

Part 2A of Form ADV: *Firm Brochure*

Libretto LLC



Sophisticated wealth management, made simple.

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This brochure provides information about the qualifications and business practices of Libretto LLC. If you have any questions about the contents of this brochure, please contact us at (310) 496-7316 or alex@libretto.io. 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.

Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Additional information about Libretto also is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 292052.

Item 2 Material Changes

This brochure, dated March 28, 2019, is an amended document prepared by Libretto LLC (“Libretto”) according to the SEC’s requirements and rules relating to the Form ADV. This Item will be used to provide our clients with a summary of new and/or updated material information. This brochure contains the following material changes from our initial brochure dated April 25, 2018:

- Item 4 – Investment Advisory Services: added “Trading” to reflect new system features
- Item 4 – Investment Advisory Services: added clarification that the IPS is a template that may be refined by the Advisor
- Item 4 – Change Management and Business Services: discontinued the delivery of “Publication of Periodicals” that included a quarterly letter
- Item 4 – Configuration & Implementation Consulting: introduced the option to provide implementation consulting services
- Item 5 – Fees and Compensation: removed minimum fee
- Item 5 – Fees and Compensation: reduced fee on first \$100 million in assets
- Item 5 – Fees and Compensation: introduced the option to provide consulting services with negotiated fees

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

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Item 4 Advisory Business

Libretto LLC (“Libretto” or the “Firm”) is a software as a service (“SAAS”) company focused on delivering digital advice systems and resources to aid other third-party advisors (each an “Advisor,” and collectively, “Advisors”) in managing complex wealth. Libretto does not provide services directly to retail clients. Rather, it provides a suite of services including planning, investment advice, wealth management, among other services, directly to Advisors, who in turn utilize Libretto’s platform to service their clients.

Libretto provides its investment advice exclusively through its proprietary interactive website.

Libretto is currently registered with the U.S. Securities and Exchange Commission as an internet investment adviser with its principal place of business located in El Segundo, California. Libretto began conducting its business in 2015 and became a registered investment advisor in 2018. Libretto is controlled by its majority owner and Chief Executive Officer, Jeffery Coyle.

Investment Advisory Services

Data Aggregation and Portfolio Accounting

Advisor firms manage client data within their respective systems and may input data into the Libretto system manually or through established feeds with third party providers. Libretto’s system imports client-level portfolio data from Advisors’ data systems and/or custodial feeds. Advisors are responsible for the integrity and reconciliation of client data. This data is captured and organized within Libretto’s system to inform planning, portfolio construction, reporting and support trading.

Financial Planning

The Libretto Financial Planning system employs a priorities-driven planning methodology that is based on a present value framework, where a priority is described by the goal, time and relative importance. Each objective is an expected future financial liability. Given a set of client priorities (annual spending, travel budget, second home, college funding for children, etc.) and financial resources (human capital, social security & pensions, liquid assets, semi-liquid assets, illiquid assets, etc.), the Financial Planning system provides illustrative calculations for the present value of expected future liabilities and current and expected financial resources. On this basis, the Financial Planning system provides context to the Advisor that can be used to evaluate the sufficiency of financial resources in meeting stated client priorities and objectives.

The financial plans are presented by the Advisors to their end clients. Financial Planning recommendations from Libretto’s Financial Planning system are not limited to any specific product or service offered by a registered investment adviser, broker-dealer or insurance company.

Asset Allocation

The Libretto Asset Allocation system is a liabilities-driven methodology that maps priorities to high-level asset allocation targets based on the type, level of importance and time horizon of each priority. Each priority is assigned a target asset allocation, and the target asset allocation for each priority rolls up to determine a total household target asset allocation. Advisors may customize asset allocation targets to tailor recommendations to clients.

Trading

The Libretto Trading system provides Advisors with tools that enable them to set account-level asset allocation targets, which ultimately may be used to inform potential trades. The Libretto Trading system does not offer any recommendations with respect to the buying and selling of specific financial products; rather, it provides tools that allow Advisors to fully customize targets to reflect the needs of their clients.

Investment Policy Statement

Libretto offers Advisors the ability to engage end clients using an intuitive planning narrative centered around life priorities. The priorities inform planning and portfolio construction which Advisors may choose to incorporate into the client's Personal Investment Policy Statement ("IPS"). The IPS becomes a living document such that it will evolve to reflect changes in life priorities as amended by clients through time. Libretto provides a template IPS which Advisors may use to tailor to their specific firm needs.

Wealth Management Directives

Libretto's Financial Planning system establishes an initial draft set of wealth management directives that may be suitable to enhance the client's overall financial strategy. These directives are driven by client-defined priorities and may include estate, tax, insurance and other non-financial products or services such as health care advocacy or trustee services. The directives serve as an initial draft to enable Advisors to tailor a final set of wealth management products and services to the unique needs and circumstances of each end client.

Change Management and Business Services

As part of Libretto's service offering, each Advisor receives the following guidance regarding implementing the Libretto system within their respective firms and delivering the value proposition to their clients. Libretto will aid in the following areas:

Business assessment – clarify Advisors’ current value proposition and identify how it may be evolved to establish additional client value, market differentiation and competitive advantage.

Service Delivery Design – review current client service delivery model and suggest potential improvements.

CIO Augmentation – Libretto will provide additional resources and/or perspectives to aid client CIOs and broaden their current resources. Resources will include guidance on investment philosophy refinement, portfolio policy weights, expected return inputs and empirical research, among others.

Operational Integration – Libretto will assist with setting up data access from clients’ portfolio accounting systems and/or custodial feeds and contribute to the refinement of data management procedures.

Professional Training – Libretto will conduct training symposiums covering numerous subjects within the field of wealth and portfolio management. The training will seek to advance professional competency and enhance the ability of firms to implement and deliver advice and deliver services using Libretto’s system of management.

Knowledge and Sales Resources – Libretto will also make additional resources available including white label slides, papers and other materials that may be used by professionals to advance their skills or better communicate primary concepts with clients.

Wealth Management Tools and Diagnostics – Libretto will deliver a set of tools and diagnostics enabling advisors to apply additional rigor to specific areas of wealth management. Such resources will include client ready seminars, family mission and legacy planning diagnostics and checklists for detailed strategy analysis among others.

Additional System Perspectives

Libretto does not provide regular and continuous management of assets, and all advice is generated using software-based models or applications on a non-discretionary basis. Portfolios are based on the inputs of the Advisors in the application of planning, asset allocation, asset location, product fulfillment and investment policy. Libretto’s systems will assist Advisors in managing portfolios based on the end client’s individual objectives, time horizons, risk tolerance and liquidity needs. As appropriate, Advisors may also review and discuss their client’s prior investment history, as well as family composition and background.

Libretto enables management of the Advisor's advisory accounts on a non-discretionary basis. Account supervision is guided by the client's stated objectives and liquidity needs, as well as tax considerations.

Advisors may impose reasonable restrictions on investing in certain securities, types of securities or industry sectors through the Libretto system.

Once the Advisor's client's portfolios have been established, the Advisor may conduct periodic portfolio and financial plan reviews with the client and rebalance the portfolio as conditions warrant based on the client's individual needs.

Libretto will make initial illustrative investment suggestions which are not limited to any specific product or service offered by a broker-dealer or insurance company. However, the Advisor may override or select its own investment recommendations.

All investments involve some risk, and some types of investments involve certain additional degrees of risk. Implementation of recommendations generated by Libretto's system should only be implemented by Advisors when consistent with the Advisor's end client's stated investment objectives, tolerance for risk, liquidity and suitability, all as determined by the Advisor.

Libretto's system supports Advisors' efforts to continuously iterate the financial plan and portfolio to reflect changes in their end clients' objectives, assets, suitability and preferences. The system enhances the ability of Advisors to successfully communicate with their own clients and properly reflect their wishes in their strategy.

Configuration & Implementation Consulting

Libretto may be engaged, as part of existing SAAS agreement or on a standalone basis, to provide consulting on system integration, wealth strategy design and implementation of Libretto's software platform. This service is designed to help clients ensure a smooth software implementation process that includes business planning, discovery and research. We work together with the client to outline an implementation plan that covers all business goals, investment strategies and integration.

Wrap Fee Programs

Libretto does not sponsor or participate in any wrap fee programs.

Assets Under Management

Libretto does not manage client assets directly, but rather supports the efforts of Advisors. Therefore, it has no regulatory assets under management.

Item 5 Fees and Compensation

Libretto charges basis point fees on the Advisor's total regulatory assets under management ("RAUM") or equivalent metric in non-RIA circumstances. The term RAUM, as defined by the SEC in the instructions to Form ADV, will be used at the time the Advisor enters into an agreement with Libretto and updated annually in conjunction with the Advisor's Annual Updating Amendment. Libretto will determine its fees using the following two-step process:

1. **Base Fee.** The "**Base Fee**" shall be determined by the following basis point fee schedule based on Advisor's total regulatory assets under management (RAUM), or equivalent, as of the Effective Date and updated annually thereafter during the Term:

| Libretto Fee Schedule | Fee Detail | |
|-----------------------|---------------|----------|
| | AUM Tiers | Base Fee |
| First | 100,000,000 | 0.0400% |
| Next | 100,000,000 | 0.0250% |
| Next | 100,000,000 | 0.0200% |
| Next | 100,000,000 | 0.0180% |
| Next | 100,000,000 | 0.0160% |
| Next | 500,000,000 | 0.0140% |
| Next | 4,000,000,000 | 0.0100% |
| Above | 5,000,000,000 | 0.0075% |

2. **Complexity Adjustment.** The Base Fee shall be increased or decreased, at Libretto's discretion, based on the relative complexity of Advisor's business and extent of its use of the Libretto IP, including, but not limited to, the number of users and offices, average account size, number of accounts, and advisory rate fees (the "Complexity Adjustment," and with the Base Fee, the "Total Fee"). Any applicable Complexity Adjustment shall be set forth in the written agreement between Libretto and an Advisor.

In limited cases at the discretion of Libretto, the Total Fee will be staged-in during the implementation process. A portion of the Total Fee will be charged prior to completing onboarding onto the digital wealth management system and during the initial implementation stage when knowledge resources and training are being applied. The remainder of the Total Fee will then be applied as the comprehensive system becomes fully operational.

All fees are negotiable and subject to the term and conditions of the license agreement. Once the annual fee has been determined, the fee is divided into four equal quarterly payments and billed in advance.

Libretto believes its fees are reasonable in light of the type of services to be provided and given the experience and expertise of Libretto's personnel. However, lower fees for comparable services may be available from other sources.

Configuration & Implementation Consulting Fees

Fees for Configuration & Implementation of Libretto's platform and software are negotiated and based on the level of complexity of implementation and amount of customized configurations.

General Fee Information

Termination of the Advisory Relationship: Each client agreement is subject to a three (3) year term or commitment. The advisory and services agreement may only be terminated for a breach of contract as set forth in the terms and conditions within each agreement.

Additional Fees and Expenses: Libretto does not restrict an Advisor from charging their clients separate fees in connection with the services provided through Libretto's systems. In addition to the fees described above, an Advisor will also incur certain charges or fees imposed by third-parties other than Libretto. The Advisor and its clients are responsible for all fees and expenses charged by the Advisor's custodians and imposed by the Advisor's broker-dealers, including, but not limited to, any transaction charges imposed by a broker-dealer with which an Advisor effects transactions. Furthermore, fees and expenses related to any investment product or service delivered in conjunction with Libretto's systems are the sole responsibility of the Advisor (and/or its clients). Each Advisor must disclose such fees, as appropriate, on its own Form ADV Part 2.

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

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

Libretto does not charge performance-based fees (i.e., fees calculated based on a share of capital gains upon or capital appreciation of client assets).

Libretto does not engage in side-by-side management of accounts that are charged a performance-based fee with accounts that are charged another type of fee (such as assets under management).

Item 7 Types of Clients

Libretto provides its services to Registered Investment Advisors, Family Offices, Banking Institutions and other financial services delivery firms and does not provide services directly to individual clients.

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

Methods of Analysis

Libretto uses the following methods of analysis in formulating its investment advice:

Factor-Based Liabilities-Driven Investing: Factor-based liability-driven investing asks the question: what compensated risks are appropriate for a certain individual to take? By intelligently assembling a portfolio of assets that perform well when essential end client objectives are most at risk, factor-based liability-driven investing can work to minimize risk to priorities that are central to end client well-being. With key risks addressed, an individual may opt to pursue higher expected returns by holding assets that co-vary with risk factors. There are multiple sources of compensated risks, and central to the portfolio construction process is identifying risks that are appropriate for a given individual to take in the context of his or her holistic financial structure. The core system is comprised of six components: financial planning, asset allocation, expected returns, asset location, product fulfillment and wealth management directives. The intention of the system is for the six components to work together to improve the client's likelihood of achieving stated life priorities.

Financial Planning: The Libretto Financial Planning system takes a holistic approach to eliciting risk structure by understanding the key risks associated with life objectives and assets. It aims to identify the extent to which a current financial structure is appropriate in the context of stated life objectives.

- **Financial Structure:** An end client's financial structure reflects the current value of assets and liabilities as well as the present value of future resources such as human capital, social security and pensions. The financial structure is organized by asset allocation, liquidity and entity structure, and life objectives are expressed as priorities.
- **Planning System:** The Libretto Financial Planning system is driven by a priorities-based planning methodology, in which a priority is described by a level of importance and cash outflows that occur over a given period of time. Each priority represents a set of expected future financial liabilities, such as the annual payments associated with funding a child's college tuition.

Asset Allocation: In the context of an end client's risk and financial structure, the liability-driven Libretto Asset Allocation system assists the Advisor in determining appropriate asset types for a given client's portfolio. A successful investment portfolio will reflect appropriate asset allocation targets and sufficient liquidity within the context of an end client's holistic asset and liability structure. Advisors are free to modify illustrative asset allocation targets set by the Libretto Asset Allocation system.

Expected Returns: The purpose of the expected returns methodology is to provide an illustration of potential outcomes associated with a target investment strategy and provide

information used to assist the advisor in evaluating the extent to which an end client's current resources are expected to be sufficient to achieve his or her life objectives. End clients may expect to receive a return for exposing their capital to risk. While Libretto seeks to understand each of these risks, the future is ultimately unknowable. End clients should have an expectation that there will be times when their portfolios produce better and worse returns than planned. Such deviation is expected and is addressed by adapting one's life and portfolio to the realized results. This process of iteration is foundational to increasing the likelihood of success within the financial plan. Libretto's system is designed to enable clients to make well-informed tradeoffs when adapting to realized results. Ultimately, expected returns are inputs within the Libretto system and will be decided upon by Advisors.

Wealth Management Directives: Wealth management directives identify additional products and services that may be valuable in increasing the likelihood of the financial plan's success. Such Directives may include insurance, estate, tax and other applications.

Multi-Layered Risk Management: While we may enhance understanding by analyzing the past, the future is ultimately unknowable and often highly unpredictable. This lack of predictability introduces risk to portfolios, financial plans and life objectives. Libretto's system recognizes the limited ability to predict future events and seeks to manage risk by improving the suitability of each application. The Financial Planning system helps identify the sufficiency of assets as related to funding clients' goals and protecting essential priorities. The liability-driven Asset Allocation system matches suitable assets to the unique character of each financial liability. The Wealth Management Directives system recognizes that it requires a comprehensive set of solutions to improve the likelihood of a financial plan's success, including planning, investment, tax, estate, insurance and other applications. Uncertainty around the future always exists, but Libretto's systematic process of addressing risk seeks to improve the likelihood of success. Finally, the iterative nature of the Libretto system is designed to enable clients to make well-informed tradeoffs in response to realized results and thus adapt their lives to the reality of the markets and their financial structure.

Risk Considerations

Prior to using the Libretto system, Advisors should consider all risks related to leveraging an investment software platform, including but not limited to the below key risks:

Risk of Loss: Securities investments are not guaranteed and may lose value. Further, Libretto's systems require that each Advisor work closely with their clients to understand each client's tolerance for risk.

Market Risk: All investments are characterized by a variety of risks, many of which are common to several asset classes. Equities are subject to shocks to economic conditions, liquidity conditions, financial distress, growth expectations and investor sentiment, among other risks. Fixed income instruments are subject to shocks to interest rates, realized and expected inflation, liquidity conditions, credit conditions and prepayments, among other risks. Inflation-indexed securities may be subject to additional liquidity and tax risk, and

they may behave differently than nominal instruments during times of distress. International investments are additionally subject to currency risk with the potential for greater exposure to political instability. Real assets may share many risks with equities and fixed income assets while additionally being subject to fluctuations in commodity prices or real estate specific risks. Alternative assets are subject to a variety of risks specific to the investment strategy of each fund. While the above provides a sample of investment risks, all securities are subject to additional risks, and each Advisor is responsible for determining the suitability of risk-taking for each client.

Tax Risk: Investment strategies may be affected by changes in legislative environment, including modifications to the tax code. Further, the Libretto expected returns system makes simplifying tax assumptions that may prove inaccurate, particularly if legislation results in material changes to the tax code. Libretto does not engage in tax planning nor does it offer tax advice, and clients should seek the advice of a certified tax professional in considering tax-related decisions.

Input Risk: The quality of Libretto outputs relies on accurate and timely inputs from Advisors, both in terms of those relating to portfolio and other financial resources and those relating to clients' priorities. Inputs related to expected returns, asset allocation settings and fulfillment settings will be determined by Advisors. Libretto provides perspectives that assist advisory firms in tailoring the system to reflect their preferences and views. Due to the subjectivity of inputs and parameters used in the system, outputs may prove incorrect. There is a risk that inaccurate system inputs, data and assumptions could result in outputs or illustrative recommendations that are misaligned with client goals. Further, information omitted from the system by the client or advisor may result in outputs that are less useful than those that would result from including such information.

Model Risk: The Libretto framework for expected returns relies on various assumptions regarding the potential behavior of asset prices. Specifically, it incorporates advisor assumptions within the frameworks of economic models that make strict simplifying assumptions regarding the process of returns. Simplifying assumptions include, but are not limited to, those relating to taxes, expenses, the behavior of asset class returns and the characteristics of asset classes not modeled by the expected returns system, among others. Models are subject to estimation uncertainty, uncertainty about the true process of returns and uncertainty about changes in expected returns over time, among other sources of uncertainty. Models that appear useful for analyzing past performance may not be useful for characterizing future performance. Illustrations of the potential distribution of outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. Actual results may vary significantly from expected results. Further, expected return calculations are based on hypothetical portfolios with asset allocation targets that shift over time. To the extent Advisors opt to execute investment strategies that deviate from the Libretto system targets, the information provided by the expected returns system may be less meaningful.

Algorithm Risk: Certain functionalities of the Libretto system are informed by algorithms. Algorithms make simplifying assumptions and may not always capture the full complexity

of a client's situation. Further, certain types of algorithms may be highly sensitive to changes in Advisor inputs. The interpretation of algorithm results should take into account inherent limitations, and the incorporation of algorithm outputs within a client's strategy is ultimately up to the discretion of the Advisor.

Cybersecurity Risk: Use of an internet-based software platform may expose clients to potential risks linked to cybersecurity breaches. Cybersecurity breaches may allow an unauthorized party to gain access to personal information, client data or assets. Additionally, breaches may result in data corruption or a loss of system functionality. By using an internet-based software platform, clients may be impacted by such cybersecurity breaches. Libretto maintains high standards of cybersecurity practices, including, but not limited to, OWASP testing, infrastructure and application controls, multifactor authentication, data protection and encryption, static vulnerability analysis, periodic dynamic web application vulnerability scanning, automated penetration testing, web application firewall, distributed denial of service protection layers and intrusion protection, prevention and response.

Software Risk: The Libretto system is delivered through the channel of software as a service. Libretto software is developed with the highest standards of rigor, and all code is subject to multiple layers of testing, including unit testing of individual functions, quality assurance auditing and quality engineering automation. In addition to rigorous testing, Libretto maintains best practices for oversight including access control, segregation of environments, processes for changes and periodic monitoring. Nonetheless, it is possible that such software may not perform exactly as disclosed on the website, whitepapers, blogs or other disclosure documents, particularly in unique circumstances with unusual combinations. Libretto continuously tests and monitors code performance and strives to immediately address any circumstances in which software does not perform precisely as disclosed. Libretto may periodically modify software, including algorithms, models or assumptions in ways that have unintended consequences.

Item 9 Disciplinary Information

Registered investment advisors, such as Libretto, are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Libretto and its management personnel have no reportable disciplinary events to disclose.

Item 10 Other Financial Industry Activities and Affiliations

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

Libretto does not recommend or select other investment advisors for clients in exchange for compensation from those advisors.

Libretto has an affiliated registered investment adviser, Monograph Wealth Advisors, LLC (Monograph) CRD No. 173949, from which Libretto subleases office space. As a result, Libretto, its information and employees are in close proximity to Monograph, and thus it is possible for proprietary information related to Libretto to be seen or overheard. In order to mitigate these conflicts, Libretto has (i) implemented physical and technological safeguards to protect the information of clients and (ii) entered into legal agreements with Monograph including confidentiality and nondisclosure agreements to protect the information of both firms and their clients.

The advisory services offered by Monograph are separate and distinct from those provided by Libretto, although the two advisory firms are affiliated through the common ownership of Jeffrey Coyle, who owns a controlling interest in Libretto and non-control interest in Monograph. Monograph's advisory services are not recommended to Libretto's clients. Libretto's system is utilized by Monograph within its client delivery. There are no referral fee arrangements between Libretto and Monograph above the current Monograph license fee paid to Libretto. No Libretto client is obligated to use the advisory services of Monograph, as no Monograph advisory client is obligated to use Libretto's advisory services.

The work conducted by Jeffery Coyle for Libretto directly benefits Monograph, and he splits his time between the two entities recognizing the needs of each organization. Mr. Coyle is an owner of both Libretto and Monograph and receives compensation from both organizations. The contributions of Mr. Coyle overlap between the two organizations, and while potential conflicts of interest could exist due to the respective time obligations, Libretto believes both organizations benefit from the intended synergies. This potential conflict is disclosed to Libretto clients at the time of entering into an advisory agreement mainly through the delivery of this Disclosure Brochure (ADV Part 2A) and Mr. Coyle's Form ADV Part 2B Supplement Brochure.

Alex Yaftali, Chief Compliance Officer for Libretto, spends more than 90% of his time on activities relating to Monograph and receives compensation from Monograph.

As required, any affiliated investment advisors are specifically disclosed in Section 7.A. on Schedule D of Form ADV, Part 1. (Part 1 of our Form ADV can be accessed by following the directions provided on the Cover Page of this Firm Brochure.)

Libretto endeavors at all times to address conflicts of interests in a fair and equitable manner and by disclosing such conflicts when identified.

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

Libretto has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws. Libretto and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but also to the general principles that guide the Code.

The Code of Ethics includes policies and procedures requiring Libretto to maintain a list of all reportable securities holdings for anyone associated with Libretto that has access to advisory recommendations ("access person"). Our Chief Compliance Officer regularly reviews access persons' personal securities transactions. Such reviews include the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the access person. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. The Code also provides for oversight, enforcement and recordkeeping provisions.

The Code of Ethics also includes the Firm's policy prohibiting the use of material nonpublic information. While we do not believe that we have any particular access to nonpublic information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to alex@libretto.io or by calling us at (310) 496-7316.

Participation or Interest in Client Transactions

Libretto and our associated persons are prohibited from engaging in principal trading. Libretto does not buy or sell securities for the firm or its associated persons from or to our advisory clients. Libretto and individuals associated with the firm are also prohibited from engaging in agency cross transactions. Agency cross transactions occur where a person acts as an investment adviser in relation to a transaction in which the adviser, or an affiliate of the adviser, acts as broker for both the advisory client and for another person on the other side of the transaction.

Personal Trading

On occasion, employees of Libretto may buy for their own accounts securities that the firm also recommends to Advisors (and thereby, to their clients). It is possible that officers or employees of Libretto may buy or sell securities or other instruments that the Libretto system has recommended to an Advisor and may engage in transactions for their own account in a manner that is inconsistent with Libretto's recommendations to a client. Personal securities transactions by employees may raise potential conflicts of interest

when such persons trade in a security that is owned by, or considered for purchase or sale for, a client.

In order to mitigate this conflict of interest and to comply with all applicable laws and regulations, Libretto's Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

It is the expressed policy of Libretto that no person employed by the firm may knowingly purchase or sell any reportable security prior to a transaction(s) being implemented for a client's advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of client accounts. Further, no principal or employee of Libretto may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.

All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices. Libretto requires delivery and acknowledgement of the Code of Ethics by each supervised person of the Firm. Libretto has established policies requiring the reporting of Code of Ethics violations to our senior management. Any individual who violates any of the above restrictions may be subject to sanctions including termination.

Item 12 Brokerage Practices

Brokerage

Libretto does not have and will not accept any authority to select or recommend broker-dealers for Advisor client transactions. Each Advisor that utilizes Libretto's systems will be responsible for considerations and/or selection of broker-dealers for their clients' transactions.

Research and Other Soft Dollar Benefits

Libretto does not have any soft-dollar arrangements and does not receive any soft-dollar benefits.

Brokerage for Client Referrals

Libretto does not seek or receive client referrals for recommending broker-dealers.

Directed Brokerage

The Libretto system does not implement any advisory recommendation and does not interface directly with any broker-dealers. Libretto does not have the discretionary authority to determine the broker-dealer to be used or the commission rates to be paid by

Advisors or their clients. Each Advisor is responsible for implementing the recommendations generated by the Libretto system. Libretto will have no responsibility in seeking best execution for any recommended trade.

Aggregation of Client Trades

As previously disclosed, Libretto systems will result in outputs and information that can be used to generate a set of potential trades for each considered account. The Advisor must confirm or refine each trade and submit to a broker-dealer for execution through their own trading systems. Therefore, Libretto will not have any responsibility to aggregate trades on behalf of the Advisors or its clients.

Item 13 Review of Accounts

Libretto does not review client accounts but provides tools to assist each Advisor in reviewing client accounts. Each Advisor is responsible for the review and management of accounts through the Libretto system.

Item 14 Client Referrals and Other Compensation

It is Libretto's policy not to engage solicitors or to pay related or non-related persons for referring potential clients to our firm.

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

Item 15 Custody

Our Firm does not have actual or constructive custody of client accounts.

Item 16 Investment Discretion

As previously disclosed in Item 4 of this brochure, our Firm does not manage assets directly. Libretto provides recommendations on a non-discretionary basis only directly to Advisors through the Libretto system. Therefore, investment recommendations are provided to the Advisor for approval before executing transactions in the client's account. The Advisor will be responsible for obtaining investment discretion from their clients or seeking permission and approval for each transaction and processing trades accordingly.

Item 17 Voting Client Securities

Libretto does not vote proxies for any Advisor or their clients' accounts. Therefore, each Advisor and/or their clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be

voted and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets.

Item 18 Financial Information

As an advisory firm, we are also required to disclose any financial condition that is reasonably likely to impair our ability to meet our contractual obligations. Libretto has no such financial circumstances to report.

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

Libretto has not been the subject of a bankruptcy petition at any time during the past ten years.