



# SOLOMON API™

ADVANCED PORTFOLIO INTELLECT

## **FIRM BROCHURE** (ADV PART 2A)

**JULY 24, 2018**

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This brochure provides information about the qualifications and business practices of GMF Private Wealth Management, LP DBA Solomon API. If you have any questions about the contents of this brochure, please contact Matthew Myland at (321) 508-3911 or [matthew.m@solomonAPI.com](mailto:matthew.m@solomonAPI.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.

Solomon API is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training.

Additional information about Solomon API, LP is available on the SEC's website [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number for the Firm is 159471.

## **2. MATERIAL CHANGES**

We have no material changes to report since our last annual update on March 27, 2018.

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#### **4. ADVISORY BUSINESS**

##### **A. OWNERSHIP/ADVISORY HISTORY**

GMF Private Wealth Management LP dba Solomon API, LP (“we”) is a state registered investment adviser. Our general partner is GMF Private Wealth Management GenPar, LLC and its sole member is Matthew Myland (“Mr. Myland”). Additional information about Mr. Myland can be found in his supplemental brochure – ADV Part 2B.

##### **B. ADVISORY SERVICES OFFERED**

###### **i. FINANCIAL PLANNING SERVICES**

Financial Planning services typically focus on one or more specific areas such as financial and cash management, risk management, financial issues relating to divorce or death of a family member, insurance planning, estate planning, tax issues, retirement planning, educational funding, goal setting, or other needs identified by the client or by our review of the client’s financial circumstances. Through discussion with the client and/or questionnaires, we will collect pertinent data, identify goals, objectives, financial concerns and potential solutions. We will present the client with a written analysis. Following the conclusion of the financial planning services, we may make recommendations regarding implementation of the financial strategies discussed.

Clients always have the right to choose whether to follow and through whom to implement the recommendation.

###### **ii. PORTFOLIO MANAGEMENT SERVICES**

We manage individualized portfolios for our clients. We work with each client to formulate an individualized portfolio based upon his/her objectives, time frame, risk parameters and other investment considerations. We use a variety of securities that may include, among other securities, bonds, common stock (equities), options (limited to covered calls and puts for limited positions only), exchange traded funds, exchange listed real estate investment trusts, mutual funds and treasury bonds. (Additional information about securities used their risks can be found under Item 8.) Our investment philosophy is to use principals of value, safety and quality to seek investment options globally. We place heavy emphasis on risk control, believing that avoiding losses allows appreciation potential of equities to be realized. Our services are offered on a discretionary and non-discretionary basis. Please see Item 16 for additional details.

##### **C. TAILORED SERVICES**

We generally do not allow clients to impose restrictions on the management of their accounts i.e., to avoid certain asset classes or industries. However, we may allow restrictions at our discretion.

##### **D. WRAP PROGRAM**

We do not sponsor in a wrap program.

##### **E. CLIENT ASSETS MANAGED**

As of July 23, 2018, we manage \$143,900,000 in client assets on a discretionary basis and \$200,000 in client assets on a non-discretionary basis.

## 5. FEES AND COMPENSATION

### A. FINANCIAL PLANNING SERVICES

We charge an hourly rate of \$150 per hour for financial planning services. The number of hours will vary depending upon the complexity of the client's financial situation and the preparation and research required to address the client's financial issues and concerns. The estimated number of hours required and the fee will be set forth in the Financial Planning Agreement. Hourly fees for consulting services are agreed upon in advance in writing and due upon the signing of the Financial Planning Agreement. For prepaid fees in excess of \$500.00, services will be completed within six months of the date fees are received.

#### Termination of the Financial Planning Services

A client may terminate the financial planning services for any reason within the first five (5) business days after signing the Financial Planning Agreement without any cost or penalty. After five (5) days if a client cancels, any prepaid fees will be refunded on a prorated basis based upon the number of hours worked. The written notice of termination must be sent to Solomon API, LP, 1129 HWY US 1, Suite 101, Rockledge, FL 32955.

### B. PORTFOLIO MANAGEMENT SERVICES

Our portfolio management fee is an annual fee based on the assets under management in the client's account. Our management fee schedule is as follows:

<b>Assets Under Management</b>	<b>Annual Management Fee</b>
\$0 to \$500,000	2.00%
\$500,000.01 to \$1,000,000	1.50%
Above \$1,000,000	Negotiable

The management fee is negotiable and the negotiated management fee will be stated in the client's signed agreement. The management fee is calculated and billed on a monthly in advance. The management fees will be calculated based on the account value as of the last business day of the previous month as reported by the custodian. The management fee will be deducted directly from the client's account. Please see Item 15 for additional details.

The management fee is separate and distinct from brokerage fees, transaction fees, and other related costs and expenses that are incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by mutual fund and exchange traded fund managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, as disclosed in a fund's prospectus, which are separate and distinct from the fee. Such charges, fees and commissions are exclusive of and in addition to our management fee, which it does not receive any portion of these commissions, fees, and costs. For additional information on our brokerage practices please see Item 12, below.

The management fees will not be based upon a share of capital gains or capital appreciation of the funds or of any portion of the funds under advisory contract. Because the management fee is

charged in advance, we will not collect the management fee six or more months in advance of services to be rendered.

#### Termination of the Portfolio Management Services

A client may terminate our Portfolio Management Agreement for any reason at any time and, within the first five (5) business days after signing the contract and receive a 100% refund of any prepaid fees, without any cost or penalty. Thereafter, the Agreement may be terminated at any time by giving ten (10) days written notice to Solomon API, LP, 1129 HWY US 1, Suite 101, Rockledge, FL 32955. Upon receipt of written notice of termination, any fees charged in advance will be prorated for the time services were rendered as of the termination date and a refund will be sent to the client.

### **6. PERFORMANCE-BASED FEES AND SIDE BY SIDE MANAGEMENT**

We do not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

### **7. TYPES OF CLIENTS**

Our services are offered to individuals and high net worth individuals.

### **8. METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

#### A. METHODS OF ANALYSIS AND INVESTMENT STRATEGIES

We use various methods of security analysis to help us manage client investment account(s). These may include one or more of the following:

Technical Analysis - Technical Analysis is a method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity.

Fundamental Analysis - Fundamental analysis is a technique that attempts to determine a security's value by focusing on underlying factors that affect a company's *actual* business and its future prospects. The analysis is performed on historical and present data. On a broader scope, one can perform fundamental analysis on industries or the economy as a whole. The term refers to the analysis of the economic well-being of a financial entity as opposed to only its price movements.

We use various sources of information to help us manage your investment account(s). These include:

- ) Computer software that performs statistical analysis
- ) Financial newspapers and magazines
- ) Research materials prepared by others
- ) Corporate rating services

- ) Annual reports, company financial statements, prospectuses and filings with the Securities and Exchange Commission
- ) Company press releases
- ) Financial news media, including televised and Web-based
- ) Contact with investment company representatives

**B. INVESTMENT RISKS/RISK OF LOSS**

We use several types of securities in our clients' accounts. These securities may include, but are not limited to, the following: Bonds and other corporate debt instruments; Exchange Traded Funds; Options (limited to covered calls and puts for limited positions only); Mutual Funds; Government Debt instruments including Treasury Bills and Municipal securities; Stocks; Preferred Stock; High Yield Debt; Domestic Fixed Income; Money Market Funds and Cash.

All investments bear different types and degrees of risk and **investing in securities involves risk of loss that clients should be prepared to bear.** While we use investment strategies that are designed to provide appropriate investment diversification, some investments have significantly greater risks than others. Obtaining higher rates of return on investments entails accepting higher levels of risk. Recommended investment strategies seek to balance risks and rewards to achieve investment objectives. Clients should feel free to ask questions about risks they do not understand; we would be pleased to discuss them.

We strive to render its best judgment on behalf of our clients. Still, we cannot assure or guarantee clients that investments will be profitable or assure that no losses will occur in an investment portfolio. Past performance is an important consideration with respect to any investment or investment adviser but is not a reliable predictor of future performance. We continuously strive to provide outstanding long-term investment performance, but many economic and market variables beyond its control can affect the performance of an investment portfolio.

An investment could lose money over short or even long periods. A client should expect his/her account value and returns to fluctuate within a wide range, like the fluctuations of the overall stock and bond markets. A client's account performance could be hurt by:

- ) **Stock market risk:** The chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising stock prices and periods of falling stock prices.
- ) **Interest rate risk:** The chance that bond prices overall will decline because of rising interest rates.
- ) **Manager risk:** The chance that the proportions allocated to the various securities will cause the client's account to underperform relevant to benchmarks or other accounts with a similar investment objective.
- ) **International investing risk:** Investing in the securities of non-U.S. companies involves special risks not typically associated with investing in U.S. companies. Foreign securities tend to be more volatile and less liquid than investments in U.S. securities, and may lose value because of adverse political, social or economic developments overseas or due to

changes in the exchange rates between foreign currencies and the U.S. dollar. In addition, foreign investments are subject to settlement practices, as well as regulatory and financial reporting standards, that differ from those of the U.S.

- J) **Active management fees risk:** Active management strategies that involve frequent trading generate higher transaction costs that diminish the fund's return. In addition, the short-term capital gains resulting from frequent trades often have an unfavorable income tax impact when such funds are held in a taxable account.
- J) **Put Options Risk:** A put option is a market device that gives the owner of the put the right, but not the obligation, to sell an asset, at a specified price (the strike), by a predetermined date (maturity) to a given party (the seller of the put). Put option buyers face the risk that the underlying security won't behave as expected and their premiums could lose all of their time values.
- J) **Covered Calls Risk:** Covered call writers holds the stock and simultaneously sells call options against his position to try to earn income without taking on additional risk. A covered call strategy has limited maximum loss of the premium received subtracted from the stock purchase price.

## 9. DISCIPLINARY INFORMATION

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events within the past 10-years that would-be material to your evaluation of the Adviser or the integrity of its management. We have no information applicable to this Item because we have not been the subject of any administrative, civil, criminal, regulatory (SEC or State) or self-regulatory proceedings.

## 10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

### A. BROKER-DEALER AFFILIATIONS

We are not affiliated with a broker-dealer.

### B. FUTURES/COMMODITIES FIRM AFFILIATION

We are not affiliated with a futures or commodities broker.

### C. OTHER INDUSTRY AFFILIATIONS

Our associates may be independent insurance agents. Mr. Myland is licensed in Florida and Mr. Jenkins is licensed in Colorado. They may recommend these services to clients. This other business activity pays the associates' commissions that are separate from the fees described above. This is a conflict of interest because the commissions give the associates a financial incentive to recommend and sell clients the insurance products. However, the associates attempt to mitigate any conflicts of interest by acting in the client's best interest through their fiduciary duty and through the implementation of policies and procedures that address the conflict. Clients always have the right to decide whether to purchase recommended products and through whom they can purchase it.



Our owner, Matthew Myland, is a co-owner of AlphaPoint Capital, LLC, which runs AlphaPoint Capital Investors, LP, a hedge fund. He may recommend AlphaPoint Capital Investors, LP to our accredited investor clients outside of Colorado. This is a conflict of interest because AlphaPoint Capital Investors, LP charges a separate fee of which Mr. Myland will receive a portion. However, Mr. Myland attempts to mitigate the conflict of interest by always acting in the client's best interest through his fiduciary duty and through the implementation of policies and procedures that address the conflict. Clients always have the right to decide whether to purchase recommended products and through whom they can purchase it. Please note that Solomon API, LP does not manage and is not associated with AlphaPoint Capital Investors, LP.

**D. SELECTION AND MONITORING OF THIRD PARTY INVESTMENT ADVISERS**

We recommend and monitor third party investment advisers to manage some of our clients' assets. Please see Items 4 and 5 for additional details.

**11. CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

**A. DESCRIPTION**

Our Code of Ethics establishes ideals for ethical conduct based upon fundamental principles of openness, integrity, honesty, and trust. The Code of Ethics is available free of charge upon request by any client or prospective client.

Our Code of Ethics covers all supervised persons and it describes our 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, a prohibition of 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 things. All of our supervised persons must acknowledge the terms of the Code of Ethics annually, or as amended.

**B. MATERIAL INTEREST IN SECURITIES**

As noted above in Item 10.C, Mr. Myland has a material interest in AlphaPoint Capital, LLC, which runs AlphaPoint Capital Investors, LP, a hedge fund. AlphaPoint Capital Investors, LP is not offered to clients living in Colorado.

**C. INVESTING IN OR RECOMMENDING THE SAME SECURITIES**

We or individuals associated with us may buy or sell – for their personal account(s) - investment products identical or opposite to those recommended to clients. It is our general policy that no person employed by it may purchase or sell any security prior to a transaction(s) being implemented for an advisory account. On occasion, circumstances may arise where different goals, trading programs or time horizons could have us or individuals associated with us assuming a trading position before or after the client(s), transaction that may or may not be the same or is counter to those of advisory accounts. All positions are reviewed in an effort to prevent such employees from benefiting from transactions placed on behalf of advisory accounts. We will always act in the client's best interest.

## **12. BROKERAGE PRACTICES**

### **A. RECOMMENDATION CRITERIA**

We participate in the institutional advisor program (the “Program”) offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC (“TD Ameritrade”), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisers services that include custody of securities, trade execution, clearance and settlement of transactions. We receive some benefits from TD Ameritrade through our participation in the Program. Please see Item 14 for additional details about the benefits.

With the use of independent custodians, a client may incur a ticket charge or sales commission for the sale or purchase of securities. We do not receive any portion of the ticket charge or sales commission. It also does not receive or use any soft dollars or research from the independent custodian.

#### **i. RESEARCH AND SOFT DOLLARS**

“Soft dollars” are defined as a form of payment investment firms can use to pay for goods and services such as subscriptions or research. When an investment firm gives its business to a particular custodian, the custodian in return can agree to use some of its revenue to pay for these types of services. We receive some “soft dollars” from TD Ameritrade, which are outlined in Item 14.

#### **ii. BROKERAGE FOR CLIENT REFERRALS**

We do not receive client referrals or any other incentive from TD Ameritrade.

#### **iii. DIRECTED BROKERAGE**

Some clients may direct us to a specific custodian to execute securities transactions for their accounts. When so directed, we may not be able to effectively negotiate lower brokerage commissions or achieve best execution on clients’ transactions. This can result in substantially higher fees, charges or dealer concessions in one or more transactions for the clients’ account because the Adviser cannot negotiate favorable prices.

### **B. TRADE AGGREGATION**

We may aggregate transactions in equity and fixed income securities for a client with other clients to improve the quality of execution. When transactions are so aggregated, the actual prices applicable to the aggregated transactions will be averaged, and each client account will be deemed to have purchased or sold its proportionate share of the securities involved at the average price obtained. We may determine not to aggregate transactions, for example, based on the size of the trades, the number of client’s accounts, the timing of the trades, the liquidity of the securities or the discretionary or non-discretionary nature of the trades. If we do not aggregate orders, some clients purchasing securities around the same time may receive a less favorable price than other clients. This means client purchases of the same stock may receive different prices.

### **13. REVIEW OF ACCOUNTS**

#### **A. PERIODIC REVIEWS**

We review the general holdings of our portfolios daily. Mr. Myland also meets with client on an annual basis.

#### **B. OTHER REVIEWS**

Additional reviews are conducted periodically depending on market conditions, economic or political events, or by changes in a client's financial situation (such as retirement, termination of employment, physical move or inheritance).

#### **C. REPORTS**

We do not prepare regular client reports. All clients will receive at least quarterly statements from Interactive Brokers. We urge clients to carefully review such statements.

### **14. CLIENT REFERRALS AND OTHER COMPENSATION**

#### **A. OTHER COMPENSATION**

As noted in Item 12, we participate in TD Ameritrade's institutional customer program and we may recommend TD Ameritrade to clients for custody and brokerage services. There is no direct link between our participation in the program and the investment advice it gives to its clients, although we receive economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving our participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to us by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by our related persons. Some of the products and services made available by TD Ameritrade through the program may benefit us but may not benefit its client accounts. These products or services may assist us in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help us manage and further develop its business enterprise. The benefits received by us or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. Clients should be aware, however, that the receipt of economic benefits by us or its related persons in and of itself creates a conflict of interest and may indirectly influence our choice of TD Ameritrade for custody and brokerage services. As part of its fiduciary duties to clients, we endeavor at all times to act in the clients' best interest.

## **B. CLIENT REFERRALS**

We do not use the services of solicitors or pay for client referrals.

### **15. CUSTODY**

All client funds, securities and accounts are held at third-party custodians. We do not take physical possession of a clients' securities. However, we have constructive custody by our ability to instruct the custodian to directly deduct our management fee from clients' accounts. In order to have our management fees deducted from clients' accounts, we must receive written authorization from the clients. We also send the custodian and client an invoice specifying the amount of the management fee, the formula used to calculate the management fee, the amount of assets under management the management fee is based on, and the time period covered by the management fee. In addition to the invoice, clients will receive a monthly statement from the broker dealer, bank or other qualified custodian that holds and maintains clients' investment assets. The statements will show the amount of management fee withdrawn. We urge each client to carefully review such statements.

Additionally, our owner, Matthew Myland, is affiliated with a limited partnership AlphaPoint Capital Investors, LP, a Delaware limited Partnership. Because of this relationship with one of our related persons, Solomon API, LP is deemed to have custody. However, we are not involved in the management or operations of AlphaPoint Capital Investors, LP. It is a separate company. Please see Item 10 for more information regarding this matter.

### **16. INVESTMENT DISCRETION**

We prefer to manage client accounts on a discretionary basis, but we will accept non-discretionary management request on a client by client basis. Discretionary management is granted when the client signs our discretionary investment management agreement. The Agreement limits our discretionary trading authority to the type, price, time and amount of securities to be bought and sold. We will be allowed to place trades without first obtaining the client's consent to each trade. Directions will be given to the account custodian to complete the transaction.

With nondiscretionary management, we manage and monitor the assets within an account and where authorized (after client contact and approval), purchase and/or sell securities. The client retains full discretion to supervise, manage, and direct the assets of the account.

### **17. VOTING CLIENT SECURITIES**

We will not be responsible for responding to proxies for securities held in clients' accounts. Proxy solicitation materials will be forwarded to clients for response and voting. In the event a client has a question about a proxy solicitation, the client should contact Mr. Myland.

## **18. FINANCIAL INFORMATION**

### **A. BALANCE SHEET**

We do not require or solicit prepayment of more than \$500 in fees per client, six months or more in advance of the provision of the services to which the fee relates. Therefore, we do not have to provide a balance sheet.

### **B. FINANCIAL CONDITION**

Registered investment advisers are required in this Item to provide clients with certain financial information or disclosures about our financial condition. We have no financial commitment that impairs our ability to service our clients.

### **C. BANKRUPTCY**

We have not been the subject of a bankruptcy proceeding.

## **19. REQUIREMENTS FOR STATE-REGISTERED ADVISERS**

We have one principal executive officer (management person), Matthew Myland. Mr. Myland biographical information is provided in the attached Brochure Supplement document.

Mr. Myland is required to disclose his other business activities in this section. He has two investment related business activities and two non-investment related other business activities. For his investment related business activities, he is an independent insurance agent and he is the co-owner of AlphaPoint Capital, LLC, which runs AlphaPoint Capital Investors, LP, a hedge fund (e.g. an issuer of securities). He may receive commissions or fees from these other business activities that are separate from the fees described above. These activities and the conflict of interest associated therewith are discussed in Item 10. Mr. Myland is also the co-owner of Alpha Point Holding, LLC. Alpha Point Holding is a technology company. He spends less than five hours a month on this activity.

We are required to disclose additional information if Mr. Myland receives performance-based fees, or was ever found liable in an arbitration, civil, self-regulatory organization or administrative proceeding. We have no information to disclose regarding these matters.