

Winter Financial Advisory LLC

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WINTER FINANCIAL

A D V I S O R Y

This brochure is intended to provide general information about Winter Financial Advisory LLC ("Winter Advisory") and its business practices and qualifications. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. Additional details about Winter Advisory is also available on the SEC's website at <https://adviserinfo.sec.gov/>. This brochure was created to comply with the requirements of the SEC and is not intended to be seen as a marketing brochure and does not provide information on all aspects of Winter Advisory's business. Our registration as an investment advisor does not imply any approval by the SEC or a certain level of skill or training.

If you have any questions related to the content of this brochure, please contact us by telephone +43 664 889 71 666 or by email at contact@winter-advisory.com.



Item 2. Material Changes

As this is the initial filing of this brochure, there have been no material changes at Winter Advisory since the filing of this brochure on April 25, 2019.



Item 3. Table of Contents

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Item 4. Advisory Business

A. General Description

Winter Advisory, an Austrian limited liability company founded on April 5, 2004 is licensed and regulated by the Austrian Financial Market Authority (“FMA”) to act as Investment Manager, Investment Advisor, and Securities Dealer. Although Winter Advisory was founded in 2004 and is regulated by the FMA as described above, Winter Advisory has not provided any investment advisory services to any person prior to the filing of this brochure and having its registration with the SEC deemed effective.

Winter Advisory is a direct and wholly owned subsidiary of Bank Winter & Co. AG ("Bank Winter"), a licensed and regulated financial institution with its headquarters in Vienna, Austria. More information about Bank Winter can be found on the website: <http://www.bankwinter.com>

Winter Advisory's board members are:

Mario Heider, Chief Executive Officer (CEO)
Toni Kampelmuehler, Chief Compliance Officer (CCO)
Jennifer Nolan, Chief Operations Officer (COO)

B. Summary of Winter Advisory’s Services

Winter Advisory concentrates on discretionary and non-discretionary investment advisory services for high net worth individuals, their company structures and trusts (together "Clients") through individually managed accounts. The services offered are exclusively limited to U.S. residents of any nationality and U.S. citizens living outside of the United States and its Territories.

Each Client will enter into an investment management agreement (i.e., for “discretionary” management services) or an investment advisory agreement (i.e., for “non-discretionary” advisory services) with Winter Advisory, defining the specifics of the relationship. Winter Advisory will manage the Client's assets based on the available investment strategies selected and following objectives and experiences outlined in the investment profile provided by the Client. Depending on the individual risk classification of the Client, the available asset classes are equity securities, debt securities (bonds), structured products (e.g., funds, ETFs), currencies and commodities (e.g., precious metals).

Discretionary Management

Each Client entering into an investment management agreement authorizes Winter Advisory to manage assets independently, at its discretion and without any particular Client approval but taking into consideration the experiences, objectives, and risk classification outlined in the investment profile and any specific instruction by the Client. Clients may also impose specific restrictions on the scope of our authority such as to restrict or prohibit transactions in certain securities or types of securities.

We will not invest in securities or instruments that are speculative in nature or involve enhanced risks unless the Client authorizes such investments or where they are exclusively used for portfolio hedging purposes. Those investments may include transactions in short or inverse ETF's managed futures funds and others. Having been authorized by the Client, Winter Advisory will route all investment transactions to the custodian or broker selected by the Client.

Non-Discretionary Management

Each Client entering into an investment advisory agreement with Winter Advisory may request information and/or recommendations about specific investments, and Winter Advisory will provide



such information and/or recommendations to the Client for the Client's review and approval. The placement of orders for the execution of transactions on the Client's account will be placed only after receiving the Client's instruction and approval. Winter Advisory will provide information and make security recommendations to the Client, but the Client alone will make the investment decision on the account. Winter Advisory's liability is limited to the advice provided.

The termination of the non-discretionary contract between the Client and Winter Advisory will not automatically result in the termination of the custody agreement entered into between the Client and the Client's selected Custodian.

Custody and Brokerage

Each Client will select the custodian for the Client's account and the broker which will execute the Client's transactions. The Custodian which is selected by the Client may also serve as the broker for executing the transaction, if determined between the Client and the custodian. The custodian and broker may or may not be registered as a broker-dealer with the SEC or a member of the Financial Industry Regulatory Authority ("FINRA").

Provision of Information by Clients

Each Client must provide Winter Advisory with an investment profile which determines the Client's investment objectives, the time horizon for investments and the Client's risk tolerance. The Client must promptly communicate any changes to these items to Winter Advisory by updating the investment profile. The Client must also confirm to Winter Advisory that the risks associated with the strategy and the type of investments are well understood.

Winter Advisory does not provide any types of investment advisory services other than the services outlined in this brochure, nor does it issue any periodical publications concerning securities on a subscription basis, or distribute special reports or analysis relating to securities or markets. Winter Advisory does not provide any charts, graphs, formulas or other visuals for security evaluation purposes, nor does it give specific advice or recommendations to Clients on other than an incidental basis.

Winter Advisory will not advise or act on behalf of a Client in any legal proceeding, including bankruptcies or security class action litigations, involving securities held or previously held in the Client's accounts. Furthermore, Winter Advisory is not responsible for responding to or forwarding to any Client any class action settlement offers relating to securities currently or previously held in the Client's accounts.

As of April 25, 2019, the date this initial brochure was submitted to the SEC for review, Winter Advisory had not started its investment advisory activities and had no assets under management.



Item 5. Fees and Compensation

Winter Advisory's annual management fees are described based on the applicable fee schedule for the investment service selected by the Client in conjunction with the assets under management. The annual management fees are invoiced quarterly and calculated from the average market value of the account (in EUR) on the last business day of each month during the quarter. If a management mandate becomes active or revoked during the course of a quarter, the management fee will be calculated on a pro rata basis.

Table 1 - Annual management fees for Discretionary Management and Non-Discretionary Advisory Services.

| Assets under Management (USD) | Discretionary Management | Non-Discretionary Management |
|--------------------------------------|---------------------------------|-------------------------------------|
| USD 500k and above | 1.50% | 0.50% |
| USD 1 Mill. and above | 1.00% - 1.25% | 0.50% |
| USD 5 Mill. and above | 0.75% - 1.25% | 0.50% |

A. Other Fees and Expenses

Clients will be subject to pay additional fees and expenses to third parties in connection with our investment management services, including custodial fees (which includes any fees and different amounts charged by the custodian for exchanging foreign currencies or physical gold), costs for trade settlement, brokerage commissions, or any other costs imposed by the custodian bank or the broker.

These fees and expenses are generally debited from the Client's account and not billed directly by the third parties to the Client unless otherwise agreed in advance. For additional information on custody and brokerage, please see item 10 herein.

B. Negotiability of Fees

To ensure the equal and fair treatment of all Clients, Winter Advisory generally does not negotiate fees, although the right to negotiate fees is reserved by Winter Advisory.

C. Billing Process

By signing the investment management or investment advisory agreement, each Client authorizes Winter Advisory to debit the Client's account for fees related to the services provided. When such charges are payable, Winter Advisory will instruct the respective custodian to debit the asset management or advisory fee for the applicable period per the prior authorization given by the Client to the respective custodian.

Billing always begins on the first day of the following month after the investment management or investment advisory agreement was signed. For Client accounts opened or closed in the middle of a calendar quarter, fees will be calculated and charged based on the number of days Winter Advisory managed the assets during the actual quarter.



Item 6. Performance-Based Fees and Side by Side Management

Winter Advisory is currently not managing any accounts that are subject to a performance-based fee, but such engagements (in compliance with Rule 205-3 promulgated by the SEC under the Investment Advisers Act of 1940, as amended (“Advisers Act”) may be accepted at any time and negotiated with the Client in advance.



Item 7. Types of Clients

Winter Advisory concentrates on discretionary and non-discretionary investment advisory services for high net worth individuals, their company structures and trusts (together referred to as "Clients" herein) through individually managed accounts. The services offered are exclusively limited to U.S. residents of any nationality and U.S. citizens living outside of the United States and its Territories. The minimum account size is, depending on the service selected, between EUR 100.000 and 250,000 (or its equivalent in USD); however, based on a Client's circumstances, Winter Advisory reserves the right to accept accounts below the minimum.

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

Winter Advisory's investment objective is to generate long-term capital appreciation by applying a conservative and risk-averse approach across most of its portfolios. Investment strategies range from value-based investing in stocks, bonds, foreign currencies, precious metals, and commodities. Winter Advisory currently offers a total of five (5) investment strategies investing internationally and in various asset classes. Winter Advisory does not engage or utilize derivatives to trade commodities, trade individual derivatives contracts such as futures or options nor use leverage or margin.

A. Investment Strategies

Winter Advisory's Precious Metals Portfolio ("WAPM")

The WPM invests primarily in gold and silver mining shares and may also invest in gold and silver ETFs or physical bullion.

Winter Advisory's Managed T-Bill's Portfolio ("WAMT")

The WMT invests exclusively in short-term US Treasuries (T-Bill's) and is automatically re-invested upon maturity of its constituents.

Winter Advisory's Wealth Preservation Portfolio ("WAWP")

The WWP invests across several asset classes (e.g., foreign currencies, precious metals, inverse-index stock ETF's among others) to provide a negative correlation to common stocks.

Winter Advisory's Global Value Portfolio ("WAGV")

The WGV's objective is to identify and invest in undervalued global stocks; mostly in large-cap companies after they've hit a new low following an earnings miss, management change or some other unforeseen event. In addition to isolating undervalued companies, the strategy also embraces an 'event-driven' approach to stock selection. The portfolio also invests in ETFs, favoring a value-based strategy, and if necessary, we may use inverse-index stock ETF's to hedge against market declines amid financial market dislocations or bear markets to minimize portfolio volatility.

Winter Advisory's Global Growth Portfolio ("WAGG")

The WGG overweights common stocks and alternative investment securities but also invests in global fixed-income debt securities and foreign currencies. The portfolio seeks aggressive capital growth mainly from a diversified portfolio of aggressive-risk investments, including small-cap, mid-cap and large-cap stocks worldwide, while bonds are a secondary investment objective. Volatility is a prevalent theme. Additional asset classes may be commodities, publicly-traded real estate securities, and other alternative investments.

For more detailed information about the investment strategies, its asset allocations, and current constituents, please refer to the individual fact sheets representing each strategy.

Unforeseen or radical and rapid movements in the market may result in a deviation from the general investment objectives of the strategy selected by the Client, but Winter Advisory is making every possible good faith effort to keep the portfolio allocation in line with the chosen investment strategy. Winter Advisory is not obligated to maintain full investments in the Clients' selected strategy or asset allocations at all times and may, at its discretion, convert all investments to cash if deemed necessary and in the best interest of the Clients after considering all applicable facts and circumstances at any given time.



Winter Advisory, at its discretion, may engage unrelated, third-party sub-advisors (“Sub-Advisers”) to assist Winter Advisory in carryout its investment advisory services to its Clients. These Sub-Advisors will be responsible for providing advice directly to Winter Advisory for Winter Advisory to consider whether such advice is useful in satisfying Winter Advisory’s suitable investment advisory obligations to its Clients. At no time will any Sub-Advisor of Winter Advisory, provide investment advice directly to Winter Advisory’s Clients. These Sub-Advisors may or may not be registered as an Investment Adviser with the SEC or a member of the FINRA.

B. Risk of Loss

Investing in financial instruments always involves a risk of loss that every Client should be prepared to bear, and those include:

Market Risk

Prices of securities may fluctuate significantly (up or down), sometimes rapidly or unpredictably, and can cause a complete loss on the investment;

Liquidity risk

Some securities may become difficult or impossible to trade, which may result in not achieving an acceptable sales price;

Counterparty Risk

The issuer of a fixed income security may default on its obligation to pay interest or principal which could result in a complete loss on the investment;

Emerging Markets Risk

Foreign securities may involve a risk of loss due to external factors, i.e., political, economic and currency fluctuations;

Currency Risk

Investing in foreign currencies may result in significant losses due to fluctuations in the price of one currency against another;

Winter Advisory is making every effort to reduce the risks mentioned above as much as reasonably possible by applying its investment principles. Nevertheless, Clients are advised to consider investment related risks before investing in financial instruments.

For detailed information about investment risks in the individual asset classes offered by Winter Advisory, please refer to our investment risks brochure.



Item 9. Disciplinary Information

Winter Advisory is required to disclose certain legal and disciplinary events that may be essential to a Client's evaluation of our business and integrity. There are currently no material regulatory enforcement proceedings pending against Winter Advisory or its affiliates or personnel.



Item 10. Other Financial Industry Activities and Affiliations

Neither Winter Advisory nor its associated persons or management personnel are registered as a broker-dealer, a registered representative of a broker-dealer, future commissions merchant, commodity pool operator, commodity trading advisor, and none of them have an application pending to register as such.

Winter Advisory and/or its management have a material relationship with the following related person(s):

Bank Winter which owns 100% of the shares and voting rights of Winter Advisory. Although Winter Advisory is a wholly owned subsidiary of Bank Winter, a policy of strict separation between the two businesses is maintained to minimize any potential conflict of interest. For example, Winter Advisory holds a separate investment committee where market research and investment advisory decisions are made independently from the Bank. In addition, the business relationship between Winter Advisory and Bank Winter is governed by a service agreement between the two entities, through which the bank is providing services such as custodial services, information technology maintenance, human resources support, and Austrian regulatory compliance support. To the extent any employee of Bank Winter assists Winter Advisory in developing or providing its investment advisory services to its Clients, such employees will be deemed to be “supervised persons” of Winter Advisory, subject to Winter Advisory’s supervision and code of ethics. See Item 11. Code of Ethics below.

Winter Advisory may enter into a referral arrangement with Bank Winter under which Bank Winter will refer Clients to Winter Advisory to avail of its investment advisory services. In return, Winter Advisory will compensate Bank Winter for the referral. The referral arrangement between both entities will be reflected in a separate service agreement concluded by both parties. The payment of referral fees by Winter Advisory will be disclosed to its potential Clients prior to any Client entering into an investment advisory agreement with Winter Advisory and prior to any such fee being paid to Bank Winter. All such referral arrangements will be entered into in accordance with the Cash Solicitation Rule 206(4)-3 promulgated under the Advisers Act to ensure all potential conflicts of interest are disclosed to all applicable Clients of Winter Advisory.

At the time of this brochure’s initial filing on April 25, 2019, there have been no such referral arrangements entered into between Winter Advisory and Bank Winter.



Item 11. Code of Ethics, Participant or Interest in Client Transaction and Personal Trading

Winter Advisory's code of ethics provides guidance and instruction for its personnel on their ethical obligations in fulfilling its duties of fairness, loyalty and good faith towards its Clients. Winter Advisory's personnel owe a fiduciary duty towards the Clients for whom Winter Advisory acts as an investment advisor and are required to act in the Clients' best interest and comply with all applicable regulations at all times. The Chief Compliance Officer is responsible for the maintenance, review, and enforcement of the code of ethics and a copy is available to Clients or prospective Clients upon request.

The code of ethics also contains stipulations including, but not limited to personal security transactions, insider trading, conflicts of interest, dealing with offers of gifts and entertainment and external business activities.

To avoid any potential conflicts of interest, Winter Advisory's personnel are required to seek prior approval for any other paid employment, particularly in the area of portfolio management services. Winter Advisory aims to minimize any such conflicts of interest and resolve these in favor of the Client where possible. As a further measure to avoid conflict of interests, Winter Advisory's personnel incentive system does not focus on sales and personnel are not paid a sales commission.

Personnel must report their private trading activities on a regular basis to ensure they do not interfere with a Client's portfolio or take advantage of a relationship with a Client and to ensure that they do not engage in any transactions which are in contradiction to Winter Advisory's policies and code of ethics. Occasionally, Winter Advisory's personnel may take positions in the same securities as Clients, which may pose a conflict of interest with Clients; however, front running is strictly prohibited. When carrying out personal security transactions, personnel must place the interests of Winter Advisory's Clients above their own at all times.

Item 12. Brokerage Practices

Clients of Winter Advisory are free to select where they wish to maintain their accounts and must open the account directly with their chosen custodian themselves. Winter Advisory does not have custody or possession of Clients' assets except to the extent Winter Advisory is deemed to have custody under the "custody rule" of the Advisers Act because the Client has authorized Winter Advisory to debit its investment advisory fees from the Client's respective custodian, on a quarterly basis, upon presentation of an invoice by Winter Advisory to the Client's custodian. Many Clients' choose to house their assets with Bank Winter. Others may choose to maintain their accounts elsewhere. Winter Advisory routes security trades through the Client's chosen custodian or the broker specified by the Clients' selected custodian.

Winter Advisory, therefore, does not offer any brokerage services nor does it charge any transaction fee based on any security transaction or solicit or otherwise hold itself out to the market as providing brokerage services. Each custodian has its own individual process in this regard, and Winter Advisory does not have any influence in selecting the broker-dealer who ultimately places the trade in the market. Each broker is also responsible for providing the best execution for its Clients' trades.

Winter Advisory has no influence or control over the trading commissions charged by the broker. These charges are to be agreed on between the Client and their chosen custodian bank. Bank Winter has offered Clients of Winter Advisory a reduction on all of their standard custody and trading fees. Clients choosing to bank with another custodian must be aware that their overall cost base may be higher than those Clients who have selected Bank Winter as their custodian.

As Winter Advisory is not based in the US and many of the securities traded are non-US securities, the brokers used by the Client's selected Custodian may or may not be registered with the SEC under the U.S. Securities Exchange Act of 1934.

A. Bulk Trades

When buying or selling the same security across more than one Client account, Winter Advisory may choose to make use of bulk orders, whereby all Client orders are bundled into one for execution with the custodian or broker. The aim of doing so is to achieve the same timing and fair execution price for all Clients. Depending on the custodian or broker, this may also result in lower brokerage fees for the Clients as the brokerage fees may be shared between all Client accounts participating in the bulk order.

B. Trade Errors

While aiming to avoid errors where possible, Winter Advisory accepts that trade errors can happen from time to time. Should any trading errors occur, Winter Advisory aims to resolve them as soon as feasibly possible and without any possible disadvantage to the Client. Any costs for rectifying an error will not be passed on to Winter Advisory's Clients but instead will be borne by Winter Advisory or the Clients' bank, custodian or broker, depending on which party is at fault. Additionally, Winter Advisory will examine any errors which may occur with a view to improving processes and avoiding a similar outcome in the future. This review of all trade errors will be documented by Winter Advisory's Chief Compliance Officer with the objective of ensuring that Winter Advisory's Clients maintain the same economic position they would have achieved if the trade would have been successfully achieved without the error.

C. Use of Soft Dollars

Winter Advisory does not currently engage in any "soft dollars" practices but may do so in the future, however, to obtain research and brokerage services allowed for under the "safe harbor" conditions, pursuant to section 28(e) of the Exchange Act.



Item 13. Review of Accounts

Winter Advisory will review all “discretionary managed” Client accounts on a continuous basis in an effort to ensure that they remain aligned with the Client’s defined strategy, to check for irregularities and that the accounts are positioned appropriately given current market conditions. The securities held by the Clients are reviewed whenever there are any significant company, industry or market news or when any other macro or microeconomic or political news is deemed to be of significance. A substantial change in the Client’s personal or economic situation or a change in their risk tolerance or investment objectives may also necessitate a review of the account and its holdings. Should a portfolio need to be adjusted, Winter Advisory may consider tax implications when deciding when and how to do so. However, no assurance can be made that Clients will not incur capital gains whenever a Client’s portfolio is rebalanced. Winter Advisory assumes no responsibility for any tax consequences of any transaction, including any capital gains that may result from the rebalancing of Client accounts.

To the contrary, as the Clients’ make the final investment decisions, Winter Advisory is not obligated, nor does it take on any responsibility, to continuously review Clients’ non-discretionary accounts to ensure that the accounts remain aligned with the Clients investment objectives, selected strategy or overall risk tolerance.

Winter Advisory will review and if requested to, provide comments to the Client on account statements provided by the Client’s selected custodian. The frequency of such reviews will be agreed upon with each Client and will take place at least annually. Clients are provided with asset statements and performance reports from their selected custodian on at least a quarterly basis. These statements and reports detail, among other things, all securities held in the account, transactions during the period and the performance of the Client’s account during that period. Additionally, some custodians may provide Clients with online viewing access to monitor their portfolios at any time.



Item 14. Client Referrals and Other Compensation

Winter Advisory does not receive any third-party compensation for providing investment advice or services to its Clients. Employees of Winter Advisory may be invited to attend seminars and meetings from time to time, the costs of which are covered by the organizing or inviting party.

Winter Advisory may enter into agreements with individuals or firms, including with Bank Winter as referenced above in Item 10, and pay a fee for Client referrals. Such arrangements comply with Rule 206(4)-3 of the Advisers Act and will not result in any additional costs for the Client being referred. The Client being referred will also be made aware of any such agreement in advance of concluding any contract with Winter Advisory.



Item 15. Custody

Client accounts are held in custody by custodian banks as discussed in item 12. The Clients themselves establish their accounts directly with the custodian bank, and the custodian bank provides account statements on at least a quarterly basis detailing the securities held in the account, transactions during the period and the performance of the Client's account during that period. Each custodian also provides the Clients with the necessary information to complete their yearly U.S. tax returns. All statements and information received from the custodian should be carefully reviewed by the Client for accuracy promptly after receipt.

Winter Advisory is deemed to only have limited custody of Client assets solely because of the fee deduction authority granted by the Client in their investment agreement with Winter Advisory.



Item 16. Investment Discretion

Winter Advisory offers its services on both a discretionary and non- discretionary basis. Under a discretionary mandate, Winter Advisory has investment discretion over Client's accounts through a limited power of attorney provided by the Client to their custodian bank. An exception to this, for example, would be in the case where a Client has explicitly requested Winter Advisory not to invest in a particular company or industry. Any such request must be made in writing and signed by both the Client and by Winter Advisory.

For non-discretionary mandates, Winter Advisory does not have investment discretion over Clients' accounts and its involvement is limited to an advisory role. Here, investment information and recommendations are provided by Winter Advisory but the Client makes all final investment decisions for the account. Winter Advisory will not route any security order to any custodian and/or broker until authorized to do so by the Client.

Winter Advisory is not authorized to withdraw funds from the Clients' accounts, except for the deduction of its own management or advisory fees.



Item 17. Voting Client Securities

Winter Advisory does not have the authority to vote Client proxies. Clients must make such arrangements directly with their custodian bank. If Winter Advisory inadvertently receives any material referring to proxy voting, Winter Advisory will promptly forward the material directly to the Client. For discretionary accounts, Winter Advisory will partake in specific corporate actions on the Clients' behalf. For non-discretionary accounts, corporate actions will be discussed with the Client before any action will be taken.



Item 18. Financial Information

Winter Advisory has never filed for bankruptcy and is not aware of any financial condition that is expected to affect its ability to advise or manage Client accounts.

