

Introduction

Nepsis, Inc. ("Nepsis" or "we") is an investment adviser registered with the U.S. Securities and Exchange Commission. We offer our clients investment advisory services. Clients should understand the services we provide and fees we charge are different than those of a broker-dealer, and it is important to understand the difference between the two. Free and simple tools are available to research firms and financial professionals at <https://www.investor.gov/CRS>, which also provides educational materials about investment advisers, broker-dealers and investing.

What Investment Services and Advice Can You Provide Me?

Description of Services: We offer investment advisory services to retail investors. Our investment advisory services include: Asset Management Services and Financial Planning and Consulting Services.

Asset Management Services: Nepsis provides asset management services which involves us managing and trading your designated account(s). Nepsis will discuss your investment goals and design a strategy to try and achieve your investment goals. Nepsis will continuously monitor your account when providing asset management services and contact you at least annually to discuss your portfolio. All of our asset management services are offered through a wrap fee program. For more information, please see **Item 6 of our Form ADV Part 2A Appendix 1**. Asset management services are provided on a **discretionary** basis. This means we will have the authority to determine the type and amount of securities that can be bought or sold for your portfolio without obtaining your consent for each transaction. For more information please see **Item 4 of our Form ADV Part 2A Appendix 1**.

Financial Planning & Consulting Services: We also provide financial planning and consulting services. Financial planning services involve us creating a written financial plan for you which covers mutually agreed upon topics. Financial consulting is used when a written financial plan is not needed. It involves one time and/or ongoing meetings to discuss your financial situation. Please see **Item 6 of our Form ADV Part 2A Appendix 1**.

Sub-advisory Services: Nepsis offers sub-advisory services to other investment advisory firms. These services include providing investment research or suggesting transactions. Nepsis may also be granted investment discretion for the sub-advised clients.

Limited Investment Offerings: We do not primarily recommend one type of security to clients. Instead, we recommend any product that may be suitable for each client relative to that client's specific circumstances and needs. However, we are limited in investment selection in that we can only invest your account in securities which are available on your custodian/broker-dealer's platform. When providing you services, we do not recommend or offer advice on any proprietary products.

Account & Fee Minimums: Nepsis requires a minimum of \$250,000 in order to open an account. The minimum fee generally charged for financial planning and consulting services provided on an hourly basis is \$250. The minimum fixed fee generally charged for financial planning and consulting services on a fixed fee basis is negotiable.

Conversation Starters: *Given my financial situation, should I choose an investment advisory service? Why or why not? How will you choose investments to recommend to me? What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?*

What Fees Will I Pay?

Description of Principal Fees & Costs: Fees charged for our asset management services will range up to a maximum of 2.5% and are charged based on a percentage of assets under management. Fees are billed in advance on a quarterly calendar basis and are calculated based on the fair market value of your account as of the last business day of the previous billing period. Because our fee is based upon the value of your account we have an incentive to recommend that you increase the level of assets in your account. We utilize a wrap fee program. Under a wrap fee program the fee you pay us covers both our advisory services and the transaction fees imposed by the broker-dealer. Since a wrap fee covers transaction expenses it tends to be higher than a typical asset-based advisory fee. You may also incur charges imposed by 3rd parties such as mutual funds and other investments we buy and sell, within your account. For more information about the fees we will charge you and expenses you may incur please see **Item 4 of our Form ADV Part 2A Appendix 1**.

Financial planning and consulting services are provided under an hourly fee arrangement. Nepsis charges an hourly fee of \$250 per hour for financial planning and consulting services under this arrangement. Nepsis also provides financial planning and consulting services under a fixed fee arrangement. The minimum fixed fee is negotiable and is agreed upon at the time you sign the investment advisory agreement. We will bill our financial planning and consulting fees to you on a monthly basis. Any unpaid fees are due immediately upon completion and delivery of the financial plan or the end of the consulting services.

Any fees we charge for financial planning and consulting services will not cover the costs associated with implementing any recommendations we may make. For more information please see **Item 6 of our Form ADV Part 2A Appendix 1**.

Fees for Sub-Advisory Services: For our sub-advisory service, we receive a portion of the investment advisory fee from the third-party advisor.

Additional Information: You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.

Conversation Starters: *Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?*

What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

Standard of Conduct: When we act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you.

Here are some examples to help you understand what this means. When we provide asset management services, we will ask you to establish an account(s) with Pershing, LLC to maintain custody of your assets and to effect trades for your account. Our recommendation to use Pershing, LLC is not based solely on your interest of receiving the best execution possible. We also recommend Pershing, LLC because they provide us with research, technology and tools that help us manage and further develop our business operations. As a result, this arrangement creates a conflict of interest as we do not have to pay for such benefits, which save us money.

We actively manage our own personal accounts while at the same time managing your accounts and other client accounts. This creates different conflicts of interest for which we have developed procedures to mitigate and control for those conflicts. For more information see Item 9 of **Form ADV Part 2A Appendix 1**. Some of our investment adviser representatives also serve as insurance agents. Through their role as such they may sell, for commissions, various insurance products. We have a conflict of interest in recommending these products to you because of the potential for additional revenue.

Additional Information: For more information about our conflicts of interests and the ways we are compensated please see **Item 4 and Item 9 of our Form ADV Part 2A Appendix 1**.

Conversation Starters: *How might your conflicts of interest affect me, and how will you address them?*

How Do Your Financial Professionals Make Money?

Description of Salary/Payment of IARs: We compensate our investment adviser representatives based on the level of assets that they bring in to Nepsis. This creates a conflict of interest as it gives your representative an incentive to recommend you invest more in your account with us due to the potential for increased payments.

Our investment adviser representatives also serve as licensed insurance agents. When acting in this capacity they will receive commissions for selling insurance products. This creates a conflict of interest when they recommend you purchase insurance products through them. For more information about these conflicts of interest please see **Item 9 of our Form ADV Part 2A Appendix 1**.

Do You or Your Financial Professionals Have Legal or Disciplinary History?

Neither us, nor our investment adviser representatives have a legal or disciplinary history to report. You can look up more information about us and our investment adviser representatives at <https://www.investor.gov/CRS>.

Conversation Starters: *As a financial professional, do you have any disciplinary history? For what type of conduct?*

Additional Information About Nepsis, Inc.

Additional information about us and copies of our Form ADV Part 2A Appendix 1 disclosure brochure and this relationship summary are available on the Internet at www.investwithclarity.com. You can also find our disclosure brochures and other information about us at <https://adviserinfo.sec.gov/firm/summary/141203>. If you have any questions or want an up-to-date copy of this relationship summary, we can be reached by phone at (952) 746-2003.

Conversation Starters: *Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?*