

# MCA Cross Border Advisors Inc.

## Firm Brochure - Form ADV Part 2A

*This brochure provides information about the qualifications and business practices of MCA Cross Border Advisors Inc.. If you have any questions about the contents of this brochure, please contact us at (877) 839-7111 or by email at: [maltro@mcacrossborder.com](mailto:maltro@mcacrossborder.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 MCA Cross Border Advisors Inc. is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). MCA Cross Border Advisors Inc.'s CRD number is: 168125.*

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

Version Date: 3/10/2015

## **Item 2: Material Changes**

MCA Cross Border Advisors Inc. submitted the ADV annual amendment on March 31, 2014.

MCA Cross Border Advisors Inc. has the following material changes to report. This list summarizes changes to policies, practices or conflicts of interests only.

- Updated Fee Schedule

### Item 3: Table of Contents

Item 1: Cover Page

|  |    |
|--|----|
| Item 2: Material Changes.....  | i  |
| Item 3: Table of Contents.....   | ii |
| Item 4: Advisory Business .....  | 7  |
| A. Description of the Advisory Firm .....  | 7  |
| B. Types of Advisory Services .....  | 7  |
| Investment Advisory Services .....   | 7  |
| Financial Planning.....  | 7  |
| Services Limited to Specific Types of Investments .....                              | 8  |
| C. Client Tailored Services and Client Imposed Restrictions.....                     | 8  |
| D. Wrap Fee Programs.....  | 8  |
| E. Amounts Under Management .....  | 8  |
| Item 5: Fees and Compensation.....   | 9  |
| A. Fee Schedule.....   | 9  |
| Investment Advisory Services .....   | 9  |
| Financial Planning Fees .....  | 9  |
| Fixed Fees.....  | 9  |
| Hourly Fees .....  | 10 |
| B. Payment of Fees.....  | 10 |
| Payment of Investment Advisory Services .....  | 10 |
| Payment of Financial Planning Fees .....   | 10 |
| C. Clients Are Responsible For Third Party Fees.....                                 | 10 |
| D. Prepayment of Fees .....  | 10 |
| E. Outside Compensation For the Sale of Securities to Clients.....                   | 10 |
| Item 6: Performance-Based Fees and Side-By-Side Management .....                     | 11 |
| Item 7: Types of Clients .....   | 11 |
| Minimum Account Size .....   | 11 |
| Item 8: Methods of Analysis, Investment Strategies, and Risk of Investment Loss..... | 11 |
| A. Methods of Analysis and Investment Strategies .....                               | 11 |

|  |    |
|--|----|
| Methods of Analysis & Investment Strategies .....  | 11 |
| B.    Material Risks Involved .....  | 11 |
| Methods of Analysis.....   | 11 |
| Fundamental analysis .....   | 11 |
| Investment Strategies .....  | 12 |
| C.    Risks of Specific Securities Utilized.....   | 12 |
| Item 9: Disciplinary Information .....   | 14 |
| A.    Criminal or Civil Actions .....  | 14 |
| B.    Administrative Proceedings.....  | 14 |
| C.    Self-regulatory Organization (SRO) Proceedings.....  | 14 |
| Item 10: Other Financial Industry Activities and Affiliations .....  | 14 |
| A.    Registration as a Broker/Dealer or Broker/Dealer Representative .....  | 14 |
| B.    Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor ..... | 14 |
| C.    Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests .....      | 14 |
| D.    Selection of Other Advisors or Managers and How This Adviser is Compensated for Those Selections .....       | 14 |
| Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .....               | 15 |
| A.    Code of Ethics .....   | 15 |
| B.    Recommendations Involving Material Financial Interests .....   | 15 |
| C.    Investing Personal Money in the Same Securities as Clients.....  | 15 |
| D.    Trading Securities At/Around the Same Time as Clients' Securities .....                                      | 15 |
| Item 12: Brokerage Practices .....   | 16 |
| A.    Factors Used to Select Custodians and/or Broker/Dealers.....   | 16 |
| 1.    Research and Other Soft-Dollar Benefits.....   | 16 |
| 2.    Brokerage for Client Referrals .....   | 16 |
| 3.    Clients Directing Which Broker/Dealer/Custodian to Use.....  | 16 |
| B.    Aggregating (Block) Trading for Multiple Client Accounts .....   | 16 |
| Item 13: Reviews of Accounts .....   | 16 |
| A.    Frequency and Nature of Periodic Reviews and Who Makes Those Reviews .....                                   | 16 |
| B.    Factors That Will Trigger a Non-Periodic Review of Client Accounts.....                                      | 17 |

|  |    |
|--|----|
| C. Content and Frequency of Regular Reports Provided to Clients.....   | 17 |
| Item 14: Client Referrals and Other Compensation.....  | 17 |
| A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)..... | 17 |
| B. Compensation to Non – Advisory Personnel for Client Referrals.....  | 17 |
| Item 15: Custody .....   | 17 |
| Item 16: Investment Discretion.....  | 17 |
| Item 17: Voting Client Securities (Proxy Voting) .....   | 18 |
| Item 18: Financial Information.....  | 18 |
| A. Balance Sheet .....   | 18 |
| B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients.....                | 18 |
| C. Bankruptcy Petitions in Previous Ten Years .....  | 18 |
| Item 5: Fees and Compensation.....   | 18 |
| A. Fee Schedule .....  | 18 |
| Investment Advisory Services .....   | 18 |
| Financial Planning Fees .....  | 19 |
| Fixed Fees.....  | 19 |
| Hourly Fees .....  | 19 |
| B. Payment of Fees.....  | 19 |
| Payment of Investment Advisory Services .....  | 19 |
| Payment of Financial Planning Fees .....   | 19 |
| C. Clients Are Responsible For Third Party Fees.....   | 20 |
| D. Prepayment of Fees .....  | 20 |
| E. Outside Compensation For the Sale of Securities to Clients.....   | 20 |
| Item 6: Performance-Based Fees and Side-By-Side Management .....   | 20 |
| Item 7: Types of Clients .....   | 20 |
| Minimum Account Size .....   | 20 |
| Item 8: Methods of Analysis, Investment Strategies, and Risk of Investment Loss.....                                       | 21 |
| D. Methods of Analysis and Investment Strategies .....   | 21 |
| Methods of Analysis & Investment Strategies .....  | 21 |
| E. Material Risks Involved .....   | 21 |

|  |    |
|--|----|
| Methods of Analysis.....   | 21 |
| Fundamental analysis .....   | 21 |
| Investment Strategies .....  | 21 |
| F.    Risks of Specific Securities Utilized.....   | 21 |
| Item 9: Disciplinary Information .....   | 23 |
| D.    Criminal or Civil Actions .....  | 23 |
| E.    Administrative Proceedings .....   | 23 |
| F.    Self-regulatory Organization (SRO) Proceedings.....  | 23 |
| Item 10: Other Financial Industry Activities and Affiliations .....  | 23 |
| E.    Registration as a Broker/Dealer or Broker/Dealer Representative .....  | 23 |
| F.    Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor ..... | 24 |
| G.    Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests.....       | 24 |
| H.    Selection of Other Advisors or Managers and How This Adviser is Compensated for Those Selections .....       | 24 |
| Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....                | 24 |
| E.    Code of Ethics.....  | 24 |
| F.    Recommendations Involving Material Financial Interests .....   | 25 |
| G.    Investing Personal Money in the Same Securities as Clients.....  | 25 |
| H.    Trading Securities At/Around the Same Time as Clients' Securities .....                                      | 25 |
| Item 12: Brokerage Practices .....   | 25 |
| C.    Factors Used to Select Custodians and/or Broker/Dealers.....   | 25 |
| 4.    Research and Other Soft-Dollar Benefits.....   | 25 |
| 5.    Brokerage for Client Referrals .....   | 25 |
| 6.    Clients Directing Which Broker/Dealer/Custodian to Use.....  | 26 |
| D.    Aggregating (Block) Trading for Multiple Client Accounts .....   | 26 |
| Item 13: Reviews of Accounts .....   | 26 |
| D.    Frequency and Nature of Periodic Reviews and Who Makes Those Reviews .....                                   | 26 |
| E.    Factors That Will Trigger a Non-Periodic Review of Client Accounts.....                                      | 26 |
| F.    Content and Frequency of Regular Reports Provided to Clients.....  | 26 |
| Item 14: Client Referrals and Other Compensation.....  | 26 |

|  |    |
|--|----|
| C. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)..... | 26 |
| D. Compensation to Non – Advisory Personnel for Client Referrals.....  | 27 |
| Item 15: Custody .....   | 27 |
| Item 16: Investment Discretion .....   | 27 |
| Item 17: Voting Client Securities (Proxy Voting) .....   | 27 |
| Item 18: Financial Information.....  | 27 |
| D. Balance Sheet .....   | 27 |
| E. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients.....                | 27 |
| F. Bankruptcy Petitions in Previous Ten Years .....  | 28 |

## **Item 4: Advisory Business**

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

MCA Cross Border Advisors Inc. is a Corporation organized in Canada. The firm was formed in June 2013, and the principal owner is MCA Financial Planning Inc., which is wholly owned by Matthew C. Altro.

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

MCA Cross Border Advisors Inc. (hereinafter “MCA”) offers the following services to advisory clients:

#### ***Investment Advisory Services***

MCA offers investment advisory services to clients. Turn8 Partners Inc. will be hired by MCA to act as a subadvisor. The subadvisor is defined as an independent investment manager or firm who is hired by another manager/firm to help with an investment portfolio. Subadvisors can manage some or all of the firm’s assets. Subadvisors are given a set of investment objectives to adhere to. The assets are managed according to a set of guidelines extracted from Investment Policy Statements created by MCA. The subadvisor will trade in each client’s accounts. Clients will be billed directly by MCA Cross Border Advisors Inc. Turn8 will bill MCA for the subadvisory services for which they have provided. Fees billed will not exceed any limit imposed by any regulatory agency. MCA will always ensure the advisors of Turn8 are properly licensed or registered as investment advisor.

#### ***Financial Planning***

MCA offers creation of financial plans for Canadians moving to the U.S. and for Americans moving to Canada. These comprehensive plans are designed to minimize tax burdens, address estate-planning issues, achieve retirement goals, identify investment opportunities, obtain health care coverage and meet immigration objectives. Financial plans and financial planning may also include, but are not limited to: investment planning, life insurance; tax concerns; retirement planning; college planning; and debt/credit planning. These services are based on fixed fees or hourly fees and the final fee structure is documented in Exhibit II of the Financial Planning Agreement.

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

MCA generally limits its services to financial planning and selection of other advisors.

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

MCA will tailor a program for each individual client. This will include an interview session to get to know the client's specific needs and requirements as well as a plan that will be executed by MCA on behalf of the client. MCA will not use "model portfolios" but rather a specific set of recommendations for each client based on their personal restrictions, needs, and targets. Specifically, MCA utilizes the following:

**Fact Finding:** In order to complete a comprehensive cross border analysis, specific to the client's situation, the first step is data gathering; review and evaluate all information including personal information, corporate holdings, insurance coverage, investment portfolio, income tax situation, financial statements and information regarding retirement, estates, trusts and wills.

**Cross Border Analysis:** Creation of a cross-border plan that meets the goals and objectives of the client. The plan will include analysis and recommendations in the areas of: tax planning, estate planning, retirement planning, investment planning, health coverage and insurance, immigration and tax filing.

**Presentation & Next Steps:** Once the analysis and plan are complete, the findings will be presented. During this process clients are walked through the analysis and given the opportunity to ask questions. A series of steps will be defined based on how clients choose to move forward.

Clients may not impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent MCA from properly servicing the client account, or if the restrictions would require MCA to deviate from its standard suite of services, MCA 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 any other administrative fees. MCA does not participate in any wrap fee programs.

#### **E. Amounts Under Management**

MCA has the following assets under management:

| Discretionary Amounts: | Non-discretionary Amounts: | Date Calculated: |
|------------------------|----------------------------|------------------|
| \$500,000.00           | \$0.00                     | 12/31/2014       |

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## Item 5: Fees and Compensation

### A. Fee Schedule

#### *Investment Advisory Services*

MCA will inform clients of investment advisory services offered through the sub advisor Turn8 Partners Inc. This relationship will be disclosed in each contract between MCA and the Client. The fees billed will not exceed any limit imposed by any regulatory agency. The total fee paid by the client is negotiable depending upon the needs of the client and complexity of the situation. Clients will pay fees directly to MCA. Turn8 will bill MCA for the subadvisory services. Because fees are charged in arrears, no refund is necessary. 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 fifteen (15) days' written notice.

#### Fee Schedule:

|                                  |            |
|----------------------------------|------------|
| First \$500,000 =                | 1.25%      |
| Next \$500,001 - \$1,000,000 =   | 1.00%      |
| Next \$1,000,001 - \$3,000,000 = | 0.70%      |
| Next \$3,000,001 - \$5,000,000 = | 0.40%      |
| Next 5, 000,000 and above =      | Negotiable |

#### *Financial Planning Fees*

##### *Fixed Fees*

Depending upon the complexity of the situation and the needs of the client, the rate for creating client financial plans is between \$2,500.00 and \$20,000.00. Fees are paid in advance, but never more than six months in advance, with the remainder due upon presentation of the plan. Fees that are charged in advance will be refunded based on the prorated amount of work completed at the point of termination. The fees are negotiable and the final fee schedule will be attached as Exhibit II of the Financial Planning Agreement. Clients may terminate their contracts without penalty within five business days of signing the agreement.

## ***Hourly Fees***

Depending upon the complexity of the situation and the needs of the client, the hourly fee for these services is between \$250.00 and \$350.00. The fees are negotiable and the final fee schedule will be attached as Exhibit II of the Financial Planning Agreement. Fees are paid in arrears upon completion. Because fees are charged in arrears, no refund is necessary. Clients may terminate their contracts without penalty within five business days of signing the agreement.

### **B. Payment of Fees**

#### ***Payment of Investment Advisory Services***

Clients will pay fees directly to MCA. Fees for services can be paid by check.

#### ***Payment of Financial Planning Fees***

Fixed Financial Planning fees are paid via check in advance, but never more than six months in advance, with the remainder due upon presentation of the plan.

Hourly Financial Planning fees are paid via check in arrears upon completion.

### **C. Clients Are Responsible 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 MCA. Please see Item 12 of this brochure regarding broker/custodian.

### **D. Prepayment of Fees**

MCA collects fixed financial planning fees in advance. Fees will be refunded based on the prorated amount of work completed at the point of termination and refunds will be returned within fourteen days to the client via check.

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

Neither MCA 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**

MCA 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**

MCA generally provides money management services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals

### ***Minimum Account Size***

There is no account minimum.

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

### **A. Methods of Analysis and Investment Strategies**

#### ***Methods of Analysis & Investment Strategies***

Methods of analysis include fundamental analysis and MCA investment strategy focuses on long term trading. However, MCA's ultimate goal is creation of a cross-border plan, including analysis and recommendations in the areas of: tax planning, estate planning, retirement planning, investment planning, health coverage and insurance, immigration and tax filing.

**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.

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

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

MCA generally seeks investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international equity markets. Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) 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. They can be of bond “fixed income” nature (lower risk) or stock “equity” nature (mentioned above).

**Equity** investment generally refers to buying shares of stocks by an individual or firms in return for receiving a future payment of dividends and capital gains if the value of the stock increases. There is an innate risk involved when purchasing a stock that it may decrease in value and the investment may incur a loss.

**Treasury Inflation Protected/Inflation Linked Bonds:** The risk of default on these 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.

**Fixed Income** is an investment that guarantees fixed periodic payments in the future that may involve economic risks such as inflationary risk, interest rate risk, default risk, repayment of principal risk, etc.

**Debt securities** carry risks such as the possibility of default on the principal, fluctuation in interest rates, and counterparties being unable to meet obligations.

**Stocks & Exchange Traded Funds (ETFs):** Investing in stocks and ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy).

**Real Estate** funds face several kinds of risk that are inherent in this sector of the market. Liquidity risk, market risk and interest rate risk are just some of the factors that can influence the gain or loss that is passed on to the investor. Liquidity and market risk tend

to have a greater effect on funds that are more growth-oriented, as the sale of appreciated properties depends upon market demand. Conversely, interest rate risk impacts the amount of dividend income that is paid by income-oriented funds.

**Hedge Funds** are not suitable for all investors and involve a high degree of risk due to several factors that may contribute to above average gains or significant losses. Such factors include leveraging or other speculative investment practices, commodity trading, complex tax structures, a lack of transparency in the underlying investments, and generally the absence of a secondary market.

**REITs** have specific risks including valuation due to cash flows, dividends paid in stock rather than cash, and the payment of debt resulting in dilution of shares.

**Private placements** carry a substantial risk as they are largely unregulated offerings not subject to securities laws. Liquidity risk and the absence of a secondary market are significant risk factors.

**Precious Metal ETFs** (e.g., Gold, Silver, or Palladium Bullion backed “electronic shares” not physical metal): Investing in precious metal ETFs carries the risk of capital loss.

**Commodities** are tangible assets used to manufacture and produce goods or services. Commodity prices are affected by different risk factors, such as disease, storage capacity, supply, demand, delivery constraints and weather. Because of those risk factors, even a well-diversified investment in commodities can be uncertain.

**Options** are contracts to purchase a security at a given price, risking that an option may expire out of the money resulting in minimal or no value. An uncovered option is a type of options contract that is not backed by an offsetting position that would help mitigate risk. The risk for a “naked” or uncovered put is not unlimited, whereas the potential loss for an uncovered call option is limitless. Spread option positions entail buying and selling multiple options on the same underlying security, but with different strike prices or expiration dates, which helps limit the risk of other option trading strategies. Option writing also involves risks including but not limited to economic risk, market risk, sector risk, idiosyncratic risk, political/regulatory risk, inflation (purchasing power) risk and interest rate risk.

**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.**

## **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 MCA 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 MCA 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**

Matthew C. Altro is Chief Operating Officer of Altro Levy LLP, a Cross Border Estate Planning firm. From time to time, he may offer clients advice or products from those activities and clients should be aware that these services may involve a conflict of interest. MCA always acts in the best interest of the client and clients are in no way required to the services of any representative of MCA in connection with such individual's activities outside of MCA.

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

MCA will direct clients to third-party money managers. MCA 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 MCA and each third-party advisor. The fees shared will not exceed any limit imposed by any regulatory agency. This creates a conflict of interest in that MCA has an incentive to direct clients to the third-party money managers that provide MCA with a larger fee split; however, MCA's arrangement with Turn8 is the only third-party money manager relationship currently in place. MCA will always act in the best interests of the client, including when determining which third-party manager to recommend to clients. MCA will ensure that all recommended advisors or managers are licensed or notice filed in the states in which MCA is recommending them to clients.

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

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

MCA has a written Code of Ethics that covers the following areas: Conflicts of Interest, Gifts and Entertainment, Confidentiality, 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.

A copy of the Code of Ethics will be provided to the Client or prospective Client upon request.

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

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

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

Representatives of MCA will not buy or sell securities for themselves that they also recommend to clients.

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

From time to time, representatives of MCA may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of MCA 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, MCA will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

## Item 12: Brokerage Practices

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

MCA only offers selection of other advisors and financial planning services, has no assets under management, and does not trade client's accounts or recommend custodians.

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

MCA receives no research, product, or services from a broker-dealer or third-party ("soft dollar benefits").

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

MCA 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*

MCA offers selection of other advisors and financial planning services only, does not trade client's accounts or recommend custodians, and therefore does not direct brokerage.

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

MCA offers selection of other advisors and financial planning services only, does not trade client's accounts or recommend custodians, 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 financial planning accounts are reviewed upon financial plan creation and plan delivery by Matthew C. Altro, Principal & Chief Executive Officer. There is only one level of review and that is the total review conducted to create the financial plan.

## **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 will receive the financial plan upon completion.

# **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)**

MCA does not receive any economic benefit, directly or indirectly from any third party for advice rendered to MCA clients.

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

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

# **Item 15: Custody**

MCA 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.

# **Item 16: Investment Discretion**

For those client accounts where MCA will have investment discretion, the client has given MCA written discretionary authority over the client's accounts with respect to securities to be bought or sold and the amount of securities to be bought or sold. Details of the relationship are fully disclosed to the client before any advisory relationship has commenced. The client provides MCA discretionary authority via a discretionary investment management clause in the Investment Advisory Contract and/or a limited power of attorney clause in the contract between the client and the custodian.

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

MCA 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**

MCA neither requires nor solicits 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.

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

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

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

MCA has not been the subject of a bankruptcy petition in the la

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

### **A. Fee Schedule**

#### ***Investment Advisory Services***

MCA will inform clients of investment advisory services offered through the sub advisor Turn8 Partners Inc. This relationship will be disclosed in each contract between MCA and the Client. The fees billed will not exceed any limit imposed by any regulatory agency. The total fee paid by the client is negotiable depending upon the needs of the client and complexity of the situation. Clients will pay fees directly to MCA. Turn8 will bill MCA for the subadvisory services. Because fees are charged in arrears, no refund is necessary. 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 fifteen (15) days' written notice.

Fee Schedule:

|                                  |            |
|----------------------------------|------------|
| First \$500,000 =                | 1.25%      |
| Next \$500,001 - \$1,000,000 =   | 1.00%      |
| Next \$1,000,001 - \$3,000,000 = | 0.70%      |
| Next \$3,000,001 - \$5,000,000 = | 0.40%      |
| Next 5, 000,000 and above =      | Negotiable |

***Financial Planning Fees***

***Fixed Fees***

Depending upon the complexity of the situation and the needs of the client, the rate for creating client financial plans is between \$2,500.00 and \$20,000.00. Fees are paid in advance, but never more than six months in advance, with the remainder due upon presentation of the plan. Fees that are charged in advance will be refunded based on the prorated amount of work completed at the point of termination. The fees are negotiable and the final fee schedule will be attached as Exhibit II of the Financial Planning Agreement. Clients may terminate their contracts without penalty within five business days of signing the agreement.

***Hourly Fees***

Depending upon the complexity of the situation and the needs of the client, the hourly fee for these services is between \$250.00 and \$350.00. The fees are negotiable and the final fee schedule will be attached as Exhibit II of the Financial Planning Agreement. Fees are paid in arrears upon completion. Because fees are charged in arrears, no refund is necessary. Clients may terminate their contracts without penalty within five business days of signing the agreement.

**B. Payment of Fees**

***Payment of Investment Advisory Services***

Clients will pay fees directly to MCA. Fees for services can be paid by check.

***Payment of Financial Planning Fees***

Fixed Financial Planning fees are paid via check in advance, but never more than six months in advance, with the remainder due upon presentation of the plan.

Hourly Financial Planning fees are paid via check in arrears upon completion.

### **C. Clients Are Responsible 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 MCA. Please see Item 12 of this brochure regarding broker/custodian.

### **D. Prepayment of Fees**

MCA collects fixed financial planning fees in advance. Fees will be refunded based on the prorated amount of work completed at the point of termination and refunds will be returned within fourteen days to the client via check.

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

Neither MCA 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**

MCA 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**

MCA generally provides money management services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals

### ***Minimum Account Size***

There is no account minimum.

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

### D. Methods of Analysis and Investment Strategies

#### *Methods of Analysis & Investment Strategies*

Methods of analysis include fundamental analysis and MCA investment strategy focuses on long term trading. However, MCA's ultimate goal is creation of a cross-border plan, including analysis and recommendations in the areas of: tax planning, estate planning, retirement planning, investment planning, health coverage and insurance, immigration and tax filing.

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

### E. 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.

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

### F. Risks of Specific Securities Utilized

MCA generally seeks investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international equity markets. Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) 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. They can be of bond “fixed income” nature (lower risk) or stock “equity” nature (mentioned above).

**Equity** investment generally refers to buying shares of stocks by an individual or firms in return for receiving a future payment of dividends and capital gains if the value of the stock increases. There is an innate risk involved when purchasing a stock that it may decrease in value and the investment may incur a loss.

**Treasury Inflation Protected/Inflation Linked Bonds:** The risk of default on these 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.

**Fixed Income** is an investment that guarantees fixed periodic payments in the future that may involve economic risks such as inflationary risk, interest rate risk, default risk, repayment of principal risk, etc.

**Debt securities** carry risks such as the possibility of default on the principal, fluctuation in interest rates, and counterparties being unable to meet obligations.

**Stocks & Exchange Traded Funds (ETFs):** Investing in stocks and ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy).

**Real Estate** funds face several kinds of risk that are inherent in this sector of the market. Liquidity risk, market risk and interest rate risk are just some of the factors that can influence the gain or loss that is passed on to the investor. Liquidity and market risk tend to have a greater effect on funds that are more growth-oriented, as the sale of appreciated properties depends upon market demand. Conversely, interest rate risk impacts the amount of dividend income that is paid by income-oriented funds.

**Hedge Funds** are not suitable for all investors and involve a high degree of risk due to several factors that may contribute to above average gains or significant losses. Such factors include leveraging or other speculative investment practices, commodity trading, complex tax structures, a lack of transparency in the underlying investments, and generally the absence of a secondary market.

**REITs** have specific risks including valuation due to cash flows, dividends paid in stock rather than cash, and the payment of debt resulting in dilution of shares.

**Private placements** carry a substantial risk as they are largely unregulated offerings not subject to securities laws. Liquidity risk and the absence of a secondary market are significant risk factors.

**Precious Metal ETFs** (e.g., Gold, Silver, or Palladium Bullion backed “electronic shares” not physical metal): Investing in precious metal ETFs carries the risk of capital loss.

**Commodities** are tangible assets used to manufacture and produce goods or services. Commodity prices are affected by different risk factors, such as disease, storage capacity, supply, demand, delivery constraints and weather. Because of those risk factors, even a well-diversified investment in commodities can be uncertain.

**Options** are contracts to purchase a security at a given price, risking that an option may expire out of the money resulting in minimal or no value. An uncovered option is a type of options contract that is not backed by an offsetting position that would help mitigate risk. The risk for a “naked” or uncovered put is not unlimited, whereas the potential loss for an uncovered call option is limitless. Spread option positions entail buying and selling multiple options on the same underlying security, but with different strike prices or expiration dates, which helps limit the risk of other option trading strategies. Option writing also involves risks including but not limited to economic risk, market risk, sector risk, idiosyncratic risk, political/regulatory risk, inflation (purchasing power) risk and interest rate risk.

**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.**

## **Item 9: Disciplinary Information**

### **D. Criminal or Civil Actions**

There are no criminal or civil actions to report.

### **E. Administrative Proceedings**

There are no administrative proceedings to report.

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

There are no self-regulatory organization proceedings to report.

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

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

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

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

Neither MCA 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.

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

Matthew C. Altro is Chief Operating Officer of Altro Levy LLP, a Cross Border Estate Planning firm. From time to time, he may offer clients advice or products from those activities and clients should be aware that these services may involve a conflict of interest. MCA always acts in the best interest of the client and clients are in no way required to the services of any representative of MCA in connection with such individual's activities outside of MCA.

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

MCA will direct clients to third-party money managers. MCA 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 MCA and each third-party advisor. The fees shared will not exceed any limit imposed by any regulatory agency. This creates a conflict of interest in that MCA has an incentive to direct clients to the third-party money managers that provide MCA with a larger fee split; however, MCA's arrangement with Turn8 is the only third-party money manager relationship currently in place. MCA will always act in the best interests of the client, including when determining which third-party manager to recommend to clients. MCA will ensure that all recommended advisors or managers are licensed or notice filed in the states in which MCA is recommending them to clients.

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

## **E. Code of Ethics**

MCA has a written Code of Ethics that covers the following areas: Conflicts of Interest, Gifts and Entertainment, Confidentiality, 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.

A copy of the Code of Ethics will be provided to the Client or prospective Client upon request.

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

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

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

Representatives of MCA will not buy or sell securities for themselves that they also recommend to clients.

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

From time to time, representatives of MCA may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of MCA 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, MCA will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

### **Item 12: Brokerage Practices**

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

MCA only offers selection of other advisors and financial planning services, has no assets under management, and does not trade client's accounts or recommend custodians.

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

MCA receives no research, product, or services from a broker-dealer or third-party ("soft dollar benefits").

##### ***5. Brokerage for Client Referrals***

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

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

MCA offers selection of other advisors and financial planning services only, does not trade client's accounts or recommend custodians, and therefore does not direct brokerage.

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

MCA offers selection of other advisors and financial planning services only, does not trade client's accounts or recommend custodians, and therefore does not have the ability to block trade purchases across accounts.

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

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

All financial planning accounts are reviewed upon financial plan creation and plan delivery by Matthew C. Altro, Principal & Chief Executive Officer. There is only one level of review and that is the total review conducted to create the financial plan.

### **E. 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).

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

Each client will receive the financial plan upon completion.

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

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

MCA does not receive any economic benefit, directly or indirectly from any third party for advice rendered to MCA clients.

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

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

#### **Item 15: Custody**

MCA 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.

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

For those client accounts where MCA will have investment discretion, the client has given MCA written discretionary authority over the client's accounts with respect to securities to be bought or sold and the amount of securities to be bought or sold. Details of the relationship are fully disclosed to the client before any advisory relationship has commenced. The client provides MCA discretionary authority via a discretionary investment management clause in the Investment Advisory Contract and/or a limited power of attorney clause in the contract between the client and the custodian.

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

MCA 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**

##### **D. Balance Sheet**

MCA neither requires nor solicits 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.

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

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

**F. Bankruptcy Petitions in Previous Ten Years**

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