

Prince Court Asset Management LLC

Form ADV Part 2A Firm Brochure

Date: August 13, 2018

Prince Court Asset Management LLC

IARD/CRD Number: 298253

252 Nassau St, 2nd Floor, Princeton, NJ 08542

[\(609\) 897-7863](tel:(609)897-7863)

elie.khoury@princecourtasassetam.com

www.princecourtasassetam.com

This brochure provides information about the qualifications and business practices of Prince Court Asset Management LLC. If you have any questions about the contents of this brochure, please contact us at: (609) 897-7863 or elie.khoury@princecourtasassetam.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Prince Court Asset Management LLC also is available on the SEC's website at: www.adviserinfo.sec.gov.

Item 2 Material Changes

This is Prince Court Asset Management LLC's initial *brochure* which was filed in connection with its application for investment advisor registration.

Item 3 Table of Contents

TABLE OF CONTENTS

<u>Item Number</u>	<u>Page</u>
Item 1	Cover Page1
Item 2	Material Changes.....2
Item 3	Table of Contents3
Item 4	Advisory Business5
Item 5	Fees and Compensation.....6
Item 6	Performance-Based Fees and Side-by-Side Management7
Item 7	Types of Clients.....7
Item 8	Methods of Analysis, Investment Strategies and Risk of Loss7
Item 9	Disciplinary Information8
Item 10	Other Financial Industry Activities and Affiliations9
Item 11	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading9
Item 12	Brokerage Practices11
Item 13	Review of Accounts12
Item 14	Client Referrals and Other Compensation.....12
Item 15	Custody.....13
Item 16	Investment Discretion.....13
Item 17	Voting Client Securities13
Item 18	Financial Information15

PART 2B *BROCHURE* SUPPLEMENT.....15

NOTE:

- Terms in *italics* have the meanings set forth in General Instructions for Form ADV.

Item 4 Advisory Business

- A. Prince Court Asset Management (“PCAM” “the firm” or “we”) is a New Jersey Corporation operating at 252 Nassau St, 2nd floor, Princeton, NJ 08542, as of the date of PCAM’s registration as an investment advisor. The firm was founded in June 2018 (and registered in New Jersey in July 2018) by Stavros Iatridis, its CEO/CIO (90% beneficiary owner), and Elie Khoury Senior Portfolio Manager (10% beneficiary owner) to primarily research, develop and offer scalable, affordable and transparent high return cash strategies and ESG Investment Strategies and Funds to institutional clients.

Stavros Iatridis - Educational Background and Business Experience

- **MBA** degree in International Business from George Washington University 1985
- **BA** in Philosophy & Economics from Boston College 1982

- **Putnam International Advisors:** *Long Only, International Equities (1985-1986)*
- **Oechsle International:** *Long Only, Long International Equities/Bonds (1986 – 1992)*
- **Odyssey Partners:** *Absolute Returns, Int’l/Emerging Mkts Equities/Bonds (1993-1995)*
- **Noble Partners:** *Absolute Returns, Global Equities (1998- 2000)*
- **Apogee Global Advisors:** *Absolute Returns, Resources Stocks & Commodities (2001-2007)*
- **Delos Capital LLC:** *Absolute Returns - Global Asset Classes (2005 – 2015)*
- **Vestmo Global Research, Inc.:** *Global Investment Research (1999 – Present)*

Elie Khoury - Educational Background and Business Experience

- **MBA** in International Business and Finance from George Washington University- Dec. 1984
- **BS** in Pre-Medicine Studies from Villanova 1983; Minor in Business

- **Gulf International Bank:** *Assistant Manager Credit Department (1985- 1988)*
- **Westdeutsche Landesbank Girozentrale:** *Vice-President Credit Department (1988 – 1995)*
- **BioDetect & Ulysses International:** *Senior Financial Advisor (1995-1998)*
- **Banc of America Merrill Lynch:** *Senior Vice-President, Global Corporate Debt Products (1998- 2011)*
- **Financial Consultant:** *Global Investment Research (2011 – 2018)*

The advisory services provided by Prince Court Asset Management consist primarily of those related to cash income plus strategies via proposed private institutional and public mutual fund (MF). *Clients* of the Firm may include: individuals, pension and profit sharing plans, banks, trusts, estates, and charitable organizations. The firm will execute its strategies by buying and selling of Asset Backed Commercial Paper, Certificate of Deposit, Financial Company Commercial Paper, Non-Financial Company Commercial Paper, Other Instruments, Other Asset Backed Securities, Other Repurchase Agreement, U.S. Government Agency, Repurchase Agreement and U.S. Treasury Debt, and Variable Rate Demand Notes.

Clients need to fill out questionnaire for suitability; and tailor-made solutions are only offered selectively.

The Firm does not participate in any *wrap fee programs*.

Client assets under management on a *discretionary* basis as of July 30, 2018 were US\$0.0 Million.

Item 5 Fees and Compensation

- A. The Firm is compensated for advisory services fees on a negotiated flat fee basis or on a quarterly basis, in arrears, based on the total assets in each *client* account managed by the Firm, payable at the end of each quarter. The Firm's fee is generally based on the amount of a *client's* assets under management and/or annual performance.
- 0.30% first \$1,000,000
 - 0.25% next \$4,000,000
 - 0.23% next \$5,000,000
 - 0.20% over \$15,000,000
 - Performance fees may be negotiated under rare circumstances
- B. The Firm sends an invoice to the *client* with the Firm's Quarterly Investment Report requesting fee payment via check.
- C. Certain types of securities such as treasuries, corporate bonds and private notes may have fees and/or expenses *clients* may pay in connection with advisory services provided by the Firm. In addition, *clients* will incur brokerage and other transaction costs as described in Item 12 below.

- D. *Clients* do not pay the Firm in advance.
- E. The Firm and its *supervised persons* do not accept compensation from the sale of securities or other investment products.

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

The Firm and its *supervised persons* may offer performance-based fees. The amount of a *performance-based fee* is negotiated with certain *clients* and varies on a case by case basis. The Firm and its *supervised persons* have an incentive to favor *performance-based fee* because compensation for advisory services exceed fees charged to asset based fee accounts. To address this conflict of interest, neither the Firm, nor its *supervised persons*, may violate the Firm's code of ethics, or otherwise violate applicable law or fiduciary standards to which the Firm and its *supervised persons* may be subject.

Item 7 *Types of Clients*

The Firm generally provides investment advice to *clients* who are individuals, *high net worth individuals*, pension and profit sharing plans, trusts, estates, retirement accounts and charitable organizations. *Clients* are required to have an account managed by the Firm with a minimum of \$10,000,000. The Firm reserves the right to provide investment services to *clients* with smaller accounts.

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

Methods of Analysis

- A. The Firm's methods of analysis and investment strategies used in formulating investment advice or managing assets involve the use of fundamental and price analysis. The sources of information the Firm uses include financial databases, news and white papers, annual reports, prospectuses and regulatory filings. Investing in securities involves risks of loss that *clients* should be prepared to bear. The investment strategies used by the *Firm* include the following:

Prince Court Asset Management Cash Income Strategy:

The strategy seeks long term *positive* income in excess of government short term rates (maturity less than one year). The manager employs a dynamic and systematic investment strategy that is based on forward looking fundamental and price factors. The portfolio is a mixture of strategies segmented into government, corporate and private sub-asset classes. The manager systematically ranks and selects securities within each strategic category. In addition, each security is tactically managed using a separate systematic fundamental and price-based model to minimize the portfolio's downside volatility. The Models are provided on a licensed basis by Vestmo Global Research, Inc, a Massachusetts affiliated company.

Prince Court Asset Management Cash Income Plus Strategy:

The strategy seeks long term *positive* income in excess of government short term rates and those offered by top ranked peer group as defined by Prime Money Market Morningstar Category (maturity less than one year). The manager employs a dynamic and systematic investment strategy that is based on forward looking fundamental and price factors. The portfolio is a mixture of strategies segmented into government, corporate and private sub-asset classes. The income plus strategy may have a higher concentration of private notes which typically offer higher income. The manager systematically ranks and selects securities within each strategic category. In addition, each security is tactically managed using a separate systematic fundamental and price-based model to minimize the portfolio's downside volatility. The Models are provided on a licensed basis by Vestmo Global Research, Inc, a Massachusetts affiliated company.

- B. PCAM does not believe that its strategies and methods involve significant or unusual risks. PCAM strategies and methods may involve high frequency trading of securities. The following are risks associated with the PCAM investment strategies:

Business Risk

Business risk is the measure of risk associated with a particular security. Generally speaking, all businesses in the same industry have similar types of business risk. But used more specifically, business risk refers to the possibility that the issuer of a stock or a bond may go bankrupt or is unable to pay the interest or principal in the case of bonds. Business risk is most applicable to long term purchases but could also affect short term purchases.

Strategy Risk

There are risks associated with the long-term core strategic holdings for each of the strategies. The more aggressive the Windhaven strategy selected, the more likely the portfolio will contain larger weights in riskier asset classes, such as equities.

Model Risk

There are distinct risks associated with PCAM Portfolios' shorter-term dynamic allocations, which can result in more concentration of the portfolios towards a certain asset class or classes. This introduces the risk that PCAM could be on the wrong side of a tactical over- or under-weight, thus resulting in a drag on overall performance.

Credit Risk

This refers to the possibility that a particular bond issuer will not be able to make expected interest rate payments and/or principal repayment. Typically, the higher the credit risk, the higher the interest rate on the bond. Credit risk is most applicable to long term purchases but could also affect short term purchases.

Taxability Risk

This applies to municipal bond offerings and refers to the risk that a security that was

issued with tax-exempt status could potentially lose that status prior to maturity. Since municipal bonds carry a lower interest rate than fully taxable bonds, the bond holders would end up with a lower after-tax yield than originally planned. Taxability risk is most applicable to long term purchases but could also affect short term purchases.

Call Risk

Call risk is specific to bond issues and refers to the possibility that a debt security will be called prior to maturity. Call risk usually goes hand in hand with reinvestment risk, discussed below, because the bondholder must find an investment that provides the same level of income for equal risk. Call risk is most prevalent when interest rates are falling, as companies trying to save money will usually redeem bonds with higher coupons and replace them with issues that have lower interest rates. Call risk is most applicable to long term purchases but could also affect short term purchases.

Inflationary Risk

Inflationary risk is the chance that the value of an asset or income will be eroded as inflation shrinks the value of a country's currency. Inflationary risk is most applicable to long term purchases but could also affect short term purchases.

Liquidity Risk

Liquidity risk refers to the possibility that an investor may not be able to buy or sell an investment as, and when, desired or in sufficient quantities, because opportunities are limited. Liquidity risk is applicable to long-, and short-, term purchases, trading and margin and option investment strategies.

Market Risk

Market risk is a risk that will affect all securities in the same manner. In other words, it is caused by some factor that cannot be controlled by diversification. Market risk is applicable to long and short term purchases, trading and margin and option investment strategies.

Reinvestment Risk

In a declining interest rate environment, bondholders who have bonds coming due or being called, face the difficult task of investing the proceeds in bond issues with quality or greater interest rates than the redeemed bonds. As a result, they are often forced to purchase securities that do not provide the same level of income, unless they take on more credit or market risk; and buy bonds with lower credit ratings. This situation is known as reinvestment risk: it is the risk that falling interest rates will lead to a decline in cash flow from an investment when its principal and interest payments are reinvested at lower rates. Reinvestment risk is most applicable to long term purchases but could also affect short term purchases.

Social/Political Risk

Risk associated with the possibility of nationalization, unfavorable government action or social changes resulting in a loss of value is called social or political risk. Because the U.S. Congress has the power to change laws affecting securities, any ruling that results in

adverse consequences is also known as legislative risk. Political risk is applicable to long and short-term purchases, trading and margin and option investment strategies.

Currency/Exchange Rate Risk

Currency or exchange rate risk is a form of risk that arises from the change in price of one currency against another. The constant fluctuations in the foreign currency in which an investment is denominated vis-à-vis one's home currency may add risk to the value of a security. Currency risk is greater for shorter term investments, which do not have time to level off like longer term foreign investments but may also affect long term purchases.

Item 9 Disciplinary Information

There are no legal or disciplinary events that are material to a *client's* or prospective *client's* evaluation of the Firm's advisory business or the integrity of its management.

Item 10 Other Financial Industry Activities and Affiliations

- A. Neither the Firm nor its *management persons* are registered, or have an application pending to register as a broker-dealer or a registered representative of a broker-dealer.
- B. Neither the Firm nor any of its *management persons* are registered, or have an application pending to register as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

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

- A. The Firm has a code of ethics. Its purpose is to identify the ethical and legal framework in which the Firm and its employees are required to operate and to highlight some of the guiding principles and mechanisms for upholding the Firm's standard of business conduct.

The Firm will provide a copy of its code of ethics to any *client* or prospective *client* upon request. The key aspects of the policy include:

- Standard of Business Conduct
Firm employees have the responsibility to ensure that the Firm conducts its business with the highest level of ethical standards and in keeping with its fiduciary duties to the Firm's *clients*. Employees have a duty to place the interests of the Firm's *clients* first, and to refrain from having outside interests that conflict with the interests of its *clients*.
- Prohibited Conduct

Firm employees must avoid any circumstances that might adversely affect, or appear to affect, their duty of complete loyalty to the Firm's *clients*.

- Personal Securities Transactions

Firm employees may buy and sell the same securities that are purchased on behalf of its *clients*, which can create a conflict of interest. In order to mitigate these conflicts of interests, the Firm has adopted a personal account trading policy. The policy is designed to assist the Firm's Chief Compliance Officer in avoiding potential conflicts of interests and detecting and preventing abusive sales practices such as "scalping" or "front running." The Firm's comprehensive policy includes restrictions on the purchases and sales of securities and approvals of transactions to be made by the Chief Compliance Officer. Firm employees are required to prepare initial, quarterly, and annual securities reporting to the Firm's Chief Compliance Officer). In addition, the Firm receives duplicate statement copies for all brokerage accounts of its employees.

- Conflicts of Interests

The Firm has a duty to disclose potential and actual conflicts of interest to its *clients*. Employees may not use any confidential information or otherwise take inappropriate advantage of their positions for the purpose of furthering any private interest or as a means of making any personal gain.

- Review and Enforcement

The Firm's Chief Compliance Officer is responsible for ensuring adequate supervision over the activities of all persons who act on the Firm's behalf in order to prevent and detect violations of the code of ethics by such persons.

Item 12 Brokerage Practices

A 1. Research and Other Soft Dollar Benefits. The Firm has a licensing agreement with Vestmo Global Research, Inc. to receive Global Market views and Probability to Default scoring methodology. It does not receive any other research or other products or services other than execution from a broker-dealer in connection with *client* securities transactions, although the Firm may receive such soft dollar benefits in the future.

A.2. Brokerage for Client Referrals. The Firm and its *related persons* do not receive *client* referrals from any broker-dealer or third party for selecting or recommending broker-dealers.

A.3. Directed Brokerage.

a. Currently PCAM has no clients

b. The Firm does not permit its *clients* to direct brokerage.

Item 13 Review of Accounts

- A. The Firm typically reviews all of its *client* accounts on daily basis, but no less than on a weekly basis. The reviews are conducted by Stavros Iatridis and investment team. The review consists of an examination of each *client*'s account balance, holdings, and money movements (contributions or withdrawals).
- B. The Firm reviews *client* accounts on a periodic basis. See Item 13.A. above.
- C. The Firm provides each *client* with written quarterly report that contains a review of the prior quarter's market results, key economic developments and the Firm's outlook for the upcoming quarter. The calculations performed to determine a *client* results for a quarter are obtained directly from on-line account platform. *Clients* receive the quarterly investment reports from PCAM either via mail or email typically within a couple of business days after the end of a quarter. It is noted that *clients* also receive the following directly from Custodian as applicable:
 - Confirmations of each trade made in the *client* account.
 - A monthly brokerage report detailing among other things, account balance, (both beginning and ending balances), account performance, costs, commissions, and account holdings.

Item 14 Client Referrals and Other Compensation

- A. PCAM receives no economic benefit from anyone who is not a *client* for providing investment advice or other advisory services to the Firm's *clients*.
- B. PCAM may from time to time, enter into written arrangements, on a non-exclusive and non-agent basis, to compensate any person for *client referrals*. The arrangements require among other things, that the solicitor comply with applicable law and the terms of the solicitation agreement. Typically, a solicitor is paid 20% of the fees payable to the Firm attributable to the investor introduced to the Firm by the solicitor. The solicitor must at the time of the solicitation provide the *client* with a copy of this *brochure* and a separate document which discloses:
 - a description of the solicitation agreement;
 - any affiliation between the solicitor and PCAM;
 - the compensation paid for the solicitation; and
 - whether the advisory fee for solicited *clients* are higher than those for other *clients* due to compensation paid to the solicitor.

Item 15 *Custody*

Clients receive monthly account statements directly from the proposed funds administered. *Clients* should carefully review those statements.

Item 16 **Investment Discretion**

The Firm accepts discretionary authority to manage securities accounts on behalf of *clients*. Discretionary authority is assumed pursuant to the terms of each trading platform's limited Trading Authority Agreement. Once the form is accepted by the platform, the authority granted under those agreements is limited to executing trades and making *client* account inquiries.

Item 17 **Voting *Client* Securities**

Unless otherwise directed and agreed between the Firm and a *client*, proxy proposals received by the Firm will be voted by the Firm in accordance with the Firm's proxy voting policy (see below). Proxy proposals received by the Firm and designated as "Case by Case" (or not addressed) will be thoroughly reviewed by the Firm and voted in the best interests of the *client*. The Firm will document the basis for the Firm's voting decisions.

Notwithstanding the foregoing, the Firm may vote a proxy contrary to the proxy voting guidelines if the Firm determines that such action is in the best interest of the *client*. In the event that the Firm votes contrary to the proxy voting guidelines, the Firm will document the basis for the Firm's contrary voting decision.

The Firm may choose not to vote proxies in certain situations or for certain *clients*, such as (i) where a *client* has informed the Firm that it wishes to retain the right to vote the proxy, (ii) where the Firm deems the cost of voting would exceed any anticipated benefit to the *client*, (iii) where the proxy is received for a *client* account that has been terminated, or (iv) where a proxy is received by the Firm for a security it no longer manages on behalf of a *client*.

Proxy Voting Policy:

<u>Proxy Proposal Issue</u>	<u>Firm's Voting Policy</u>
Routine Election of Directors	For
Issuance of Authorized Common Stock	For
Stock Repurchase Plans	For
Reincorporation	For
Director Indemnification	For
Require Shareholder approval to issue Preferred Stock	For
Require Shareholder approval to issue Golden Parachutes	For
Require Shareholder approval of Poison Pill	For
Shareholders' Right to Call Special Meetings	For
Shareholders' Right to Act by Written Consent	For
Shareholder Ability to Remove Directors With or Without Cause	For

Shareholders Electing Directors to Fill Board Vacancies	For
Majority of Independent Directors	For
Board Committee Membership exclusively of Independent Directors	For
401(k) Savings Plans for Employees	For
Anti-greenmail Charter or By-laws Amendments	For
Corporate Name Change	For
Ratification of Auditors	For
Supermajority Vote Requirement	Against
Blank Check Preferred	Against
Dual Classes of Stock	Against
Staggered or Classified Boards	Against
Fair Price Requirements	Against
Limited Terms for Directors	Against
Require Director Stock Ownership	Against
Reprice Management Options	Case by Case
Adopt/Amend Stock Option Plan	Case by Case
Adopt/Amend Employee Stock Purchase Plan	Case by Case
Approve Merger/Acquisition	Case by Case
Spin-offs	Case by Case
Corporate Restructurings	Case by Case
Asset Sales	Case by Case
Liquidations	Case by Case
Adopt Poison Pill	Case by Case
Golden Parachutes	Case by Case
Executive/Director Compensation	Case by Case
Social Issues	Case by Case
Contested Election of Directors	Case by Case
Stock Based compensation for Directors	Case by Case
Increase authorized shares	Case by Case
Tender Offers	Case by Case
Preemptive Rights	Case by Case
Debt Restructuring	Case by Case

The Firm's *clients* receive their proxies and other solicitations directly from their custodian, TD Ameritrade Inc.

The Firm may occasionally be subject to conflicts of interest in the voting of proxies due to business or personal relationships it maintains with persons having an interest in the outcome of certain votes. The Firm, its affiliates and/or its employees may also occasionally have business or personal relationships with the proponents of proxy proposals, participants in proxy contests, corporate directors and officers, or candidates for directorships.

If the Firm becomes aware of potential or actual conflict of interest relating to a particular proxy proposal, the Firm to handle the proposal as follows:

- If the proposal is designated in the proxy voting policy as “For” or “Against,” the proposal will be voted by the Firm in accordance therewith; or
- If the proposal is designated in the proxy voting policy as “Case by Case” (or not addressed), the Firm will notify the *client* of such conflict and will cause the proxy to be voted in accordance with the *client*’s instructions.

Upon written request to the Firm, *clients* may obtain (i) a copy of the *Firm*’s proxy voting policies and procedures and/or (ii) information how a *client*’s proxies were voted.

Item 18 Financial Information

- A. The Firm does not require or solicit prepayment of fees from *clients*
- B. There is no financial condition of the Firm that is reasonably likely to impair the Firm’s ability to meet contractual commitments to *clients*.
- C. The Firm has never been the subject of a bankruptcy petition.

Form ADV Part 2B

Not Applicable