



Item 1 – Cover Page

IPG INVESTMENT ADVISORS, LLC

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Date of Brochure: January 6, 2012

This Brochure provides information about the qualifications and business practices of IPG Investment Advisors, LLC (hereinafter referred to as “IPG Advisors,” the “Firm,” or “we”). If you have any questions about the content of this Brochure, please contact the Firm’s Chief Compliance Officer at the telephone number provided above or email us at marilou@ipgsd.com.

The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

IPG Advisors is registered as an investment adviser with the SEC. The fact that IPG Advisors is “registered” does not imply any level of skill or training. You should not make a determination to hire or retain any adviser based solely on the fact that the adviser is registered.

Additional information about IPG Advisors is available on the SEC’s Web site at www.adviserinfo.sec.gov. The SEC’s Web site also provides information about any persons affiliated with IPG Advisors who are registered as investment adviser representatives of the Firm.

Item 2 – Material Changes

This Item 2 summarizes only the material changes that were made since the previously-issued Brochure dated March 28, 2011. It is not a summary of the Brochure in its entirety. Following is a summary of the material changes to the Brochure:

In Item 9, we updated the disciplinary information.

You may obtain a copy of our current Brochure any time by contacting our Firm's Chief Compliance Officer at the telephone number listed on the cover page of this Brochure.

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Item 4 – Advisory Business

A. Business Commencement Date

IPG Advisors has been in business since March of 2010.

B. Ownership

Mr. Adolfo Gonzalez Rubio is the principal owner of the Firm.

Alberto Benrey and Alfonso Aldrete each has less than a 25% ownership interest in the Firm.

C. Services

DISCRETIONARY ACCOUNTS. IPG Advisors provides personalized discretionary investment management services to its clients. Clients are asked to provide IPG Advisors with certain information with respect to their current financial holdings, investment objectives, risk tolerance, liquidity needs, and time horizon. The Firm will also inquire as to the restrictions the client wishes to impose on the management of the accounts. From the information that is supplied by the client, IPG Advisors constructs an allocation mix and investment strategy that it believes is suitable for that client.

NON-DISCRETIONARY ACCOUNTS. IPG Advisors also offers non-discretionary advisory services tailored to its clients. As with the discretionary accounts, clients are asked to provide the Firm with information regarding their financial profile and any restrictions the client wishes to impose on the management of the accounts. For non-discretionary accounts, IPG Advisors will recommend an investment strategy, allocation mix, or changes to the client's existing portfolio that the Firm believes is suitable for that client. The Firm has an ongoing responsibility to make recommendations to the client based upon the client's financial and investment profile. The client approves or disapproves each recommendation made by the Firm. Upon approval of any recommendation, the Firm will arrange for effecting the securities transaction(s) recommended.

INVESTMENT PRODUCT TYPES. Generally, the Firm's investment advice is confined to the following universe of securities and products:

- Exchange listed securities
- Securities traded over-the-counter
- Securities issued by foreign issuers, including foreign sovereign debt instruments
- Corporate debt securities
- Commercial paper
- Certificates of deposit
- Warrants
- U.S. government securities
- Municipal securities
- Mutual funds (foreign and domestic)
- Exchange-traded funds
- Options contracts on securities
- Interests in partnerships investing in real estate
- Structured products, including principal-protected notes
- Hedge funds
- Private Placements

FAMILY OFFICE SERVICES. IPG Advisors is committed to serve as a full service “base” in the United States for its Latin American clients. It is in this spirit that we offer a wide spectrum of Family Office Services to assist with managing life events and their financial ramifications. Services are selected by the client and may include, without limitation:

- Assistance with obtaining banking services
- Assistance with American Express Cards
- Notary Services
- Property Management. Our Property Management Services are designed to meet client needs associated with vacation home maintenance and management, among other things.
- Professional Service Referrals and Assistance. The Firm will introduce clients to professional service providers and manage the relationship commensurate with the needs of the client. For example, we may provide translation assistance in connection with the professional services rendered by the third party. Types of professional services referred include:
 - Real Estate Brokerage Services
 - Legal Services
 - Estate Planning Services
- Investment Banking Consulting
- Office Use. Our corporate offices are located in San Diego. From time to time, clients wish to utilize our corporate conference rooms for business meetings. Conference rooms must be reserved in advance.
- Customized Special Reports.. From time to time, IPG Advisors is requested to prepare consolidated reports in Spanish and/or analyze financial-related statements prepared by third parties.
- Concierge Services. Our Concierge Services are designed to meet individual client needs in an administrative capacity for such things as transportation, travel, entertainment, event planning, and other personal or family arrangements.

D. Assets Under Management

As of November 30th, 2012, IPG Advisors was managing approximately US\$ 667,205,765 in client assets on a discretionary basis. IPG Advisors did not manage any assets on a nondiscretionary basis during the last fiscal year.

Item 5 – Fees and Compensation

ADVISORY FEES SCHEDULE

Fees for discretionary or non discretionary management services are negotiated on an individual account basis and are charged based on the assets under the management of IPG Advisors for the particular account. Generally, IPG Advisors charges between .50% and 1.50% annually depending on the size of the account and the scope and complexity of the advisory service.

"AUM" means the assets under the management of IPG Advisors for a particular client or client account. The fees listed in the schedule above are annualized figures. Fees will be charged monthly and in arrears. The fee calculation is based upon the fair market value ("FMV") of a client's account as of the last day of the calendar month. The FMV is determined by the client's custodian, in accordance with the custodian's standard policies and practices. Clients should be aware that the FMV used for billing purposes may not be the same as those reported on client custodial statements due to pricing sources used by the custodian. For example, the FMV pricing source utilized by J.P. Morgan for calculating the Firm's advisory fees is the J.P. Morgan's margin platform while the pricing source used for client custodial statements is J.P. Morgan's Automatic Data Processing platform. In the event the custodian does not or cannot provide a FMV for any asset(s) in the client's account, IPG Advisors will determine the FMV in good faith. Additional deposits to the account are subject to the same fee procedures. The client may be charged a *pro rata* fee in the event the client's service is terminated on a day other than the last business day of the month. In that event, the *pro rata* fee will be due and payable upon termination of the service.

IPG Advisors may adjust the fee schedule upon thirty (30) days' prior written notice to the client. In certain instances, such as for large accounts and accounts of friends and family, fees may be negotiable. A negotiated fee schedule must be pre-approved by a member of the Firm's Senior Management.

The client's account will be debited for the above-mentioned fees. Fees are collected by the Firm from the amount of any contribution or transfer, from available cash in the client's account, or by liquidating the client's assets held in the client's account in an amount equal to the fees that are due.

Lower fees for comparable advisory services may be available from other sources.

FAMILY OFFICE SERVICES. Fees for Family Office Services are based on the number, type(s), and complexity of the Family Office Services requested by the client. Generally, fees are charged in accordance with the following fee schedule:

<u>Type of Service</u>	<u>Fee</u>
Assistance with Obtaining Banking Services	\$95 per annum
Assistance with American Express Cards	\$105 per annum
Notary Services	\$30 per signature
Property Management	Determined on case-by-case basis
Real Estate Brokerage Services*	\$50 per hour
Legal Services*	\$100 per hour
Estate Planning Services*	\$200 per hour
Investment Banking Consulting	\$200 per hour
Office Use	Determined on case-by-case basis
Customized Special Reports	Determined on case-by-case basis
Concierge Services	\$30 per hour
Accounting Services*	Determined on case by case basis
Life Style Management	Determined on case by case basis

*IPG Advisors does not provide real estate brokerage services, legal services, estate planning services, or tax advice. All such services are provided by third parties who are unaffiliated with the Firm. IPG Advisors charges the hourly fee set forth above based on the time expended managing or assisting with the professional services relationship.

Many of our clients have unique service needs not addressed above. In these situations, IPG Advisors will construct a fee schedule (which may include hourly and/or fixed fees) on a case-by-case basis.

In addition to the fees listed above, IPG Advisors will pass on to the client any hard costs IPG Advisors incurs in connection with the service, such as post office box fees, mail fees, courier charges, and travel. Alternatively, the Firm may charge a fixed nominal fee for such services.

Typically, fees for Family Office Services range from \$500 to \$15,000 per month. The Firm calculates the monthly fee based upon supporting documentation supplied to the Firm by the Account Executive who is providing the Family Office Services. A member of the Firm's Senior Management must review and approve each invoice. Invoices are sent monthly and payment is due within thirty (30) days following the date of the invoice. Alternatively, upon mutual written agreement, the fees for Family Office Services may be deducted from a securities account established through Investment Placement Group.

In certain instances, particularly where the client retains IPG Advisors to provide a large number of Family Office Services, fees may be negotiable. Fees may also be negotiable for friends and family accounts. A negotiated fee schedule must be pre-approved by a member of the Firm's Senior Management.

Clients are advised that lower fees for comparable family office services may be available from other sources.

A. Termination of Service

DISCRETIONARY ACCOUNTS. Upon written notice to IPG Advisors, within five (5) business days of entering into an agreement with the Firm, the client will have the right of termination without penalty or payment of fees. The Firm will refund any payment that has been made. Thereafter, either IPG Advisors or the client may terminate the agreement upon thirty (30) days' written notice to the other party.

FAMILY OFFICE SERVICES. The agreement for Family Office Services may be terminated by the Firm or the client upon thirty (30) days' prior written notice to the other party. Upon termination, IPG Advisors is entitled to compensation for time expended on the services selected by the client.

B. Other Fees

In addition to the advisory fees charged by the Firm, other fees may apply. Brokerage commissions, transaction fees, sales loads, sales charges, management fees, administrative fees, account maintenance fees, transfer taxes, wire transfer fees, electronic fund fees, and other fees may be charged by the broker or dealer selected for execution of the securities transactions in the advisory accounts, by the custodian, and/or by the distributor, issuer or fund issuing the securities purchased and sold within the advisory accounts. The client is solely responsible for paying all such charges. In addition, mutual funds and certain exchange-traded funds ("ETFs") pay management fees to their investment advisers, which reduce their respective assets. To the extent

that the client's portfolio has investments in mutual funds or ETFs, the client may pay two levels of advisory fees for the management of their assets: one directly to the Firm, and the other indirectly to the managers of those mutual funds and ETFs held in their portfolios.

Neither the Firm nor any of its personnel receive any portion of the other fees charged except that IPG Advisors' associated persons may receive ongoing servicing fees (also known as 12b-1 fees), which are paid by certain mutual funds and are based on client assets that are invested in the funds. Associated persons of the Firm who are also registered as representatives of Investment Placement Group, an affiliated broker/dealer, will not receive commission revenue generated from trades executed through Investment Placement Group.

C. Broker/Dealer Charges

Item 12 further describes the factors that IPG Advisors considers in selecting broker/dealers for client transactions and determining the reasonableness of their compensation (*e.g.*, commissions).

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

IPG Advisors does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

Item 7 – Types of Clients

IPG Advisors offers its advisory services to individuals, including high net worth individuals, banks, pension plans, trusts, corporations or other business entities domiciled or residing in the United States or abroad.

When subscribing to the advisory services offered by IPG Advisors, generally, the minimum account value is US\$100,000. If the value of a client's account declines below \$100,000 during the advisory relationship, IPG Advisors reserves the right to require the client to deposit additional monies or securities to bring the account value up to the \$100,000 minimum. The Firm may terminate the advisory relationship for failure to maintain the minimum account value. In some special cases, account minimums may be waived or negotiated.

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

A. Methods of Analysis

When formulating investment advice, IPG Advisors may utilize any one or more of the following security analysis methods:

- **Fundamental Analysis.** Fundamental analysis is a method of attempting to measure a security's underlying value and potential for future growth (its intrinsic value) by examining economic, financial and other qualitative and quantitative factors directly related to the issuer/company as well as company-specific factors (like financial condition, management, and competition). The adviser compares the intrinsic value with the security's current price, with the aim of determining what position to take with the security (*i.e.*, buy, sell or hold).

- Technical Analysis. Technical analysis is a method of evaluating securities by researching the demand and supply based on recent trading volume, price studies, as well as the buying and selling behavior of investors. Technical analysis assumes that market psychology influences trading in a way that enables predicting when a stock will rise or fall. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts or computer programs to identify and project price trends.
- Charting. Charting is a method by which an adviser analyzes trends in a security's price, insider sales, short sales, and/or trading volume in an attempt to ascertain major market downturns, upturns, and trend reversals.
- Cyclical Analysis. Cyclical analysis involves the analysis of business cycles to find favorable conditions for buying and/or selling a particular security.

IPG Advisors does not represent, warrant, or imply that any analysis method employed by the Firm can or will successfully identify market tops or bottoms. No analysis method has been proven to insulate clients from losses due to market fluctuations, corrections or declines.

B. Investment Strategies

Investment strategies may include long-term and short-term purchases, short selling, frequent trading, buying on margin, and option writing, including covered options, uncovered options or spreading strategies. The particular strategies employed will depend upon the individual needs and risk tolerance of the client. A short description of each of these strategies follows:

- Buy and Hold. Generally, a long-term purchase is a purchase of a security or investment product with a view to holding the security or product for more than one year. Trade commissions are reduced by buying and selling less often and taxes are often reduced or deferred by holding positions longer. We typically will follow a buy and hold strategy when pursuing a global fixed income strategy, emerging markets investment strategy, or value investment strategy.
 - A global fixed income strategy involves participating in the broad global movement of fixed income markets through purchasing investment grade fixed-income securities that are listed or traded on recognized markets. The objective of this strategy is to generate current income and capital growth.
 - An emerging markets strategy involves investing in stocks or bonds issued by companies and government entities in developing countries, such as in Latin America, Eastern Europe, Africa and Asia. Typically, there is a medium- to long-term holding period and there can be high volatility. This could also be considered a high yield investment strategy.
 - A value investment strategy involves recommending securities that we believe are priced below their intrinsic values but are still fundamentally solid.
- Short-term purchases. A short-term purchase is a purchase of a security or investment product with the intent of possibly selling it within one year of its purchase.
- Short-term trading. Short-term trading focuses on opportunistic trades – holding investments for only brief periods. Frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

- Short sales. Short selling is a technique used to profit from the falling price of a stock. Short selling can translate into high portfolio volatility.
- Margin transactions. An investor may buy securities with money borrowed from the broker/dealer. The borrower will be required to pay interest on the loan.
- Option buying. This is a basic options strategy where investors buy a call option or buy a put with the hope that the price of the underlying stock will move far enough to cover the premium paid for the option.
- Option writing. Investors can sell options in order to obtain additional income from premiums paid by the option buyer. The positive potential of this strategy is limited because the most money the investor can earn is the amount of the option premium.
- Uncovered Options and Spreading strategies. Uncovered options trading can be more risky than writing covered call options. The potential loss is theoretically unlimited. An option spread involves combining two different option strikes as part of a limited risk strategy.

The concept of asset allocation, or spreading investments among a number of asset classes (e.g., large cap stocks vs. small cap stocks; corporate bonds vs. government debt instruments), plays a prominent role in executing an investment strategy. Asset allocation seeks to achieve diversification of assets in order to reduce the risk associated with investing all or a significant portion of a client's portfolio in one asset class. We believe that risk reduction is a key element to long-term investment success.

C. Risks

1. *General Risks*

Investing in securities involves risk of loss that clients should be prepared to bear. Different types of investments involve varying degrees of risk and there can be no assurance that any specific investment or investment strategy will either be suitable or profitable for a client's investment portfolio. Past performance is not indicative of future results. A client should not assume that the future performance of any specific investment, investment strategy, or product will be profitable or equal to past or current performance levels. IPG Advisors cannot assure that the investment objectives of any client will be realized.

2. *Special Risks*

While investing in any security involves risk, investing in some types of securities carries special risks. A summary of the special risks associated with some types of securities we may recommend is provided below. Please note that the following summaries are general in nature and do not include an explanation of all risks associated with a given security type.

- a. Bonds. Bonds are subject to credit risk, which is the risk of default associated with the issuer. Bonds are also subject to interest rate risk or the risk that changes in interest rates during the term of the bond might affect the market value of the bond prior to the call or maturity date. Investors should also consider inflation risk, which is the risk that the rate of the yield to call or maturity will not provide a positive return over the rate of inflation for the period of the investment.
- b. Foreign-Issued Securities. Debt and equity investments associated with foreign countries may involve increased volatility and risk due to, without limitation:

- *Political Risk.* Many foreign countries are undergoing, or have undergone in recent years, significant political change that has affected government policy, including changes in the regulation of industry, trade, financial markets, and foreign and domestic investment. The relative instability of these political systems leaves these countries more vulnerable to economic hardship, public unrest or popular dissatisfaction with reform, political or diplomatic changes, social instability, or changes in government policies. For investors, the results may include confiscatory taxation, exchange controls, compulsory reacquisition, nationalization or expropriation of foreign-owned assets without adequate compensation, or the restructuring of certain industry sectors in a way that could adversely affect investments in those sectors.
- *Sovereign Risk.* Strikes, the imposition of exchange controls, or declarations of war may prevent or impede repayment of funds due from a particular country.
- *Economic Risk.* The economies of these countries may be more vulnerable to rising interest rates and inflation. Investments may be negatively affected by rates of economic growth, corporate profits, domestic and international flows of funds, external and sovereign debt, dependence on international trade, and sensitivity to world commodity prices. Additionally, a change in tax regime may result in the sudden imposition of arbitrary or additional taxes.
- *Currency Risk.* The weakening of a country's currency relative to the U.S. dollar or to other benchmark currencies will negatively affect the dollar value of an instrument denominated in that currency.
- *Credit Risk.* Issuers and obligors of sovereign and corporate debt may be unable to make timely coupon or principal payments, thereby causing the underlying debt or loan to enter into default.
- *Liquidity Risk.* Natural disasters as well as economic, social, and political developments in a country may cause a decrease in the liquidity of investments related to that country, making it difficult to sell quickly, and/or subjecting the seller to substantial price discounts.

The nature and extent of these risks vary from country to country, among investment instruments, and over time.

- c. *Emerging Market Securities.* Investments and transactions in products linked to issuers and obligors incorporated, based, or principally engaged in business in emerging markets countries carry increased risk and volatility. In addition to the political, sovereign, economic, currency, credit, and liquidity risks described above, emerging market securities can be subject to the following risks:
 - *Market Risk.* The financial markets can lack transparency, liquidity, efficiency.
 - *Regulatory Risk.* There may be less government supervision and regulation of business. The supervision that may be in place may be subject to manipulation or control. Disclosure and reporting requirements may be minimal or non-existent.

- Legal Risk. The process of legal reform may not proceed at the same pace as market developments, which could result in uncertainty. Legislation to safeguard the rights of private ownership may not yet be in place.
 - Settlement and Clearing Risk. The registration, recordkeeping and transfer of instruments may be carried out manually, which may cause delays.
- d. Mutual Funds. Most mutual funds fall into one of four main categories — money market funds, bond funds (also called "fixed income" funds), and stock funds (also called "equity" funds) or a combination generally called "balanced funds". Generally, the higher the potential return, the higher the risk of loss. A fund's investment objective and its holdings are influential factors in determining risk. Past performance is not a reliable indicator of future performance. Reading the prospectus will help you to understand the risk associated with that particular fund.

Different mutual fund categories have inherently different risk characteristics. For example, a bond fund faces credit risk, interest rate risk, and prepayment risk. Bond values are inversely related to interest rates. If interest rates rise, bond values will go down and vice versa.

Overall "market risk" poses the greatest potential danger for investors in stocks funds. Stock prices can fluctuate for a broad range of reasons — such as the overall strength of the economy or demand for particular products or services. A sector stock fund (which invests in a single industry, such as telecommunications) is at risk that its price will decline due to developments in its industry. A stock fund that invests across many industries is more sheltered from this risk.

For most funds, investors must pay sales charges, annual fees, and other expenses regardless of how the fund performs. And, depending on the timing of their investment, investors may also have to pay taxes on any capital gains distribution they receive.

- e. Municipal Securities. Credit risk is the primary risk associated with municipal securities. Different types of bonds are secured by various types of repayment sources. General obligation ("G.O.") bonds are backed by the full faith and credit and taxing power of the issuer. With revenue bonds, the interest and principal are dependent upon the revenues paid by users of a facility or service or other dedicated revenues including special tax revenues. The probability of repayment as promised is often determined by an independent reviewer, or "rating agency." An investor might also consider that consumer spending that provides the funding or income stream for revenue bond issuers may be more vulnerable to changes in consumer tastes or a general economic downturn compared to G.O. bonds.
- f. Private Placements. Private placements are not subject to the same regulatory and disclosure requirements as mutual funds and exchange-traded equities. Moreover, private placement interests are generally illiquid and may charge higher fees. Private placements are offered through an offering memorandum, which contains detailed information on the various risks and fees relating to the particular investment. An offering memorandum and accompanying subscription documents will be provided to clients investing in these types of securities.

- g. Principal-protected Notes. The principal guarantee is subject to the credit-worthiness of the guarantor. In addition, principal protection levels can vary. While some products guarantee 100 percent return of principal, others guarantee as little as 10 percent. In most cases, the principal guarantee only applies to notes that are held to maturity. Issuers may (but are not obligated to) provide a secondary market for certain notes but, depending on demand, the notes may trade at significant discounts to their purchase price and might not return all of the guaranteed amount. Some principal-protected notes have complicated pay-out structures that can make it hard for an adviser to accurately assess their risk and potential for growth.
- h. Hedge Funds. Hedge funds often engage in leveraging and other speculative investment practices that may increase the risk of investment loss. A hedge fund's performance can be volatile. An investor could lose all or a substantial portion of his or her investment. There may be no secondary market for the investor's interest in the fund. The hedge fund can be highly illiquid and there may be restrictions on transferring interests in the fund. Hedge funds are not required to provide periodic pricing or valuation information to investors. Hedge funds may have complex tax structures. There may be delays in distributing important tax information. Hedge funds are not subject to the same regulatory requirements as mutual funds. Hedge funds often charge high fees. The fund's high fees and expenses may offset the fund's trading profits.

Prior to entering into an investment advisory agreement with IPG Advisors, a client should carefully consider: (i) committing to management only those assets that the client believes will not be needed for current purposes and that can be invested on a long-term basis; (ii) that volatility from investing in the market can occur; and (iii) that, over time, the value of the client's portfolio may fluctuate and may, at any time, be worth more or less than the amount originally invested.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding certain legal or disciplinary events related to the adviser or the adviser's management. On December 23, 2011, the U.S. Securities and Exchange Commission (the "SEC") entered an order against one of the Firm's supervisors, Mr. A. Gonzalez-Rubio, for failure to reasonably supervise a former investment adviser representative. He has been suspended for a period of 3 months only from association in a supervisory capacity with any investment adviser, broker, dealer, municipal securities dealer, municipal adviser, transfer agent, or nationally recognized agent or nationally recognized statistical rating organization. This suspension is effective January 9, 2012 to April 8, 2012.

Item 10 – Other Financial Industry Activities and Affiliations

- A. The Firm is neither registered nor has an application pending to register as a securities broker/dealer. However, certain management persons of the Firm are registered as representatives of Investment Placement Group ("IPGBD"), a broker/dealer under common control with IPG Advisors.
- B. The Firm is neither registered nor has an application pending to register as a futures commission merchant, commodity pool operator, or a commodity trading advisor. However, certain

management persons of the Firm are associated persons of Investment Placement Commodities ("IPC"), which is a futures Introducing Broker under common control with IPG Advisors.

C. The Firm has arrangements that are material to its business with IPGBD and IPC.

1. Investment Placement Group. IPG Advisors and IPGBD share office space. IPG Advisors and IPGBD are under common control. Certain investment adviser representatives of IPG Advisors are also registered representatives of IPGBD. Typically, trades in the advisory accounts are placed through IPGBD. IPGBD is an introducing broker/dealer that clears through J.P. Morgan. Neither IPGBD nor the investment adviser representatives will earn a commission or a markup/markdown on these transactions. J.P. Morgan will earn normal and customary commissions or ticket charges for transactions. IPGBD might realize an economic benefit from J.P. Morgan to the extent that it can negotiate more favorable fee schedules or enhanced or additional services based on the transaction volume attributable to the advisory accounts. Additional services may or might not benefit any particular advisory client(s). Further, IPG Advisors may invest advisory client assets in certain private offerings, whose issuer compensates IPGBD as a placement agent. This type of arrangement presents a conflict of interest and IPG Advisors will disclose the existence of such arrangements to affected clients.
2. Investment Placement Commodities. IPG Advisors and IPC share office space. IPG Advisors and IPC are under common control. Certain investment adviser representatives of IPG Advisors are also associated persons of IPC. These investment adviser representatives will not receive any transaction-based compensation or other financial incentive from IPC when IPC is used as a futures Introducing Broker in connection with the advisory account.

D. We do not recommend or select other investment advisers for our clients.

Item 11 – Code of Ethics

Securities industry regulations require that advisory firms provide their clients with a general description of the advisory firm's Code of Ethics. IPG Advisors has adopted a Code of Ethics that sets forth the governing ethical standards and principles of the Firm. It also describes IPG Advisors' policies regarding the following: the protection of confidential information, including the client's nonpublic personal information; the review of the personal securities accounts of certain personnel of the Firm for evidence of manipulative trading, trading ahead of clients, and insider trading; trading restrictions; training of personnel; and, recordkeeping. All supervised persons at IPG Advisors must acknowledge the terms of the Code of Ethics upon hire and as amended.

Subject to satisfying the Firm's policies and applicable laws, Firm personnel may trade for their own accounts in securities that are recommended to and/or purchased for Firm's clients. The Code of Ethics is designed to permit personnel to invest for their own accounts while assuring that their personal transaction activity does not interfere with making decisions in the best interest of advisory clients or implementing those decisions. Neither the Firm nor any associated person of the Firm who (a) has access to nonpublic information regarding clients' securities transactions, (b) is involved in making securities recommendations to clients, or (c) has access to securities recommendations that are not public (collectively, the "Access Persons") is permitted to trade in or engage in a securities transaction to his or her advantage over that of a client. Access Persons are prohibited from buying or selling securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public upon reasonable

inquiry. Access Persons may not execute transactions in their personal accounts ahead of a client's transaction in the same security unless certain circumstances exist. Because the Code of Ethics in some circumstances permits employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored by the Firm's Chief Compliance Officer in an effort to prevent conflicts of interest between IPG Advisors and its clients.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with IPG Advisors' obligation of best execution. In such circumstances, all persons participating in the aggregated order will receive an average share price with all other transaction costs shared on a pro-rata basis. The Firm will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions must be pre-approved by the Chief Compliance Officer.

Our clients or prospective clients may request a copy of the Firm's Code of Ethics by contacting the Chief Compliance Officer at the address or telephone number specified on the cover page.

Item 12 – Brokerage Practices

A. Selection of Broker/Dealer

When a client retains IPG Advisors to manage his/her account on a discretionary basis, the client grants IPG Advisors the authority to select the broker/dealer(s) that will be used to place and execute the transactions in the advisory accounts. It is the policy and practice of IPG Advisors to strive for the best price and execution that are competitive in relation to the value of the transaction ("best execution"). In selecting a broker, dealer or other intermediary, IPG Advisors will consider such factors that in good faith and judgment it deems reasonable under the circumstances.

1. Use of IPGBD. IPG Advisors routinely directs brokerage to IPGBD. Not all advisers require their clients to direct brokerage to a particular broker/dealer. By directing brokerage, the client may be unable to achieve most favorable execution and this practice may cost clients more money.

IPGBD is an introducing broker/dealer that clears through JP Morgan. IPG Advisors has evaluated certain factors in connection with its selection of IPGBD as the broker/dealer. Listed below are the chief conclusions IPG Advisors drew from its evaluation of its arrangement with IPGBD:

- IPGBD has expertise in the markets and types of securities desired.
- IPGBD has the ability to execute directly in the desired markets.
- J.P. Morgan is a qualified custodian.
- J.P. Morgan makes available valuable research (that may or might not be used to benefit any particular advisory account(s)) (see "Soft Dollar" Considerations below).
- The proximity of the IPGBD traders to the advisory staff facilitates the communication process and allows for rapid handling of execution instructions.

- Costs, including commission rates, ticket charges, and other service charges are competitive with other clearing firms providing similar services.
 - J.P. Morgan provides speedy, efficient, and accurate execution and clearance services.
 - Generally, clearance and settlement is efficient and accurate.
 - J.P. Morgan's customer service team is responsive to the Firm.
 - IPGBD and J.P. Morgan are committed to technology and the security of confidential information.
 - There is no indication that IPGBD or JP Morgan would be unable to fulfill its financial responsibilities or is at risk for financial insolvency.
 - JP Morgan's reputation and integrity is paramount to its success.
2. "Soft Dollar" Considerations. A "soft dollar" arrangement occurs when a firm directs its brokerage to a particular broker/dealer that charges brokerage commissions that are higher than they would be for an "execution only" trading relationship in exchange for products or services, such as research. Under such an arrangement, the firm would receive a benefit because it would not have to produce or pay for the products or research. In soft dollar arrangements, over time, investment performance may deteriorate by that higher commission cost, particularly where the soft dollars are not used to purchase research that enhances performance. The performance of individual investment accounts will deteriorate if the benefits of the services are not allocated back to the accounts that paid the extra commissions for the services.

IPG Advisors receives valuable research from J.P. Morgan. Research may include, among other things:

- Research reports analyzing the performance of a particular company or stock;
- Discussions with research analysts regarding the advisability of investing in securities;
- Meetings with corporate executives to obtain oral reports on the performance of a company;
- Seminars or conferences that provide information relating to issuers, industries, or securities; and/or
- Portfolio analysis software.

J.P. Morgan might provide such research services through written reports, telephone conversations, personal meetings with security analysts and/or management personnel, and/or conferences. The research may be proprietary or provided by a third party (*i.e.*, originating from a party independent from the broker/dealer). We may have an incentive to select a broker/dealer based on our interest in receiving the research, rather than on our clients' interest in receiving most favorable execution. Any soft dollar benefits received might not be proportionately allocated among the advisory accounts. In other words, the value of the research for an account might not be commensurate with the amount of commissions paid by the account. IPG Advisors makes a good faith determination that the commissions paid are reasonable in relation to the value of research or brokerage products or services received either in terms of the particular transaction or the Firm's overall responsibilities with respect to the client accounts.

Currently, IPG Investment Advisors does not have any soft dollars in place. IPG Advisors will amend the form ADV part II should it enter into any such arrangements.

Clients may pay commissions higher than those obtainable from other brokers for the same services rendered by IPGBD or any other broker/dealer selected or recommended to the client by the Firm.

In observance of its fiduciary duty, the Firm will, at least annually, conduct a survey to determine whether the Firm is meeting its duty of best execution through the use of IPGBD.

B. Order Aggregation

From time to time, IPG Advisors may determine that the purchase or sale of a particular security is appropriate for multiple advisory client accounts, based on a variety of reasons. When this happens, IPG Advisors may determine that it is appropriate in the interests of efficient and effective execution to attempt to execute the trade orders as one or more block trades (*i.e.*, aggregate the individual trade for each account into one or more trade orders). These circumstances may, in turn, give rise to actual or potential conflicts of interest among the accounts for whom the security purchase or sale is appropriate, and among the subset of those accounts actually participating in a block trade, especially if the block trade order results in a partial fill. In order to address these conflicts, IPG Advisors has adopted certain policies and procedures that it follows when aggregating trades in an effort to provide an objective and equitable method of trade allocation so that all clients are treated fairly. The basic objectives of these policies and procedures are as follows:

1. IPG Advisors will only aggregate trades when it believes that such aggregations are consistent with its duty to seek best execution for its clients;
2. IPG Advisors will strive to ensure that no client account is favored over any other client account; and
3. Each account that participates in an aggregated transaction shall participate at the average of the executed share price for that security, with all transaction costs shared on a *pro rata* basis.

C. “Internal Cross” Transactions

From time to time, IPG Advisors *may* engage in internal cross transactions. An internal cross transaction occurs when IPG Advisors causes a security to be traded between two advisory clients at the same price, receiving no commissions or other compensation (other than its typical and ordinary advisory fee). Generally, the overall objective of the transaction is to obtain more favorable prices for the securities being purchased or sold. IPG Advisors will only perform such transactions where the purchase and sale of the same security at the same time by different clients helps to achieve more favorable terms for each client, compared to placing separate transactions in the marketplace. The Firm will not involve any ERISA account in any internal cross transaction.

By entering into a standard discretionary account management agreement with IPG Advisors, the client is consenting to internal cross transactions. Because internal cross transactions can be perceived as a conflict of interest, since they are not traditional arms-length transactions and consequently, could result in cherry picking or self-dealing, a client has the right to withdraw this consent at any time. IPG Advisors strives to ensure that one customer is not favored over another and has attempted to mitigate such conflicts by adopting the following policies and procedures:

1. The Account Executive must obtain written prior approval from the Chief Compliance Officer for each internal cross-transaction.
2. The security being sold may only be purchased by another client when there is a need and such security meets the purchasing client’s investment objectives and is attractively priced.

3. The Account Executive must obtain independent prices for the security from a third party broker/dealer.
4. The Account Executive must price the transaction at the mid-point between the best bid and offer prices obtained for the relevant size order.
5. Neither the Firm nor its associated persons may receive commissions or any other transaction-based compensation in connection with the transaction.
6. The Firm must notify each client participating in the order that the trade was an internal cross transaction (typically, the disclosure is provided on the trade confirmation).

D. “Riskless Principal” Transactions

IPG Advisors may direct IPGBD to purchase securities in an advisory client’s account on a riskless principal basis. Riskless principal transactions involve transactions whereby IPGBD executes the transaction but does not hold the securities in its preexisting inventory. Because IPGBD does not hold the securities in its own account, there is no risk that IPGBD (or its affiliated adviser, IPG Advisors) is engaging in self-dealing by attempting to “dump” unwanted securities into an advisory account. Notwithstanding, in connection with any riskless principal transaction, IPG Advisors will disclose to its advisory clients, by settlement date, the capacity in which IPGBD is acting (as a riskless principal) and will obtain written consent for the trade.

Item 13 – Review of Accounts

Advisory accounts are reviewed on a continual basis by the Account Representatives. The reviewer analyzes a variety of factors, including but not limited to: the economic environment, the outlook for the securities markets, and the merits of the securities in which the accounts are invested. In addition, a special review may be triggered by one or more of the following: (a) a change in the client’s investment objectives, guidelines and/or financial situation; (b) change in strategy or diversification; (c) tax considerations; (d) cash added or withdrawn from the account; (e) purchase or sale of a security in the account; and/or (f) a major change in the market. Also, a review will be conducted upon a client’s specific request. There is no maximum amount of accounts that could be assigned to any one Account Representative. For discretionary accounts, the allocation of each portfolio is adjusted at the Account Representative’s discretion in accordance with the client’s investment objectives, risk tolerance, and financial needs.

At least annually, the Account Representative meets with the advisory client to discuss and review the account’s performance and objectives.

The executing broker/dealers and/or custodians who maintain the client accounts will notify the client of any account activity by delivering a confirmation of the transaction to the client. The executing broker/dealer(s) or the custodian(s) will also furnish the client with a monthly or quarterly account activity and position statement. In addition, IPG Advisors may periodically provide performance reports to its clients.

Item 14 – Client Referrals and Other Compensation

A. Economic Benefits

Other than the benefits described in Items 10(C) and 12 above, and the benefits described below, neither the Firm, nor any of our employees, receives any other economic benefit, sales awards or other prizes from any outside parties for providing investment advice to our clients.

1. IPG Advisors may receive a “finder’s” fee in connection with the referral of an advisory client to certain trust companies for trust services. Typically, IPG Advisors will receive between 15% and 30% of the fees earned by the third party from the referral. This creates a conflict of interest. Clients are not required to engage the trust companies recommended by us.
2. IPG Advisors may receive a portion of the margin interest generated in the margin accounts of its advisory clients.
3. IPG Advisors may invest client assets in different types of private offerings, such as hedge funds, real estate ventures, or limited partnerships. There may be times when some of these investments are offered through IPGBD, whereby an IPG Advisors' associated person may serve as one of the placement agents (or lead placement agent) for the issuer of the private offering. When this occurs, such associated persons may receive ordinary and typical compensation from the issuer of the private offering for providing such services. Moreover, these associated persons may also be registered representatives of IPGBD and in this capacity, may receive a commission for selling shares in such offerings. Although IPG Advisors will invest only a portion of a client’s assets in such offerings if it deems the investment suitable for the client’s account, clients should be aware that the additional compensation the Firm and its associated persons may receive creates a conflict of interest between IPG Advisors and those clients investing in the private limited offerings.
4. IPG Advisors’ associated persons may receive ongoing servicing fees (also known as 12b-1 fees), which are paid by certain mutual funds and are based on client assets that are invested in such mutual funds.

B. Referral Fees

IPG Advisors may pay referral fees to persons or entities for the referral or introduction of advisory clients to the Firm. There is no differential in the fees charged to the client by IPG Advisors attributable to the arrangement between the referring party and IPG Advisors. In other words, IPG Advisors will not charge a client who is referred by another party any fees other than the fees typically charged to other clients. The amount of the referral fee is determined on a case-by-case basis. However, typically, IPG Advisors will remit to the referring party between 20% and 50% of the management fees generated in the advisory account. Generally, IPG Advisors will continue to pay the referral fee for so long as the client is an advisory client of IPG Advisors. Referral fee arrangements are fully disclosed to affected clients.

Item 15 – Custody

IPG Advisors does not obtain custody of client’s monies or securities. Clients should receive, on at least a quarterly basis, statements from the broker/dealer, bank or other qualified custodian that holds and maintains the client’s investment assets. We urge you to carefully review such statements and compare

such official custodial records to the performance reports that we may provide to you. Our reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16 – Investment Discretion

IPG Advisors offers discretionary management services and Family Office services. IPG Advisors obtains discretionary authority only in connection with its discretionary management services. When a client elects IPG Advisors' discretionary management services, the client will sign an agreement that provides IPG Advisors with the discretionary authority. IPG Advisors is then authorized to select the securities and the quantities or amounts of securities to be purchased, leveraged, transferred, exchanged, traded and sold consistent with the stated investment objectives, risk profile, and investment restrictions adopted by the client. IPG Advisors' discretionary authority is limited by (a) any reasonable restrictions that the client places on the management of the account, and (b) the investing parameters set forth by IPG Advisors and the client, if any. If IPG Advisors deems a proposed restriction unreasonable, IPG Advisors may discontinue the advisory service. Reasonability is based on whether the restriction(s) will impose a significant time burden on IPG Advisors to comply with such restrictions. IPG Advisors also reserves the right not to accept and/or terminate management of a client's account if it feels that the client-imposed restrictions would limit or prevent it from meeting and/or maintaining its overall investment strategy.

As described above, IPG Advisors also obtains the authority to designate the broker/dealers or other financial intermediaries through whom transactions in the accounts will be executed, cleared or settled.

Item 17 – Voting Client Securities

As a matter of Firm policy and practice, IPG Advisors does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities owned by the client. Generally, IPG Advisors does not provide advice to clients regarding the voting of proxies.

Item 18 – Financial Information

We are required in this Item to provide you with certain information or disclosures regarding our financial condition. Following is the information responsive to this Item:

- The Firm does not require prepayment of more than \$1200 in fees six months or more in advance.
- There are no financial conditions or commitments that are likely to impair the Firm's ability to meet any contractual or fiduciary commitment to our clients.
- The Firm has not been the subject of a bankruptcy petition.