

Item 1 – Cover Page

FINSER INTERNATIONAL CORPORATION

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Date of Brochure: June 24, 2019

This Brochure provides information about the qualifications and business practices of Finser International Corporation (hereinafter referred to as “Finser,” the “Firm,” or “we”). If you have any questions about the content of this Brochure, please contact the Firm’s Chief Compliance Officer at the telephone number provided above or email us at info@finsergroup.com.

The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Finser is registered as an investment adviser with the SEC. The fact that Finser is “registered” does not imply any level of skill or training. You should not make a determination to hire or retain any adviser based solely on the fact that the adviser is registered.

Additional information about Finser is available on the SEC’s Web site at www.adviserinfo.sec.gov. The SEC’s Web site also provides information about any persons affiliated with Finser who are registered as investment adviser representatives of the Firm.

Item 2 – Material Changes

On July 28, 2010, the SEC published “Amendments to Form ADV,” which required investment advisers to provide additional information to clients about the advisory services provided. This Brochure, dated June 24, 2019, is a new document that we prepared in response to the SEC’s new rules. This Brochure replaces the Form ADV Part II previously issued by Finser and is materially different from the Form ADV Part II in structure and in content. It contains important information that the Firm was not previously required to provide.

In the future, for each newly-issued Brochure, this Item 2 will identify and include a summary of the specific material changes that were made since the previously-issued update of the Brochure.

You may obtain a copy of our current Brochure any time by contacting our Firm’s Chief Compliance Officer at the telephone number listed on the cover page of this Brochure.

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Item 4 – Advisory Business

A. Business Commencement Date

Finser has been in business since June of 2010.

B. Ownership

Mr. Andrew H. Jacobus is the sole shareholder of and wholly owns Finser.

C. Services

DISCRETIONARY ACCOUNTS. Finser provides personalized discretionary investment management services to its clients. Clients are asked to provide Finser with certain information with respect to their current financial holdings, investment objectives, risk tolerance, and time horizon. Finser will also inquire as to the restrictions the client wishes to impose on the management of the accounts. From the information that is supplied by the client, Finser constructs an investment strategy or allocation mix that Finser believes is suitable for that client.

NON-DISCRETIONARY ACCOUNTS. Finser also offers non-discretionary advisory services tailored to its clients. As with the discretionary accounts, clients are asked to provide Finser with information regarding their financial profile and any restrictions the client wishes to impose on the management of the accounts. For non-discretionary accounts, Finser will recommend an investment strategy, allocation mix, or changes to the client's existing portfolio that Finser believes is suitable for that client. Finser has an ongoing responsibility to make recommendations to the client based upon the client's financial and investment profile. The client approves or disapproves each recommendation made by Finser. Upon approval of any recommendation, Finser will arrange for effecting the securities transaction(s) recommended.

PORTFOLIO RECOMMENDATIONS. Finser offers portfolio analysis and/or investment recommendations to clients on a one-time, non-discretionary basis for an hourly fee. Clients are asked to provide Finser with certain information with respect to their current financial holdings, investment objectives, risk tolerance, and time horizon. From the information that is supplied by the client, Finser will recommend an investment strategy, allocation mix, or changes to the client's existing portfolio that Finser believes is suitable for that client. Finser does not have an ongoing responsibility to make recommendations to the client. Finser does not have the responsibility to arrange any securities transaction but may arrange one or more transactions upon the client's instruction. Assets in these types of non-discretionary accounts are not included in the assets under management calculation below.

INVESTMENT PRODUCT TYPES. Generally, the Firm's investment advice is confined to the following universe of securities and products:

- Exchange listed securities
- Securities traded over-the-counter
- Securities issued by foreign issuers, including foreign sovereign debt instruments
- Corporate debt securities, including commercial paper
- U.S. government securities
- Certificates of deposit
- Options contracts on securities

D. Assets Under Management

As of December 31, 2018, Finser was managing approximately US\$98,350,000 in client assets on a discretionary basis and approximately US\$15,780,000 in client assets on a nondiscretionary basis.

Item 5 – Fees and Compensation

A. Fees

DISCRETIONARY AND NONDISCRETIONARY ACCOUNTS. Finser charges a fixed annual fee for its discretionary and non-discretionary management services. Generally, Finser charges fees in accordance with the following fee schedule:

- For Discretionary Accounts:
 - 1% for Assets Under Management between \$25,000.00 up to \$5,000,000.00
 - 0.75% for Assets Under Management between \$5,000,001.00 and \$10,000,000.00
 - 0.5% for Assets Under Management between \$10,000,001.00 up to \$20,000,000.00
 - 0.25% for Assets Under Management above \$20,000,000.00
- For NON-Discretionary Accounts:

<u>AUM</u>	<u>Annual Fee</u>
\$25,000 - \$100,000	\$2,500
\$100,001 - \$250,000	\$3,500
\$250,001 - \$500,000	\$5,500
\$500,001 - \$1,000,000	\$7,500
\$1,000,001 and Higher	\$10,000

"AUM" means the assets under the management of Finser for a particular client or client account. The fees listed in the schedule above are annualized figures. Fees will be charged quarterly and in advance. The fee will be payable when the account is established, pro-rated for the first partial quarter, if applicable. Thereafter, the quarterly fee will be based upon the market value of all assets held within the client's account(s) on the last business day of the prior calendar quarter. The quarterly fee will be payable on the first day of each calendar quarter. Additional deposits to the account are subject to the same fee procedures. The client will receive a *pro rata* refund of any prepaid advisory fees upon termination of the advisory agreement.

Finser may adjust the fee schedule upon thirty (30) days' written notice to the client. In certain instances, fees are negotiable.

Unless otherwise agreed, the client's account will be debited for the above-mentioned fees. Finser collects fees from the amount of any contribution or transfer, from available cash in the client's account, or by liquidating the client's assets held in the client's account in an amount equal to the fees that are due.

PORTFOLIO RECOMMENDATIONS. Generally, fees for this service are charged at \$300 per hour. A retainer in the amount of \$1,000 is collected from the client upon signing the portfolio recommendations agreement. The remainder of fees incurred is due upon the delivery of the recommendations report to the client or upon the close of the meeting wherein the advisory recommendations are presented to the client, whichever occurs earlier.

B. Termination of Service

DISCRETIONARY AND NONDISCRETIONARY ACCOUNTS. Upon written notice to Finser, within five (5) business days of entering into an agreement with the Firm, the client will have the right of termination without penalty or payment of fees. The Firm will refund any payment that has been made. Thereafter, either Finser or the client may terminate the agreement upon thirty (30) days' written notice to the other party.

PORTFOLIO RECOMMENDATIONS. Prior to the delivery of the recommendations report, the client may terminate the portfolio recommendations agreement upon written notice to Finser. If terminated, Finser is entitled to compensation for time expended on the consultation and/or preparation of the recommendations report and any unearned fees paid will be refunded to the client. The portfolio recommendations agreement is limited in duration and, generally, terminates automatically when the report or recommendations are provided to the client.

C. Other Fees

In addition to the advisory fees charged by the Firm, other fees may apply. Brokerage commissions, transaction fees, sales loads, sales charges, management fees, administrative fees, account maintenance fees, transfer taxes, wire transfer fees, electronic fund fees, and other fees may be charged by the broker or dealer selected for execution of the securities transactions in the advisory accounts, by the custodian, and/or by the distributor, issuer or fund issuing the securities purchased and sold within the advisory accounts. The client is solely responsible for paying all such charges. In addition, mutual funds and certain exchange-traded funds ("ETFs") pay management fees to their investment advisers, which reduce their respective assets. To the extent that the client's portfolio has investments in mutual funds or ETFs, the client may pay two levels of advisory fees for the management of their assets: one directly to the Firm, and the other indirectly to the managers of those mutual funds and ETFs held in their portfolios. Neither Finser nor any of its investment adviser representatives receives any portion of these other fees.

D. Broker/Dealer Charges

Item 12 further describes the factors that Finser considers in selecting or recommending broker/dealers for client transactions and determining the reasonableness of their compensation (*e.g.*, commissions).

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

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

Item 7 – Types of Clients

Finser provides non-discretionary management services to individuals, including high net worth individuals, trusts, estates, and foreign and domestic entities.

When subscribing to the advisory services offered by us, generally, the minimum account value is \$25,000. In some situations, account minimums may be negotiated.

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

A. Methods of Analysis

When formulating investment advice, Finser may utilize any one or more of the following security analysis methods:

- Fundamental Analysis. Fundamental analysis is a method of attempting to measure a security's underlying value and potential for future growth (its intrinsic value) by examining economic, financial and other qualitative and quantitative factors directly related to the issuer/company as well as company-specific factors (like financial condition, management, and competition). The adviser compares the intrinsic value with the security's current price, with the aim of determining what position to take with the security (i.e., buy, sell or hold).
- Technical Analysis. Technical analysis is a method of evaluating securities by researching the demand and supply based on recent trading volume, price studies, as well as the buying and selling behavior of investors. Technical analysis assumes that market psychology influences trading in a way that enables predicting when a stock will rise or fall. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts or computer programs to identify and project price trends.
- Charting. Charting is a method by which an adviser analyzes trends in a security's price, insider sales, short sales, and/or trading volume in an attempt to ascertain major market downturns, upturns, and trend reversals.

Finser does not represent, warrant, or imply that any analysis method employed by the Firm can or will successfully identify market tops or bottoms. No analysis method has been proven to insulate clients from losses due to market fluctuations, corrections or declines.

B. Investment Strategies

Investment strategies may include long-term and short-term purchases, frequent trading, buying on margin, and option writing. The particular strategies employed will depend upon the individual needs and risk tolerance of the client. A short description of each of these strategies follows:

- Buy and Hold. Generally, a long-term purchase is a purchase of a security or investment product with a view to holding the security or product for more than one year. Trade commissions are reduced by buying and selling less often and taxes are often reduced or deferred by holding positions longer. We typically will follow a buy and hold strategy when pursuing a value investment strategy or emerging markets investment strategy. This is our primary strategy for debt instruments.

- A value investment strategy involves recommending securities that we believe are priced below their intrinsic values but are still fundamentally solid.
- An emerging markets strategy involves investing in stocks or bonds issued by companies and government entities in developing countries, such as in Latin America, Eastern Europe, Africa and Asia. Finser focuses on Latin American securities. Typically, there is a medium- to long-term holding period and there can be high volatility.
- Short-term purchases. A short-term purchase is a purchase of a security or investment product with the intent of possibly selling it within one year of its purchase.
- Short-term trading. Short-term trading focuses on opportunistic trades – holding investments for only brief periods. Frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.
- Margin Transactions. An investor may buy securities with money borrowed from the broker/dealer. The borrower will be required to pay interest on the loan.
- Option writing. Investors can sell options in order to obtain additional income from premiums paid by the option buyer. The positive potential of this strategy is limited because the most money the investor can earn is the amount of the option premium.

The concept of asset allocation, or spreading investments among a number of asset classes (e.g., domestic stocks vs. foreign stocks; large cap stocks vs. small cap stocks; corporate bonds vs. government debt instruments), plays a prominent role in executing an investment strategy. Asset allocation seeks to achieve diversification of assets in order to reduce the risk associated with investing all or a significant portion of a client's portfolio in one asset class. We believe that risk reduction is a key element to long-term investment success.

C. Risks

1. *General Risks*

Investing in securities involves risk of loss that clients should be prepared to bear. Different types of investments involve varying degrees of risk and there can be no assurance that any specific investment or investment strategy will either be suitable or profitable for a client's investment portfolio. Past performance is not indicative of future results. A client should not assume that the future performance of any specific investment, investment strategy, or product will be profitable or equal to past or current performance levels. Finser cannot assure that the investment objectives of any client will be realized.

2. *Special Risks*

While investing in any security involves risk, investing in some types of securities carries special risks. A summary of the special risks associated with some types of securities we may recommend is provided below. Please note that the following summaries are general in nature and do not include an explanation of all risks associated with a given security type.

- a. Bonds. Bonds are subject to credit risk, which is the risk of default associated with the issuer. Bonds are also subject to interest rate risk or the risk that changes in interest rates during the term of the bond might affect the market value of the bond prior to the call or maturity date. Investors should also consider inflation risk, which is the risk that the rate of the yield to call or maturity will not provide a positive return over the rate of inflation

for the period of the investment.

- b. Latin America Securities. Debt and equity investments associated with Latin American countries may involve increased volatility and risk due to, without limitation:

- Political Risk. Many Latin American countries are undergoing, or have undergone in recent years, significant political change that has affected government policy, including changes in the regulation of industry, trade, financial markets, and foreign and domestic investment. The relative instability of these political systems leaves these countries more vulnerable to economic hardship, public unrest or popular dissatisfaction with reform, political or diplomatic changes, social instability, or changes in government policies. For investors, the results may include confiscatory taxation, exchange controls, compulsory reacquisition, nationalization or expropriation of foreign-owned assets without adequate compensation, or the restructuring of certain industry sectors in a way that could adversely affect investments in those sectors.
- Sovereign Risk. Strikes, the imposition of exchange controls, or declarations of war may prevent or impede repayment of funds due from a particular country.
- Economic Risk. The economies of these countries may be more vulnerable to rising interest rates and inflation. Investments may be negatively affected by rates of economic growth, corporate profits, domestic and international flows of funds, external and sovereign debt, dependence on international trade, and sensitivity to world commodity prices. Additionally, a change in tax regime may result in the sudden imposition of arbitrary or additional taxes.
- Currency Risk. The weakening of a country's currency relative to the U.S. dollar or to other benchmark currencies will negatively affect the dollar value of an instrument denominated in that currency.
- Credit Risk. Issuers and obligors of sovereign and corporate debt may be unable to make timely coupon or principal payments, thereby causing the underlying debt or loan to enter into default.
- Liquidity Risk. Natural disasters as well as economic, social, and political developments in a country may cause a decrease in the liquidity of investments related to that country, making it difficult to sell quickly, and/or subjecting the seller to substantial price discounts.

The nature and extent of these risks vary from country to country, among investment instruments, and over time.

- c. Emerging Market Securities. Investments and transactions in products linked to issuers and obligors incorporated, based, or principally engaged in business in emerging markets countries carry increased risk and volatility. In addition to the political, sovereign, economic, currency, credit, and liquidity risks described above, emerging market securities can be subject to the following risks:

- Market Risk. The financial markets can lack transparency, liquidity, efficiency.

- Regulatory Risk. There may be less government supervision and regulation of business. The supervision that may be in place may be subject to manipulation or control. Disclosure and reporting requirements may be minimal or non-existent.
 - Legal Risk. The process of legal reform may not proceed at the same pace as market developments, which could result in uncertainty. Legislation to safeguard the rights of private ownership may not yet be in place.
 - Settlement and Clearing Risk. The registration, recordkeeping and transfer of instruments may be carried out manually, which may cause delays.
- d. Mutual Funds. Most mutual funds fall into one of three main categories — money market funds, bond funds (also called "fixed income" funds), and stock funds (also called "equity" funds). Generally, the higher the potential return, the higher the risk of loss. A fund's investment objective and its holdings are influential factors in determining risk. Past performance is not a reliable indicator of future performance. Reading the prospectus will help you to understand the risk associated with that particular fund.

Different mutual fund categories have inherently different risk characteristics. For example, a bond fund faces credit risk, interest rate risk, and prepayment risk. Bond values are inversely related to interest rates. If interest rates go up, bond values will go down and vice versa.

Overall "market risk" poses the greatest potential danger for investors in stocks funds. Stock prices can fluctuate for a broad range of reasons — such as the overall strength of the economy or demand for particular products or services. A sector stock fund (which invests in a single industry, such as telecommunications) is at risk that its price will decline due to developments in its industry. A stock fund that invests across many industries is more sheltered from this risk.

For most funds, investors must pay sales charges, annual fees, and other expenses regardless of how the fund performs. And, depending on the timing of their investment, investors may also have to pay taxes on any capital gains distribution they receive.

- e. Principal-protected Notes. The principal guarantee is subject to the credit-worthiness of the guarantor. In addition, principal protection levels can vary. While some products guarantee 100 percent return of principal, others guarantee as little as 10 percent. In most cases, the principal guarantee only applies to notes that are held to maturity. Issuers may (but are not obligated to) provide a secondary market for certain notes but, depending on demand, the notes may trade at significant discounts to their purchase price and might not return all of the guaranteed amount. Some principal-protected notes have complicated pay-out structures that can make it hard for an adviser to accurately assess their risk and potential for growth.
- f. Hedge Funds. Hedge funds often engage in leveraging and other speculative investment practices that may increase the risk of investment loss. A hedge fund's performance can be volatile. An investor could lose all or a substantial portion of his or her investment. There may be no secondary market for the investor's interest in the fund. The hedge fund can be highly illiquid and there may be restrictions on transferring interests in the fund. Hedge funds are not required to provide periodic pricing or valuation information to investors. Hedge funds may have complex tax structures. There may be delays in

distributing important tax information. Hedge funds are not subject to the same regulatory requirements as mutual funds. Hedge funds often charge high fees. The fund's high fees and expenses may offset the fund's trading profits.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding certain legal or disciplinary events related to the adviser or the adviser's management. Neither Finser nor its personnel have been subject to any such legal or disciplinary events.

Item 10 – Other Financial Industry Activities and Affiliations

- A. Neither the Firm nor any management person of the Firm is registered or has an application pending to register as a broker/dealer or a registered representative of a broker/dealer.
- B. Neither the Firm nor any management person of the Firm is registered or has an application pending to register as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of any of the foregoing entities.
- C. Neither the Firm nor any management person of the Firm has any arrangements that are material to its business with any related person.
- D. We do not recommend or select other investment advisers for our clients.

Item 11 – Code of Ethics

Securities industry regulations require that advisory firms provide their clients with a general description of the advisory firm's Code of Ethics. Finser has adopted a Code of Ethics that sets forth the governing ethical standards and principles of the Firm. It also describes Finser's policies regarding the following: the protection of confidential information, including the client's nonpublic personal information; the review of the personal securities accounts of certain personnel of the Firm for evidence of manipulative trading, trading ahead of clients, and insider trading; trading restrictions; training of personnel; and, recordkeeping. All supervised persons at Finser must acknowledge the terms of the Code of Ethics upon hire and as amended.

Subject to satisfying the Firm's policies and applicable laws, officers, directors and employees of the Firm and its affiliates may trade for their own accounts in securities that are recommended to and/or purchased for Firm's clients. The Code of Ethics is designed to permit associated persons to invest for their own accounts while assuring that their personal transaction activity does not interfere with making decisions in the best interest of advisory clients or implementing those decisions. Neither the Firm nor any associated person of the Firm who (a) has access to nonpublic information regarding clients' securities transactions, (b) is involved in making securities recommendations to clients, or (c) has access to securities recommendations that are not public (collectively, the "Access Persons") is permitted to trade in or engage in a securities transaction to his or her advantage over that of a client. Access Persons are prohibited from buying or selling securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public upon reasonable inquiry. Access Persons may not execute transactions in their personal accounts ahead of a client's transaction in the same security unless certain

circumstances exist. Because the Code of Ethics in some circumstances permits employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored by the Firm's Chief Compliance Officer in an effort to prevent conflicts of interest between Finser and its clients.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with Finser's obligation of best execution. In such circumstances, all persons participating in the aggregated order will receive an average share price with all other transaction costs shared on a pro-rata basis. The Firm will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions must be pre-approved by the Chief Compliance Officer.

Our clients or prospective clients may request a copy of the Firm's Code of Ethics by contacting the Chief Compliance Officer at the address or telephone number specified on the cover page and requesting a copy.

Item 12 – Brokerage Practices

Advisory clients are not required to use any particular broker/dealer or custodian. Finser might recommend a broker/dealer to a client. Such recommendations are not related to or premised on the receipt of products, research or services from the broker/dealer. The Firm typically evaluates the following factors when recommending a broker/dealer to a client:

- Execution ability, including without limitation:
 - Trading experience in markets/securities needed
 - Quality of trading
 - Clearance and settlement efficiency and accuracy
- Accuracy and timeliness of order execution, reports and confirmations
- Costs, including commission rates, ticket charges, other service charges, and the means to correct errors in an acceptable manner
- Customer service, including responsiveness to the Firm
- Commitment to technology and security of confidential information
- Adequacy of capital and financial responsibility
- Reputation and integrity

Clients may pay commissions higher than those obtainable from other brokers for the same services rendered by any broker/dealer recommended to the client by the Firm.

Item 13 – Review of Accounts

Accounts are reviewed at least every trimester. Each review is performed by Mr. Andrew Jacobus. Upon a client's request, Mr. Jacobus will perform a comprehensive review of the advisory account upon the occurrence of any agreed-upon triggering event(s). At least annually, Mr. Jacobus will review the account with the client. Mr. Jacobus regularly analyzes market and economic activity. For discretionary

accounts, the allocation of each portfolio is adjusted at his discretion in accordance with the client's investment objectives, risk tolerance, and financial needs.

The executing broker/dealers and/or custodians who maintain the client accounts will notify the client of any account activity by delivering a confirmation of the transaction to the client. The custodian delivers account statements at least quarterly. In addition, upon a client's request, and for an additional monthly charge, Finser will provide the client with online access to a consolidated account statement.

Item 14 – Client Referrals and Other Compensation

Neither the Firm, nor any of our employees, receives any economic benefit, sales awards or other prizes from any outside parties for providing investment advice to our clients.

The Firm does not pay any referral fees or other compensation to any non-affiliated person for the referral or introduction of advisory clients to the Firm.

Item 15 – Custody

Finser does not obtain custody of client's monies or securities. Clients should receive, on at least a quarterly basis, statements from the broker/dealer, bank or other qualified custodian that holds and maintains the client's investment assets. We urge you to carefully review such statements and compare such official custodial records to the consolidated account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16 – Investment Discretion

Finser offers discretionary management services, nondiscretionary management services, and portfolio recommendation services. Finser obtains discretionary authority only in connection with its discretionary management services. When a client elects Finser's discretionary management services, the client will sign an agreement that provides Finser with the discretionary authority. Finser is then authorized to select the securities and the quantities or amounts of securities to be purchased, leveraged, transferred, exchanged, traded and sold consistent with the stated investment objectives and investment restrictions adopted by the client. Finser's discretionary authority is limited by (1) any reasonable restrictions that the client places on the management of the account, and (2) the investing parameters set forth by Finser and the client, if any. If Finser deems a proposed restriction unreasonable, Finser may discontinue the advisory service. Reasonability is based on whether the restriction(s) will impose a significant time burden on Finser to comply with such restrictions. Finser does not obtain authority to designate the broker/dealers or other financial intermediaries through whom transactions in the accounts will be executed, cleared or settled.

Item 17 – Voting Client Securities

As a matter of firm policy and practice, Finser does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities owned by the client. Generally, Finser does not provide advice to clients regarding the voting of proxies.

Item 18 – Financial Information

We are required in this Item to provide you with certain information or disclosures regarding our financial condition. Following is the information responsive to this Item:

- The Firm does not require prepayment of more than \$1200 in fees six months or more in advance.
- There are no financial conditions or commitments that are likely to impair our ability to meet any contractual or fiduciary commitment to our clients.
- The Firm has not been the subject of a bankruptcy petition.