation and asset class mix. The Firm determines the manner and extent to which portfolio options are made available to clients through the program, including when a portfolio option may change or no longer be offered. As a general matter, we make these decisions based on a variety of factors, including client needs, available investment styles, platform capacity, client demand and the outcome of due diligence and evaluation reviews.

The Invest and third-party manager models consist of stocks, mutual funds and ETFs. The use of a model provides cost effective and professionally managed diversification. Each model generally holds 3-50 positions. To develop our model portfolios, the Firm determines an appropriate, diversified asset allocation for that model. The Firm then identifies the investment vehicles that could fit the various asset classes and styles that will comprise that model. The Firm selects the specific investment vehicles for inclusion in the model portfolio and monitors the investment vehicles and their managers on a periodic basis to ensure that they continue to meet our guidelines.

The Firm uses its due diligence processes to determine the selection of third-party model managers and their models to be made available through the Firm's platform. Each manager and their model offering is subject to a due diligence review of the People, Philosophy, Process, and Performance. The Firm select managers who can generate outcomes for investors in the accumulation, preservation, and distribution phases of the investing lifecycle. Manager models can utilize stocks, mutual funds or ETFs or a combination of these investment vehicles. Models utilizing a strategic or tactical asset allocation are offered across a range of investment objectives. Each manager must meet the Firm's quarterly due diligence requirements. Managers are reviewed quarterly by the Firm. Managers that no longer meet the Firm's selection criteria can be removed from the platform. These managers submit their models to APMG. This group is responsible for the portfolio management coordination and implementation of the selected model into the investor's account.

The Firm acts as portfolio manager for three series of model options:

Core MF: a model utilizing a mix of mutual funds featuring strategic and tactical asset allocation. Model minimum is \$100

Core ETF: a model utilizing a mix of ETFs; focused on creating diversification and risk management through selection of broad asset classes. Model Minimum is \$1000

Thematic ETF: each thematic ETF model has been designed for a specific exposure or outcome. These models utilize ETFs that represent the theme or outcome desired. Model minimum is a low cost, diversified portfolio of mutual funds and/or ETFs. Model Minimum is \$1000

Clients will be required to select between these portfolio options and the third-party model manager options. Clients may change among model options at any time.

Once you have selected your model option, provided us with the information we need to develop your risk profile, and indicated what type of account it is, we will assign your account to the corresponding model portfolio. The model strategy chosen for your account and the assets comprising your portfolio in the aggregate is designed to align to the designated target asset allocation for the account. At times, your account's actual asset allocation may become misaligned with the strategy allocation because of, for example, market movement, additions and withdrawals of assets from your account, changes in the portfolio option or theme you select or purchases and sales of certain securities in your account. The APMG will monitor the assets in the account and will rebalance the assets to conform to the applicable target asset allocation within certain parameters.

Rebalancing transactions generally will occur if an individual holding drifts more than approximately 5% away from its target allocation in a strategic asset allocation. In dynamic models or stock models, rebalancing will occur when there is a security or weight change requested by the portfolio management teams.

When we change the model, client accounts will be adjusted over a period of several weeks. A client's account could be adjusted immediately or up to three weeks later.

Discretionary Asset Management

This program provides investment management on a discretionary basis only. This means that to participate in the program, you must authorize us to buy and sell securities in your account without consulting with you first.

Reasonable Investment Restrictions

You may request that we impose reasonable investment restrictions on your account; we will determine whether a restriction request is reasonable and, if so, how to allocate the assets that would have been invested in a particular fund in your account. If we determine that a requested restriction is reasonable, we are permitted to allocate those assets pro-rata across the other strategies or investments in the account, to use one or more replacement securities (which could be other funds or ETFs), and/or to keep those assets in cash or cash equivalents. We reserve the right to determine that any requested restriction is not reasonable and to decline to accept it. If your requested restriction is not accepted, it will not be implemented in your account and you should consider whether to continue using the program.

Item 7: Client Information Provided To Portfolio Managers

The Firm serves as portfolio manager for the model portfolios offered through this wrap program. The Firm gathers and uses the client's selection of the portfolio option, information to develop the client's risk profile, and information about the account type, to assign the client's account to the corresponding model portfolio.

Item 8: Client Contact With Portfolio Managers

Clients do not consult directly with the Firm personnel responsible for managing the model portfolios. Clients have access to their account information and documents by logging in to our website or mobile application. Clients may also call customer service at (888) 585-4965 and speak with an investment advisor representative who can provide additional information and assistance with their models.

Item 9: Additional Information

Disciplinary Information

The Firm and its management persons have not been a party to any legal or disciplinary events that would be material to a Client's or prospective Client's evaluation of the Firm's investment advisory business or the integrity of its management. Axos Invest, Inc.'s affiliated broker-dealer, Axos Invest LLC, settled a matter with FINRA effective May 19, 2023 concerning Axos Invest LLC's Form CRS. Axos Invest LLC was censured, agreed to pay a \$75,000 fine, and consented to other findings, the further details of which can be found on Axos Invest LLC's BrokerCheck Report here: <https://brokercheck.finra.org/firm/summary/172393>.

Other Financial Industry Activities and Affiliations

Broker-Dealers

Axos Invest LLC

Some of the Firm's management persons are registered representatives of our affiliated broker-dealer, Axos Invest LLC. There are no relationships or arrangements between the Firm and any other persons or entities that create a material conflict of interest with the Firm's clients.

Axos Invest LLC is wholly owned by Axos Securities, LLC. Axos Securities, LLC is ultimately owned by Axos Financial, Inc. Axos Invest LLC may act as the introducing broker-dealer for Client accounts; where this is the case, neither the Firm nor Axos Invest LLC charges the Firm's Clients any fees related to Axos Invest LLC's role as introducing broker-dealer. Accordingly, potential material conflicts of interest are minimized with this arrangement.

Clearing Firms

Axos Clearing LLC

Some of the Firm's management persons are registered representatives of Axos Clearing LLC ("Axos Clearing"). Axos Clearing is also wholly owned by Axos Securities, LLC. Axos Securities, LLC is ultimately owned by Axos Financial, Inc. Axos Clearing is a registered broker-dealer that provides clearing, settlement, custody, securities and margin lending, and technology solutions to introducing broker-dealers. Axos Clearing also provides custody and related services to registered investment advisors through its AAS division. Axos Clearing is a member of the Financial Regulatory Authority ("FINRA"), the New York Stock Exchange ("NYSE"), and the Securities Investor Protection Corporation ("SIPC"). All Clients that have selected the Firm's investment advisory service via the Firm's website will have brokerage accounts opened with Axos Clearing.

Banking Institutions

Axos Invest's ultimate parent company, Axos Financial, Inc. (NYSE: AX), is also the parent company for Axos Bank. Axos Bank is a federal savings association and nationwide bank that provides financing for single and multifamily residential properties, small-to-medium size businesses in target sectors, automobiles, and selected specialty finance receivables, among other services.

The Firm has internal policies and procedures to address actual and potential conflicts of interest from the preceding relationships and affiliations. Any conflicts of Axos Invest's compensation based upon these relationships are disclosed in the Client Referrals and Other Compensation section.

Third Party Affiliates

Axos Invest, Inc. has an agreement with Envestnet, a third party that makes available a platform through which investment advisors can access advisory products and services, including third-party money managers, for use with their clients (the "Envestnet Services"). Through this agreement, Axos Invest, Inc. makes available the Envestnet Services to other, unaffiliated registered investment advisor firms, including those that receive clearing and custody services from Axos Clearing. As elsewhere stated, Axos Clearing is an affiliate of Axos Invest, Inc. and also serves as the custodian for Axos Invest, Inc.'s managed accounts. This arrangement enables these other registered investment advisor firms to access the Envestnet Services to then offer a broader selection of investment options and model management solutions to their own clients.

Axos Invest, Inc., does not receive any direct compensation as a result of this arrangement. Clients utilizing Envestnet Services through other registered investment advisor firms should note that while this arrangement allows for streamlined access to the Envestnet Services, it does not alter the advisory services they may receive from Axos Invest, Inc.

This affiliation may create potential conflicts of interest. Axos Invest, Inc. mitigates these potential conflicts by ensuring that the third party registered investment advisors using the Envestnet Services affirm that they will use the Envestnet Services based on their client's best interests and what is suitable for their clients, independent of any relationship with Axos Invest, Inc. Clients are encouraged to ask questions and consider how this arrangement might impact the advisory services and products offered to them through Axos Invest, Inc

Review Of Accounts

The Firm electronically reviews each client's account when it is opened and monitors and periodically rebalances each client's portfolio to seek to maintain a client's chosen portfolio allocation. The Firm uses a portfolio management platform that tracks portfolio drift from allocations and cash holdings. Drift is managed as a percentage deviation above and below the target allocation, known as tolerance band. When a tolerance band is breached or cash exceeds a maximum or minimum threshold, the portfolio is rebalanced. Firm personnel oversee the model portfolios, but each client's account will not be regularly reviewed by these personnel. Axos Clearing 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 one or more online platforms offered by or through Axos Clearing. Statements may be mailed to clients, at their request, for an additional fee.

The Firm is responsible for model portfolio management, investment selection, and ongoing governance, as well as ensuring that the Firm's portfolio management service comports with fiduciary duties of care and loyalty and acting in clients' best interests and with other relevant regulatory obligations. This includes developing and implementing the Firm's portfolio management strategy, reviewing investment performance and adherence to that strategy, and serving as an oversight body over Portfolio Manager(s) and all other investment- and portfolio-management-related activities performed by the Firm.

The Firm contacts each client at least annually to remind the client to review and update the client's account portfolio option selections and financial profile information.

Client Referrals And Other Compensation

The Firm does not consider client referrals from a broker-dealer in selecting or recommending broker-dealers. The Firm does not receive client referrals from a broker-dealer.

Advisory services are offered by Axos Invest, Inc., an investment advisor registered with the Securities and Exchange Commission ("SEC"). For information about our advisory services, please view our Form CRS or our [ADV Part 2A Brochure](#), free of charge. Brokerage services and securities products are offered by Axos Invest LLC, Member FINRA & SIPC. YOU MAY FIND MORE INFORMATION ABOUT OUR FIRM ON FINRA'S BROKERCHECK. [View the background of this firm](#), or REVIEW our [Form CRS](#). All cash and securities held in Axos Invest client accounts are protected by SIPC up to \$500,000, with a limit of \$250,000 for cash. Read more information about SIPC on the [SIPC web page](#).

Securities and other non-deposit investment products and services are not deposits, obligations of or guaranteed by Axos Bank, are not insured by the FDIC or any governmental agency, and are subject to investment risk including possible loss of the principal invested. Past performance of a security does not guarantee future results or success.

Axos Invest LLC, Axos Invest, Inc., and Axos Bank are separate but affiliated companies.

Axos Bank [NMLS# 524995](#)
1490642

