

# **Inter-Nation Capital Management Corp.**

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Firm CRD# 165325

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**This brochure provides information about the qualifications and business practices of Inter-Nation Capital Management Corp.. If you have any questions about the contents of this brochure, please contact us at the phone number listed above. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or any state securities authority. Please note, where this brochure may use the terms “registered investment adviser” and/or “registered”, registration itself does not imply a certain level of skill or training. Additional information about the firm is also available at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)**

## Item 2: Material Changes

The purpose of this Item 2 is to disclose material changes that have been made to this Brochure since the initial Brochure on November 2012.

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#### **Item 4: Investment Advisory Business**

INCM has been in business since 1986 under Otto Roethenmund. Mr. Roethenmund provided a personalized service to the clients, and intentionally limited his client base to a small number of sophisticated high net worth individuals and their related entities. During the past 26 years, Mr. Roethenmund tutored his son Robert who has since taken over the responsibility of the day to day operations and advisory services. INCM has always limited its selections and advice to the broader based products that reflect current and potential growth. As for example, in lieu of selecting individual securities, INCM might select ETF's for certain sectors to eliminate exposure to one particular company. In addition, INCM provides investments and advice on international securities. INCM does not charge commissions, trading or transaction costs, INCM income is derived from a percentage of AUM, as stated in Item 5.

The Owners of INCM are Ermina Roethenmund; Denise Roethenmund-Martino ("Denise"), his daughter; and Robert, his son. There are no other owners.

B.) INCM provides services that often times are long term. INCM does not engage in market timing or flash trading, nor does INCM provide quantitative analysis or financial planning. As mentioned, INCM limits its advice to products that reflect growth sectors, or regional growth.

C.) INCM limits its client base to high net worth individuals who have the ability to have international exposure, the ability to bear risk, and majority of clients have been with INCM for over 20 years. If for personal or other reasons, any one particular client does not want exposure to certain sectors, countries or companies, it is made known to INCM. INCM profiled its limited clients, and maintains continual contact in order to provide professional and personal service and understand the current situations of all its clients.

D.) INCM does engage in wrap fee programs, the only fees are management fees.

As of December 31, 2013, the firm managed approximately \$8,700,000 across 6 discretionary accounts.

#### **Item 5: Fees and Compensation**

A). INCM is compensated by its clients only through a percentage fee of AUM. On a quarterly basis the clients' accounts are debited for the fee based on the previous Quarter end's valuation. The fee debited will be for the previous quarter in arrears. There are no other charges, fees, or commissions that the clients will incur from INCM, the cost of execution are charged to the customer's account directly by the custodian bank.

The fee schedule is:

2% of AUM of less than USD 1 million;  
and 1.5% of AUM greater than USD 1 million,

paid quarterly in the arrears.

B). Clients' accounts are debited for management fees.

C). Clients do not incur any other fees or charges from INCM, all execution costs and brokerage cost, mutual fund fees are charged by the executing broker and charged directly to the customers.

D). Clients' fees are paid quarterly in arrears.

E). INCM's supervised persons do not collect any other compensation for sale of any type of securities.

INCM does not receive commissions either directly or indirectly, does not include commissions, transaction or any other cost in their management fee.

INCM does not have any relationships with broker-dealers. INCM does receive referral and finder's fees from its correspondent bank, Bank Pictet, but such payment and amount is at the discretion of said Bank. Orders placed through the bank and cost, if any are charged by the Bank directly to the customer's account.

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

The firm does not manage any accounts on an incentive or performance-based fee basis.

## Item 7: Types of Clients

INCM's client based is limited to a small number of High Net worth Individuals. Some of those clients may also open Trust accounts as their means of estate planning. However, INCM does not solicit such accounts nor does it engage in estate planning. There are no minimum threshold amounts required to open accounts.

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

INCM's methodology of investing is international in scope; in most instances, sector driven; regional exposure and emerging industries. As with all investments, there are risks inherent in the sectors, the country, the market, inflationary and interest rates. Investing in securities involves risk of loss that clients should be prepared to bear.

In selecting investments, the considerations are (1) the risk tolerance of the investor; (2) the review of individual financial reports of companies, if selected, the sector (industry) analysis, foreign exchange risk, interest rate risk and sovereign risk. The analysis is a review of current trends in the sectors, current economic forecasts nationally and internationally, if applicable political stability or instability if investing in a sector might be dominate in a particular country, as for example Emerging Market ETFs. The risks involved in sector analysis are political, demographic composition, and sensitivity to other sectors. The risks involved in foreign exchange are; the interest rate forecasts for a particular nation or region, the indigenous economic forecasts, political stability.

- **Market Risk:** Prices of securities held by the Fund may fall. As a result, your investment may decline in value and you could lose money.
- **Interest Rate Risk:** The value of debt obligations will typically fluctuate with interest rate changes. These fluctuations can be greater for debt obligations with longer maturities. When interest rates rise, debt obligations will generally decline in value and you could lose money as a result. Periods of declining or low interest rates may negatively impact the Fund's yield.
- **Asset Allocation Risk:** The Fund maintains an asset allocation strategy and the amount invested in various asset classes of securities may change over time. The portfolio is subject to the risk that the portfolio may allocate assets to an asset class that underperforms other asset classes.
- **Foreign Securities Risk:** Foreign currency fluctuations and economic or financial instability could cause the value of foreign investments to fluctuate. Investing in foreign securities involves the risk of loss from foreign government or political actions. Investing in foreign securities also involves risks resulting from the reduced availability of public information. Foreign investments may be less liquid and their prices more volatile than comparable investments in securities of U.S. issuers.
- **Exchange-Traded Funds (ETFs) Risk:** The risks of ETFs generally reflect the risks of owning the underlying securities they hold, although lack of liquidity in an ETF could result in the price of the ETF being more volatile. In addition, ETFs have management fees that may increase their costs.

### **Item 9: Disciplinary Information**

Rule 206(4)-4 of the Investment Advisers Act of 1940 requires investment advisers to provide clients with disclosure as to any legal or disciplinary activities deemed material to the client's evaluation of the adviser. Please note, neither the firm nor its personnel have any disciplinary, regulatory, criminal, civil or otherwise reportable history to disclose at this time.

### **Item 10: Other Financial Industry Activities and Affiliations**

INCM does not have any financial activities or affiliations with any broker-dealers, municipal or government securities dealers, financial planners, investment advisory firms, futures pool operators, trading advisors or commission merchants, accountants, lawyers, pension consultants. Denise Roethenmund is a Real Estate Sales person and does not recommend real estate investments, since her involvement is limited to acting as a salesperson between buyers and sellers of (primarily) personal residence.

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

Inter-Nation Capital Management has adopted a Code of Ethics for all supervised persons of the firm describing its high standards of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Inter-nation Capital Management must acknowledge the terms of the Code of Ethics annually, or as amended.

Inter-Nation Capital Management and/or its advisory representatives may from time to time purchase or sell products that they may recommend to clients. Inter-nation Capital Management has adopted a Code of Ethics that sets forth the basic policies of ethical conduct for all managers, officers, and employees of the advisor. In addition, the Code of Ethics governs personal trading by each employee of Inter-Nation Capital Management deemed to be an Access Person and is intended to ensure that securities transaction effected by Access Persons are conducted in a manner that avoids any actual or potential conflict of interest between such persons and clients of the advisor or its affiliates. Inter-nation Capital Management collects and maintains records of securities holdings and securities transactions effected by Access Persons. These records are reviewed to identify and resolve any potential conflicts of interest.

Inter-Nation Capital Management clients or prospective clients may request a copy of the firm's Code of Ethics by contact the Inter-nation Capital office.

It is Inter-Nation Capital Management's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. Inter-Nation Capital Management will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an advisor, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment advisor in relation to a transaction in which the investment advisor, or any person controlled by or under common control with the investment advisor, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an advisor is dually registered as a broker-dealer or has an affiliated broker-dealer.

## Item 12: Brokerage Practices

A-1) INCM does not engage in soft dollar arrangements, pursuant to Item 10, and does not pass the expense of any research reports, if any, to the clients of INCM. Any research received is paid for by INCM without the pass through to the clients. INCM uses its custodian bank exclusively for execution services, clearing and custodial services.

A-2) INCM does not receive or participate in commission sharing from broker dealers since they exclusively use the custodial bank.

A-3) INCM place its orders through the custodian bank and the bank then executes on behalf of INCM. INCM does not place orders with any other broker dealers. After the recommendation to the client, and the client agrees to the strategy, INCM then executes through its custodian bank. The customers may not direct brokerage. INCM does not recommend, request or require clients to direct brokerage. The custodian bank, Bank Pictet, and their executing broker dealer are not affiliates of INCM. The clients may not receive the best execution due to this policy of INCM and the clients may incur additional costs in execution or best execution price. The financial arrangement with the custodial bank is described in Item 14.

### *Best Execution*

The firm also maintains a fiduciary duty to seek the best execution pricing available for client transactions. While best execution is difficult to define and challenging to measure, there is some consensus that it does not solely mean the achievement of the best price on a given transaction. Rather, it appears to be a collective consideration of factors concerning the trade in question. Such factors include the security being traded, the price of the trade, the speed of the execution, apparent conditions in the market, and the specific needs of the client. INCM primary objective when placing orders for the purchase and sale of securities for client accounts is to obtain the most favorable net results taking into account such factors as price, size of order, difficulty of execution, and broker skill. Based on these criteria, the firm may not necessarily pay the lowest commission or commission equivalent, as specific transactions can involve specialized services on the part of the broker. INCM evaluates whether clients are receiving best execution to ensure the services provided by INCM as broker-dealer remain competitive and are in the best interest of the firm's clients.

While INCM's services are priced at the most competitive rates available, clients are encouraged to weigh their options and review this and all other disclosure materials carefully.

A-4) The factors considered in utilizing the custodial bank include (1) a 20 year long term relationship;(2)international exposure; (3)research;(4) execution services; (5) excellent personal and superior customer service.

B) Dependent on the similarity of client profiles of the clients, recommendation of securities and execution of the orders are aggregated into one order and then allocated accordingly.

### **Item 13: Review of Accounts**

The limited number of clients and the personal relationships necessarily result in a continual exposure (review) of all the clients on a very regular basis. As such, INCM does not need to have a scheduled review of accounts. The real-time review and interaction is verbal and is generally memorialized through either a rebalancing of the portfolios, or minor changes in the portfolio. INCM will however memorialize its account reviews by initialing the client statements.

### **Item 14: Client Referrals and Other Compensation**

INCM does not pay for client referrals. INCM does not refer its clients and its advisory services to any other broker-dealer or other entity, the operation and service is limited to INCM. INCM will however refer persons or entities that INCM does not wish to have as its own client, to other advisors. INCM does not and will not be involved in that advisory to those persons or entities. INCM does not and will not have any interest whatsoever in those referrals. INCM does not request or accept referral fees from that referral. INCM may collect referral fees, only from the custodian bank, but such payment is at the discretion of the custodian bank.

### **Item 15: Custody**

Other than the client authorized direct deductions of fees from accounts, the firm does not maintain nor accept custody of client funds or securities. Clients receive account statements from the custodian and are encouraged to review such statements carefully. INCM does not and will not have custody or control over the securities in the client's portfolios. Clients receive statements from the custodian and should review their statements in a timely manner to discuss any investments, or ask questions concerning their portfolios. INCM is always available to answer any inquiries from their clients.

### **Item 16: Investment Discretion**

INCM has investment discretion in its clients account. In practice the firm consults with clients before initiating transactions.

### **Item 17: Voting Client Securities**

INCM does not vote client securities or proxies. Proxy documentation is remitted to the clients directly from the custodian. Clients will then vote their own proxies. If Clients seek our advice or opinion on such proxy statements, and we will provide our opinion after we have reviewed the statement

### **Item 18: Financial Information**

Pursuant to Rule 206(4)-4 of the Investment Advisers Act of 1940, investment advisers are required to disclose certain information about their business practices that might serve as material to the client's decision in choosing an investment adviser. As of the date of this filing, the firm does not require the pre-payment of fees in advance, or maintain any financial hardships or other conditions that might impair its ability to meet its contractual obligations to clients. INCM collects pro rata fees quarterly in the arrears, and does not have access to customers' funds; it is not required or necessary that clients receive financial statements. There are no financial conditions that would impair INCM from meeting its financial commitments. The firm has not been the subject of a bankruptcy petition at any time

## Item 19: Requirements for State Registered Advisers

A. INCM's Management, at this time is invested in Robert Roethenmund Robert received his MBA from Harvard University. Since working at Goldman Sachs, he has been a manager and advisor to real estate developers; new businesses from a top down approach in the U.S., Germany and Hong Kong; he has raised capital for development of businesses on three continents (Europe, South America and Asia); he has instrumental in developing industrial parks in Easter Europe, China, and Germany. His international exposure provides him with acute insight into investments for his clients. .

Ermina Roethenmund, a homemaker and spouse of the founder of INCM and Denise Roethenmund, daughter have no management responsibilities, no management input, no involvement whatsoever in any aspect or operation of INCM; their association is limited to being a passive owner.

B. The Board of Directors is comprised of Ermina Roethenmund, Robert Roethenmund, and Denise Roethenmund-Martino.

INCM does not have any outside business activities other than the investment advisory.

C. Since INCM is paid based on AUM, performance fees are not an issue. INCM generates income by increasing the net worth of its clients. It therefore provides the incentive to avoid risk (market, sector, sovereign, or interest) which may decrease the AUM and thereby reduce INCM's revenue.

D. None of the members of management or the Board of Directors have been involved in any allegations or proceedings or matters concerning securities, omissions, false statements, theft, and bribery, dishonest or unethical practices.

E. INCM and its members and management do not have any relationship or arrangements with any issuer of securities.

### SUMMARY

INCM has from its founding through present day has been a "family" owned business. It has been transferred from Otto Roethenmund (since retired), to his son, the present CEO and CCO respectively. The Board of Directors is compromised of family members. The purposeful decision to limit its client base has provided a business model of success. The clients have had a long standing relationship INCM, which could not be possible had there been anything less than complete confidence in INCM and its investment decisions. And while in most instances not required, INCM has voluntarily chosen to become registered that decision, considering the present day business environment, is chosen to provide a greater level of transparency to INCM's clients.



**FORM ADV Uniform Application for Investment Adviser Registration**  
**Part 2B: Brochure Supplements**  
**Investment Adviser Representatives and/or Supervised Persons: Supplemental information**  
**Item 1: Cover Page**

**Robert Roethenmund, CEO and CCO**

Individual CRD#

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230 Park Avenue, Suite 1536  
New York, NY 10169  
212 687-9415  
Firm CRD# 165325

March 2014

This brochure supplement provides information about the above-named individual that supplements the Inter Nation-Capital Management Corp Form ADV Part 2A which has been provided for your review. Should you have any questions about this supplement, or if you have not received the Form ADV Part 2A please contact the firm immediately. The information in this brochure supplement has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Please note, where this brochure supplement may use the terms “registered investment adviser” and/or “registered”, registration itself does not imply a certain level of skill or training. Additional information about the firm and its personnel is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

<b>Item 2: Education and Background and Business Experience</b>
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**Name:** **Robert Roethenmund, CEO & CCO**

**Year Born:** 1956

**Education:**

- MBA Harvard University 1982
- BA Dartmouth College 1978

**Business Background:**

**2012-Present- CCO and CEO of INCM**

**1999-9/2012: Analyst for Inter-Nation Capital Management:**

Provided quantitative analysis for Otto Roethenmund (founder) for Asset Management for stock and private equity investments in the International Markets for private clients.

**2007-Present: Founder and Managing Director of:**

1. Peregrine Holdings International GmbH- Asset Management and loan acquisitions in real estate.
2. Harbor Industrial Development Kft-Park-Development in Budapest
3. China Distri-Park Ltd-Development in office projects in southern China
4. Mitaka GPI SCI- Financing acquisition for residential housing in Germany.

**2001-2007 Development GmbH: Managing Partner:**

Responsible for Risk reduction and acquiring financing for new development projects.

**1996-2001 Crow Holdings International: Co-Manager:**

**1989-1996: Trammell Crow International: Partner.**

**1984-1989: Trammell Crow Company: Partner**

Responsible for raising capital, and negotiating joint ventures for real estate operations in United States, Europe, South America and Asia. Initiating quality controls.

**1982-1984: Goldman Sachs, NY and Zurich**

International asset management for private equity investments in Europe and Asia.

### **Item 3: Disciplinary Information**

The firm and its personnel remain free from any disclosure requirements with respect to disciplinary, legal, and/or regulatory event history. Further information regarding both the firm and its personnel may be found by visiting the SEC's Investment Adviser Public Disclosure website [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) or FINRA's broker check website [www.brokercheck.finra.org](http://www.brokercheck.finra.org).

### **Items 4: Other Business Activities and**

For Robert Roethenmund:

1. He is not actively or passively engaged in any other investment-related business with any other broker-dealer, futures brokers or futures commodity related activities.
2. There are no conflicts of interest with the clients.
3. He does not receive commissions or other compensation from anyone based on sale of securities or investments products of any nature whatsoever. He does not recommend investments products to receive compensation; they recommend investments based on clients need.
4. He does not involve the clients of INCM in any other projects, activities, or investments concerning their outside activities. The outside activities Robert Roethenmund are separate, distinct, and not recommended to the clients of INCM.

#### **Item 4B**

Robert Roethenmund, as disclosed in Item 2, has outside activities which accounts for more than 10% of his time and income. The small client base of INCM, the small amount of portfolio turnover, the relative few times of portfolio rebalancing, does not deprive the clients of accessibility, attention, or other obligations that INCM has towards its clients. In addition to 9898/\*normal business contact information, the clients of INCM have access Robert through such means as telephonic and electronic. The review of client objectives, portfolio performance and risk tolerance and other needs are addressed regularly through formal and informal contact.

### **Items 5: Additional Compensation**

There is no one other than clients provide an economic benefit to a supervised person for providing advisory services. There are no prizes, award or other means of compensation to the employees of INCM except through a percentage of Assets under Management ("AUM").

## **Item 6: Supervision**

As Chief Executive Officer, Robert Roethenmund (office number 212-687-9415, fax number 212-808-9165) supervises Robert Roethenmund's advice to the clients comparing the intended investment to the risk tolerance and investment objectives of the clients.

INCM, with a small number of clients, has known their client base for over 20 years. The client demographics are high net worth individuals, international in scope, without previous complaints, or dissatisfaction with the service and advice they receive from INCM; although not required, INCM has voluntarily chosen to become registered for full disclosure to their existing client base.

If any events or other changes happen that are material concerning INCM, the clients will be notified, this ADV Brochure will be revised, and the regulatory bodies will be notified.

## **Item 7: Requirements for State Registered Advisers**

As previously mentioned throughout this brochure, both the firm and its personnel remain free of any derogatory background information.

Supervised persons have not been involved in any of the events below:

An award or otherwise being found liable in an arbitration in excess of 2,500 for (a) investment related business; (b) fraud, false statements or omissions; (c) theft, embezzlement or other wrongful taking of property; (d) bribery, forgery, counterfeiting, or extortion; (e) dishonest, unfair, or unethical practices.

An award or otherwise found liable in a civil, self-regulatory organization or administrative proceeding involving any of the following: (a) investment related business; (b) fraud, false statements or omissions; (c) theft, embezzlement or other wrongful taking of property; (d) bribery, forgery, counterfeiting, or extortion; (e) dishonest, unfair, or unethical practices.

Supervised person has not been the subject of a bankruptcy petition.