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**Firm Brochure  
Form ADV Part 2A**

**February 13, 2017**

This Brochure provides information about the qualifications and business practices of Bainco International Investors, LLC ["Bainco"]. If you have any questions about the contents of this Brochure, please contact us at (617) 536-0333 or by email at [info@bainco.com](mailto:info@bainco.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.

Bainco is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. Additional Information about Bainco is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

## **Item 2 Material Changes**

This Firm Brochure, dated March 30, 2016, updates our Firm Brochure dated March 31, 2015. There have been no material changes to the Firm Brochure since our most recent annual amendment filed on March 31, 2015.

Currently, our Brochure may be requested by contacting Mark O'Keefe at (617) 536-0333 or by email at [info@bainco.com](mailto:info@bainco.com). Additional information about Bainco is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with Bainco who are registered, or are required to be registered, as investment adviser representatives of Bainco.

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## Item 4 Advisory Business

Bainco International Investors, LLC ("Bainco"), a Massachusetts limited liability company, commenced business on April 1, 1987. The firm was founded by its principal owner, Samuel E. Bain, Jr., CEO and Managing Member.

Bainco's discretionary assets under management as of December 31, 2015 were \$572,704,450 and non-discretionary assets as of December 31, 2015 were \$103,150,082.

Bainco was founded on the premise that significant assets demand attentive management and therefore we have kept the number of client relationships limited. Each account is managed individually and reflects our deep understanding of clients' stated investment objectives. We create a strategy around our clients' wealth which constantly evolves as family, business and economic circumstances change.

Bainco works on behalf of its clients, managing their liquid assets in public equities and ETF's, fixed income, cash equivalents and private investments. We use a combination of fundamental and quantitative analysis to select and manage investment holdings. Client portfolios generally have exposure to both domestic and international markets. By design, our clients have liquid assets of a size that allows us to customize each portfolio and to accommodate client-specific goals and objectives. Paying attention to the distinguishing elements of each client profile, our overall objectives are protection of capital and appreciation of after-tax wealth.

Bainco works with each client to develop an investment strategy and an appropriate asset allocation that is aligned with the client's individual investment objectives and constraints. We begin all client relationships by creating a detailed Investment Policy Statement ("IPS"). The IPS summarizes the client's investment strategy, asset allocation, liquidity needs, tax considerations, time horizon of investments, risk tolerance, return objectives and origin of funds.

Each client relationship is managed by a Portfolio Strategist. Their role is to oversee clients' investment portfolios; make specific recommendations about how their assets are invested; be cognizant of each client's risk profile based on their customized IPS; and understand the specific and unique needs of each client family. The Portfolio Strategist is directly supported by a Client Associate who is responsible for portfolio accounting, client service and administration of client portfolios.

In addition to the Portfolio Strategist and Client Associate, a Wealth Strategist often works on client relationships, helping to design the client's IPS, coordinate tax and estate planning with other professional advisors and identify unique and customized strategies.

A *Work Plan* is devised to summarize the various tasks, deadlines and action items necessary to achieve and maintain a client's goals and objectives.

We have considerable experience assisting clients with estate, tax and cash flow planning and have worked with many clients to diversify accounts with high concentrations of a single stock and/or illiquid holdings. Bainco provides consultation that is integrated with each client's investment and personal objectives in the following areas:

- Cash Flow
- Income Tax and Estate Planning
- Charitable Gifting
- Education Planning

- Retirement Planning
- Pre-liquidity Events
- Concentrated Stock
- Insurance
- Debt Consolidation

Bainco helps to coordinate with the client's other professional advisors to ensure that there is financial oversight on the client's complete universe of wealth. We commit ourselves to each client's financial success by offering unparalleled service and attentive investment management; a commitment that is evidenced by the long tenure of our employees and the longevity of our client relationships.

## **Item 5 Fees and Compensation**

Fees are paid quarterly, in advance, at an annual rate of 1.5% of the appraised value of actively managed assets. On an exception basis, discounts may be offered at the discretion of the managing member. The accounts are billed as of the last day of each calendar quarter. Accounts that participate in the Efficient Asset Allocation Program ("EAAP") are charged an annual rate of 1%.

Clients sign a Fee Debit Authorization agreement as part of the Bainco contract which authorizes Bainco to directly debit fees from client accounts. Alternatively, clients may request to pay the fees via check or electronic transfer. Fees assessed on accounts initiated or terminated during a calendar quarter are prorated. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

Bainco's fees are exclusive of brokerage commissions, transaction fees, sales markups and other related costs and expenses which shall be incurred by the client. Clients may incur charges and/or fees imposed by custodians, brokers or other third parties. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to Bainco's fee, and Bainco shall not receive any portion of these commissions, fees, and costs. However, an affiliated broker-dealer of Bainco may receive compensation as explained in Item 10 of this Brochure.

Where the firm may select certain broker-dealers for client transactions, Item 12 further describes the factors that Bainco considers in its selection and determines the reasonableness of their compensation.

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

Bainco does not charge any performance-based fees (fees based on a share of capital gains or capital appreciation of the assets of a client). Further, Bainco does not offer side-by-side management as it relates to mutual funds and hedge funds.

## **Item 7 Types of Clients**

Bainco provides asset management services to high-net worth individuals and families as well as their related trusts, foundations, partnerships and retirement accounts. Our clients have complicated financial situations which require a significant amount of attention and an integrated financial approach.

Currently, a minimum of \$5,000,000 of a family's liquid assets is generally required to begin a relationship at Bainco. Under certain circumstances, the minimum account size may be waived.

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

Bainco works with each client to develop an investment strategy and an appropriate asset allocation that is aligned with the client's unique investment objectives and constraints. A formal Investment Policy Statement is created and a customized portfolio is then developed and managed over time. A Portfolio Strategist is assigned to each client relationship as a central point of contact.

Bainco manages all client portfolios in a tax sensitive manner, considering such issues as state of residence, AMT status, effective tax rate, loss carry-forwards, current year gains/losses, and charitable giving, to name just a few.

Bainco's approach to asset allocation encompasses two complementary components:

- **Strategic Long-Term Asset Allocation** - Based on a full understanding of the individual's goals, Bainco establishes strategic long-term asset allocation ranges that seek to provide strong investment returns over multiple market cycles by investing across asset classes, capitalizations and styles.
- **Tactical Asset Allocation** - In order to take advantage of current market imbalances and inefficiencies between asset classes, as well as its knowledge of how a business cycle affects asset classes, Bainco may make tactical shifts within each client's asset allocation range in an effort to enhance long-term rates of return or protect principal.

Unique client constraints and objectives are then overlaid onto the asset allocation framework.

Bainco's investment philosophy regards asset allocation and asset class diversification as the most important drivers in a portfolio's return/risk profile. A combination of value and growth and opportunistic investments are combined in a manner designed to increase returns and decrease risk. As with all investments, investment styles, strategies, and asset classes (as outlined in the next paragraph), there are investment risks which are identified and discussed with clients.

Bainco's core investment strategies include the following:

- **Fixed Income** - Capital preservation and income are stressed above all else for this asset class. Some portion of the Fixed Income portfolio may rotate based on economic and market cycle conditions. Every bond is screened to ensure that it meets our requirements for credit, liquidity, concentration, duration and covenant risk. Bainco contracts with a fixed income specialist who provides advice regarding the fixed income market in general and, on occasion, consults with individual Bainco portfolio strategists regarding recommended available bonds. For these services, Bainco pays a monthly fee to the consultant and no part of it is charged to, or reimbursable by, any individual client.
- **Domestic Equities** - Fundamental, bottom up stock analysis emphasizing quality companies with strong long-term growth potential, solid balance sheets and strong Return on Equity ("ROE") provides the basis for stock selection and inclusion in the equity portion of the portfolio. We believe this combination of consistency in profitability and balance sheet strength provides the optimal balance between upside potential and downside protection. We utilize both in-house and outside research to screen stocks with an acceptable ratio of upside potential to downside risk. Factors considered include ROE, earnings growth rates, cash flow and payout ratios among other things. Once the universe is determined, the process is bottom up. We seek to (1) identify companies with high quality earnings growth over a full cycle, (2) capitalize on secular growth themes, and (3) emphasize competitive positioning through our fundamental research.

- **International Equities**- This asset class offers additional diversification and growth opportunities to a portfolio. Currently, Exchange Traded Funds ("ETFs") are the primary investment vehicle used in this asset class. International markets have historically been highly cyclical, making it possible to profit from their tendency to trend relative to one another and to the US. With regard to allocation, we consider the relative attractiveness of US versus international, developed international countries versus emerging markets, value versus growth, and capitalization. Using a proprietary process, these markets are scored based on quantitative, fundamental and relative momentum factors. These data driven scores drive relative, regional, country, style and capitalization weights as well as exposure to developed markets versus emerging markets. All ETFs are screened for liquidity, expense ratio and issuer quality.

Bainco manages some assets outside the aforementioned core investment options. We may utilize options strategies within client portfolios to address concentrated positions, generate income and manage risk. These options strategies may include covered call writing, collaring, and buying and selling puts. Bainco may also invest in cash equivalents and mutual funds, ETFs and Exchange Traded Notes ("ETNs").

For related accounts that are not large enough to sufficiently diversify under Bainco's core investment strategy, Bainco may employ the Efficient Asset Allocation Program ("EAAP"). The objective of EAAP is to achieve correlation with the Bainco individually managed portfolio experience with a lower management fee and fewer positions. Currently, ETFs are the primary investment vehicle used to implement EAAP.

Investing in securities involves risk of loss including loss of principal that clients should be prepared to bear. Clients are strongly encouraged to review this Brochure, the client/firm agreement, their quarterly brokerage statements and other disclosure forms and/or agreements for a full understanding of the terms and conditions of service and any associated costs and risks therein. Questions or concerns may be addressed with firm personnel directly.

## **Item 9 Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to the evaluation of Bainco or the integrity of Bainco's management. A thorough review of firm and management personnel, legal, and/or disciplinary history may be conducted by visiting the SEC's Investment Adviser Public Disclosure website [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Questions or concerns may be addressed with firm personnel directly.

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

### **RELATIONSHIPS WITH RELATED THIRD PARTIES**

#### **Brokerage**

Newbury Street Capital Limited Partnership ("NSC"), an affiliate of Bainco, was registered as a broker/dealer with the NASD on February 22, 1994. NSC and Bainco are both managed by Samuel E. Bain, Jr. and maintained under common ownership. Through the latter part of 2015, NSC served as the broker of record for clients of Bainco. However, the decision was made to cease operations of NSC and recommend to clients a transition of primary brokerage services to Pershing Advisor Solutions ("PAS") as detailed in Item 12 of this Brochure.

During 2016, NSC may continue to receive 12b-1 fees and other compensation in connection with its relationships with other broker-dealers resulting from investments made in mutual funds until such time as operations fully cease. Additionally, there may be some commission revenue and interest sharing revenue earned by NSC up until such time as all accounts are transferred over to the PAS brokerage platform. The receipt of commission and other revenue resulting from securities transactions in client accounts poses a conflict of interest that customers should consider when transacting business with Newbury Street Capital.

### **Private Partnerships**

Bainco clients, where suitable, may participate in private investment opportunities as a means of asset diversification.

Bainco may make investment recommendations and/or provide advice concerning limited partnerships or other venture capital investments for which Bainco's affiliates may have a vested interest. This relationship may create a conflict of interest. In such cases, a related person acts in the capacity of general partner and is entitled to receive a management fee and have, by way of carried interest, an economic interest in the profits of the partnerships, disproportionate to their individual investments in the partnerships. This conflict is mitigated by a variety of factors, including the following:

(a) management fees and carried interest arrangements resulting from these partnerships are fully disclosed to each investor, (2) Bainco's fiduciary obligations to act in the best interest of its clients, (3) Employees' duty to honor the Code of Ethics, which prohibit firm personnel from acting in such a manner as to promote their own interests over those of the client, (4) Bainco's obligation, on an ongoing basis, to review client accounts, and (4) Bainco's commitment not to place its interests or those of any of its affiliates before its clients' interests when providing investment management services.

### **Externally Managed Funds**

Bainco may recommend to clients, where suitable, the opportunity to invest in externally managed funds. In such cases, the types of investments and fee structure related to the funds are fully disclosed in the subscription documents. Assets invested in these types of funds are charged a reduced management fee.

Related entities of Bainco may also from time to time, receive compensation as a result of recommending investments in venture capital funds. Bainco monitors these investments for clients, but no additional fees are paid by the client to Bainco for the value of these assets.

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

Bainco has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading and rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other policies. All supervised persons at Bainco must acknowledge and accept the terms of the Code of Ethics annually, or as amended.

Bainco anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which Bainco, its affiliates and/or clients, directly or indirectly, have a position of interest. Bainco's employees and persons associated with Bainco are required to follow Bainco's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Bainco and its



affiliates may trade for their own accounts in securities which are recommended to and/or purchased for Bainco's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Bainco 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. Under the Code, certain classes of securities have been designated as exempt transactions, based upon a determination that these would not materially interfere with the best interest of Bainco's clients. In addition, the Code requires pre-clearance of most transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees could benefit from market activity by a client. Employee trading is continually monitored under the Code of Ethics, to reasonably prevent conflicts of interest between Bainco and its clients.

It is Bainco's policy that the firm does not affect any principal or agency cross securities transactions for client accounts. Bainco also does not cross trades between client accounts.

The relationship between Bainco and its affiliated Broker-Dealer, Newbury Street Capital ("NSC") has historically been fully disclosed to its clients at the onset of their engagement with the firm and throughout the term of their contract. This potential conflict of interest will no longer exist as clients transition their accounts out of NSC and into Pershing Advisor Solutions during 2016. The relationship between Bainco and NSC continues to be disclosed in the Form ADV Parts 1 and 2, custodial Confirmations of Trades and Statements (for those trades which may be done through NSC), as well as the Privacy Policy and Business Continuity Plan of the two firms. All decisions related to trading securities in a client's account, are solely determined by what is in the best investment interest of the client.

Bainco personnel may from time-to-time obtain certain non-public information. All firm personnel understand that they are never allowed to act on this information for their own accounts and/or any Bainco clients and/or share this information with persons outside of the firm. In certain cases, the firm's compliance department may deem it necessary to conduct heightened reviews of individual securities.

Bainco's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Mark O'Keefe at (617) 536-0333 or by email at [mokeefe@bainco.com](mailto:mokeefe@bainco.com).

## **Item 12 Brokerage Practices**

Unless specified differently by a client, Bainco has complete discretion in the investment of each account it manages, including the choice of brokers.

Bainco recommends that clients establish brokerage accounts with Pershing Advisor Solutions ("PAS"), a FINRA-registered broker-dealer, to affect trades for their accounts. Custody of client assets is maintained by Pershing LLC. Both broker and custodian are wholly-owned subsidiaries of Bank of New York Mellon ("BNY Mellon"), the oldest continuously operating financial organization in the United States. Bainco is independently owned and operated and not affiliated with PAS or Pershing LLC. The firm anticipates that there will be some accounts that have not yet transitioned to PAS in the early part of 2016; for those accounts, it is Bainco's intention to use Newbury Street Capital, LP an affiliated broker-dealer, along with other brokers, to execute brokerage transactions.

As an investment adviser, Bainco has a fiduciary duty to seek best execution for client transactions. While best execution is difficult to define and challenging to measure, there is some consensus that it does not solely mean the achievement of the best price on a given transaction. Rather, it appears to be a collective consideration of factors concerning the trade in question. Such factors include the security

being traded (including volume, price, and bid-offer spread), the size of the trade, the speed of the execution, apparent conditions in the market, and the specific needs of the client. Bainco's primary objective when placing orders for the purchase and sale of securities for client accounts is to obtain the most favorable net results.

Brokers are chosen based on the following criteria: the broker's capital depth; the broker's market access, the nature and character of the markets for the security to be purchased or sold; the execution, clearance and settlement capabilities of the broker selected and others considered; counter-party risk; the reasonableness of the commission or its equivalent for the specific transaction; and the broker's ability to provide research services to Bainco. Such research services generally constitute analyses of companies in which Bainco contemplates investing or has invested managed funds. Accordingly, such research services are used to benefit all accounts managed by Bainco. An exception may be made where the client has specifically designated exclusive use of another broker.

Bainco has soft-dollar arrangements with various brokers who execute trades on behalf of Bainco's clients. With the commission revenue from client trading, these brokers agree to provide research services to assist Bainco in developing its portfolio. Bainco has full discretion over choosing which brokers it selects for execution of client trading. The soft-dollar arrangement between Bainco and PAS specifically allows PAS to pay for various research and trading services on behalf of Bainco with a portion of its commission revenues which are derived from client trading. Additionally, PAS pays a portion of technology and research expenses that are designed to enhance the client experience. All soft-dollar arrangements are in keeping with the strict guidelines set forth in Section 28(e) of the Securities Exchange Act of 1934. PAS provides Bainco with access to its institutional trading and custody services. These services are not contingent upon Bainco committing to PAS any specific amount of business. PAS's brokerage services include the execution of securities transactions, research, and access to ETF's, mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

PAS's products and services that assist Bainco in managing and administering clients' accounts include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of Bainco's fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Bainco has a contractual relationship with a fixed income specialist who provides updates on the fixed income markets and helps to identify specific brokers who may have bond offerings appropriate for client portfolios. The fixed income consultant has no discretion over Bainco client accounts. For these services, Bainco pays the consultant a fee and no part of it is charged to, or reimbursable by any individual client.

Bainco may combine orders into block trades when more than one account is participating in a trade. This blocking or bunching technique must be equitable and potentially advantageous for each such account (e.g. for the purposes of obtaining a more favorable or consistent execution price). Block trading is performed with the duty to seek best execution and is consistent with the terms of Bainco's investment advisory agreement. Equity trades are blocked based upon fairness to clients, both in the participation of their accounts, and in the allocation of orders for the accounts of other clients.

Allocations of all orders are performed in a timely and efficient manner. Generally, all managed accounts participating in a block execution receive the same execution price (average share price) for the securities purchased or sold in a trading day. Any portion of an order that remains unfilled at the

end of a given day will be rewritten on the following day as a new order with a new daily average price to be determined at the end of the following day. Due to the low liquidity of certain securities, broker availability may be limited. Open orders are worked until they are completely filled, which may span the course of several days.

If an order is filled in its entirety, securities purchased in the aggregated transaction will be allocated among the accounts participating in the trade in accordance with the allocation statement. If an order is partially filled, the securities will be allocated pro rata based on the allocation statement. Bainco may allocate trades in a different manner than indicated on the allocation statement (non-pro rata) only if all managed accounts receive fair and equitable treatment.

## **Item 13 Review of Accounts**

Each Bainco client has a team of advisors who perform ongoing account reviews. The team typically consists of a Portfolio Strategist, a Wealth Strategist and a Client Associate. Account activity is reviewed and reconciled on a daily basis. Portfolio rebalancing analysis is performed at regular intervals or when deemed appropriate in light of developments relating to general market events, specific security holdings, change in client circumstance or when requested by the client.

Clients have 24/7 online access to their brokerage account at the custodian website. Clients receive monthly account statements (or quarterly if there is no activity) from the custodian and confirmation of trading activity as it occurs. Additionally, clients receive a quarterly report from Bainco containing an investment outlook letter, portfolio appraisals and management fee calculations.

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

Bainco employees can receive a portion of the first year management fees collected on a new client relationship for which they introduced to the firm.

All other client referrals are compensated in compliance with Rule 206(4)-3 of the Investment Advisers Act of 1940. Such arrangements are formally memorialized via written agreement. At the time of a referral, prospective advisory clients are provided with Bainco's Form ADV Part 2 and a Solicitor's Disclosure Document. Bainco has established policies and procedures to ensure that its solicitation activities are compliant with each of the requirements under Rule 206(4)-3. Fees that are paid to referral sources do not affect those fees clients pay to Bainco.

## **Item 15 Custody**

Other than maintaining the expressed authority to deduct fees from clients' accounts held by/with a broker-dealer or other qualified custodian, Bainco does not maintain or accept custody of clients' funds or securities. Such authority is exercised according to the terms and conditions of the client/firm agreement. Clients receive monthly account statements (or quarterly if there is no activity) from their qualified custodian that holds and maintains their investment assets in addition to the Bainco quarterly investment reports which includes detailed fee calculations. Clients are encouraged to carefully review all statements and reports and compare official custodial records to the account statements that are provided. Bainco statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Clients of Bainco custody their assets at Pershing LLC, an affiliate of PAS. Custody services do not generally result in separate charges, but are compensated by account holders through commissions and other transaction-related fees for securities trades that are executed through PAS or that settle into PAS accounts. Both Pershing LLC and PAS are affiliates of BNY Mellon, the oldest continuously operating financial organization in the United States.

Bainco does not perform any valuation services and information reported to clients by Bainco is not based on any portfolio valuation performed by Bainco. Publicly traded securities managed by Bainco, which are held in custody by Pershing LLC are priced daily using independent pricing services. The values of all other assets are shown on client statements as a courtesy, and are for informational purposes only. Such assets are valued at cost or based on information supplied by the client or external managers and have not been independently verified. Clients should not rely on these values, without further verification, for any purpose, including decisions about investments, tax or otherwise.

## **Item 16 Investment Discretion**

Upon signing the Bainco management agreement, clients delegate limited trading authority over their managed assets. Any exceptions to this discretion are discussed and mutually agreed upon by the client and the managing member. After developing an IPS (as explained in Item 4 of this Brochure), Bainco uses its discretion to create an asset allocation and establish individual security positions within client accounts. In all cases, such discretion is exercised in a manner consistent with Bainco's understanding of the clients' investment objectives.

## **Item 17 Voting Client Securities**

Bainco has adopted and implemented written Proxy Voting Policies and Procedures ("Proxy Voting Procedures") which are designed to reasonably ensure that proxy voting is performed in the best interests of clients. The Proxy Voting Procedures address the firm's voting authority, material conflicts of interest, voting decisions, notifications to the client, books and records requirements, and ensures that proxies are voted in the best interest of its clients.

Generally, Bainco will not vote shares by proxy ballot on behalf of clients and their accounts. On occasion and where clients have given the firm explicit instruction to vote on their behalf, the firm will exercise voting authority according to the client's best interests. Bainco maintains a fiduciary obligation to its clients to ensure that any proxies for which it has voting authority are voted solely in the best interest and for the exclusive benefit of clients. The Proxy Voting Procedures are intended to guide the firm and its personnel in ensuring that proxies are voted in such a manner without limiting the firm or its personnel in specific situations to vote in a predetermined manner. These policies are designed to assist the firm in identifying and resolving any conflicts of interest it may have in voting client proxies.

Where a voting decision must be made by the firm, Bainco will review its internal records for potential conflicts of interest and document each action taken by the firm prior to the vote. The firm will retain each proxy statement received, a record of each vote cast, and a copy of any additional documentation created/received with respect to the voting process. These records will be maintained by Bainco under the authorization of the firm's CCO. All votes must be made for the exclusive benefit of clients. Any deviation from this policy will be met with strict disciplinary action and/or termination.

A copy of the firm's Proxy Voting Policies and Procedures can be obtained by contacting the firm directly.

## Item 18 Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about their financial condition. Bainco has no financial obligations that impair its ability to meet contractual and/or fiduciary commitments to clients, and has not been the subject of any bankruptcy proceedings.

### **Miscellaneous**

#### **A. Business Continuity Plan**

Bainco recognizes the need to protect our systems, services, and information on behalf of our clients and employees in the event of unforeseen circumstances. With that in mind, we have created a Business Continuity Plan to protect vital account information and to allow for efficient and timely recovery in the event of a business disruption. A copy of the firm's Business Continuity Notice is available upon request.

#### **B. Privacy Policy**

Bainco and its affiliated entities generally prohibit the disclosure of any client-related non-public personal information as collected by the firm throughout the client-firm relationship. However, the firm may make limited disclosure of such information as authorized by the client, or as otherwise provided by law. Massachusetts General Law (950 CMR 12-205(9)(C) 13 MGL 110A) prohibits the firm from disclosing non-public personal information about clients to other third parties unless clients give their written consent. If a client decides at some point to either terminate services provided by Bainco or become an inactive client, Bainco will continue to adhere to this privacy policy. A copy of the policy is provided to clients annually, as amended, or upon request.

#### **C. Other Safeguards**

Bainco is committed to protecting client assets and reducing the risk of identity theft. In that regard, Bainco maintains a Written Information Security Program ("WISP") which outlines its policies and procedures around the protection of client's non-public personal information. Additionally, Bainco has developed safeguards to protect the transmittal of funds requested by clients by developing an Identity Theft Prevention Program ("ITPP"). All employees are required to follow the procedures outlined in both programs.