

# Ten Capital Advisors LLC

## Firm Brochure - Form ADV Part 2A

*This brochure provides information about the qualifications and business practices of Ten Capital Advisors LLC. If you have any questions about the contents of this brochure, please contact us at (212) 582-1456 or by email at: [info@ten-capital.com](mailto:info@ten-capital.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 Ten Capital Advisors LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Ten Capital Advisors LLC's CRD number is: 173301.*

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*Registration does not imply a certain level of skill or training.*

Version Date: 02/02/2015

## **Item 2: Material Changes**

Ten Capital Advisors LLC has not yet filed an annual updating amendment using the Form ADV Part 2A. Therefore there are no material changes to report.

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## **Item 4: Advisory Business**

### ***Business Description***

We provide services to high-net-worth individuals concerning mutual funds, fixed income securities, equities, hedge funds, private equity funds, ETFs (including ETFs in the gold and precious metal sectors), non-U.S. securities and private placements. As a registered investment adviser, we are held to the highest standard of client care – a fiduciary standard. As a fiduciary, we always put our client’s interests first and must fully disclose any potential conflict of interest. We do not hold customer funds or securities.

### **A. Description of the Advisory Firm**

Ten Capital Advisors LLC (hereinafter “Ten-Capital”) is a Limited Liability Company organized in the State of New York.

The firm was formed in September 2009, and the principal owner is Marcelo Ronen Schwartzman.

### **B. Types of Advisory Services**

#### ***Portfolio Management Services***

Ten-Capital offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. Ten-Capital creates an Investment Policy Statement for each client, which outlines the client’s current situation (income, tax levels, and risk tolerance levels). Portfolio management services include, but are not limited to, the following:

- |                       |                                |
|-----------------------|--------------------------------|
| • Investment strategy | • Personal investment policy   |
| • Asset allocation    | • Asset selection              |
| • Risk tolerance      | • Regular portfolio monitoring |

Ten-Capital evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

Ten-Capital seeks to provide that investment decisions are made in accordance with the fiduciary duties owed to its accounts and without consideration of Ten-Capital’s economic, investment or other financial interests. To meet its fiduciary obligations, Ten-Capital attempts to avoid, among other things, investment or trading practices that systematically advantage or disadvantage certain client portfolios, and accordingly, Ten-Capital’s policy is to seek fair and equitable allocation of investment opportunities/transactions among its clients to avoid favoring one client over another.

over time. It is Ten-Capital's policy to allocate investment opportunities and transactions it identifies as being appropriate and prudent among its clients on a fair and equitable basis over time.

### ***Selection of Other Advisers***

Ten-Capital may direct clients to third-party investment advisers to manage all or a portion of the client's assets. Before selecting other advisers for clients, Ten-Capital will always ensure those other advisers are properly licensed or registered as an investment adviser. Ten-Capital conducts due diligence on any third-party investment adviser, which may involve one or more of the following: phone calls, meetings and review of the third-party adviser's performance and investment strategy. Ten-Capital then makes investments with a third-party investment adviser by referring the client to the third-party adviser. These investments may be allocated either through the third-party adviser's fund or through a separately managed account managed by such third party adviser on behalf of Ten-Capital's client. Ten-Capital may also allocate among one or more private equity funds or private equity fund advisers. Ten-Capital will review the ongoing performance of the third-party adviser as a portion of the client's portfolio.

### ***Services Limited to Specific Types of Investments***

Ten-Capital generally limits its investment advice to mutual funds, fixed income securities, equities, hedge funds, private equity funds, ETFs (including ETFs in the gold and precious metal sectors), non-U.S. securities and private placements. Ten-Capital may use other securities as well to help diversify a portfolio when applicable.

## **C. Client Tailored Services and Client Imposed Restrictions**

Ten-Capital offers the same suite of services to all of its clients. However, specific client investment strategies and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels). Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent Ten-Capital from properly servicing the client account, or if the restrictions would require Ten-Capital to deviate from its standard suite of services, Ten-Capital reserves the right to end the relationship.

## **D. Wrap Fee Programs**

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and other administrative fees. Ten-Capital does not participate in any wrap fee programs.

## **E. Assets Under Management**

Ten-Capital has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$0	\$65,000,000	12/31/2014

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

### **A. Fee Schedule**

#### ***Asset-Based Fees for Portfolio Management***

Total Assets Under Management	Annual Fee
\$1,000,000 - \$25,000,000	1.00%
\$25,000,000 - \$50,000,000	0.75%
\$50,000,000 - \$100,000,000	0.50%

These fees are generally negotiable and the final fee schedule is attached as Exhibit II of the Investment Advisory Contract. Clients may terminate the agreement without penalty for a full refund of Ten-Capital's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract generally with 30 days' written notice.

Ten-Capital bills based on the balance on the first day of the billing period.

#### ***Selection of Other Advisers Fees***

Ten-Capital will receive its standard fee on top of the fee paid to the third party adviser. This relationship will be memorialized in each contract between Ten-Capital and each third-party adviser. The fees will not exceed any limit imposed by any regulatory agency. The notice of termination requirement and payment of fees for third-party investment advisers will depend on the specific third-party adviser selected.

These fees are negotiable.

Ten-Capital may engage in the selection of third-party money managers, but does not have any such arrangements in place at this time. This service may be canceled with 30 days' notice.

## **B. Payment of Fees**

### ***Payment of Asset-Based Portfolio Management Fees***

Asset-based portfolio management fees may be invoiced and billed directly to the client on a quarterly basis. Fees are paid in advance.

### ***Payment of Selection of Other Advisers Fees***

The timing, frequency, and method of paying fees for selection of third-party managers will depend on the specific third-party adviser selected.

## **C. Client Responsibility For Third Party Fees**

Clients are responsible for the payment of all third party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by Ten-Capital. Please see Item 12 of this brochure regarding broker-dealer/custodian.

## **D. Prepayment of Fees**

Ten-Capital collects fees in advance. Refunds for fees paid in advance will be returned within fourteen days to the client via check.

For all asset-based fees paid in advance, the fee refunded will be equal to the balance of the fees collected in advance minus the daily rate\* times the number of days elapsed in the billing period up to and including the day of termination. (\*The daily rate is calculated by dividing the annual asset-based fee rate by 365.)

## **E. Outside Compensation For the Sale of Securities to Clients**

Neither Ten-Capital nor its supervised persons accept any 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**

Ten-Capital does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.



## Item 7: Types of Clients

Ten-Capital generally provides advisory services to High-Net-Worth Individuals.

### *Minimum Account Size*

There is no account minimum for any of Ten-Capital's services.

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

### A. Methods of Analysis and Investment Strategies

#### *Methods of Analysis*

Ten-Capital's methods of analysis include fundamental analysis.

**Fundamental analysis** involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

#### *Investment Strategies*

Ten-Capital uses long term trading and securities such as ETFs may be intermediately traded.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

### B. Material Risks Involved

#### *Methods of Analysis*

**Fundamental analysis** concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

#### *Investment Strategies*

**Long term trading** is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments.

These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

**Intermediate term trading** (securities are held at least 30 days but less than 1 year) can involve more risk than long term trading in that it active management requires more monitoring and solid market timing.

**Selection of Other Advisers:** Although Ten-Capital will seek to select only money managers who will invest clients' assets with the highest level of integrity, Ten-Capital's selection process cannot ensure that money managers will perform as desired and Ten-Capital will have no control over the day-to-day operations of any of its selected money managers. Ten-Capital would not necessarily be aware of certain activities at the underlying money manager level, including without limitation a money manager's engaging in unreported risks, investment "style drift" or even regulator breach or fraud.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### **C. Risks of Specific Securities Utilized**

Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below are not guaranteed or insured by the FDIC or any other government agency.

**Mutual Funds:** Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond "fixed income" nature (lower risk) or stock "equity" nature.

**Equity** investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.

**Fixed income** investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best known type of fixed income security. In general, the fixed income market is volatile and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.

**Exchange Traded Funds (ETFs):** An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance. Precious Metal ETFs (e.g., Gold, Silver, or Palladium Bullion backed “electronic shares” not physical metal) specifically may be negatively impacted by several unique factors, among them (1) large sales by the official sector which own a significant portion of aggregate world holdings in gold and other precious metals, (2) a significant increase in hedging activities by producers of gold or other precious metals, (3) a significant change in the attitude of speculators and investors.

**Hedge Funds** often engage in leveraging and other speculative investment practices that may increase the risk of investment loss; can be highly illiquid; are not required to provide periodic pricing or valuation information to investors; May involve complex tax structures and delays in distributing important tax information; are not subject to the same regulatory requirements as mutual funds; and often charge high fees. In addition, hedge funds may invest in risky securities and engage in risky strategies.

**Private equity funds** carry certain risks. Capital calls will be made on short notice, and the failure to meet capital calls can result in significant adverse consequences, including but not limited to a total loss of investment.

**Private placements** carry a substantial risk as they are subject to less regulation than are publicly offered securities, the market to resell these assets under applicable securities laws may be illiquid, due to restrictions, and the liquidation may be taken at a substantial discount to the underlying value or result in the entire loss of the value of such assets.

**Non-U.S. securities** present certain risks such as currency fluctuation, political and economic change, social unrest, changes in government regulation, differences in accounting and the lesser degree of accurate public information available.

**Past performance is not indicative of future results. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **Item 9: Disciplinary Information**

### **A. Criminal or Civil Actions**

There are no criminal or civil actions to report.

### **B. Administrative Proceedings**

There are no administrative proceedings to report.

### **C. Self-regulatory Organization (SRO) Proceedings**

There are no self-regulatory organization proceedings to report.

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

### **A. Registration as a Broker/Dealer or Broker/Dealer Representative**

Neither Ten-Capital nor its representatives are registered as, or have pending applications to become, a broker/dealer or a representative of a broker/dealer.

### **B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor**

Neither Ten-Capital nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

### **C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

Neither Ten-Capital nor its representatives have any material relationships to this advisory business that would present a possible conflict of interest.

### **D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections**

Ten-Capital may direct clients to third-party investment advisers to manage all or a portion of the client's assets. Clients will pay Ten-Capital its standard fee in addition to the standard fee for the advisers to which it directs those clients. This relationship will be memorialized in each contract between Ten-Capital and each third-party advisor. The fees will not exceed any limit imposed by any regulatory agency. Ten-Capital will always act in the best interests of the client, including when determining which third-party investment adviser to recommend to clients. Ten-Capital will ensure that all recommended advisers are licensed or notice filed in the states in which Ten-Capital is recommending them to clients.

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

### **A. Code of Ethics**

Ten-Capital has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Ten-Capital's Code of Ethics is available free upon request to any client or prospective client.

### **B. Recommendations Involving Material Financial Interests**

Ten-Capital does not recommend that clients buy or sell any security in which a related person to Ten-Capital or Ten-Capital has a material financial interest.

### **C. Investing Personal Money in the Same Securities as Clients**

From time to time, representatives of Ten-Capital may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of Ten-Capital to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. Ten-Capital will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

### **D. Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, representatives of Ten-Capital may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of Ten-Capital to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, Ten-Capital will never engage in trading that operates to the client's disadvantage if representatives of Ten-Capital buy or sell securities at or around the same time as clients.

## **Item 12: Brokerage Practices**

### **A. Factors Used to Select Custodians and/or Broker/Dealers**

Ten-Capital does not recommend brokers/custodians.

#### ***1. Research and Other Soft-Dollar Benefits***

Ten-Capital does not trade client's accounts or recommend broker/custodians and therefore receives no research, product, or services other than execution from a broker-dealer or third-party in connection with client securities transactions ("soft dollar benefits").

#### ***2. Brokerage for Client Referrals***

Ten-Capital receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

#### ***3. Clients Directing Which Broker/Dealer/Custodian to Use***

Ten-Capital does not trade client's accounts.

### **B. Aggregating (Block) Trading for Multiple Client Accounts**

Ten-Capital does not trade clients' accounts and therefore does not have the ability to block trade purchases across accounts.

## **Item 13: Reviews of Accounts**

### **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

All client accounts for Ten-Capital's advisory services provided on an ongoing basis are reviewed at least monthly by Marcelo R Schwartzman, CEO with regard to clients' respective investment policies and risk tolerance levels. All accounts at Ten-Capital are assigned to this reviewer.

### **B. Factors That Will Trigger a Non-Periodic Review of Client Accounts**

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

### **C. Content and Frequency of Regular Reports Provided to Clients**

Each client of Ten-Capital's advisory services provided on an ongoing basis will receive a monthly report detailing the client's account, including assets held, asset value, and calculation of fees. This written report will come from the custodian. Ten-Capital will also provide at least monthly a separate written statement to the client.

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

### **A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)**

Ten-Capital does not receive any economic benefit, directly or indirectly from any third party for advice rendered to Ten-Capital's clients.

### **B. Compensation to Non – Advisory Personnel for Client Referrals**

Ten-Capital does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

## **Item 15: Custody**

Ten-Capital does not take custody of client accounts at any time. Custody of client's accounts is held primarily at the client's custodian. Clients will receive account statements from the custodian and should carefully review those statements for accuracy.

## **Item 16: Investment Discretion**

Ten-Capital does not have discretion over client accounts at any time.

## **Item 17: Voting Client Securities (Proxy Voting)**

Ten-Capital will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

## **Item 18: Financial Information**

### **A. Balance Sheet**

Ten-Capital neither requires nor solicits prepayment of more than \$1,200 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet with this brochure.

### **B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients**

Neither Ten-Capital nor its management has any financial condition that is likely to reasonably impair Ten-Capital's ability to meet contractual commitments to clients.

### **C. Bankruptcy Petitions in Previous Ten Years**

Ten-Capital has not been the subject of a bankruptcy petition in the last ten years.