



# FORM ADV PART 2A BROCHURE

Nuclo Wealth LLC  
CRD 317730  
November 18, 2024

This brochure provides information about the qualifications and business practices of NUCLO WEALTH LLC. If you have any questions about the contents of this brochure, please contact us at (281) 857-6435 or [info@nuclowealth.com](mailto:info@nuclowealth.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about NUCLO WEALTH LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for NUCLO WEALTH LLC is 317730.

NUCLO WEALTH LLC is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.



**Item 2 Summary of Material Changes**

- Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.
- On May 10, 2022, the Board of Directors/Manager of the Company decided to Register as an Investment Adviser in the State of Texas and withdraw from SEC registration.
- On February 2024, because the Company increased its assets under management as per its business plan, the Board of Directors/Manager of the Company applied for SEC registration. This is consistent with the information provided in an earlier version of this Brochure where it was indicated that because the firm passed the threshold of assets under management, it will become registered again with the SEC early in 2024.
- Front page has been updated with the date of the latest brochure revision and the Company's new phone number, address, and the new effective date of the brochure.
- Item 3 - Table of Contents has been amended to add Item 19.
- Item 4 - Advisory Business, contains information regarding the Firm's assets under management as of December 31, 2023. Also, a full description of the services has been updated (Discretionary and Non-Discretionary Advisory, and Consultancy). Financial Planning is not being offered as a service.
- Item 5 – Fees and Compensation has been updated to cover for all of the Fees and Compensation the Advisor will receive for the services available to be provided to Clients
- Item 6 – Disclosures involving Performance-Based Fees and Side-by Side Management were added.
- Item 15 - Custody was also updated to comply with State regulations.
- Item 18 - Financial Information was updated to comply with State regulations.
- Item 19 - Requirements for State Registered Investment Advisors, has eliminated from the brochure as the Company became regulated by the SEC.
- Item 20 - Your Privacy was added as a title to the Brochure and included in the Table of Contents
- ADV Form 2B was completed so that the three (3) investment advisor representatives of the Firm are properly disclosed there. ADV Form 2B was added to the Table of Contents
- This version of Part 2A of Form ADV ("Firm Brochure") and Part 2B of Form ADV ("Supplement Brochure"), dated, 18 November of 2024, is an amendment to our initial brochure document. It contains information about our business practices as well as a description of potential conflicts of interest relating to our advisory business which could affect a client's account with us. We are providing this material in accordance with Rule 204.3 of the Investment Advisers Act of 1940, which requires a registered investment adviser to provide a written disclosure statement upon entering into an advisory relationship.
- In the future, this item will discuss only specific material changes that are made to the Firm Brochure and provide clients with a summary of such changes. We will also reference the date of our last annual update of our brochure.
- Full Brochure Available. We will provide a new version of the Firm Brochure as necessary when updates or new information are added, at any time, without charge. To request a complete copy of our Firm Brochure, contact us by telephone at (281) 857-6435 or by email at [info@nuclowealth.com](mailto:info@nuclowealth.com).



- On April 25, 2024 the address of the main office of Nuclo has changed to 401 N Franklin Street Floor 2, Houston, Texas



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**Item 4 Advisory Business****Description of Services and Fees**

NUCLO WEALTH LLC (also known as NUCLO WEALTH MANAGEMENT under assumed name) (the Firm) is a registered investment adviser organized as a limited liability company under the laws of the State of Texas. NUCLO MANAGEMENT COMPANY LLC, a Florida limited liability company is the manager and principal member of NUCLO WEALTH LLC. NUCLO MANAGEMENT COMPANY LLC is a wholly owned subsidiary of NUCLO ASSET MANAGEMENT S.A. de C.V., a Mexican company.

The following paragraphs describe our services and fees. As used in this brochure, the words "we", "our" and "us" refer to NUCLO WEALTH LLC and the words "you", "your" and "client" refer to you as either a client or prospective client of our firm. Also, you may see the term Associated Person throughout this Brochure. As used in this Brochure, our Associated Persons are our firm's officers, employees, and all individuals providing investment advice on behalf of our firm.

**Discretionary and Non-Discretionary Portfolio Management Services**

We offer discretionary and non-discretionary portfolio management services to our clients and prospective clients.

If you retain our firm for portfolio management services, we will meet with you to determine your investment objectives, risk tolerance, and other relevant information (the "suitability information") at the beginning of our advisory relationship. We will use the suitability information we gather from our initial meeting to select a model portfolio(s) in which you will be invested. In some cases, we may modify the model portfolio for particular clients based on the client's individual needs, financial objectives and risk tolerance.

Once we select a model portfolio(s) for you, we will monitor your portfolio's performance on an ongoing basis and will rebalance the portfolio as required by changes in the model, market conditions and in your financial circumstances.

If you enter into non-discretionary arrangements with our firm, we must obtain your approval prior to executing any transactions on behalf of your account; alternatively, you may contact/execute our recommendations directly with your custodian

The term of portfolio management services arrangements can be: Open Ended, One Year, Two Years.

We generally require a minimum of \$500,000 to open and maintain an advisory account. We may waive this requirement in our discretion if, for example, you appear to have significant potential for increasing assets under our management. We will also household client accounts to meet the stated account minimum.

**Consulting Services**

We may render limited consulting services to clients. We will not be providing financial planning services.

Consulting services includes but are not limited:



- Monthly Committee Meeting.
- Analysis of capital markets.
- Macroeconomic analysis.
- Geopolitical Analysis
- Enterprise Valuation.
- Corporate structure assessment.
- Any other specific requirements from the client.

The fees charged for such services are described in detail in Item 5, are determined on a case-by-case basis depending on the scope and complexity of the services as described in the corresponding agreements.

### **Selection of Other Advisers**

As part of our investment advisory services, we may recommend that you use the services of a third-party money manager ("TPMM") to manage a portion of your investment portfolio. After gathering information about your financial situation and objectives, we will recommend that you engage a specific TPMM. Factors that we take into consideration when making our recommendation(s) include, but are not limited to, the following: The TPMM's performance, methods of analysis, fees, your financial needs, investment goals, risk tolerance, and investment objectives.

The TPMM will charge you a fee. The advisory fee you pay to the TPMM is established and payable in accordance with the disclosure brochure provided by each TPMM to whom you are referred, and you end up engaging. These fees may or may not be negotiable.

You should review the recommended TPMM's disclosure brochure (if available) and take into consideration the TPMM's fees, as applicable, to determine the total amount of fees associated with the particular program.

You may be required to sign an agreement directly with the recommended TPMM(s). You may terminate your advisory relationship with the TPMM according to the terms of your agreement with the TPMM. You should review each TPMM's disclosure brochure for specific information on how you may terminate your advisory relationship with the TPMM and how you may receive a refund, if applicable. You should contact the TPMM directly for questions regarding your advisory agreement with the TPMM.

### **Types of Investments**

We do not primarily recommend one security over another. We offer advice on equity and fixed income, including equity securities, corporate debt securities, commercial paper, certificates of deposit, municipal securities, exchange-traded-funds, mutual funds, U.S. Government securities, hedge funds, direct lending funds, options and interest in partnerships investing in real estate, private equity, venture capital and oil and gas among others.

Additionally, we may advise you on any type of investment that we deem appropriate based on your stated goals and objectives. We may also provide advice on any type of investment held in your portfolio at the inception of our advisory relationship.

You may request that we refrain from investing in specific securities or certain types of securities. You must



provide these restrictions to our firm in writing.

### Assets Under Management

As of December 31, 2023, the Firm has assets under management of approximately US\$ 185,000,000 (Discretionary US\$ 95,000,000; Non-discretionary US\$ 90,000,000).

### Item 5 Fees and Compensation

#### Fees for Discretionary and Non-Discretionary Portfolio Management Services

Our annual fee for portfolio management services varies depending upon the market value of your assets under our management and is negotiable based on the type and complexity of the portfolio management services provided, as well as the level of administration requested either directly or assumed by the client.

We generally require a minimum of \$500,000 of assets to open and maintain an advisory account. We may waive this requirement in our discretion if, for example, you appear to have significant potential for increasing assets under our management. We will also house household client accounts to meet the stated account minimum.

#### Fees for Portfolio Management Services

The fee schedule ranges from 0.40% to 1.40% of assets under management. The specific fee applicable will be reviewed on a case-by-case basis, taking into consideration various factors such as the complexity and sophistication of the client's needs, the number of accounts, and other relevant factors. While a minimum account size of \$500,000 is generally required, we may accept accounts below this threshold on a discretionary, case-by-case basis.

**Type of Payment:** Fees are payable in arrears and are due the first week of the month / quarter or year, as applicable by the client.

**The term of contract can be:** Open Ended, One Year, Two Years.

If the portfolio management agreement is executed at any time other than the first day of a calendar month or quarter, our fees will apply on a pro rata basis, which means that the advisory fee is payable in proportion to the number of days in the month or quarter for which you are a client. Our advisory fee is negotiable, depending on individual client circumstances.

At our discretion, we may combine the account values of family members living in the same household to determine the applicable advisory fee. For example, we may combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts.

You will receive an invoice for the payment of our advisory fee, or our fee will be deducted directly from your account through the qualified custodian holding your funds and securities. Our advisory fee will be deducted only when the following requirements are met:

- You provide our firm with written authorization permitting the fees to be paid directly from your account held by the qualified custodian.
- You receive an invoice showing the amount of the fee, the value of the assets on which the fee is based, and the specific way the fee was calculated.



- The qualified custodian agrees to send you a statement, at least quarterly, indicating all amounts dispersed from your account including the amount of the advisory fee paid directly to our firm.

You may terminate the portfolio management agreement upon 30 days' written notice to our firm. You will incur a pro rata charge for services rendered prior to the termination of the portfolio management agreement, which means you will incur advisory fees only in proportion to the number of days in the period for which you are a client.

We encourage you to reconcile our invoices with the statement(s) you receive from the qualified custodian. If you find any inconsistent information between our invoice and the statement(s) you receive from the qualified custodian, please call our main office number located on the cover page of this brochure.

### **Fees for Consulting Services**

Our fees for Consulting Services are hourly based: \$250 per hour for the Hourly Junior Rate, and \$500 per hour for the Hourly Senior Rate.

We can also have consulting fees fixed depending on the services provided to the client. The fees charged for such services are determined on a case-by-case basis depending on the scope and complexity of the services as described in the corresponding agreements.

**Type of Payment:** Fees are payable in arrears and are due the first week of the month / quarter or year, as applicable by the client.

**The term of contract can be:** Open Ended, One Year, Two Years.

### **Additional Fees and Expenses**

As part of our investment advisory services to you, we may invest, or recommend that you invest, in mutual funds and exchange-traded funds. We will invest your account, when suitable, in no load mutual funds. The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds, which fees would be described in each fund's prospectus, to their investors. These fees will generally include a management fee and other fund expenses. You will also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through which your account transactions are executed. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian. To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange traded funds, our firm, and others. For information on our brokerage practices, please refer to the "Brokerage Practices" section of this Brochure.

When we render consulting services to clients who retain us to provide portfolio management services, we may charge fees for such services, which are negotiable on a case-by-case basis depending on the scope and complexity of the services as described in the corresponding agreements.

Any material conflicts of interest between you and our firm or our employees are disclosed in this Disclosure Brochure. If at any time, additional material conflicts of interest develop, we will provide you with written notification of the material conflicts of interest or an updated Disclosure Brochure.





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

Qualified clients, as defined by Rule 205-3 of the Investment Adviser's Act, may enter into advisory agreements where the Firm is entitled to a performance fee as part or all its compensation. Qualified clients / investors must meet the following requirements: (a) have at least \$1,100,000 in assets under management with the adviser; or (b) have a net worth of at least \$2,200,000 in investable assets, (excluding the value of his or her primary residence). In addition, to enter into performance-based compensation agreements with the Firm, Client Suitability will be determined using a detailed suitability questionnaire and follow up due diligence inquiries. The Firm at its sole discretion, may reject any client application where the above financial standards are not met and/or where it reasonably believes the investor lacks the necessary financial sophistication, who purport to not fully understand the Firm's method of compensation and the nature of its risks, or who are otherwise deemed to be unsuitable for such an arrangement. Performance Fee arrangements may create an incentive for the Firm to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement.

Performance Fee arrangements may also create an incentive to favor high fee-paying accounts over other accounts in the allocation of investment opportunities. The Firm has procedures designed and implemented to ensure that all clients are treated fairly and equally, and to prevent this conflict from influencing the allocation of investment opportunities among clients.

The Firm may have clients with similar investment objectives. The Firm is permitted to make an investment decision on behalf of clients that differs from decision made for, or advice given to, such other accounts and clients even though the investment objectives may be the same or similar, provided that the Firm acts in good faith and follows a policy of allocating, over a period of time, investment opportunities on a basis intended to be fair and equitable, taking into consideration the investment policies and investment restrictions to which such accounts and clients are subject to. Advice may be provided on assets held offshore.

In addition to the management fee outlined above, the Advisor may charge a performance fee of up to 20% on any investment returns that exceed a previously agreed hurdle rate. This means that the performance fee will only be applied to profits generated above the agreed threshold.

**Item 7 Types of Clients**

We offer investment advisory services to individuals, legal persons, high-net-worth individuals, corporations, charitable organizations, other investment advisers, foreign financial institutions and other business entities and/or structures designed to carry out said business.

We generally require a minimum of \$500,000 to open and maintain an advisory account. We may waive this requirement in our discretion if, for example, you appear to have significant potential for increasing assets under our management. We will also house household client accounts to meet the stated account minimum.

We may also combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts to meet the stated minimum



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

We may use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

**Charting and Technical Analysis** - charting analysis involves the gathering and processing of price and volume information for a particular security. This price and volume information is analyzed using mathematical equations. The resulting data is then applied to graphing charts, which is used to predict future price movements based on price patterns and trends. Technical Analysis involves studying past price patterns and trends in the financial markets to predict the direction of both the overall market and specific stocks. The risk of market timing based on technical analysis is that charts may not accurately predict future price movements. Current prices of securities may reflect all information known about the security and day to day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

**Fundamental Analysis** - involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's stock compared to the current market value. Although fundamental analysis is a well-recognized method of analysis, information obtained through this type of analysis may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

**Cyclical Analysis** - a type of technical analysis that involves evaluating recurring price patterns and trends. When utilizing cyclical analysis, economic/business cycles may not be predictable and may have many fluctuations between long-term expansions and contractions. The lengths of economic cycles may be difficult to predict with accuracy and therefore the risk of cyclical analysis is the difficulty in predicting economic trends and consequently the changing value of securities that would be affected by these changing trends.

**Modern Portfolio Theory** - a theory of investment which attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, by carefully diversifying the proportions of various assets. Market risk is that part of a security's risk that is common to all securities of the same general class (stocks and bonds) and thus cannot be eliminated by diversification.

**Long-Term Purchases** - securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

**Short-Term Purchases** - securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations.

**Short Sales** - a securities transaction in which an investor sells securities he or she borrowed in anticipation of a price decline. The investor is then required to return an equal number of shares at some point in the future. A short seller will profit if the stock goes down in price.



**Margin Transactions** - a securities transaction in which an investor borrows money to purchase a security, in which case the security serves as collateral on the loan.

**Options Trading/Writing** - a securities transaction that involves buying or selling (writing) an option. If you write an option, and the buyer exercises the option, you are obligated to purchase or deliver a specified number of shares at a specified price at the expiration of the option regardless of the market value of the security at the expiration of the option. Buying an option gives you the right to purchase or sell a specified number of shares at a specified price until the date of expiration of the option regardless of the market value of the security at the expiration of the option.

Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio.

We may use short-term trading (in general, selling securities within 30 days of purchasing the same securities) as an investment strategy when managing your account(s). Short-term trading is not a fundamental part of our overall investment strategy, but we may use this strategy occasionally when we determine that it is suitable given your stated investment objectives and tolerance for risk.

#### **Tax Considerations**

Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you consult with a tax professional regarding the investing of your assets. Custodians and broker-dealers must report the cost basis of equities acquired in client accounts. Your custodian will default to the First-In First-Out ("FIFO") accounting method for calculating the cost basis of your investments. You are responsible for contacting your tax advisor to determine if this accounting method is the right choice for you. If your tax advisor believes another accounting method is more advantageous, provide written notice to our firm immediately and we will alert your account custodian of your individually selected accounting method. Decisions about cost basis accounting methods will need to be made before trades settle, as the cost basis method cannot be changed after settlement.

#### **Risk of Loss**

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

#### **Other Risk Considerations**

When evaluating risk, financial loss may be viewed differently by each client and may depend on many different risks, each of which may affect the probability and magnitude of any potential losses. The following risks may not be all inclusive but should be considered carefully by a prospective client before retaining our services.



**Liquidity Risk:** The risk of being unable to sell your investment at a fair price at a given time due to high volatility or lack of active liquid markets. You may receive a lower price, or it may not be possible to sell the investment at all.

**Credit Risk:** Credit risk typically applies to debt investments such as corporate, municipal, and sovereign fixed income or bonds. A bond issuing entity can experience a credit event that could impair or erase the value of an issuer's securities held by a client.

**Inflation and Interest Rate Risk:** Security prices and portfolio returns will likely vary in response to changes in inflation and interest rates. Inflation causes the value of future dollars to be worth less and may reduce the purchasing power of a client's future interest payments and principal. Inflation also generally leads to higher interest rates which may cause the value of many types of fixed income investments to decline.

**Horizon and Longevity Risk:** The risk that your investment horizon is shortened because of an unforeseen event, for example, the loss of your job. This may force you to sell investments that you were expecting to hold for the long term. If you must sell at a time that the markets are down, you may lose money. Longevity Risk is the risk of outliving your savings. This risk is particularly relevant for people who are retired or are nearing retirement.

#### **Recommendation of Particular Types of Securities**

As disclosed under the "Advisory Business" section in this Brochure, we recommend a variety of securities and we do not necessarily recommend one particular type of security over another. Each type of security has its own unique set of risks and even with the same type of security, risks can vary widely. In general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with it. Based on market conditions, we have identified the more common types of securities we recommend, and general risks associated with such investments as follows.

Commercial Paper (CP) is, in most cases, an unsecured promissory note that is issued with a maturity of 270 days or less. Being unsecured the risk to the investor is that the issuer may default. There is a less risk in an asset-based commercial paper (ABCP). The difference between ABCP and CP is that instead of being an unsecured promissory note representing an obligation of the issuing company, ABCP is backed by securities. Therefore, the perceived quality of the ABCP depends on the underlying securities.

Certificates of Deposit (CD) are generally the safest type of investment since they are insured by the federal government up to a specific amount. However, because the returns are generally very low, it's possible for inflation to outpace the return. Likewise, US Government securities are backed by the full faith and credit of the United States government but it's also possible for the rate of inflation to exceed the returns.

Municipal securities, while generally thought of as safe, can have significant risks associated with them including, but not limited to the creditworthiness of the governmental entity that issues the bond; the stability of the revenue stream that is used to pay the interest to the bondholders; when the bond is due to mature; and, whether or not the bond can be "called" prior to maturity. When a bond is called, it may not be possible to replace it with a bond of equal character paying the same amount of interest or yield to maturity.

There are numerous ways of measuring the risk of equity securities (also known simply as "equities" or "stock"). In very broad terms, the value of a stock depends on the financial health of the company issuing



it. However, stock prices can be affected by many other factors including, but not limited to the class of stock (for example, preferred or common); the health of the market sector of the issuing company; and the overall health of the economy. In general, larger, better-established companies ("large cap") tend to be safer than smaller start-up companies ("small cap") but the mere size of an issuer is not, by itself, an indicator of the safety of the investment.

Mutual funds and exchange-traded funds are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities, or any combination thereof. The fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. While mutual funds and ETFs generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, primarily invests in small-cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities. Exchange traded funds (ETF) differ from mutual funds since they can be bought and sold throughout the day like stock and their price can fluctuate throughout the day. The returns on mutual funds and ETFs can be reduced by the costs to manage the funds. Also, while some mutual funds are "no-load" and charge no fee to buy into, or sell out of, the fund, other types of mutual funds do charge such fees which can also reduce returns. Mutual funds can also be "closed end" or "open end". So-called "open end" mutual funds continue to allow in new investors indefinitely which can dilute other investors' interests.

Corporate debt securities (or "bonds") are typically safer investments than equity securities, but their risk can also vary widely based on the financial health of the issuer; the risk that the issuer might default; when the bond is set to mature; and, whether or not the bond can be "called" prior to maturity. When a bond is called, it may not be possible to replace it with a bond of equal character paying the same rate of return.

Options and warrants give an investor the right to buy or sell a stock at some future time at a set price. Options are complex investments and can be very risky, especially if the investor does not own the underlying stock. In certain situations, an investor's risk can be unlimited. The main difference between warrants and call options is that warrants are issued and guaranteed by the issuing company, whereas options are traded on an exchange and are not issued by the company. Also, the lifetime of a warrant is often measured in years, while the lifetime of a typical option is measured in months.

A limited partnership is a financial affiliation that includes at least one general partner and a number of limited partners. The partnership invests in a venture, such as real estate development or oil exploration, for financial gain. The general partner does not usually invest any capital but has management authority and unlimited liability. That is, the general partner runs the business and, in the event of bankruptcy, is responsible for all debts not paid or discharged. The limited partners have no management authority and confine their participation to their capital investment. That is, limited partners, invest a certain amount of money and have nothing else to do with the business. However, their liability is limited to the amount of the investment. In the worst-case scenario for a limited partner, he/she loses what he/she invested. Profits are divided between general and limited partners according to an arrangement formed at the creation of the partnership. Other legal structures, such as limited liability companies can be used to replicate the effects of a limited partnership.

The option trading risks pertaining to options buyers are:



- Risk of losing your entire investment in a relatively short period of time.
- The risk of losing your entire investment increases if, as expiration nears, the stock is below the strike price of the call (for a call option) or if the stock is higher than the strike price of the put (for a put option).
- European style options which do not have secondary markets on which to sell the options prior to expiration can only realize its value upon expiration.
- Specific exercise provisions of a specific option contract may create risks.
- Regulatory agencies may impose exercise restrictions, which stops you from realizing value.

Selling options is more complicated and can be riskier. The risks pertaining to options sellers include:

- Options sold may be exercised at any time before expiration.
- Covered Call traders forgo the right to profit when the underlying stock rises above the strike price of the call options sold and continues to risk a loss due to a decline in the underlying stock.
- Writers of Naked Calls risk unlimited losses if the underlying stock rises.
- Writers of Naked Puts risk unlimited losses if the underlying stock drops.
- Writers of naked positions run margin risks if the position goes into significant losses. Such risks may include liquidation by the broker.
- Writers of call options could lose more money than a short seller of that stock could on the same rise on that underlying stock. This is an example of how the leverage in options can work against the option trader.
- Writers of Naked Calls are obligated to deliver shares of the underlying stock if those call options are exercised.
- Call options can be exercised outside of market hours such that effective remedy actions cannot be performed by the writer of those options.
- Writers of stock options are obligated under the options that they sold even if a trading market is not available or that they are unable to perform a closing transaction.
- The value of the underlying stock may surge or drop unexpectedly, leading to automatic exercises.

Other option trading risks are:

- The complexity of some option strategies is a significant risk on its own.
- Option trading exchanges or markets and option contracts themselves are open to changes at all times.
- Options markets have the right to halt the trading of any options, thus preventing investors from realizing value.
- Risk of erroneous reporting of exercise value.
- If an options brokerage firm goes insolvent, investors trading through that firm may be affected.
- Internationally traded options have special risks due to timing across borders.

Risks that are not specific to options trading include market risk, sector risk and individual stock risk.

Alternative Investments Can be volatile and may have limited liquidity. Investors could lose all or a portion of their investment. Such investments often have concentrated positions and investments that may carry higher risks. Clients should only have a portion of their assets in these investments.

- Alternative Investments are subject to less regulation than other types of pooled investment vehicles such as mutual funds. Alternative Investments may impose significant fees, including incentive fees that are based upon a percentage of the realized and unrealized gains, and such fees may offset all or a



significant portion of such Alternative Investment's trading profits. An individual's net returns may differ significantly from actual returns. Alternative Investments are not required to provide periodic pricing or valuation information. Investors may have limited rights with respect to their investments, including limited voting rights and participation in the management of the Alternative Investment.

- Alternative Investments often engage in leverage and other investment practices that are extremely speculative and involve a high degree of risk. Such practices may increase the volatility of performance and the risk of investment loss, including the loss of the entire amount that is invested.
- Alternative Investments may purchase instruments that are traded on exchanges located outside the United States that are "principal markets" and are subject to the risk that the counterparty will not perform with respect to contracts.
- Past performance does not guarantee future results, which may vary. The value of investments and the income derived from investments will fluctuate and can go down as well as up. A loss of principal may occur.
- Alternative Investments are offered in reliance upon an exemption from registration under the Securities Act of 1933, as amended, for offers and sales of securities that do not involve a public offering. No public or other market is available or will develop. Similarly, interests in an Alternative Investment are highly illiquid and generally are not transferable without the consent of the sponsor, and applicable securities and tax laws will limit transfers.
- Alternative Investments may themselves invest in instruments that may be highly illiquid and extremely difficult to value. This also may limit your ability to redeem or transfer your investment or delay receipt of redemption or transfer proceeds.
- Alternative Investments are not required to provide their investors with periodic pricing or valuation information.
- Alternative Investments may involve complex tax and legal structures and accordingly are only suitable for sophisticated investors. You are urged to consult with your own tax, accounting and legal advisers regarding any investment in any Alternative Investment.
- Prospective investors should inform themselves as to any applicable legal requirements and taxation and exchange control regulations in the countries of their citizenship, residence or domicile which might be relevant.

Derivatives Allow investors to hedge or speculate upon the price movements of a particular security, financial benchmark, index, currency or interest rate, at a fraction of the cost of investing in the underlying asset. Derivatives often offer significantly more market exposure than the amount invested, a relatively small adverse market movement can result in the loss of the entire investment and the possibility of a loss greater than the original amount invested.

Commodities and Futures Trading - The risk of loss in trading commodities and futures can be substantial due to the use of leverage. The high degree of leverage that is often obtainable in commodity trading can work against the investor.





International Investing Includes the risk of currency fluctuations, political and economic events. Investing in emerging markets may involve greater risk and volatility.

Other Risks There are special considerations associated with sector investing, international investing, investing in real estate, commodities and futures. Investing in real estate involves the risk of liquidity and the possibility that property values may fall due to economic, environmental, or other factors. Changes in interest rates can negatively impact the performance of real estate investments.

THE FIRM strives to mitigate risk by monitoring markets, corporate earnings outlook, interest rates, currency rates, economic and geopolitical conditions, central bank's monetary policy or investor sentiment.

### **Special Considerations for Alternative Investments and other Illiquid Investments.**

Illiquid investments are an important part of the overall opportunity set of an appropriately diversified portfolio. Optimal allocation to illiquid assets such as private equity, private real estate, and real assets varies with the investor's ability to meet cash obligations: we provide guidelines for an appropriate allocation to illiquid investments that is based on the investor's ability to meet existing cash obligations taking into consideration liquidity risk during the asset allocation process. Alternative assets may offer a differentiated risk profile and the potential for higher returns than publicly traded assets.

Our initial analysis of the client includes filling a questionnaire to measure our client's risk tolerance. As we work through the asset allocation process with our clients, we engage in active conversations around the meaning of risk and volatility and the potential impact on the portfolio, we also consider many other types of risk that may not be as commonly discussed, such as interest rate risk, currency risk, liquidity risk or the risk of permanent capital impairment. Alternative investments should be used when appropriate for meeting a client's individual objectives.

### **Factors of Illiquid Investments**

We consider the following when building a portfolio with alternative investments:

**Liquidity:** Liquidity considerations and duration of illiquid assets remain a key focus for our investors.

**Return:** Establish target return parameters that can shape portfolio allocation decisions; for potential returns consider targeting return seeking strategies in sectors with high growth rates or other industry-focused opportunities that invest in markets undergoing structural change.

**Cash flows needs (Capital Calls):** Ensure there is adequate liquidity to fund private equity capital calls, particularly in times of heightened financial stress. Cash needs must be considered in the stress case scenario.

We evaluate managers across a comprehensive set of factors:

- Organization
- Strategy
- Discipline





- Team
- Risk Management
- Capability
- Performance
- Operation
- Culture

### Alternative Investment Process

Our research process focuses on identifying managers with a unique and repeatable investment thesis. A dedicated team of investment professionals, evaluates managers using an evolving set of diligence factors following an investment process:

1. **Universe Screening:** We begin by screening appropriate investment universes to identify candidates that meet acceptable criteria for further analysis. Screening criteria are customized to the investment category and can include style characteristics, length of track record, assets under management, fees, etc.
2. **Qualitative Research:** The people, philosophy and process of an investment manager will all play an important role in determining an investment thesis.
3. **Quantitative Research:** We identify investment processes which consistently outperform over the long term.
4. **Peer Review:** we conduct a peer review within the different competitors of the market.
5. **Due diligence Process:** Through in-depth meetings with the manager's key investment professionals, we assess each firm's organization, staff, investment process, philosophy, track record, portfolio construction technique, access to deal flow and due diligence capabilities.
6. **Ongoing due diligence:** we provide an ongoing monitoring process and annual review to see if its important to make any significant change.

### Risks Associated

Alternative Investments Can be volatile and may have limited liquidity. Investors could lose all or a portion of their investment. Such investments often have concentrated positions and investments that may carry higher risks. Clients should only have a portion of their assets in these investments.

- Alternative Investments are subject to less regulation than other types of pooled investment vehicles such as mutual funds. Alternative Investments may impose significant fees, including incentive fees that are based upon a percentage of the realized and unrealized gains, and such fees may offset all or a significant portion of such Alternative Investment's trading profits. An individual's net returns may differ significantly from actual returns. Alternative Investments are not required to provide periodic pricing or valuation information. Investors may have limited rights with respect to their investments, including limited voting rights and participation in the management of the Alternative Investment.
- Alternative Investments often engage in leverage and other investment practices that are extremely speculative and involve a high degree of risk. Such practices may increase the volatility of performance and the risk of investment loss, including the loss of the entire amount that is invested.



- Alternative Investments may purchase instruments that are traded on exchanges located outside the United States that are “principal markets” and are subject to the risk that the counterparty will not perform with respect to contracts.
- Past performance does not guarantee future results, which may vary. The value of investments and the income derived from investments will fluctuate and can go down as well as up. A loss of principal may occur.
- Alternative Investments are offered in reliance upon an exemption from registration under the Securities Act of 1933, as amended, for offers and sales of securities that do not involve a public offering. No public or other market is available or will develop. Similarly, interests in an Alternative Investment are highly illiquid and generally are not transferable without the consent of the sponsor, and applicable securities and tax laws will limit transfers.
- Alternative Investments may themselves invest in instruments that may be highly illiquid and extremely difficult to value. This also may limit your ability to redeem or transfer your investment or delay receipt of redemption or transfer proceeds.
- Alternative Investments are not required to provide their investors with periodic pricing or valuation information.
- Alternative Investments may involve complex tax and legal structures and accordingly are only suitable for sophisticated investors. You are urged to consult with your own tax, accounting and legal advisers regarding any investment in any Alternative Investment.
- Prospective investors should inform themselves as to any applicable legal requirements and taxation and exchange control regulations in the countries of their citizenship, residence or domicile which might be relevant.

## **Fees**

One of the most important things we consider on selecting a manager is the cost of the strategy. Nuclow seeks to negotiate the lowest fees and most favorable terms for our clients.

Our fees are based on the size, complexity, and servicing requirements of each client. Our fee will depend on the fee structure considering the ongoing monitoring we will give to the client on the alternative investments.

For alternative investments, we have executed three subscription agreements: two with Blackstone, providing our clients access to a private credit fund (BCRED) and a real estate fund (BREIT), and a Multi-Fund Distribution Agreement with iCapital, an alternative investments platform. We do not receive any fees of any kind from the funds for recommending them to our clients or for referring them.

We recommend to our clients the most favorable investments suitable for them, with no conflict of interest. If a conflict of interest arise, we will disclose it immediately and will discuss with each client the situation until the client is clear on the conflict.



**Item 9 Disciplinary Information**

Neither the Firm nor any of our management persons have any reportable disciplinary information.

**Item 10 Other Financial Industry Activities and Affiliations****Other Investment Advisors**

NUCLO Consulting SC (also known as NUCLO Independent CIO) is an investment advisor and consulting firm based in Mexico DF, Mexico. The Firm is under common control with NUCLO WEALTH LLC and both firms share certain key officers and employees.

**Referral Arrangements**

In some cases, we may refer clients in need of additional services and products including but not limited to corporate services, tax planning and estate planning services. We currently do not have specific arrangements with such third parties. We will not receive any compensation from third party service providers for referrals. You are under no obligation to purchase insurance, planning or any other similar services from these providers.

**Recommendation of Other Advisers**

We may recommend that you use a third-party money manager ("TPMM") based on your needs and suitability. You are not obligated, contractually or otherwise, to use the services of any TPMM we recommend.

If at any point of time we recommend or select any other investment advisers, or refer you to any service provider, and if we will receive compensation directly or indirectly from those advisers that creates a material conflict of interest, or if we have other business relationships with those advisers or service providers, that create a material conflict of interest, we will properly, timely and sufficiently describe these practices and discuss the material conflicts of interest these practices create and how we will address them with you.

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

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for our Associated Persons. Our goal is to always protect your interests and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All our Associated Persons are expected to adhere strictly to these guidelines. Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.

Our Code of Ethics is available to you upon request. You may obtain a copy of our Code of Ethics by contacting Ana Reyes, CCO at [info@nuclowealth.com](mailto:info@nuclowealth.com).

**Prevention of Insider Trading**

The Firm has adopted policies designed to prevent insider trading that is more fully described in the Code.



Adviser's policy on insider trading applies to securities trading and information handling by all Supervised Persons of the Firm (including spouses, minor children and adult members of their households and any other relative of a Supervised Person on whose behalf Supervised Person is acting) for their own account or the account of any client of the Firm.

The Firm takes its obligation to detect and prevent insider trading with the utmost seriousness. The Firm may impose penalties for breaches of its policies and procedures, even in the absence of any indication of insider trading. Depending on the nature of the breach, penalties may include a letter of censure, profit "give ups," fines, referrals to regulatory and self-regulatory bodies and dismissal.

### **Personal Securities Transactions**

Periodic Reports. As more fully described in the Code, "access persons" are required to submit reports detailing their personal securities holdings to the Chief Compliance Officer on an initial basis, a quarterly basis, and an annual basis.

As an alternative to submitting quarterly transaction reports, the Firm requires persons who are "access persons" to submit brokerage statements or trade confirmations as long as such documents contain the information required under Rule 204A-1(b)(2)(i)(A)-(E) under the Advisers Act.

Initial Public Offerings and Limited Public Offerings. Access Persons must obtain prior written approval from the Chief Compliance Officer before investing in initial public offerings ("IPOs") or limited offerings (i.e., private placements). In the event the Chief Compliance Officer wishes to purchase IPOs or the securities of a private placement for his own employee account, the Chief Compliance Officer must obtain prior written approval from the Firm's Board Committee.

Review of Personal Securities Reports. The Chief Compliance Officer (or its designee) is responsible for reviewing the Access Person's Quarterly Transaction Reports as well as the Initial Holdings Report and the Annual Holdings Report as part of the Firm's duty to maintain and enforce its Code.

In instances when the Chief Compliance Officer has engaged in personal securities transaction, the Adviser's Board Committee shall review the Chief Compliance Officer's brokerage statements and trade confirmations.

### **Outside Business Activities and Private Investments of Employees**

Unless otherwise reviewed and approved by the Chief Compliance Officer, all employees are required to devote their full time and efforts to the Firm's business. As such, no person may make use of either his position as an employee or information acquired during employment or make personal investments in a manner that may create a conflict, or the appearance of a conflict, between the employee's personal interests and the Firm's interests. Accordingly, every employee is required to complete a disclosure form and have the form approved by the Firm's Chief Compliance Officer prior to serving in any outside capacities or making any of the investments more fully described in the Code.

### **Reporting Violations**

All Supervised Persons (any officer, director, partner, and employee of the Firm) are required to report actual or known violations or suspected violations of the Firm's Code promptly to the Chief Compliance Officer or his designee.



Any report of a violation or suspected violation of the Code will be treated as confidential to the extent permitted by law.

As part of the Firm's obligations to conduct an annual review of all of its policies and procedures pursuant to Rule 206(4)-7 of the Advisers Act, the Chief Compliance Officer shall review on an annual basis the adequacy of the Code and the effectiveness of its implementation.

**Recordkeeping**

The Firm maintains the following:

- Copies of the Code.
- Records of violations of the Code and actions taken because of the violations.
- Copies of the Firm's supervised persons' written acknowledgement of receipt of the Code.
- Records of Access Persons' personal trading — Initial Holdings Reports, Annual Holdings Reports, and Quarterly Transaction Reports, including any information provided under Rule 204A-1(b)(3)(iii) in lieu of such reports, i.e., brokerage confirmations and transaction reports.
- A record of the names of the Firm's "Access Persons".
- Records of decisions, and the reasons supporting the decision to approve an Access Person's acquisition of securities in initial public offerings or limited offerings; and
- Records of decisions, and the reasons supporting the decision to approve the Chief Compliance Officer's acquisition of securities in initial public offerings or limited offerings.

**Acknowledgement of the Code**

Each employee will execute a written statement certifying that the employee has (i) received a copy of the Firm's Code; (ii) read and understands the importance of strict adherence to such policies and procedures; and (iii) agreed to comply with the Code.

**Training and Education**

All Supervised Persons, i.e., all employees, are to receive training on complying with the Code on an annual basis as part of Adviser's annual employee compliance review meeting to ensure that all employees fully understand their duties and obligations and how to comply with the Policy's procedures.

**Participation or Interest in Client Transactions and Associated Conflicts of Interest**

Adviser has policies that require personnel who develop advice and recommendations for clients to render only disinterested and impartial advice to clients and to comply with other fiduciary obligations, including having an adequate basis in fact for all recommendations and an obligation to recommend only investments that are suitable for the particular client.

The potential conflicts of interest involved in any such transactions are generally governed by Adviser's Code. Pursuant to the stipulations of the Code, Adviser or a related person may buy or sell for itself securities that it also recommends to clients. The potential conflicts of interest involved in such transactions are governed by the Code, which establishes sanctions if its requirements are violated and requires that Adviser and employees place the interests of Adviser's clients above their own.

**Investments in Securities by Adviser and its Personnel**

Adviser's personnel or a related person of Adviser may invest in the same or similar securities and



investments as those recommended to or entered into on behalf of Adviser's clients. The results of the investment activities of Adviser's personnel or related persons for their accounts may differ from the results achieved by or for client accounts managed by Adviser. The conflicts raised by these circumstances are discussed below.

Adviser may recommend or effect the purchase or sale of securities in which its related persons or an affiliate, directly or indirectly, has a position or interest, or of which related or affiliated person buys or sells for itself. Such transactions may also include trading in securities in a manner inconsistent with the advice given to Adviser's clients.

Activities and transactions for client accounts may be impaired or effected at prices or terms that may be less favorable than would otherwise have been the case had Adviser or related persons did not pursue a particular course of action with respect to the issuer of the securities. In addition, in certain instances Adviser's personnel may obtain information about the issuer that could limit the ability of such personnel to buy or sell securities of the issuer on behalf of client accounts.

Transactions undertaken by Adviser's clients may also adversely impact one or more client accounts. Other clients of the Adviser may have, as a result of receiving client reports or otherwise, access to information regarding Adviser's transactions or views that may affect their transactions outside of accounts controlled by Adviser, and such transactions may negatively impact other clients' accounts. A client's account may also be adversely affected by cash flows and market movements arising from purchase and sale transactions by, as well as increases of capital in and withdrawals of capital from, other clients' accounts. These effects can be more pronounced in less liquid markets.

The results of the investment activities of a client's account may differ significantly from the results achieved by Advisers related persons and from the results achieved by Adviser for other client accounts.

As more fully described above, Adviser has adopted a Code of Ethics. Such Code of Ethics together with Adviser's policies and procedures restrict the ability of certain officers and employees of Adviser from engaging in securities transactions in any securities that its clients have purchased, sold or considered for purchase or sale, for an appropriate "black out" period. Other restrictions and reporting requirements are included in Adviser's procedures and Code of Ethics minimize or eliminate conflicts of interest.

#### **Trading Alongside by Adviser and its Personnel**

Client accounts managed by Adviser may trade in the same or similar securities at or about the same time as accounts managed or advised by affiliates of the Adviser. Investments by Adviser's affiliates and their clients may have the effect of diluting or otherwise disadvantaging the values, prices or investment strategies of a client's account, particularly in small capitalization, emerging market or less liquid strategies. This may occur when portfolio decisions regarding a client's account are based on research or other information that is also used to support portfolio decisions for Adviser's affiliates. If a portfolio decision or strategy for Adviser's affiliates' accounts or the accounts of clients of affiliates is implemented ahead of, or contemporaneously with, similar portfolio decisions or strategies for Adviser's client's account, market impact, liquidity constraints, or other factors could result in the account receiving less favorable trading results and the costs of implementing such portfolio decisions or strategies could be increased.

#### **Errors**

Errors may occur from time to time in transactions for client accounts. The Adviser will generally correct any



such errors that are the fault of the Adviser or an affiliate at no cost to the client, other than costs that the Adviser deems immaterial. To the extent that the subsequent sale of such securities generates a profit to the Adviser, the Adviser may retain such profits, and may, but is not required to, use such profits to offset errors in the future or pay other client-related expenses. The Adviser will not be responsible for any errors that occur that are not the fault of the Adviser or any affiliate.

**Privacy Policy**

Adviser considers your privacy our utmost concern. Adviser does not share any information of clients with non-affiliated third parties, except such information may be disclosed as necessary to process a transaction an investor has requested, to the extent the investor specifically authorized the disclosure, to service providers or joint marketers who agree to limit their use of such information, and to the extent required or specifically permitted by law or reasonably necessary to prevent fraud, unauthorized transactions or liability.

When Adviser discloses non-public personal information of clients to a non-affiliated third party that provides services to Adviser or engages in joint marketing, Adviser shall:

- notify investors of the possibility of such disclosure; and
- enter into a contractual agreement with the third party that prohibits the third party from disclosing or using the investors' information other than to carry out the purposes for which the information was disclosed to the third party.

In particular, Adviser may enter, in compliance with the above conditions, into an agreement with a non-affiliated third party to store the records of Adviser clients and investors including electronic and e-mail records.

You will receive a copy of our privacy notice prior to or at the time you sign an advisory agreement with our Firm. Thereafter, we will deliver a copy of the current privacy policy notice to you on an annual basis. Please contact Ana Reyes at [info@nuclowealth.com](mailto:info@nuclowealth.com) if you have any questions regarding this policy.

**Item 12 Brokerage Practices**

We do not maintain custody of your assets that we manage/on which we advise, although we may be deemed to have custody of your assets if you give us the authority to withdraw assets from your account (see *Item 15 - Custody*, below). Your assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank.

Any recommended Qualified Custodians (or any other Qualified Custodian) that serve as the custodian/clearing broker-dealer for client assets are generally securities broker-dealers and members of FINRA and SIPC, although we may recommend foreign brokers dealers or foreign banks as Qualified Custodians.

We are independently owned and operated and are not affiliated with any custodian. Custodian will hold your assets in a brokerage account and buy and sell securities when we instruct them to. While we might recommend that you use a particular broker-dealer as custodian, you will decide whether to do so and will open your account with the broker-dealer by entering into an account agreement directly with them. We do not open the account for you, although we may assist you in doing so.



### Your Brokerage and Custody Costs

For our clients' accounts custodied by a broker-dealer, generally the broker-dealer does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your account. In as much as possible, commission rates applicable to our client accounts will be negotiated with the custodian. This commitment benefits you because the overall commission rates you pay are lower than they would be otherwise.

### Directed Brokerage

Some clients may instruct our firm to use one or more particular brokers for the transactions in their accounts. If you choose to direct our firm to use a particular broker, you should understand that this might prevent our firm from aggregating trades with other client accounts or from effectively negotiating brokerage commissions on your behalf. This practice may also prevent our firm from obtaining favorable net price and execution. Thus, when directing brokerage business, you should consider whether the commission expenses, execution, clearance, and settlement capabilities that you will obtain through your broker are adequately favorable in comparison to those that we would otherwise obtain for you.

### Block Trades

We may combine multiple orders for shares of the same securities purchased for non-discretionary and discretionary accounts.

### Item 13 Review of Accounts

Ana Reyes, CCO, will monitor the account on an ongoing basis and will conduct an internal review on at least a quarterly basis to ensure the advisory services provided to you and/or that the portfolio mix is consistent with your stated investment needs and objectives. Additional reviews may be conducted based on various circumstances, including, but not limited to:

- contributions and withdrawals.
- year-end tax planning.
- market moving events.
- security specific events; and/or,
- changes in your risk/return objectives.

We will provide you with reports on at least a quarterly basis which include holdings and a performance summary. You will receive trade confirmations and monthly or quarterly statements from your account custodian(s).

### Item 14 Client Referrals and Other Compensation

In connection with providing investment advisory services, we may refer clients to outside third-party professionals for advice on beneficial tax structures, estate planning, and other advice. The services provided and fees charged by such professionals are separate and apart from our firm's services and fees. We believe that the professionals to whom we refer you provide quality services for competitive fees, and we only recommend such professionals when suitable for your needs. You are under no obligation to utilize any third-party professional we recommend and may use the services of any professional of your choice.

You are not obligated to use custodians we recommend and may use the custodian of your choice.





Please see Item 10 above for disclosure related to our referral relationships.

**Item 15 Custody**

Custody by investment advisers means holding client funds or securities, directly or indirectly, or having authority to obtain possession of them. Pursuant to Rule 206(4)-2, NUCLO does not maintain physical custody of its clients' assets. Client assets are typically held by a qualified custodian pursuant to a separate custody agreement.

As noted in Item 12, Client's assets will initially be custodied at Morgan Stanley, JP Morgan, Interactive Brokers, Alterna Securities, or other custodians.

NUCLO ensures that Clients receive statements concerning their portfolios from their qualified custodians, at least quarterly. Client accounts are also maintained in the client's name.

Custody. Unless covered in the appropriate contracts, Clients will provide NUCLO with written authorization allowing NUCLO to directly deduct advisory fees from the account held with the qualified custodian, or NUCLO will request payment, and you pay directly. NUCLO will utilize the safeguards discussed above to ensure client assets are protected.

You should review the statements from your account custodian(s). If you have a question regarding your account statement or if you did not receive a statement from your custodian, please contact Ana Reyes at (281) 857-6472 or [info@nuclowealth.com](mailto:info@nuclowealth.com).

**Item 16 Investment Discretion**

Clients have the option of providing our firm with investment discretion on their behalf, pursuant to an executed investment advisory client agreement. By granting investment discretion, our firm is authorized to execute securities transactions, determine which securities are bought and sold, and the total amount to be bought and sold. Should clients grant our firm non-discretionary authority, our firm would be required to obtain the client's permission prior to effecting securities transactions. Limitations may be imposed by the client in the form of specific constraints on any of these areas of discretion with our firm's written acknowledgement.

**Item 17 Voting Client Securities****Proxy Voting**

In certain cases, if agreed to by our Firm with you in writing we will vote proxies for securities held in your accounts. In such cases, we will determine how to vote proxies based on our reasonable judgment of the vote most likely to produce favorable financial results for clients. Proxy votes generally will be cast in favor of proposals that maintain or strengthen the shared interests of shareholders and management, increase shareholder value, maintain or increase shareholder influence over the issuer's board of directors and management, and maintain or increase the rights of shareholders. Generally, proxy votes will be cast against proposals having the opposite effect. However, we will consider both sides of each proxy issue.

Conflicts of interest regarding certain proxy issues could arise. If we determine that a material conflict of interest exists, we will take the necessary steps to resolve the conflict before voting the proxies. For example,



we may abstain from voting, or follow the recommendations of an independent proxy voting service.

In cases where we have not agreed to vote proxies on your behalf, we will not offer any advice regarding corporate actions and the exercise of your proxy voting rights. If you own shares of common stock or mutual funds, you are responsible for exercising your right to vote as a shareholder. In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward any electronic solicitation to vote proxies.

**Item 18 Financial Information**

Our firm does not have any financial condition or impairment that would prevent us from meeting our contractual commitments to you. We do not require the prepayment of more than \$500 in fees six or more months in advance. Therefore, we are not required to include a financial statement with this brochure.

We have not filed a bankruptcy petition at any time in the past ten years.

**Item 19 – Requirements for State Registered Investment Advisors**

NUCLO is registered with the Securities and Exchange Commission

**A. Principal Executive Officers and Management Persons; Their Formal Education and Business Background**

NUCLO currently is managed by one entity which in turn has two managers: Mauricio Brocado, who has been appointed CEO of NUCLO, and Emilio Sosa, who is also the head of Wealth Management of the firm and is an Investment Advisor Representative for the firm, and who's education and business background can be found on the Supplemental ADV Part 2B form.

**B. Other Businesses in Which This Advisory Firm or its Personnel Are Engaged and Time Spent on Those (If Any)**

Mr. Sosa's other business activities can be found on the Supplemental ADV Part 2B form.

**C. How Performance-based Fees Are Calculated and Degree of Risk to Clients**

NUCLO's charges for any performance-based fees to clients are properly explained in Item 6 Performance-Based Fees and Side by Side Management.

**D. Material Disciplinary Disclosures for Management Persons of this Firm**

No management person at NUCLO has been involved in an arbitration claim or been found liable in a civil, self-regulatory organization, or administrative proceeding that is material to the client's evaluation of the firm or its management.

**E. Material Relationships That Management Persons Have with Issuers of Securities (If Any)**

Neither NUCLO, nor its management persons, has any relationship or arrangement with issuers of securities.

### **Your Privacy**

We view protecting your private information as a top priority. Pursuant to applicable privacy requirements, we have instituted policies and procedures to ensure that we keep your personal information private and secure.

We do not disclose any non-public personal information about you to any non-affiliated third parties, except as permitted by law. While servicing your account, we may share some information with our service providers, such as transfer agents, custodians, broker-dealers, accountants, consultants, and attorneys.

We restrict internal access to non-public personal information about you to employees who need that information to provide products or services to you. We maintain physical and procedural safeguards that comply with regulatory standards to guard your non-public personal information and to ensure our integrity and confidentiality. We will not sell information about you or your accounts to anyone. We do not share your information unless it is required to process a transaction, at your request, or required by law.

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## PRIVACY POLICY

Maintaining the trust and confidence of our clients is a high priority. That is why we want you to understand how we protect your privacy when we collect and use information about you, and the steps that we take to safeguard that information. This notice is provided to you on behalf of NUCLO WEALTH LLC.

**Information We Collect:** NUCLO does not disclose non-public personal information about its clients or former clients to any persons other than as described below. In connection with providing investment advice and other services, we obtain non-public personal information about you, including:

- Information we receive from discussions with you or from documents you may deliver (account applications), such as your name, address, date of birth, Social Security Number, occupation, financial goals, assets, and income.
- Account transactions and wire transfer instructions.
- Information about your transactions with us, or others; and
- Information received from credit or service bureaus or other third parties, such as your credit history or employment status.

**Categories of Information We Disclose:** We may disclose information that we collect in accordance with this policy in order to service client accounts and effect client transactions. NUCLO does not sell customer lists and will not sell your name to telemarketers.

**Categories of Parties to Whom We Disclose:** We will not disclose information regarding you or your account with us, except under the following circumstances:

- To affiliates and/or entities that perform services for us or function on our behalf, including financial service providers, such as a clearing broker-dealer, investment company, or insurance company.
- To consumer reporting agencies,
- To third parties who perform services or marketing on our behalf.
- To your attorney, trustee or anyone else who represents you in a fiduciary capacity.
- To our attorneys, accountants, consultants and auditors; and
- To government entities, self-regulatory organizations, or other third parties in response to subpoenas or other legal process as required by law or to comply with regulatory inquiries.

**How We Use Information:** Information may be used among companies that perform support services for us, such as data processors, technical systems consultants and programmers, or companies that help us market products and services to you for a number of purposes, such as:

- **To protect your accounts** from unauthorized access or identity theft.
- **To process your requests** such as securities purchases and sales.
- **To establish or maintain an account with an unaffiliated third party**, such as a clearing broker-dealer providing services to you and/or NUCLO.
- **To service your accounts**, such as by issuing checks and account statements.
- **To comply** with Federal, State, and Self-Regulatory Organization requirements.



- **To keep you informed** about financial services of interest to you.

**Our Security Policy:** To protect your personal information from unauthorized access and use, we maintain physical, electronic, and procedural security measures to safeguard confidential client information. These measures include computer safeguards and secured files and buildings.

**Closed or Inactive Accounts:** If you decide to close your account(s) or become an inactive client, our Privacy Policy will continue to apply to you.

**Complaint Notification:** Please direct complaints to: Ana Reyes, CCO at NUCLO WEALTH LLC, [ana@nuclowealth.com](mailto:ana@nuclowealth.com) ; Phone (281) 857-6472.

**Changes to This Privacy Policy:** If we make any substantial changes in the way we use or disseminate confidential information, we will notify you. If you have any questions concerning this Privacy Policy, please contact us at NUCLO WEALTH LLC, [info@nuclowealth.com](mailto:info@nuclowealth.com) ; Phone (281) 857-6435



**NUCLO WEALTH LLC  
BROCHURE SUPPLEMENT  
November 18, 2024**

**Main Office**

401 N Franklin Street Floor 2, Houston, Texas 77201

Tel +1(281) 857-6435

This Brochure Supplement provides information about the qualifications of the investment advisor representatives of NUCLO WEALTH LLC. ("NUCLO" or the "Firm") that supplements the Firm's brochure. Any questions about the contents of this brochure should be directed to the Chief Compliance Officer at (281) 857-6472.

Additional information about the Firm's Investment Adviser Representatives is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The site is searchable by a unique identifying number known as a CRD number.



**EMILIO SOSA – YOB 1986**

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**ITEM 2 - EDUCATION AND BUSINESS EXPERIENCE**

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**EDUCATION**

Mr. Sosa studied Economics at Instituto Tecnológico Autónomo de México (ITAM) in Mexico City from 2004 to 2009.

**BUSINESS EXPERIENCE**

Over twelve years of Asset Management expertise, with broad experience across the asset allocation process and multi-asset portfolio design, management, implementation, and monitoring. He is Founder and Chief Investment Officer (CIO) at Nuclio Independent CIO (Nuclio) a firm that acts as CIO of pension funds, endowments, foundations, family offices, and Ultra High Net-Worth clients.

Mr. Sosa has broad experience making major asset allocation decisions, prior founding Nuclio in his nine years at Tresalia Capital, one of the biggest and most sophisticated Family Offices in Mexico, he developed a wide-ranging experience in asset allocation and portfolio management. His last role in Tresalia Capital was Head of Asset Management, where he focused on aggregate portfolio asset allocation, as well as on the management and follow-up of various internal strategies and third-party mandates.

**LICENSES & CERTIFICATIONS**

Mr. Sosa completed the 3 levels of the Chartered Financial Analyst (CFA) to earn the CFA Charterholder designation, one of the highest distinctions in the investment management profession, it is widely considered to be the gold standard in the field of investment analysis.

The Chartered Financial Analyst (CFA) designation is widely regarded to be the key certification for investment professionals, especially in the areas of research and portfolio management.

The CFA designation is given to investment professionals who have successfully completed the requirements set by the globally recognized CFA Institute (formerly the Association for Investment Management and Research, or AIMR). To be eligible for the CFA designation, candidates must meet the following criteria:

1. Pass three rigorous, six-hour exams over several years.
2. Have 48 months of "acceptable professional work experience."
3. Join the CFA institute by committing to the CFA Institute's Code of Ethics and Standards of Professional Conduct.

For more information on the CFA Certification and the CFA Institute, please visit [www.cfainstitute.org](http://www.cfainstitute.org)

**ITEM 3 - DISCIPLINARY INFORMATION**

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Mr. Sosa does not have any legal or disciplinary events material to a client's or prospective client's



evaluation. Mr. Sosa's disciplinary history can be found on FINRA's BrokerCheck system or the IAPD. The BrokerCheck link is [www.finra.org/brokercheck](http://www.finra.org/brokercheck); the IAPD link is [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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**ITEM 4 - OTHER BUSINESS ACTIVITIES**

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Partner and Chief Investment Officer of Nuclo Consulting S.C. since March 2019.

Partner of Nuclo Asset Management, parent company of Nuclo Management Company, LLC controlling shareholder of Nuclo Wealth LLC.

Manager of Nuclo Management Company, LLC

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**ITEM 5 - ADDITIONAL COMPENSATION**

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Mr. Sosa receives additional compensation from his other roles as Manager and shareholder of the different Nuclo companies.

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**ITEM 6 - SUPERVISION**

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Mrs. Ana Reyes is the CCO and the primary responsible for the oversight of Mr. Sosa's advisory activities and the implementation of the Firm's policies and procedures. The CCO may be contacted at (281) 857-6472 or [ana@nuclowealth.com](mailto:ana@nuclowealth.com) for more information about this Brochure Supplement.





**ALEJANDRO CORREA – YOB 1986**

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**ITEM 2 - EDUCATION AND BUSINESS EXPERIENCE**

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**EDUCATION**

Mr. Correa studied Financial Management at Instituto Tecnológico y de Estudios Superiores de Monterrey (ITESM) in Mexico City from 2012 to 2016.

**BUSINESS EXPERIENCE**

Over seven years of Asset Management expertise, with broad experience across Fixed Income, Derivatives, Asset allocation and multi-asset portfolio design, management, implementation, and monitoring. He is an Investment Strategist at Nuclio Wealth Management acting as Head of Fixed Income and Derivatives collaborating in the design of investment strategies of pension funds, endowments, foundations, family offices, and Ultra High Net-Worth clients.

Mr. Correa has broad experience in Fixed Income and derivatives, prior working in Nuclio Wealth Management, he worked 2 years as a Fixed Income Trader in Scotiabank, 2 years as Senior Analyst at Tresalia Capital, one of the biggest and most sophisticated Family Offices in Mexico, he developed a wide-ranging experience in asset allocation and portfolio management, mainly focus in fixed income and FX. Previously, He worked in GBM, one of the largest brokerage house in Mexico, as a Fixed income Analyst, in charge of developing buy-side research for Fixed Income funds.

**LICENSES & CERTIFICATIONS**

Mr. Correa completed the 3 levels of the Chartered Financial Analyst (CFA) to earn the CFA Charterholder designation, one of the highest distinctions in the investment management profession, it is widely considered to be the gold standard in the field of investment analysis.

The Chartered Financial Analyst (CFA) designation is widely regarded to be the key certification for investment professionals, especially in the areas of research and portfolio management.

The CFA designation is given to investment professionals who have successfully completed the requirements set by the globally recognized CFA Institute (formerly the Association for Investment Management and Research, or AIMR). To be eligible for the CFA designation, candidates must meet the following criteria:

1. Pass three rigorous, six-hour exams over several years.
2. Have 48 months of "acceptable professional work experience."
3. Join the CFA institute by committing to the CFA Institute's Code of Ethics and Standards of Professional Conduct.

For more information on the CFA Certification and the CFA Institute, please visit [www.cfainstitute.org](http://www.cfainstitute.org)



**ITEM 3 - DISCIPLINARY INFORMATION**

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Mr. Correa does not have any legal or disciplinary events material to a client's or prospective client's evaluation. Mr. Correa's disciplinary history can be found on FINRA's BrokerCheck system or the IAPD. The BrokerCheck link is [www.finra.org/brokercheck](http://www.finra.org/brokercheck); the IAPD link is [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**ITEM 4 - OTHER BUSINESS ACTIVITIES**

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No other Business Activities

**ITEM 5 - ADDITIONAL COMPENSATION**

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Mr. Correa doesn't receive additional compensation

**ITEM 6 - SUPERVISION**

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Mrs. Ana Reyes is the CCO and the primary responsible for the oversight of Mr. Correa's advisory activities and the implementation of the Firm's policies and procedures. The CCO may be contacted at (281) 857-6472 or [ana@nuclowealth.com](mailto:ana@nuclowealth.com) for more information about this Brochure Supplement.



ANA REYES – YOB 1986

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## ITEM 2 - EDUCATION AND BUSINESS EXPERIENCE

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### EDUCATION

Mrs. Reyes studied Financial Management at Universidad Iberoamericana in Mexico City from 2012 to 2016.

### BUSINESS EXPERIENCE

Over seven years being a financial professional, with broad experience across Fixed Income, portfolio monitoring and implementation, she is a Registered Investment Advisor at Nuclow Wealth, acting as Chief Compliance Officer, specialized in designing, implementing and monitoring the processes by which the company will comply with all applicable laws and regulations, She is responsible for ensuring that Nuclow complies with both internal and external policies and regulations.

Prior working in Nuclow, she worked for almost 2 years as a Senior Associate Analyst in Tresalia Capital, one of the biggest and most sophisticated Family Offices in Mexico, she developed a wide-ranging experience in asset allocation and portfolio management, mainly focus in fixed income. Previously, she worked in Actinver Casa de Bolsa, as a Fixed Income Trader, studying market trends, analyzing market conditions, and understanding macro economic factors, providing support in all operational procedures and risk management.

### LICENSES & CERTIFICATIONS

Mrs. Reyes has passed CFA level 1 and has the Serie 65 license.

## ITEM 3 - DISCIPLINARY INFORMATION

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Mrs. Reyes does not have any legal or disciplinary events material to a client's or prospective client's evaluation. Mrs. Reyes disciplinary history can be found on FINRA's BrokerCheck system or the IAPD. The BrokerCheck link is [www.finra.org/brokercheck](http://www.finra.org/brokercheck); the IAPD link is [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## ITEM 4 - OTHER BUSINESS ACTIVITIES

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- 1)Nuclow Consulting; Senior Associate Responsible for analyzing and monitoring investments.
- 2)Maranta; CEO & Founder; Sale of pots and plants.
- 3) Manager of Nuclow Management Company, LLC.

## ITEM 5 - ADDITIONAL COMPENSATION

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Compensated via salary in Nuclow Consulting and compensated via sales in maranta, outside trading hours.

## ITEM 6 - SUPERVISION

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Mr. Emilio Sosa is the primary responsible for the oversight of Mrs. Reyes CCO activities and the supervision of the implementation of the Firm's policies and procedures. The CIO may be contacted at (281) 857-6435 or [emilio@nuclowwealth.com](mailto:emilio@nuclowwealth.com) for more information about this Brochure Supplement.



**MAURICIO BROCADO – YOB 1966**

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**ITEM 2 - EDUCATION AND BUSINESS EXPERIENCE**

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**EDUCATION**

Mr. Brocado has an accounting degree at Universidad Iberoamericana (IBERO) which was obtained from 1987 to 1991 in Mexico City.

**BUSINESS EXPERIENCE**

Mauricio Brocado has more than 25 years of professional experience as an equity strategist and his main value creation is timely recommendations and decision making for long term investment portfolios. These activities are based on in-depth knowledge of the company's management teams, implementation of robust earnings projection models and valuation methods. Upon obtaining his accounting degree from the Universidad Iberoamericana in Mexico City, Mauricio took over the management of a medium-sized accounting firm before moving full time to the investment business. Mr. Brocado worked for Actinver as Head of Research and Equity Strategist, coordinating equity and economic research for the financial group (Stock Brokerage, Afore and Mutual Funds).

His last role in Tresalia Capital was Head of Strategic Assets. Mauricio was also a board member of several Tresalia Capital's investments in private equity, such as KIO Networks (Data Centers and first unicorn in Mexico), ABiliA (Real Estate), Red Universal Aliat (Education), Medistik (Logistics). Mr. Brocado was also independent board member of Operadora de Fondos Actinver, the largest independent mutual fund company in Mexico. Mauricio is founder and Chief Executive Officer of Nuclo Independent CIO. Nuclo acts as Outsourced Chief Investment Officer (OCIO) for its clients, striving to be the investment arm to Family Offices and Enterprises. Right now, is an independent board member of HR Ratings, S.A. de C.V. a credit rating agency regulated by the Mexican authorities.

**ITEM 3 - DISCIPLINARY INFORMATION**

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Mr. Brocado does not have any legal or disciplinary events material to a client's or prospective client's evaluation. Mr. Brocado disciplinary history can be found on FINRA's BrokerCheck system or the IAPD. The BrokerCheck link is [www.finra.org/brokercheck](http://www.finra.org/brokercheck); the IAPD link is [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**ITEM 4 - OTHER BUSINESS ACTIVITIES**

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Partner and Chief Investment Strategist of Nuclo Consulting S.C. since March 2019.

Partner of Nuclo Asset Management, parent company of Nuclo Management Company, LLC controlling shareholder of Nuclo Wealth LLC.

Manager of Nuclo Management Company, LLC.



**ITEM 5 - ADDITIONAL COMPENSATION**

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Mr. Brocado receives additional compensation from his other roles as a shareholder of the different Nuclo companies as an independent board member in HR Ratings, S.A. de C.V.

**ITEM 6 - SUPERVISION**

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Mrs. Ana Reyes is the CCO and the primary responsible for the oversight of Mr. Brocado's advisory activities and the implementation of the Firm's policies and procedures. The CCO may be contacted at (281) 857-6472 or ana@nuclowealth.com for more information about this Brochure Supplement.

