

Form ADV Application for Investment Adviser Registration

Part 2A Disclosure Brochure

Effective: June 16, 2014

**Item 1, Cover Page**

This brochure provides information about the qualifications and business practices of Enier J. Cabrera. If you have any questions about the contents of this brochure, please contact us at (0058) (212) 310-0967. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any other state security authority. Additional information about Enier J. Cabrera also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). To be a Registered Investment Advisor does not imply a certain level of skill or training

Enier J. Cabrera, CRD No: 167902, Av. La Guairita, Ed. Krom II, Ap. C41, Caracas, Venezuela, 1080

## **Item 2 – Material Changes**

Because this is the initial filing as a Registered Investment Advisor there are no material changes to any previous version.

### Item 3 Table of Contents

Item 1, Cover Page .....	1
Item 2 – Material Changes .....	2
Item 3 Table of Contents .....	3
Item 4 Advisory Business.....	4
Item 5 Fees and Compensation.....	4
Item 6 Performance-Based Fees and Side-By-Side Management.....	5
Item 7 Types of Clients .....	5
Item 8 Methods of Analysis, Investment Strategies and Risk of Loss .....	5
Item 9 Disciplinary Information .....	6
Item 10 Other Financial Industry Activities and Affiliations.....	6
Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading ...	6
Item 12 Brokerage Practices .....	7
Item 13 Review of Accounts.....	7
Item 14 Client Referrals and Other Compensation.....	8
Item 15 Custody .....	8
Item 16 Investment Discretion.....	8
Item 17 Voting Client Securities .....	11
Item 18 Financial Information.....	11
Item 19 Requirements for State-Registered Advisers.....	11

## Item 4 Advisory Business

### A. Firm Information

Enier J. Cabrera is a sole proprietor who works in corporate finances and economic analysis since 1991. His academic formation include a mayor in Economics from the Universidad Central de Venezuela in Caracas, post grade studies in Finances at Universidad Católica Andrés Bello in Caracas, and Master of Arts in Management, concentration in International Finances at Hamline University in St. Paul, MN. Enier J. Cabrera Activities are based in Caracas, Venezuela.

### B. Advisory Services Offered

As a Wealth manager for private clients Enier J. Cabrera's responsibility is to develop investment strategies based in customer financial goals. Each investment strategies are attached to an individual financial plan, and most of the work consists in linking financial goals, risk aversion, and market momentum.

### C. Tailored advisory services

Each customer has their own risk level where they feel comfortable. Tailored services are applied to each customer in order to have individualized risk administration.

Each customer has a segregated account where they have cash, bonds, and equities. The set creates a diversified portfolio. The idea is to manage risk and market opportunities with the right balance between lowest volatility and highest profit. Clients may impose restrictions on investing in certain securities or types of securities.

### D. The advisor does not participate in wrap fee programs

### E. Enier J Cabrera Manages an asset level with an average of 900.000 US dollar at June 2014 on a discretionary basis.

## Item 5 Fees and Compensation

### A. Compensation for advisory services. Advisor charges a quarterly fee of 5% calculated over profitable accounts, accounts under no profit on the quarter are not charged by this concept. Other fees are charged as a commission for the acquisition or sale of assets, those commissions are part of the ADVISOR FEE ARRANGEMENT which each signed at Interactive Brokers. Any modification of the ADVISOR FEE ARRANGEMENT requires acceptance of the customer in order to be considered by the broker dealer.

### B. Fee paying accounts are held at Interactive Brokers; those accounts are under client agreement with that broker. Advisor fees are calculated quarterly by the broker dealer, and deducted from the client account.

### C. There are no other types of fees or expenses clients may pay in connection with advisory services.

### D. Customer fees cannot be paid in advance.

- E. There is no compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

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

According to Item 5-A, The Advisor charges a quarterly fee of 5% calculated over a profit of all paying accounts. Accounts under no profit on the quarter are not charged by this concept. Under the client's agreement with Interactive Brokers advisor fees are calculated quarterly by the broker dealer, and deducted from the client account. There are no other charges of another type of fee, such as an hourly or flat fee or an asset-based fee.

## **Item 7 Types of Clients**

At June 06 2014 Enier J. Cabrera only manages individuals clients.

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

Enier J. Cabrera In his research considers

- Fundamental Analysis
- Economic Analysis
- Technical Stock Market Analysis
- Information from analyst actions

Information is gathered from analyst reports, subscriptions to specialized sources, rating agencies, and proprietary economic analysis.

Each customer has a diversified portfolio based in his or her own profile. But customers can require a specialized or not diversified portfolio. Investing in securities involves risk of loss that clients should be prepared to bear.

Enier J. Cabrera normally maintains bonds on hold until expiration

Investing in securities involves risk of loss that clients should be prepared to bear.

## **Item 9 Disciplinary Information**

There are no legal nor disciplinary events that are subject to a client's or prospective client's evaluation of the advisory business or the integrity of the management. None of the following cases are present:

- A. A criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which against Enier J. Cabrera
- B. An administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority against Enier J. Cabrera
- C. A self-regulatory organization (SRO) proceeding against Enier J. Cabrera

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

Enier J. Cabrera does not have any affiliations with any person listed below:

- 1. Broker-dealer, municipal securities dealer, or government securities dealer or broker
- 2. Investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund)
- 3. Other investment adviser or financial planner
- 4. Futures commission merchant, commodity pool operator, or commodity trading advisor
- 5. Banking or thrift institution
- 6. Accountant or accounting firm
- 7. Lawyer or law firm
- 8. Insurance company or agency
- 9. Pension consultant
- 10. Real estate broker or dealer
- 11. Sponsor or syndicator of limited partnerships.

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

Enier J. Cabrera, CRD No: 167902, Form ADV Part 2A: Firm Brochure

- A. Enier J. Cabrera code of ethics was adopted pursuant to SEC rule 204A-1. He will provide a copy of the code of ethics to any client or prospective client upon request.
- B. Enier J. Cabrera only executes orders at open and regulated markets for example New York Stock Exchange, and American Stock Exchange, Investment Advisor uses the trading platform of Interactive Brokers. For clients there are no solicitations referred to private investments.
- C. Because the small size of the global portfolio managed conflict of interest caused by trading personal and client accounts are minimized. Clients or advisor can trade same assets in same or contrary direction, the size of orders considered are too small compared with the global size of the market and because of that it cannot generate any conflict of interest.
- D. If a customer order collides with a personal order of Enier J. Cabrera, the customer order will have preference in the execution.

## **Item 12 Brokerage Practices**

- A. Research and soft dollar benefits: All transactions are done through Interactive Brokers, Enier J. Cabrera does not receive Soft Dollar Benefits.
- B. Brokerage for Client Referrals: Interactive Brokers does not pay commissions to Enier J. Cabrera for client referrals.
- C. Directed Brokerage: Even do not all advisers require their clients to direct brokerage, Enier J. Cabrera just works through individual accounts subject to most favorable execution of client transactions, those accounts are under control of a Master Account. Assets trade under client accounts are shares, options, currencies, and bonds. There are not any Interactive Brokers other products to be trade under client accounts.

Enier J. Cabrera can aggregate the purchase or sale of securities for various client accounts, in order to obtain better market condition to trade securities, or as a way to optimize time for portfolio management.

## **Item 13 Review of Accounts**

Quarterly, clients receive portfolio information from Interactive Brokers and sent by Enier J. Cabrera, or directly from the broker. But clients can ask for additional information with more frequency at no cost. Each customer can access to their individual account online 24 hours a day for 365 days a year, through [www.interactivebrokers.com](http://www.interactivebrokers.com) without more restriction than system requires.

Client will receive brokerage statements from the Custodian. These brokerage statements are sent directly from the Custodian to the Client. The Client may also establish electronic access

Enier J. Cabrera, CRD No: 167902, Form ADV Part 2A: Firm Brochure

to the Custodian's website so that he or she may view these reports and their account activity. Client brokerage statements will include all positions, transactions and fees relating to the Client's account[s]. The Client will receive annual review brokerage statements of the managed accounts.

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

- A. At June 16, 2014 there are no agreements with anyone who is not a client to provide an economic benefit to Enier J. Cabrera to provide investment advice or any other advisory services to clients.
- B. At June 16, 2014 there are no agreements to compensate any person who is not a supervised person for client referrals.

## **Item 15 Custody**

All clients portfolio are maintained in custody by interactive Brokers at segregated accounts for each customer.

## **Item 16 Investment Discretion**

Discretionary trading authorization is part of the Broker Dealer agreement signed between Interactive Brokers and each client. Referent to Advisor's Authority, that agreement establish the follow terms:

"This agreement authorizes Interactive Brokers to accept the instructions of the Advisor on behalf of the Customer. This authorization will be applicable to all assets Customer holds in all Interactive Brokers accounts for which Advisor has been designated. Customer hereby authorizes Advisor to inquire in, trade, buy, sell (including short sales), exchange, convert, tender, trade, or otherwise acquire or dispose of stocks, bonds, options securities, futures, security futures, foreign exchange and any other investments, on margin or otherwise, for and at the risk of the Customer. Customer understands that a commission will be charged to the account each time a trade is affected.

Customer authorizes Advisor to engage one or more sub-advisors to manage the investment of some or all of the assets Customer holds at Interactive Brokers, and authorizes Advisor to allocate assets among such sub-advisors. Customer authorizes such sub-advisors to exercise the same trading and

Enier J. Cabrera, CRD No: 167902, Form ADV Part 2A: Firm Brochure



investment discretion in Customer's account as exercised by Advisor, and authorizes such sub-advisors to receive all information regarding Customer's account(s). Customer authorizes Interactive Brokers to accept the instructions of sub-advisors designated by Advisor and to accept the instructions of employees, agents or representatives of Advisor or sub-advisors.

The Advisor is also permitted to arrange for the deposit of funds and assets to the Customer's account(s) and to redeem or withdraw funds or assets from the Customer's account (including the delivery of securities from the account), for the benefit of the Customer, regardless of the tax consequences. The Advisor may initiate transfers (including inter-broker transfers), rollovers, Roth IRA conversions, IRA re-characterizations or other transfers of assets between and among Customer accounts. Customer authorizes Interactive Brokers, acting on Advisor's instructions, to aggregate transaction orders for Customer's account(s) with orders for one or more other accounts over which Advisor has trading authority. The Advisor is authorized to receive all information regarding the account(s) and to receive account statements, confirmations and tax information. The Advisor is authorized to add, delete or change Customer or account information. Interactive Brokers is authorized, but not required to, conduct further inquiry or seek authorization from the Customer or further clarification from Advisor or Customer regarding any instruction from Advisor for Customer's account(s). Interactive Brokers reserves the right, in its sole discretion, to refuse to honor particular instructions from Advisor, or to no longer honor instructions from Advisor. Customer and Advisor acknowledge that all information provided by either of them on this form, or otherwise provided to Interactive Brokers in the application process, is subject to verification, and Customer and Advisor authorize Interactive Brokers to verify all information through the use of credit agencies or any other customary or reasonable means. Advisor will provide promptly any information reasonably requested by Interactive Brokers concerning the management of the account(s) or compliance with this Authorization. This provision shall not be read to imply that Interactive Brokers has any duty to supervise or monitor Advisor's management of Customer's account(s) or compliance with applicable law."

Referent to Customer's Representations and Acknowledgments, Broker – Client agreement establish following terms:

- A. "Customer has granted to Advisor the full discretion to direct the trading in the account(s) on Customer's behalf and Customer will not have access to IB's electronic systems for placing orders for the account. Only the Advisor, any sub-advisors, and their employees, agents and representatives will have access to IB's electronic systems to conduct trading in the account.

Enier J. Cabrera, CRD No: 167902, Form ADV Part 2A: Firm Brochure

- B. If Customer terminates the relationship with Advisor or for any other reason wishes to terminate Advisor's access to the account(s), or if Customer wishes to direct the trading in Customer's account, or if Customer wishes to use advisory services of another Advisor, Customer will contact IB immediately by email to [help@interactivebrokers.com](mailto:help@interactivebrokers.com) or by calling the toll free Customer Service number listed on IB's website at [www.interactivebrokers.com](http://www.interactivebrokers.com) or [www.interactivebrokers.co.uk](http://www.interactivebrokers.co.uk) or [www.interactivebrokers.ca](http://www.interactivebrokers.ca).
- C. Because Customer has instructed IB to send all confirmations and account statements directly to Advisor, Customer will rely on Advisor for information regarding Customer's account. If Customer has any questions or concerns regarding the account, Customer will contact IB Customer Service at [help@interactivebrokers.com](mailto:help@interactivebrokers.com) or by calling the toll free Customer Service number listed on IB's website at [www.interactivebrokers.com](http://www.interactivebrokers.com) or [www.interactivebrokers.co.uk](http://www.interactivebrokers.co.uk) or [www.interactivebrokers.ca](http://www.interactivebrokers.ca).
- D. Depending on the equity in Customer's account, deduction of Advisory Fees in an IB margin account may cause the account to incur margin interest. Furthermore, if deduction of Advisory Fees would cause the account to have insufficient equity to cover margin requirements or to satisfy any other obligation to IB, IB may, at its sole discretion: (1) deduct the Fees and exercise any of its rights and remedies under the IB Customer Agreement, including liquidating positions in the account without prior notice in order to satisfy margin requirements or obligations; and/or (2) decline to deduct the Fees, in which case Customer will be liable to pay such Fees to Advisor directly.
- E. All claims, questions or disputes regarding IB's provision of brokerage services or regarding IB's execution of particular trades must be referred to IB. Advisor has no authority to resolve such claims or disputes on IB's behalf.
- F. ALL CLAIMS OR DISPUTES REGARDING ADVISOR'S OR ANY SUB-ADVISOR'S SERVICES OR ACTIONS (INCLUDING SPECIFIC CONDUCT, ADVICE, RECOMMENDATIONS, OR TRADES PLACED BY ADVISOR OR FEES OWED) ARE SOLELY BETWEEN CUSTOMER AND ADVISOR. IB IS NOT LIABLE FOR ANY SUCH CLAIMS AND DISPUTES AND CUSTOMER UNDERSTANDS AND FULLY ACKNOWLEDGES THAT CUSTOMER CANNOT BRING A CLAIM AGAINST IB OR RECEIVE DAMAGES OR COMPENSATION OF ANY KIND FROM IB, INCLUDING CLAIMS FOR DIRECT, INDIRECT, COMPENSATORY, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES. ALL CLAIMS OR DISPUTES REGARDING THE FEES OWED TO ADVISOR ARE SOLELY BETWEEN CUSTOMER AND ADVISOR. IF CUSTOMER DISPUTES ADVISOR'S RECEIPT OF ANY FEES THAT IB HAS DEDUCTED FROM THE

Enier J. Cabrera, CRD No: 167902, Form ADV Part 2A: Firm Brochure

ACCOUNT AND SENT TO ADVISOR, CUSTOMER UNDERSTANDS THAT CUSTOMER'S SOLE REMEDY IS AGAINST ADVISOR AND CUSTOMER AGREES NOT TO BRING ANY CLAIM AGAINST IB.U1367562 - IB LLC Account Application for Financial Advisor Clients (Individual/Joint) - Jun 13 2014 Page 37 / 48

- G. Arbitration: The agreements between Customer and Interactive Brokers (which are also binding on Advisor) contain mandatory arbitration clauses requiring all parties to arbitrate any disputes regarding securities trading. The agreements may also contain arbitration provisions regarding futures trading. All applicable arbitration clauses are incorporated herein by reference."

## **Item 17 Voting Client Securities**

- A. Enier J. Cabrera does not have or accept authority to vote client securities. Each client may obtain a copy of proxy voting policies and procedures upon request.
- B. Clients will receive their proxies or other solicitations directly from their custodian or a transfer agent, clients can contact Enier J. Cabrera with questions about a particular solicitation.

## **Item 18 Financial Information**

- A. Enier J. Cabrera does not require prepayment of more than \$1,200 in fees per client, six months or more in advance.
- B. Enier J. Cabrera does not have custody of client funds or securities neither require nor solicit prepayment in fees in advance. There are not financial conditions that are reasonably likely to impair the ability to meet contractual commitments to clients.
- C. Enier J. Cabrera has never been subject to bankruptcy petition at any time during the past ten years.

## **Item 19 Requirements for State-Registered Advisers**

Enier J. Cabrera is not registering or is not registered with one or more state securities authorities in the United States.