

# **Harbor-Ithaka WM dba New Market Analytics WM**

## **INVESTMENT ADVISER**

**CRD# 170580**

1395 Brickell Avenue, Suite 760  
Miami, FL 33131

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This brochure provides information about the qualifications and business practices of Harbor-Ithaka WM, dba New Market Analytics WM. If you have any questions about the contents of this brochure, please contact us at (305) 755.9299 or write to [jloreto@nma-latam.com](mailto:jloreto@nma-latam.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Harbor-Ithaka WM, dba New Market Analytics WM is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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## **II. MATERIAL CHANGES**

Section IX has been amended to reflect the fact that Mr. Alcantara is no longer affiliated in any way with Bolton Securities.

Currently, our Brochure may be requested by contacting Javier Loreto, Chief Compliance Officer, at (305) 755-9299 or [jloreto@nma-latam.com](mailto:jloreto@nma-latam.com).

Additional information about Harbor-Ithaka WM dba New Market Analytics WM is also available via the SEC's website [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with Harbor-Ithaka WM dba New Market Analytics WM who are registered, or are required to be registered, as investment adviser representatives of Harbor-Ithaka WM dba New Market Analytics WM.

### **III. ADVISORY BUSINESS**

The principal business of the Firm is to provide fee-based investment advisory services to wealthy individuals and corporations in the US and abroad. The company was founded in 2014 by Rafael Alcantara-Lansberg.

The advisor will have two principal lines of business:

1.- First, it will serve as a supervisory advisor to high net worth and ultra-high net worth clients with extended sets of assets and more complex estates. In this capacity, the advisor will offer its clients supervisory consulting services regarding both financial and non-financial assets.

Regarding financial assets and investment portfolios, advisor will be seeking to aggregate, analyze and research, organize, monitor, perform or hire third party experts to perform due diligence work on more complex investments such as private placements and other alternative financial investments, give a second opinions on appropriateness of financial investments, calculate, measure and analyze performance, and carry out investment cost analysis, on the many different financial investments such as clients may have independently or as part of investment portfolios managed by other financial institutions; with an eye to helping the client maintain his/her desired risk tolerance, consistent portfolio-wide diversification allocations, avoid unintended risk and asset concentrations.

Regarding non-financial assets, Advisor will seek to collaborate and coordinate and, at times, find expert and well reputed advisors, including financial, legal, tax, accounting, business managers, among others, to facilitate clients' stated "estate-wide" management goals, by doing research and offering opinion of the risk-return characteristics of different assets held by the client and how best to diversify risks across the entire clients' estate. Advisor may also help monitor key estate wide cash flow dynamics and management costs implicated in each of client's holdings.

It is the advisor's belief that many high net worth individuals and families very commonly suffer from a lack of 1- proper organization and clear understanding of the assets they hold, as well as 2) adequate monitoring capabilities over them.

All assets and liabilities that form part of a large estate, endure different types changes of legal or financial significance, as a result of the normal course of economic cycles and as part of the ordinary estate management process. It is often the case that wealthy families quickly loose track of the value, price and risks associated with holding those assets. It is even more common that wealthy individuals and families fail to keep track of how all these different assets, including primary sources of estate income, such as their family businesses and income producing assets, and expense, conform an estate-wide portfolio, which imply a myriad of shifting parts and consequent changing risks. It is common to find successful and wealthy businessmen and women and families who feel overwhelmed and uncomfortable, and who miscomprehend key characteristics of their estates. Furthermore, the ability to keep suitable coordination among the different types of professional advisors required to properly manage such estates is very often lacking or so time consuming that it is common to find situations were omissions and mistakes have accumulated and become apparent only when they have grown into more serious and costly issues.

2.- Advisor's second line of business will seek to develop, advise and manage investment portfolios according to strategies that seek to deliver low volatility, income producing and medium to high liquidity or high loan-ratio characteristics. The advisor proposes that such portfolios help a) diversify the risk characteristics commonly found in fixed income investment portfolios and more importantly b) support the medium term liquidity needs of the typically more complex estates of high net worth individuals, families and their businesses.

The advisor considers that high net worth individuals should have investment portfolios with unusually low risk profiles as an important, if not principal, component of their financial holdings so as to counterbalance the concentration of risk such clients typically take by having much of their net worth linked to their own businesses. Such lower volatility, higher liquidity investment portfolios serve to support and counterbalance the cyclicalities of risks implied by the businesses most high net worth families own and operate; a cyclicalities which many times means that operating businesses can quickly change from important dividend producing entities to capital necessitating concerns, a situation which only serves to further concentrate the estate in the risk of the family's businesses and operations as it tries to resolve unexpected or unfavorable situations. If such liquidity needs were to coincide with the loss of value of the other assets that make up the family's estate, the family may have to face situations in which they are forced to liquidate some or many of assets in an attempt to starve off the problems of their main business. In this light, understanding estate wide diversification is very important for complex estates and an important share of the estates' financial holdings should be constructed in a way cognizant of its supporting and diversifying role in the estate. Such are the concerns the advisor has chosen to focus its work on.

The advisor manages portfolios, on a discretionary or non-discretionary basis, according to the client's objectives. The advisor would always start by discussing at length, with each of its clients, their investments objectives, risk tolerance and their general well-being necessities, in order to adjust the investment strategies and general advisor offerings to their needs. As stated above, advisor will seek to go further in understanding client's risk-tolerance by seeking to ally financial portfolios to the risk-return attributes of other non financial assets held by the client.

In the case of institutional investors or businesses, the advisor will analyze and execute the investment strategy in accordance to the client's mandate or mutually agreed parameters, in order to achieve the predetermined financial objectives.

#### **Investment Approach:**

- History shows that relying on market and macroeconomic forecasts is at best a fragile basis on which to balance or guide diversification; valuations and other key metrics can many times seem unreliable indicators, so that different models can suggest significantly differing conclusions about optimal portfolio diversification solutions;
- History shows that over the medium and long terms, most asset classes suffer eras of volatility and price decreases, which offer "clearer opportunities" to entry; strategic or medium term opportunities can be defined as when many valuation models coincide in indicating historically appealing risk-reward profiles; tactical or short term opportunities defined as when short term market dislocation becomes apparent and "higher-probability" trades with suddenly improved risk-reward characteristics can be made. These moments may be relatively few and far between, but "buying on discount" "good assets" is one sure way to reduce risk;
- All financial assets are claims on future streams of income: This seemingly obvious fact can serve to ground part of the advisors work, onto identifying those businesses that can be deemed to probably be able to support future streams of income; macro research as well as fundamental balance sheet analysis can be applied to discover such probable sources of "stable" income producing companies.
- Low volatility financial assets with high to mid liquidity characteristics and/ or advantageous loan ratio characteristics have high optionality value. Using such optionality to buy "good assets," interpreted as those assets that are claims on "stable streams of income," at advantageous prices when the markets for those assets so permit, appears to be a reasonable risk reducing long term strategy, particularly for large estates.

**The general investment approach applies to high and ultra high net worth clients in the following way:**

As opposed to typical saver who is usually guided by retirement objectives and other life-cycle planning concerns, high net worth and ultra high net worth families who own and focus their day to day lives in managing their operating businesses and/or have sizable estates, can afford to be patient and even underperform financial market cycles for longer periods of time. For such very wealthy clients, the primary focus should not be on matching or improving on financial market performance, but rather on safeguarding their estates by using their financial assets to balance and diversify estate-wide risks, while also assuring there is always ample liquidity to support the overarching needs of the entire estate.

One needs to keep in mind that estimating general risks implied by the many assets held in large estates and in turn trying to estimate prudent diversification of underlying economic and financial risks of the estate, is more difficult because by their very nature, particular businesses, industries and country concentrations, lack of the kind of statistical data that usually serves as input to much financial and portfolio risk modeling. This is also the case with many assets typically held by such wealthy estates, such as art and other collectibles. Also, not only do many of such wealthy estates tend to be characterized by large concentrations in businesses or some asset type, but they tend to have a significant concentration in physical assets with quickly varying degrees of liquidity. Additionally, the ownership costs of many such assets tend to be significant so that understanding the diversification of the underlying economic risks implied by the different sources income throughout the estate should be a paramount consideration for proper wealth management.

Furthermore, low volatility financial assets with high to mid liquidity characteristics and/ or advantageous loan ratio characteristics, possess an unusually high optionality value to such large estates as ample cash and other high quality financial assets can afford the owners the power to act aggressively and opportunistically when cycles in asset classes which might interest them turn negative; it affords the estate the capacity to act counter cyclically by being able to purchase distressed assets at advantageous terms. It is also often the case that opportunities to expand the family business, take on competitors, etc., appear unexpectedly and deal making needs to move in quickened time frames. Liquidity is again of much value.

In general, size of wealth affords patience. Buying assets, financial or otherwise, when cycles turn, prices fall and valuations become attractive, is a capability that such high net worth clients should develop and preserve.

**Financial Investments and Portfolio Management**

As it was stated above, market forecasts are a fragile basis on which to develop an investment portfolio. Valuation models, macroeconomic understanding, technical analysis and other styles of market analysis are all subject to multiple interpretations and have all suffered times when their indicators fail to pick up the more important dynamics of market and economic cycles which have resulted in significantly over and underestimating the expected price volatility and other risks in various asset markets (financial and non-financial). At any given time, the most reputed and successful experts can have entirely opposing views as to the risk-reward profile of a particular market or investment. Even a superficial review of the forecasts published by such institutions as the Federal Reserve of the United States of America, the International Monetary Fund (IMF) or the Bank for International Settlements, evidences frequent sizable errors in forecasting and misinterpretation of financial and economic data.

The goal of the chosen style of investment portfolio that the advisor will manage directly, as opposed to portfolios and investments which the Advisor may subcontract to third party investment advisors, is to achieve low volatility, low probability of loss, with mid to high liquidity characteristics.

To achieve this goal, the advisor will focus use and continue developing a research framework that can be summarized as follows:

**Global Macro “Top-down” research:**

- a) Identifying key global macroeconomic trends and issues;
- b) Understanding the different and even opposing explanatory hypothesis given by the more recognized economists and global market commentators, trying to isolate the key mechanisms that are put forth as driving different trends;
- c) Distill key economic and financial indicators and follow their progress attempting to gauge the value or correctness of the many different explanatory hypotheses;
- d) Attempt to gauge the direction of those key macro trends, gauge whether or not different trends are fragile or robust, and if their underlying economic drivers are sustainable.

The objective of this first level of research is to identify those companies operating in industries, sectors, and countries that seem least susceptible to shortfalls in demand and have the managerial capability to thrive within the economic industries in which they operate.

**“Fundamental” or “bottom-up” security centered analytical work:**

- a) Review and sort out those companies with the healthiest and/or improving balance sheets;
- b) Confirm there are sufficient managerial and firm wide operating qualities that can suggest optimal execution and continued balance sheet improvement.

At this stage the goal is to ascertain which companies can best be relied upon to provide the steady streams of income, on which the different securities making up its capital structure have claims on: Companies with healthy and improving operations as evidenced by continued progress of their balance sheets and which plow robust economic trends, are considered the main candidates on which to build portfolio construction.

**Valuation Models:**

The application of different valuation models to different asset markets and determine whether or not and to what extent different financial assets are cheap or expensive from a historical perspective.

Once specific companies, countries and sectors have been chosen, understanding what sorts of financial claims (bonds, equities, etc.) would be best to benefit from is contingent on understanding historical valuation and setting price preference.

A final level of research will focus on trying to grasp the prevalent **“financial economics”** operating in asset markets at any time: That is to say, understanding the “who” and “whys” of buyers and sellers transacting in a particular market place:

- a- Analysis of the many forces such as monetary, fiscal, political, regulatory and technological that may be affecting the actions of buyers and sellers;
- b- Attempt to appreciate what are the prevailing explanatory interpretations, “world views” and shared expectations of market participants, and how these affect market dynamics, valuation, etc.

The overlapping drive of the four levels of analytical work described above is to try to discard and move a way from potential sources of asset price volatility, while simultaneously identifying those (primarily corporate) securities and the price levels at which they would be attractive from a historical valuation driven perspective, so that the optionality characteristics of the low volatility high quality portfolio can be put into use by both tactically and strategically buying or shifting into previously identified securities at optimal price levels.

In sum, the high net worth client should be patient (maintain substantial portfolio optionality) to buy financial assets (claims streams of income) at historically attractive values in companies that rely upon robust secular macro trends. Market cycles offer opportunities to use put such optionality to good use.

The advisor may use exchange listed securities, over-the-counter securities, foreign securities, corporate or sovereign debt securities, CDs, mutual funds, hedge funds, options in securities and commodities, and futures on tangibles to accomplish this objective. The advisor may invest in Mutual Funds or Hedge Funds when it is more economic or practical to build a portfolio in this fashion. This may be due to the costs of building a portfolio in non-OECD<sup>1</sup> local markets; the difficulties of gaining exposure to a sector/country for the size of investment contemplated, or due to superior expertise in picking securities in specific sub-sectors by mutual fund specialists. The advisor may invest in Closed End Funds, in particular when those trade at a significant discount to the net value of their underlying assets. The advisor may invest in Hedge Funds, to the extent that it believes that a particular Hedge Fund offers a superior advantage to what could be done by the advisor both in terms of absolute return and risk control via strategy diversification.

The advisor may reduce risk exposure and carry significant levels of cash positions as a possible hedge against market movement which may adversely affect the portfolio. The advisor may recommend selling positions for reasons that include, but are not limited to, harvesting capital gains or losses, business or sector risk exposure to a specific security or class of securities, overvaluation or overweighting of the position(s) in the portfolio. The advisor may sell securities short, sell against the box, covered call writing, naked put writing and/or other strategies to reduce risk and/or improve performance.

Harbor-Ithaka WM dba New Market Analytics WM will only provide investment advisory services and portfolio management services but will not provide securities custodial. The firm may provide additional administrative services for certain clients.

At no time will Harbor-Ithaka WM dba New Market Analytics WM accept or maintain custody of client's securities. Exceptionally, Harbor-Ithaka WM dba New Market Analytics WM may have authority over a client's bank account, only to facilitate the payment of fees and other advisory related expenses, according to the Investment Advisory Agreement.

Harbor-Ithaka WM dba New Market Analytics WM may also issue periodical reports and investment newsletters. These newsletters may be provided as a service to its client or for a monthly subscription fee to others (non-advisory clients).

As a de-novo company, Harbor-Ithaka WM dba New Market Analytics WM does not have any clients or assets under management at this time.

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<sup>1</sup> OECD stands for Organization for Economic Cooperation and Development, an international economic organization of 34 countries founded in 1961 to stimulate economic progress and world trade. It is a forum of countries committed to democracy and the market economy, providing a platform to compare policy experiences, seek answers to common problems, identify good practices and co-ordinate domestic and international policies of its members.



Harbor-Ithaka WM LLC is a Florida limited liability corporation, authorized to conduct business in Florida. It is also registered as dba New Market Analytics WM. The sole shareholder of Harbor-Ithaka WM, LLC is:

**RAFAEL ALCANTARA-LANSBERG (100 %)**

Mr. Lansberg will serve as Director and Chief Economist of the Firm.

Rafael Alcantara-Lansberg's academic back ground is in Philosophy, politics, and economics and has worked in the financial industry in various capacities since 1998. He is the sole founder of Harbor-Ithaka WM dba New Market Analytics WM, a company which succeeds Mr. Alcantara- Lansberg former company, New Market Analytics Inc., a global market research and consulting firm he founded in Venezuela and Panama in 2004 and 2006 respectively.

Throughout most of his career Mr. Alcántara-Lansberg has been working in the financial industry in Caracas, Venezuela. He held many jobs in the financial industry there, including posts as global equity and fixed income trader, head of international EM arbitrage operations for one of the largest brokerage firms in Venezuela until 2003 when he left to work on his self guided portfolio theory studies and then start his global macro research outfit. Mr. Alcántara-Lansberg has been frequently interviewed by the local Venezuelan radio, press and dominant TV news outlet "Globovisión" for his opinions on global financial and economic events. From April 2007 to February of 2010 he anchored the international economics segment of the weekly radio show "Brújula Internacional" where by late 2007 he had become known as a notable market bear. In early 2009 he was invited by the Economics dept. of the Universidad de Carabobo (FAGES) to give a talk on the Global Financial Crisis. In late 2010, Mr. Alcántara-Lansberg left Venezuela to work as a Macro-Economist for a group of US based brokers. Now feeling more established in the South Florida community, he seeks to expand his global market research and consulting work as well as engage more directly in portfolio managing work for clients of a particular type with his Harbor-Ithaka WM dba New Market Analytics WM.

**JAVIER ALBERTO LORETO**

Mr. Javier Loreto will serve as Portfolio Manager and Chief Compliance Officer of the Firm.

Javier Loreto's academic back ground is includes studies in Marketing and International Business at the George Washington University in Washington DC, from 2003 to 2007.

Mr. Loreto has worked in the financial industry in various capacities since 2007. He is a Portafolio Manager in charge of creating fixed income strategies for private client and providing intuitional services for Latin America financial institutions. Additionally, Javier is the Chief Compliance Officer of New Market Analytics.

Mr. Loreto holds Series 66 and Series 7 securities licenses.

Mr. Loreto started his financial career in New York City in 2007. He started as an analyst in Smith Barney, where he worked for two years. He then moved to Deutsche Bank as an associate before moving to Miami to pursue an opportunity with Bolton Global Capital, with whom Mr. Alcántara-Lansberg worked.

Mr. Loreto worked closely with the firm's co-founder Rafael Alcantara Lansberg for the past three years and together they aim to continue to focus on development of a particular investment philosophy at its derivative market research and investment management applications.

#### IV. FEES AND COMPENSATION

##### Asset Management Fees

Pursuant to an investment advisory contract signed by each client, the advisors' clients pays a monthly Advisory Fee, payable monthly in arrears, based on the net asset value of the financial assets managed by the advisor as of the last business day of each month, or calculated based on the official value of the accounts or portfolios as reported by the financial institutions that act as brokers and or custodians for the client (i.e. advisory fees for April are paid in May).

Harbor-Ithaka WM dba New Market Analytics WM doesn't have any clients at the time of this filing. The fees to be charged to each future client are a function of the type and size of the client's portfolio. These fees range from 0.25% to 2% per annum (payable on a monthly basis, calculated as 1/12 of the agreed upon percentage fee multiplied by the Net Asset Value of each account). These fees may be negotiated by the advisor under unusual circumstances, at the sole discretion of the advisor.

Harbor-Ithaka WM dba New Market Analytics WM may also provide Estate Valuation and Supervisory Consulting Services. These consulting services will be offered solely to accredited investors with estates valued at over \$10,000,000.

Fees for Consulting Services are based on the scope of each project and discussed with and approved by the client in writing.

Certain consulting services may be billed at an hourly rate, at the request of the client. An Hourly Fee Schedule will be provided to the client prior to the engagement. The standard Hourly Fee is \$250.00 /hr.

Advice may be provided on assets held offshore.

New Market Analytics LLC may also issue periodical reports and investment newsletters. These newsletters may be provided as a service to its client or for a monthly subscription fee to others (non-advisory clients). The Monthly Subscription Fee will be determined at a later date and will be notified to the Client / Subscriber with a Monthly Subscription Agreement.

Harbor-Ithaka WM dba **New Market Analytics WM** will eventually provide Portfolio Management Services to affiliated or unaffiliated Private Funds or Hedge Funds. The fees charged to each Fund are a function of the type of portfolio. These fees may range from 0.25% to 1.5% per annum (payable on a monthly basis, calculated as 1/12 of the percentage fee multiplied by the Net Asset Value of each Fund). Asset management fees are paid by the custodian as directed by the independent Administrator of the Funds. These fees may be negotiated by the advisor under unusual circumstances, at the sole discretion of the advisor.

All fees paid to the Firm for investment advisory services are separate and distinct from the expenses charged by any third-party Mutual or Hedge Funds in the portfolio, the administrator, custodian, auditor, etc. As described in the investment management agreements of the Funds managed by the advisor, these fees and expenses are paid directly by the Fund. These fees may include a management fee, other Fund expenses, and a possible distribution or performance fee.

## **V. PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

### **Performance Fees**

Qualified clients, as defined by Rule 205-3 of the Investment Adviser's Act, may enter into advisory agreements where the Firm is entitled to a performance fee as part or all of its compensation. Qualified investors must meet the following requirements: (a) have at least \$1,000,000 in assets under management with the adviser; or (b) have a net worth of at least \$2,000,000 in investable assets, in order to enter into performance based compensation agreements with Harbor-Ithaka WM dba New Market Analytics WM. Suitability will be determined through the use of a detailed suitability questionnaire and follow up due diligence inquiries. The Firm at its sole discretion, may reject any client application where the above financial standards are not met and/or where it reasonably believes the investor lacks the necessary financial sophistication, who purport to not fully understand the Firm's method of compensation and the nature of its risks, or who are otherwise deemed to be unsuitable for such an arrangement.

The Firm may engage in Performance based compensation based upon any gains obtained in the client's account for the quarter, or for the calendar year, depending on the specific arrangement. Performance fees may range from 5% to 20% of gains depending on each specific arrangement and they may be subject to a "hurdle rate" or minimum gain by the client. If this "hurdle rate" is not met, the Performance Fee is therefore not paid to the advisor.

## **VI. TYPES OF CLIENTS**

Harbor-Ithaka WM dba New Market Analytics WM intends to provide advice to Pooled Investment Vehicles, Private Funds, High Net-Worth Individuals, Pension Funds, and other Institutional Clients.

Clients may be U.S. persons, U.S. Institutional clients or, international persons or institutions.

Harbor-Ithaka WM dba New Market Analytics WM cumulative minimum account is \$500,000.00, however, based on various facts and circumstances, the advisor may, at its sole discretion, accept accounts of lower value.

## **VII. METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

The advisor's main approach is to use three levels of analysis: a) at a general level, top-down macroeconomic analysis, to determine general economic conditions and potential macroeconomic risks or opportunities worldwide; b) at a security level, fundamental and financial analysis to determine the attractiveness of a particular security; and c) to a lesser extent, for the execution of investment decisions, technical analysis to determine the timing of purchases or sales of selected securities.

The advisor thinks that the best approach to attain consistent long-term returns is to diversify risk, avoid leverage and carefully select each investment using objective criteria with a view to protect downside risk as much as seeking upside rewards. The advisor may use exchange listed securities, over-the-counter securities, foreign securities, corporate or sovereign debt securities, CDs, mutual funds, hedge funds, options in securities and commodities, and futures on tangibles to accomplish this objective. The advisor may invest in Mutual Funds or Hedge Funds when it is more economic or practical to build a portfolio in this fashion. This may be due to the costs of building a portfolio in non-OECD local markets; the difficulties of gaining exposure to a sector/country for the size of investment contemplated, or due to superior expertise in picking securities in specific sub-sectors by mutual fund specialists. The advisor may invest in Closed End Funds, in particular when those trade at a significant discount to the net value of their underlying assets. The advisor may invest in Hedge Funds, to the extent that it believes that a

particular Hedge Fund offers a superior advantage to what could be done by the advisor both in terms of absolute return and risk control via strategy diversification

The advisor may reduce risk exposure and carry significant levels of cash positions as a possible hedge against market movement which may adversely affect the portfolio. The advisor may recommend selling positions for reasons that include, but are not limited to, harvesting capital gains or losses, business or sector risk exposure to a specific security or class of securities, overvaluation or overweighting of the position(s) in the portfolio. The advisor may sell securities short, sell against the box, covered call writing, naked put writing and/or other strategies to reduce risk and/or improve performance. The advisor may eventually manage different affiliated Funds, each with a distinctive risk profile and objectives. Each prospective investor in the Funds should evaluate the risk of each vehicle, the investment restrictions of their respective mandates, and the consistency between the Funds' and the investors' objectives and risk tolerance. Disclosure and transparency for our qualified clients, who invest in these funds, will be of our highest concern.

There is a substantial risk of loss in trading in securities and other financial instruments, including any affiliated Funds managed by the advisor. Past results are no guarantee of future performance. You should carefully consider whether trading is appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances. Trading in futures and options is not suitable for many members of the public.

## **VIII. DISCIPLINARY INFORMATION**

Neither Harbor-Ithaka WM dba New Market Analytics WM nor any employee of the Firm has been subject to any disciplinary actions by the Securities Exchange Commission (SEC) or any other regulatory authority.

To the best of our knowledge, Mr. Rafael Alcantara-Lansberg, has not been involved in an event that resulted in an award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500; or in a civil, self-regulatory organization, or administrative proceeding involving any of the following events:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

## **IX. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

New Market Analytics, LLC has no direct distributions agreements.

Mr. Alcantara is currently employed as Chief Economist with Incasa, a Delaware Corporation with offices in Miami, FL.

## **X. CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

Harbor-Ithaka WM dba New Market Analytics WM has adopted a Code of Ethics that sets forth the basic policies of ethical conduct for all managers, officers, and employees of the adviser. In addition, the Code of Ethics governs personal trading by each employee of Harbor-Ithaka WM dba New Market Analytics

WM deemed to be an Access Person and is intended to ensure that securities transactions effected by Access Persons of Harbor-Ithaka WM dba New Market Analytics WM are conducted in a manner that avoids any actual or potential conflict of interest between such persons and clients of the adviser or its affiliates. Harbor-Ithaka WM dba New Market Analytics WM collects and maintains records of securities holdings and securities transactions effected by Access Persons. These records are reviewed to identify and resolve potential conflicts of interest. Harbor-Ithaka WM dba New Market Analytics WM maintains a code of ethics and they will provide a copy to any client or prospective client upon request.

Harbor-Ithaka WM dba New Market Analytics WM and/or its investment advisory representatives may from time to time purchase or sell products that they may recommend to clients.

The Firm prohibits itself and its associated persons from benefiting from the short-term market effects of transactions for clients. The Firm gives preference to clients trading over it. The Compliance Officer reviews all transactions executed by the Firm daily, and conducts an additional review of all securities transactions by officers and employees quarterly.

## **XI. BROKERAGE PRACTICES**

**Best Execution:** As an investment advisory company, the Firm has a fiduciary duty to seek best execution 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. The Firm may not necessarily pay the lowest commission or commission equivalent as specific transactions may involve specialized services on the part of the broker.

This would justify higher commissions (or their equivalent) than other transactions requiring routine services. If the Firm is directed by the client to direct trades to a specific broker dealer other than the custodian typically used for trade execution, it is disclosed that the Firm's ability to negotiate commissions (where applicable), obtain volume discounts, or otherwise obtain best execution may not be as favorable as might otherwise be obtained.

**Order Aggregation:** the Firm may combine orders into block trades when more than one account is participating in the trade. This blocking or bunching technique must be equitable and potentially advantageous for each such account (e.g. for the purposes of reducing brokerage commissions or obtaining a more favorable execution price). Block trading is performed when it is consistent with the duty to seek best execution and is consistent with the terms of the Firm's investment advisory agreements. Equity trades are blocked based upon fairness to client, both in the participation of their account, and in the allocation of orders for the accounts of more than one client. Allocations of all orders are performed in a timely and efficient manner. All managed accounts participating in a block execution receive, to the extent possible, the same execution price (average share price) for the securities purchased or sold in a trading day. If an order is filled in its entirety, securities purchased in the aggregated transaction will be allocated among the accounts participating in the trade in accordance with the allocation statement. If an order is partially filled, the securities will be allocated pro rata based on the allocation statement. The Firm may allocate trades in a different manner than indicated on the allocation statement (non-pro rata) only if all managed accounts receive fair and equitable treatment.

The Firm may engage in "soft-dollar" arrangements whereby a portion of the commission that would be paid to the broker executing a particular order is credited towards payment of third-party research services. While this may result in the client paying higher commissions than those obtainable through

other brokers or arrangements, the advisor thinks the clients will ultimately benefit from access to research services that would not be otherwise available or affordable. Although the Firm does not have any soft-dollar arrangements currently in place, it may do so in the future.

Harbor-Ithaka WM dba New Market Analytics WM never discloses the nonpublic personal information about its clients to anyone except to those persons necessary to effect the transactions and provide the services that the clients requires (such as broker-dealers, custodians, etc.) or as otherwise provided by law.

A copy of Harbor-Ithaka WM dba New Market Analytics WM Business Continuity Plan Disclosure Document will be provided to the Client at the time of account opening as well as when material changes to the plan occur. A copy of this document may be obtained at any time upon request.

## **XII. REVIEW OF ACCOUNTS**

Accounts are monitored on an ongoing basis. The factors that may change allocations would be: changes in economic conditions, changes in the fundamentals of the securities in the accounts, or technical factors. Re-balancing of assets may be also performed to comply with each client's investment instructions and profile. The Advisor produces a written quarterly statement, using information supplied directly by the custodian (s).

## **XIII. CLIENT REFERRALS AND OTHER COMPENSATION**

Harbor-Ithaka WM dba New Market Analytics WM may use solicitors' agreement in order to compensate for client referrals. At this time, the firm has no solicitor's agreements in place.

## **XIV. CUSTODY**

The Firm provides investment advisory services and portfolio management services and does not under any circumstance provide securities custody. On special circumstances, the Firm may have authority over bank accounts in name of a client, in order to facilitate the payment of fees or other administrative expenses related to the advice provided to the client.

## **XV. INVESTMENT DISCRETION**

The advisor may be granted discretion over the selection and amount of securities to be bought or sold in the client's accounts without obtaining prior consent or approval from the client. However, these purchases or sales may be subject to specified investment limitations previously set forth in the investment management agreement between the advisor and the clients.

## **XVI. VOTING CLIENT SECURITIES**

The Firm will not vote, nor advise clients how to vote, proxies for securities held in client accounts. The client clearly keeps the authority and responsibility for the voting of these proxies. Also, the Firm cannot give any advice or take any action with respect to the voting of these proxies. The client and the Firm agree to this by contract. For accounts subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), the plan fiduciary specifically keeps the authority and responsibility for the voting of any proxies for securities held in plan accounts. Also, the Firm cannot give any advice or take action with respect to the voting of these proxies.

Clients may obtain a copy of our Proxy Voting Policies and Procedures by contacting us at [jloreto@nma-latam.com](mailto:jloreto@nma-latam.com)

## **XVII. FINANCIAL INFORMATION**

Harbor-Ithaka WM dba New Market Analytics WM does not maintain any impairments or financial obligations that might prevent it from meeting any contractual obligation to its clients.

**Harbor-Ithaka WM, LLC**  
**1395 Brickell Avenue, Suite 760**  
**Miami, FL 33131**