

**Part 2A of Form ADV: *Firm Brochure***

**Latash Investments, LLC**

301 West Northern Lights, Suite 412  
Anchorage, AK 99503

Telephone: 907-868-7580  
Email: pjahnsen@latashalaska.net

03/18/2016

This brochure provides information about the qualifications and business practices of Latash Investments, LLC. If you have any questions about the contents of this brochure, please contact us at 907-868-7580 or pjahnsen@latashalaska.net. 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 Latash Investments, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 128012.

*Registration with the SEC or other state securities authorities as a registered investment advisor does not imply a certain level of skill or training*

## **Item 2     Material Changes**

The SEC adopted "Amendments to Form ADV" in July, 2010. This Firm Brochure, dated 03/18/2016, is our disclosure document prepared according to the SEC's requirements and rules.

In accord with requirements, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary.

There are no material changes to report since our brochure dated 03/20/2015

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## **Item 4 Advisory Business**

### **Firm description**

Latash Investments, LLC is a SEC-registered investment adviser with its principal place of business located in Alaska. Latash Investments LLC, ("Latash") began conducting business in 2002

The firm's principal shareholders (i.e., those individuals and/or entities controlling 25% or more of this company) are listed below:

Latash Inc., an Alaska corporation, owns 100% of Latash Investments, LLC. Gary Dalton owns 50% of Latash Inc.

### **Types of services**

Latash offers investment advisory services to our clients on both a discretionary and non-discretionary basis.

### **Tailoring services to client needs**

Our firm provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we create and manage a portfolio based on those discussions. During our data-gathering process, we typically determine the client's objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we also review and discuss a client's prior investment history, as well as family composition and background in the case of individuals. In the case of institutional clients other factors such as regulatory requirements and unique needs and circumstances are discussed and incorporated into planning of investment strategy.

Account supervision is guided by the client's objectives, unique needs and circumstances, as well as tax considerations.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company and will generally include advice regarding the following securities:

- Exchange-listed securities
- Securities traded over-the-counter
- Foreign issuers
- Warrants
- Corporate debt securities (other than commercial paper)
- Commercial paper

- Certificates of deposit
- Municipal securities
- Mutual fund shares
- United States governmental securities
- Options contracts on securities
- Interests in partnerships investing in real estate
- Interests in partnerships investing in oil and gas interests
- Interests in partnerships investing in areas such as venture capital, distressed debt, leveraged buyout (LBO funds) and other areas.
- Other alternative investments such as hedge funds in a variety of strategies may also be utilized.

Because some types of investments involve certain additional degrees of risk, they will only be implemented or recommended when consistent with the client's investment objectives, tolerance for risk, liquidity and suitability. Many partnership and other alternative investments involve a substantial amount of risk and are also illiquid; meaning an investor's money can be tied up for substantial periods of time as well as potentially losing money. It is also common for the general partner or managers in the alternatives arena to charge substantial management fees as well as performance fees if certain 'hurdle rates' are met. These types of investments will require that an investor have really substantial means and, typically, a long term time horizon. Such investors are often termed "high net worth", "accredited" or "qualified" investors. Since inception of Latash, our clients, have generally met at least one of these types of criteria. While Latash has no stated minimum account, we may not be a suitable advisor for investors who could not participate in these types of investments. Historically, such investments have been an important part of portfolio strategy for a majority of our clients. Much of the work Latash performs for clients involves using third party investment managers as sub-advisers to implement various strategies.

#### **D. Assets managed estimate as of 12.31.2015**

Discretionary	Non-discretionary	Total
\$802,975,455	\$294,859,142	\$1,097,834,597

#### **ITEM 5 Fees and Compensation**

Following is the firm's standard fee schedule for Investment Advisory Services. All fees are negotiable. In some cases clients have negotiated fixed fees. To date, all clients have negotiated fees.

Assets Under Management:

Annual Fee:

\$0 to \$5 million	1.00%
\$5 to 10 million	0.75%
\$10 to 25 million	0.50%
Greater than \$25 million	0.25%

For asset value based accounts fees are typically payable monthly, in arrears. The firm or asset holding custodian calculates asset value as of the last business day of the calendar month. Fees are calculated by multiplying month-end assets under management by the stated rate and dividing by 12. Clients may elect whether the firm shall deduct fees from client's assets or be separately billed.

The firm may also charge fixed fees or undertake special projects. Fees for these services will vary widely depending on the complexity of the project. The terms and fees for these arrangements will be specified in the Agreement.

### **Other Fees and Charges**

All fees described above are advisory fees only (charged by Latash) and do not include custodial charges, transaction fees, commissions or markups/markdowns, underlying mutual fund expenses, or applicable Subadviser fees (all charged by third parties).

Clients who receive advice from Subadvisers effectively pay two, or more, separate management fees on the same assets: one fee is paid for services provided by Latash and described above. The other fees are paid in the form of additional fees charged directly by the sub-adviser, which may include performance fees or other fees.

Latash may choose to execute security trades with firms other than the custodian/broker-dealer holding the client's account. This generally occurs when the other firm may have a more extensive inventory than the custodian or offer a more favorable transaction to clients. Custodians typically charge an extra fee for settling trades executed in this manner. Latash may consider the effect of extra charges on the client's return when deciding where to execute transactions.

### **Additional General Information**

**Termination of Advisory relationship:** A client agreement may be canceled at any time by either party, for any reason, upon receipt of 10 days written notice. Upon termination of any account, any prepaid, unearned fees will be promptly refunded. New relationships may cancel within five days with no fees charged by Latash Investments, LLC.

**Mutual Fund Fees:** All fees paid to Latash for investment advisory services are separate and distinct from the fees and expenses shared by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales

charges, a client may pay an initial or deferred sales charge, although generally we tend to avoid funds that impose sales charges. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

***Separately Managed Account Fees:*** Clients participating in separately managed account programs may be charged various program fees in addition to the advisory fee charged by our firm. Such fees may include the investment advisory fees of the independent advisers.

***Additional Fees and Expenses:*** In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

***Advisory Fees in General:*** Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

***Limited Prepayment of Fees:*** Under no circumstances do we require or solicit payment of fees in excess of \$1,200 more than six months in advance of services rendered.

**Please note: Latash and its supervised persons do not receive commission compensation for the sale of securities or service fees (12b-1) from the sale of mutual funds.**

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

Latash Investments, LLC does not charge performance-based fees.

## **Item 7 Types of Clients**

Latash provides advisory services to the following types of clients:

- High net worth individuals and their trusts
- Charitable organizations
- A financial institution and its holding company (on a non-discretionary basis)

- “Family and Friends” LLCs, where a pooled investment vehicle has been formed for one or more high net worth individuals, who typically are members of one family. These pooled investment vehicles are not open to additional investors.

Since inception of Latash our clients to date, have generally met at least one of the criteria of being “accredited, qualified or institutional “ investors. This means they may be eligible to invest in partnership or other alternative investments that may not be suitable for many investors. While Latash has no stated minimum account, Latash may not be a suitable advisor for investors who could not participate in these types of investments. Historically, such investments have been an important part of portfolio strategy for a majority of our clients. Much of the work Latash does for clients involves using third party investment managers as sub-advisers to implement various strategies.

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

### **METHODS OF ANALYSIS**

We, (or underlying sub-advisors) may use the following methods of analysis in formulating our investment advice and/or managing client assets:

***Charting.*** In this type of technical analysis, we review charts of market and security activity in an attempt to identify when the market is moving up or down and to predict how long the trend may last and when that trend might reverse.

***Fundamental Analysis.*** We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

***Technical Analysis.*** We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement.

Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

***Risks for all forms of analysis.*** Our securities analysis methods rely on the



assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

## INVESTMENT STRATEGIES

We, (or underlying sub-advisers), may use the following strategy(ies) in managing client accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

**Long-term purchases:** We purchase securities with the idea of holding them in the client's account for a year or longer. Typically we employ this strategy when:

- we believe the securities to be currently undervalued, and/or
- we want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

**Short-term purchases:** When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

**Trading:** We purchase securities with the idea of selling them very quickly (typically within 30 days or less). We do this in an attempt to take advantage of our predictions of brief price swings. This is not a common practice for our firm but under certain circumstances we could employ a trading strategy for our clients.

**Short sales:** Typically, this strategy would be employed via a sub-adviser, typically in a hedge fund format where the manager may be both long and short various securities. In a short sale, the manager would borrow shares of a stock for a client's portfolio from someone who owns the stock on a promise to replace the shares on a future date at a certain price. Those borrowed shares are then sold. On the agreed-upon future date, the manager would buy the same stock and return the shares to the original owner. A manager would engage in short selling based on its determination that the stock will go down in price after the manager has borrowed the shares. If the manager is correct and the stock price has gone down since the shares were purchased from the original owner, the client account realizes the profit.

**Option writing:** We may use options as an investment strategy. An option is a

contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset.

The two types of options are calls and puts:

- A call gives us the right to buy an asset at a certain price within a specific period of time. We will buy a call if we believe it likely that the stock will increase substantially before the option expires.
- A put gives us the holder the right to sell an asset at a certain price within a specific period of time. We will buy a put if we believe that the price of the stock will likely fall before the option expires.

We could use options to speculate on the possibility of a sharp price swing. We will also use options to "hedge" a purchase of the underlying security; in other words, we will use an option purchase to limit the potential upside and downside of a security we have purchased for your portfolio.

We use "covered calls" strategies, in which we sell an option on a security a client owns. In this strategy, the client receives a fee for making the option available, and the person purchasing the option has the right to buy the security from the client at an agreed-upon price. Historically, writing covered calls has been the option strategy most often used by our firm. Sub-advisers may potentially engage in a wide variety of underlying option strategies.

We could use a "spreading strategy", in which we purchase two or more option contracts (for example, a call option that a client buys and a call option that a client sells) for the same underlying security. This effectively puts the client on both sides of the market, but with the ability to vary price, time and other factors.

For the majority of assets in our care, Latash places client accounts with third-party sub-advisers. The strategies used by these sub-advisers will be described in the disclosure documents provided by these entities. The sub-advisers may use additional strategies that could expose the investor to additional risks. In alternative investments there are often many additional layers of risk that may include, among other risks, leverage, lack of transparency, solvency of the manager, personnel risk, execution of strategy risk, lack of liquidity, and in some cases very long time horizons with very limited, if any, way to get out prior to the legal term of the investment.

Latash also provides fixed income and cash management to clients. At this time, this strategy is primarily employed for a non-discretionary client investing in high credit quality securities.

Standard marketable securities as well as private placements may be utilized. Management tools may include: duration analysis, sector analysis, yield curve placement, option adjusted spread analysis, and individual security selection. Security credit ratings and trading ranges are monitored. Relative value trading will take place from time to time. Opportunistic investments in areas such as

conventional or trust preferred securities, CLO and lower rated securities may also be utilized from time to time with various clients.

**Risk of Loss:** Securities investments are not guaranteed and you may lose money on your investments. We ask that you work with us to help us understand your tolerance for risk.

## **Item 9 Disciplinary Information**

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Our firm and our management personnel have no material reportable disciplinary events to disclose.

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

For clients using Latash for investment management, the firm may also make available additional services, such as bookkeeping and supporting tax preparation, including services that may permit check writing authority. This constitutes custody on behalf of Latash and must be authorized by the client. Funds over which Latash has signature access will always be held with a third-party, qualified custodian and the client will receive statements of all activity or annual audits of the entity involved will be provided.

The firm may also undertake specific projects, as determined by client need. The scope of such projects, and the associated fees, will be described in an addendum to the Agreement.

Other than the items above our firm and our related persons are not engaged in other financial industry activities and have no other financial industry affiliations.

We are not a broker dealer or dealer representative. We are not registered in any way related to commodity trading or pools.

Latash Investments, LLC is neither paid referral fees nor does it pay referral fees.

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

### **Code of ethics**

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with

applicable federal securities laws including SEC rule 204A-1.

Latash and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.

Latash Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While extremely infrequent that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to [gдалton@latashalaska.net](mailto:gдалton@latashalaska.net), or by calling us at 907-868-7580.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

### **Material financial interests**

As per our Code of Ethics, we expect any material conflicts of interest to be disclosed. We do not buy or sell securities from our clients.

Latash or its associates will, on occasion, serve as the manager for limited purpose investment vehicles. These entities are formed with the specific intent of investing in various private offerings that the firm has identified on behalf of clients. All clients who participate in these pooled investments will meet the issuer's requirements for accredited or otherwise qualified purchasers. The firm in its role as adviser will typically prepare a summary of the investment, the risks, terms, and conditions, in addition to subscription and other documents. The firm does not charge a separate fee for this service. Expenses associated with the formation and management of the limited liability company, such as legal fees, accounting charges, or other miscellaneous costs will be charged to the entity and paid by the client prior to any return. In the future, assuming investment returns, which are not guaranteed, costs may be paid from investment returns prior to distribution of those returns to investors. These vehicles are not marketed. New clients may not join these vehicles.

Where Latash or its associates participate in a pooled offering, the firm will not organize the pool in such a way that firm or affiliate involvement will limit or

otherwise disadvantage client participation. For instance, Latash and its associates would refrain from personal investing in a given pool if that participation meant that a client would be unable to participate.

Latash Investments, LLC is not a broker dealer and does not position securities or earn transaction fees from clients on a principal or agency basis.

### **Investing personal money in same securities as clients**

Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any of our related person(s) may have an interest or position in a certain security(ies) which may also be recommended to, or may be held by, a client. In certain cases, the holdings of securities owned by our related persons or employees that are also held by our clients may be material.

Latash personnel place client transactions ahead of personal trade activities. All personal transactions of control individuals associated with Latash must be reported within 10 days of the end of a calendar quarter. Personnel are expected to report any transactions or ownership positions that may represent a conflict of interest in the conduct of duties on behalf of firm clients. If Latash personnel participate in private transactions, it will be on the same terms and conditions as clients and after clients have received their desired allocations. In the case of limited availability client considerations come first.

### **Personal securities trading**

It is clearly understood that client interests come first. Client trades are to be executed prior to ones own or could be aggregated with a client trade to achieve a more efficient transaction.

As professional investment advisers, our primary obligation is to make available to our clients the best investment thinking of which we are capable. Investment activities of firm personnel should in no way conflict with this aim and in every possible way should serve it. Ownership by firm personnel of securities owned by clients is permitted primarily because we believe it increases interest in these securities. However, we recognize the possibility of conflict under such circumstances and therefore set standards to assure that the client's interests will always take precedence.

### **Item 12 Brokerage Practices**

Clients grant discretionary authority to Latash in the Client Agreement. The firm has authority to determine, without obtaining specific client consent, securities to be bought or sold; amount of the securities to be bought or sold; the broker or

dealer to be used; commission rates paid; and which sub-advisers will be used. Clients may direct Latash to avoid certain securities or industries, or to consider other factors that may be important to them. Orders may also be placed with brokers selected by the client. Generally, in the case of trades directed to a particular broker, commission arrangements are negotiated in advance by the client and the broker, taking into account services provided by the broker, which may include custody. Such direction of business may prevent the client from participating in trading opportunities made available to the firm's clients through other brokers.

Latash uses its discretionary authority in the selection, retention, and, where necessary, termination of sub-advisers. These sub-advisers may have different policies than Latash regarding investment restrictions and will usually be directly responsible for investment selection, and determination of broker used or commission charged. Clients should see the sub-adviser's disclosure documents for details.

When involved directly in client trade executions, Latash may put a transaction out for pricing with several broker-dealers and will award the transaction based on Latash's estimation of where best execution will be afforded. These factors may include but are not limited to quality of execution, clearing and settlement capability, size and timing of transactions, commissions, and the firm's past experience with the broker-dealer in making this determination.

#### **Research and other soft dollar benefits**

Latash generally receives access to research offered by the firms to which it directs business, but does not have any agreement to acquire research products through brokerage commissions. Research obtained will be used to service some or all of the firm's accounts, not just those actually executing transactions through (and thereby paying) the providing brokerage firm.

The firm's clients may pay commissions higher than those obtainable from other brokers in return for the products, research, and services Latash receives.

Latash has a very limited number of clients with a great deal of asset management performed by sub-advisers. To the degree that clients trades are made by Latash at the same time for the same strategy we may endeavor to aggregate trades in order to try and improve execution.

#### **Additional Compensation**

The firm has no specific agreements to receive cash or other benefits from a non-client in connection with giving advice to clients. As a practical matter, however, Latash may benefit from the technology, ease of use, or quality of service afforded by a particular vendor. These factors may not directly benefit clients but could affect Latash decisions about whether to use the vendor.

### **Brokerage for Client Referrals**

Latash does not provide brokerage for client referrals.

### **Clients May Direct Which Broker/Dealer/Custodian to Use**

Clients may direct which brokerage/dealer/custodian to use. This may result in a less efficient transaction than would otherwise be the case and this could potentially cost the client money. In the case where a client directs Latash to use a certain broker dealer the following conditions could apply: inability to negotiate commissions, inability to obtain volume discounts, and there could be a disparity in commission charges among clients who direct the adviser to utilize a particular broker dealer and those who do not.

Latash Investments, LLC does not require any specific broker dealer to effect transactions for clients. If asked, we may recommend a specific broker or custodian.

## **Item 13 Review of Accounts**

### **Periodic Reviews**

Accounts are reviewed on a regular basis by the President, CIO and Controller of Latash (Gary Dalton, Petter Jahnsen, and Cheryl Quinn respectively). Our Controller is not involved in investment advice to clients. Firm accounts are reviewed by this group. Items reviewed may include: Portfolio structure versus policy targets, liquidity requirements, portfolio performance versus benchmarks, sub-adviser performance versus expectations, and client specific requests, if any, regarding the account.

Latash has incorporated regular meetings in its structure to review current firm activities and client requirements.

### **Factors That May Trigger a Non-periodic Review**

Non periodic reviews can be triggered by a material market or political events or by large changes in client needs that require prompt attention.

### **Report Frequency**

Clients receive reports on a monthly or quarterly basis and are always welcome to contact us for interim information.

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

Latash does not engage solicitors or pay related or non-related persons for referring potential clients to our firm.

It is Latash's policy not to accept or allow our related persons to accept compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

### **Item 15 Custody**

For the convenience of clients who desire it, and with whom we are comfortable doing it, Latash may be deemed to have custody of client assets which may include check writing ability. Per SEC requirements Latash has a "surprise audit" performed each year by an independent accounting firm. The independent audit firm posts the result of this audit about our firm on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search the site by our CRD number which is 128012. The audit letters from the independent auditors for prior years is available on the website.

In some cases, Latash has client custodians directly debit advisory fees from client accounts. As part of this billing process, the client's custodian calculates or is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

Because the custodian may not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

In addition to the periodic statements that clients receive directly from their custodians, we also send account statements directly to our clients on a monthly or quarterly basis. We urge our clients to carefully compare the information provided on these statements to ensure that all account transactions, holdings and values are correct and current.

### **Item 16 Investment Discretion**

Clients may hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission. Our discretionary authority includes the ability to do the following without contacting the client:

- determine the security to buy or sell; and/or
- determine the amount of the security to buy or sell
- determine which sub-advisers to utilize or not

Clients give us discretionary authority when they sign a discretionary agreement



with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions. The relationship is explained to the client in detail prior to an advisory relationship and may be updated over time as needs and circumstances of the client require such change.

## **Item 17 Voting Client Securities**

We vote proxies for client accounts that have individual securities we manage; however, clients always have the right to vote proxies themselves. A client can exercise this right by instructing us in writing to not vote proxies in their account.

We will vote proxies in the best interests of its clients and in accordance with our established policies and procedures. Our firm will retain all proxy voting books and records for the requisite period of time, including a copy of each proxy statement received, a record of each vote cast, a copy of any document created by us that was material to making a decision how to vote proxies, and a copy of each written client request for information on how the adviser voted proxies. If our firm has a conflict of interest in voting a particular action, we will notify the client of the conflict and retain an independent third-party to cast a vote.

Clients may obtain a copy of our complete proxy voting policies and procedures by contacting Petter Jahnsen by telephone (907-943-2802), email ([pjahnsen@latashalaska.net](mailto:pjahnsen@latashalaska.net)) or in writing. Clients may request, in writing, information on how proxies for his/her shares were voted. If any client requests a copy of our complete proxy policies and procedures or how we voted proxies for his/her account(s), we will promptly provide such information to the client.

We may choose to neither advise, nor act on behalf of the client in legal proceedings, involving companies whose securities are held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. If desired, clients may direct us to transmit copies of class action notices to the client or a third party. Upon such direction, we will make commercially reasonable efforts to forward such notices in a timely manner.

You can instruct us to vote proxies according to particular criteria (for example, to always vote with management, or to vote for or against a proposal to allow a so-called "poison pill" defense against a possible takeover). These requests must be made in writing. You can also instruct us on how to cast your vote in a particular proxy contest by contacting us at 907-743-2802.

In the case of sub-advisers being utilized, or mutual funds being utilized, the underlying manager or fund will typically follow their own policies and procedures regarding the voting of proxies of the holdings they manage.

## **Item 18 Financial Information**

### **Balance Sheet**

Under no circumstances do we require or solicit payment of fees in excess of \$1,200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

### **Conditions that may impair ability to perform for clients:**

As an advisory firm that maintains discretionary authority and, in some cases, is deemed to have custody, we are also required to disclose any financial condition that is reasonably likely to impair our ability to meet our contractual obligations. Latash Investments, LLC has no additional financial circumstances to report that could impair our ability to meet our contractual obligations.

### **Bankruptcy petitions in last ten years**

Latash Investments, LLC has not been the subject of a bankruptcy petition at any time.