



Loyola Asset Management LLC

Wrap Fee Brochure

This brochure provides information about the qualifications and business practices of Loyola Asset Management LLC. If you have any questions about the contents of this brochure, please contact us at (305) 377-1941 or by email at: info@loyola-asset.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 Loyola Asset Management LLC is also available on the SEC's website at www.adviserinfo.sec.gov. Loyola Asset Management LLC's CRD number is: 153255

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

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Item 2: Material Changes

Loyola Asset Management LLC has the following material changes to this brochure to report. This list summarizes changes to policies, practices or conflicts of interests concerning this Wrap Fee Program Brochure only.

- Loyola Asset Management LLC does not have an outside party review
- Loyola Asset Management LLC added Alvaro Castillo, Arturo Hierro, Jamie Domenech and Marcos Segrera as portfolio managers. (Item 6.B, 8)
- Loyola Asset Management LLC disclosed that the portfolio managers are also registered representatives on Western International Securities. (Item 9.A)

Item 3: Table of Contents

Item 1: Cover Page	
Item 2: Material Changes	1
Item 3: Table of Contents	iii
Item 4: Services Fees and Compensation	1
A. Description of Services	1
B. Contribution Cost Factors	1
C. Additional Fees	2
D. Compensation of Client Participation	2
Item 5: Account Requirements and Types of Clients	2
Minimum Account Size	2
Item 6: Portfolio Manager Selection and Evaluation	2
A. Selecting/Reviewing Portfolio Managers	2
1. Standards Used to Calculate Portfolio Manager Performance	2
2. Review of Performance Information	3
B. Related Persons	3
C. Advisory Business	3
Wrap Fee Portfolio Management	3
Performance-Based Fees and Side-By-Side Management	3
Services Limited to Specific Types of Investments	3
Client Tailored Services and Client Imposed Restrictions	4
Wrap Fee Programs	4
Amounts Under Management	4
Methods of Analysis and Investment Strategies	4
Charting analysis	4
Fundamental analysis	4
Technical analysis	4
Cyclical analysis	4
Investment Strategies	5
Material Risks Involved	5
Fundamental analysis	5
Technical analysis	5
Cyclical analysis	5
Investment Strategies	5
Risks of Specific Securities Utilized	6

Voting Client Proxies	6
Item 7: Client Information Provided to Portfolio Managers	6
Item 8: Client Contact with Portfolio Managers	6
Item 9: Additional Information.....	6
A. Disciplinary Action and Other Financial Industry Activities.....	6
Criminal or Civil Actions	6
Administrative Proceedings.....	6
Self-regulatory Organization Proceedings	6
Registration as a Broker/Dealer or Broker/Dealer Representative.....	7
Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor	7
Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests	7
Selection of Other Advisors or Managers and How This Adviser is Compensated for Those Selections	7
B. Code of Ethics, Client Referrals, and Financial Information	8
Code of Ethics	8
Recommendations Involving Material Financial Interests.....	8
Investing Personal Money in the Same Securities as Clients	8
Trading Securities At/ Around the Same Time as Clients' Securities.....	8
Frequency and Nature of Periodic Reviews and Who Makes Those Reviews	8
Factors That Will Trigger a Non-Periodic Review of Client Accounts	9
Content and Frequency of Regular Reports Provided to Clients	9
Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)	9
Compensation to Non – Advisory Personnel for Client Referrals	9
Balance Sheet.....	9
Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients.....	9
Bankruptcy Petitions in Previous Ten Years.....	9

Item 4: Services Fees and Compensation

Loyola Asset Management LLC (hereinafter “LAM”) offers the following services to advisory clients:

A. Description of Services

LAM participates in and sponsors a wrap fee program, which allows LAM to manage client accounts for a single fee that includes both portfolio management services and brokerage costs. The fee schedule is set forth below:

Total Assets Under Management	Annual Fee
\$250,000 - \$500,000	2.00%
\$500,001 - \$1,000,000	1.50%
\$1,000,001 - \$10,000,000	1.25%
\$10,000,001 - \$25,000,000	1.00%
\$25,000,001 – And Up	Negotiable

These fees are negotiable depending upon the needs of the client and complexity of the situation and the final fee schedule is attached as Exhibit II of the client contract. LAM uses the last day of previous quarter for purposes of determining the market value of the assets upon which the advisory fee is based.

Advisory fees are withdrawn directly from the client’s accounts with client written authorization. Fees are paid quarterly in arrears. Because fees are charged in arrears, no refund policy is necessary. The fee refunded will be the balance of the fees collected in advance minus the daily rate* times the number of days in the billing period up to and including the effective date of termination. (*The daily rate is calculated by dividing the annual fee by 365).

Clients may terminate the contract without penalty, for full refund, within five business days of signing the contract. Thereafter, clients may terminate the contract with immediately upon written notice.

B. Contribution Cost Factors

The program may cost the client more or less than purchasing such services separately. There are several factors that bear upon the relative cost of the program, including the trading activity in the client’s account, the adviser’s ability to aggregate trades, and the cost of the services if provided separately (which in turn depends on the prices and specific services offered by different providers).

C. Additional Fees

Clients who participate in the wrap fee program will not have to pay for transaction or trading fees. However, clients are still responsible for all other account fees, such as annual IRA fees to the custodian, mutual fund fees and, for certain non-U.S.-based clients custodied overseas, a stamp fee.

D. Compensation of Client Participation

Neither LAM, nor any representatives of LAM receive any additional compensation beyond advisory fees for the participation of client's in the wrap fee program. However, compensation received may be more than what would have been received if client paid separately for investment advice, brokerage, and other services. Therefore, LAM may have a financial incentive to recommend the wrap fee program to clients.

Item 5: Account Requirements and Types of Clients

LAM generally provides its wrap fee program services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Pension and Profit Sharing Plans
- ❖ Corporations or Business Entities

Minimum Account Size

There is an account minimum of \$25,000, which may be waived by the investment advisor, based on the needs of the client and the complexity of the situation.

Item 6: Portfolio Manager Selection and Evaluation

A. Selecting/Reviewing Portfolio Managers

LAM will not select any outside portfolio managers for management of this wrap fee program. LAM will be the sole portfolio manager for this wrap fee program.

1. Standards Used to Calculate Portfolio Manager Performance

LAM will use industry standards to calculate portfolio manager performance.

2. Review of Performance Information

LCM reviews the performance information to determine and verify its accuracy and compliance with presentation standards. The performance information is reviewed quarterly and is reviewed by LCM.

B. Related Persons

Alvaro Castillo, Arturo Hierro, Jamie Domenech and Marcos Segrera act as portfolio managers for the wrap fee program as described in this brochure. LCM acts in the best interest of the client consistent with its fiduciary duties.

C. Advisory Business

LAM offers portfolio management services to its wrap fee program participants as discussed in Section 4 above.

Wrap Fee Portfolio Management

LAM offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. LAM creates an Investment Policy Statement for each client, which outlines the client's current situation (income, tax levels, and risk tolerance levels) and then constructs a plan (the Investment Policy Statement) to aid in the selection of a portfolio that matches each client's specific situation. Investment Supervisory Services include, but are not limited to, the following:

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

LAM 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.

Performance-Based Fees and Side-By-Side Management

LAM 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.

Services Limited to Specific Types of Investments

LAM limits its investment advice and/or money management to mutual funds, equities, bonds, fixed income, debt securities, ETFs, real estate, hedge funds, third party money managers, REITs, private placements, and government securities. LAM may use other securities as well to help diversify a portfolio when applicable.

Client Tailored Services and Client Imposed Restrictions

LAM offers the same suite of services to all of its clients. However, specific client financial plans 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) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

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 LAM from properly servicing the client account, or if the restrictions would require LAM to deviate from its standard suite of services, LAM reserves the right to end the relationship.

Wrap Fee Programs

LAM sponsors and acts as portfolio manager for this wrap fee program. LAM manages the investments in the wrap fee program, but does not manage those wrap fee accounts any differently than non-wrap fee accounts. The fees paid to the wrap account program will be given to LAM as a management fee.

Amounts Under Management

LAM has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$101,948,314.00	\$101,440,183.00	12/31/2014

Methods of Analysis and Investment Strategies

LAM's methods of analysis include charting analysis, fundamental analysis, technical analysis, and cyclical analysis.

Charting analysis involves the use of patterns in performance charts. LAM uses this technique to search for patterns used to help predict favorable conditions for buying and/or selling a security.

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

Technical analysis involves the analysis of past market data; primarily price and volume.

Cyclical analysis involved the analysis of business cycles to find favorable conditions for buying and/or selling a security.

Investment Strategies

LAM uses long term trading, short term trading, short sales, margin transactions, and options writing (including covered options, uncovered options, or spreading strategies).

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

Material Risks Involved

Charting analysis strategy involves using and comparing various charts to predict long and short term performance or market trends. The risk involved in solely using this method is that only past performance data is considered without using other methods to crosscheck data. Using charting analysis without other methods of analysis would be making the assumption that past performance will be indicative of future performance. This may not be the case.

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.

Technical analysis attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not work long term.

Cyclical analysis assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy are two-fold: 1) the markets do not always repeat cyclical patterns and 2) if too many investors begin to implement this strategy, it changes the very cycles they are trying to take advantage of.

Investment Strategies

Long term trading is designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Short term trading, short sales, margin transactions, and options writing generally hold greater risk and clients should be aware that there is a material risk of loss using any of those strategies.

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

Risks of Specific Securities Utilized

LAM generally seeks investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international equity markets. However, it will utilize short sales, margin transactions, and options writing. Short sales, margin transactions, and options writing generally hold greater risk of capital loss and clients should be aware that there is a material risk of loss using any of those strategies.

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

Voting Client Proxies

LAM 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 7: Client Information Provided to Portfolio Managers

LAM is the portfolio managers for this wrap fee program. All client information that is collected, including basic information, risk tolerance, sophistication level, and income level will be collected by LAM. As that information changes and is updated, LAM will have immediate access to that information once collected.

Item 8: Client Contact with Portfolio Managers

LAM places no restrictions on client ability to contact its portfolio managers. LAM's portfolio managers can be contacted during regular business hours and contact information is on the cover page of their respective Form ADV Part 2B brochure supplements.

Item 9: Additional Information

A. Disciplinary Action and Other Financial Industry Activities

Criminal or Civil Actions

There are no criminal or civil actions to report.

Administrative Proceedings

There are no administrative proceedings to report.

Self-regulatory Organization Proceedings

There are no self-regulatory organization proceedings to report.

Registration as a Broker/Dealer or Broker/Dealer Representative

Alvaro R. Castillo, Arturo Hierro, Jaime Domenech and Marcos Segrera are registered representatives of Western International Securities. From time to time, they will offer clients advice or products from those activities. Clients should be aware that these services pay a commission and involve a possible conflict of interest, as commissionable products can conflict with the fiduciary duties of a registered investment adviser.

Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

Neither LAM nor its representatives are registered as or have pending applications to become a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor.

Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests

Representatives of LAM are also insurance agents. From time to time, they will offer clients advice or products from those activities. Clients should be aware that these services pay a commission and involve a possible conflict of interest, as commissionable products can conflict with the fiduciary duties of a registered investment adviser.

Mr. Castillo is also a Director of Consultoria Santa Cruz, an investment adviser registered in Uruguay. Mr. Castillo may purchase foreign currencies for clients upon request and for diversification.

LAM always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of LAM in their capacity as a registered representative.

Selection of Other Advisors or Managers and How This Adviser is Compensated for Those Selections

LAM may direct clients to third party money managers. LAM will be compensated via a fee share from the advisers to which it directs those clients. This relationship will be disclosed in each contract between LAM and each third party advisor. The fees shared will not exceed any limit imposed by any regulatory agency. This creates a potential conflict of interest in that LAM has an incentive to direct clients to the third party money managers that provide LAM with a larger fee split. LAM will always act in the best interests of the client, including when determining which third party manager to recommend to clients. LAM will ensure that all recommended advisors or managers are licensed or notice filed where required before recommending them to clients.

B. Code of Ethics, Client Referrals, and Financial Information

Code of Ethics

We have 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. Clients may request a copy of our Code of Ethics from management.

Recommendations Involving Material Financial Interests

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

Investing Personal Money in the Same Securities as Clients

From time to time, representatives of LAM may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of LAM 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. LAM will always document any transactions that could be construed as conflicts of interest and will always transact client business before their own when similar securities are being bought or sold.

Trading Securities At/Around the Same Time as Clients' Securities

From time to time, representatives of LAM may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of LAM to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients.

Frequency and Nature of Periodic Reviews and Who Makes Those Reviews

Client accounts are reviewed quarterly by the Chief Compliance Officer, the Principal and/or the investment advisor representatives, all will review clients' accounts with regards to their investment policies and risk tolerance levels. All accounts at LAM are assigned to these reviewers.

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).

Content and Frequency of Regular Reports Provided to Clients

Each client will receive at least quarterly from the custodian, a written report that details the client's account including assets held and asset value which will come from the custodian.

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

LAM typically invests in ETFs and mutual fund institutional shares but occasionally, when they feel it is in the client's best interest, they will recommend or invest in mutual funds or hedge funds that pay commissions. LAM and its supervised persons may accept compensation for the sale of securities or other investment products, including asset based sales charges, 12b-1 fees, and referral or service fees from the sale of these funds to its clients as registered representatives of a broker dealer; Western International Securities. However, LAM will apply any commissions or 12b-1 fees that are received from the sale of these investments as an offset to the Investment Advisory fee that LAM charges its clients (no double dipping).

Compensation to Non – Advisory Personnel for Client Referrals

LAM will compensate non-advisory personnel based on a percentage of net revenue. Clients will never be charged higher fees in association with the referral compensation.

Balance Sheet

LAM does not require nor solicit prepayment of more than \$1,200 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients

Neither LAM nor its management have any financial conditions that are likely to reasonably impair our ability to meet contractual commitments to clients.

Bankruptcy Petitions in Previous Ten Years

LAM has not been the subject of a bankruptcy petition in the last ten years.