

Item 1 Cover Page



Form ADV Part 2 Brochure

This Brochure (the “Brochure”) provides information about the qualifications and business practices of Pandi, LLC (“Pandi,” the “Adviser,” “Company,” the “Firm,” “we,” “us” or “our”). If you have any questions about the contents of this Brochure, please contact us at (913) 437-9900. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority. Additional information about Pandi also is available on the SEC’s website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for Pandi is 330112.

Pandi is registered as an investment adviser with the SEC pursuant to the Investment Advisers Act of 1940, as amended (the “Advisers Act”). Recipients of this Brochure should be aware that registration with the SEC does not in any way constitute an endorsement by the SEC of an investment adviser’s skill or expertise. Further, registration does not imply or guarantee that a registered adviser has achieved a certain level of skill, competency, sophistication, expertise or training in providing advisory services to its Clients.

Pandi, LLC

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Brochure Prepared on December 26 ,2024

Item 2 Material Changes

This Brochure contains updated information about Pandi's business since the last filing of Form ADV. The Firm was registered with the SEC in reliance on rule 203A-2(c) (the "120-day rule"), and reasonably expected to be eligible for registration within 120 days. The Firm has been approved for registration as of September 5, 2024, with the SEC on the basis that it now serves as a large adviser.

This section of the Brochure will address only those "material changes" that have been incorporated since the last delivery of this document on the SEC's public disclosure website (IAPD), which include approval of federal registration as a large adviser. The Firm will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge. Currently, Pandi's Brochure may be requested by contacting Mrs. Lauren Heyen, Chief Compliance Officer at (913) 437-9902 or info@pandikc.com.

Additional information about Pandi is also available via the SEC's web site www.adviserinfo.sec.gov. The searchable IARD/CRD number for Pandi is 330112. The SEC's web site also provides information about any persons affiliated with Pandi who are registered, or are required to be registered, as investment adviser representatives of Pandi.

IMPORTANT NOTE ABOUT THIS DISCLOSURE BROCHURE

This Disclosure Brochure is not:

- *an offer or agreement to provide advisory services to any person*
- *an offer to sell nor a solicitation of any offer to purchase any security*
- *an offer to sell interests or shares (or a solicitation of an offer to purchase interests or shares) in any pooled investment vehicle managed or represented by Pandi, LLC or any of its affiliates*
- *a complete discussion of the features, risks or conflicts associated with any security*

As required by the Investment Advisers Act of 1940, as amended (“the “Advisers Act”), Pandi, LLC provides this Brochure to current and prospective Clients and may also, in its discretion, provide this Brochure to current or prospective investors or shareholders in a pooled investment vehicle, together with other relevant governing documents, such as the pooled investment vehicle’s prospectus and statement of additional information, private placement memoranda, limited partnership agreement or offering circular, prior to, or in connection with, such persons’ investment in a pooled investment vehicle.

Although this publicly available Brochure describes investment advisory services and products of Pandi, LLC, persons who receive this Brochure (whether or not from Pandi, LLC) should be aware that it is designed solely to provide information about Pandi, LLC as necessary to respond to certain disclosure obligations under the Investment Advisers Act of 1940, as amended. As such, the information in this Brochure may differ from information provided in relevant governing documents. More complete information about each investment product is included in relevant governing documents, certain of which may be provided to current and eligible prospective investors only by Pandi, LLC. To the extent that there is any conflict between discussions herein and similar or related discussions in any governing documents, the relevant governing documents shall govern and control.

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Item 4 Advisory Business

Pandi, LLC (referred to herein as “Pandi,” the “Adviser,” “Company,” the “Firm,” “we,” “us” or “our”), a Kansas limited liability company, is an investment adviser that is registered with the U.S. Securities and Exchange Commission (the “SEC”) pursuant to the Investment Advisers Act of 1940, as amended (the “Advisers Act”). The Company has been registered with the SEC since September 5, 2024, and is based in Leawood, Kansas. The Company has two direct beneficial owners including Excolo, LLC (“Excolo”), a Missouri Limited Liability Company and TIFEC, LLC (“TIFEC”), a Kansas Limited Liability Company. In addition, the Company is indirectly beneficially owned by several entities including revocable trusts. Pandi Ventures, LLC (“Pandi Ventures”), a Missouri Limited Liability Company, functions as the manager of Pandi and holds exclusive control of voting rights in matters of corporate governance. Excolo and TIFEC are not involved in the day-to-day management of Pandi. No employee, officer, director, or other representative of Excolo or TIFEC, or any of their respective controlled affiliates, is a member of any committee of Pandi or the Firm that determines which products or services are offered or sold to Firm clients. In addition, Excolo and TIFEC, as well as their underlying trusts, own several private operating entities. Matthew Ferguson serves as Chief Executive Officer and Chief Investment Officer. Maureen Evans serves as Chief Financial Officer, and Lauren Heyen serves as Chief Compliance Officer.

Advisory Services

Pandi’s portfolio management and investment advisory services are offered to families, individuals, trusts, and institutions, including private foundations and private companies owned and controlled by its family clients (each a “Client” and collectively, “Clients”). The types of Clients to which Pandi provides investment management services are more fully disclosed in Pandi’s Form ADV Part 1 and summarized in *Item 7 – Types of Clients* of this Brochure.

In general, the Company is engaged in several types of services including, Non-Discretionary Consulting Services (i.e., advising and managing multi-asset investment portfolios), Investment Advisory Services, Outsourced Chief Financial Officer (“OCFO”) Consulting, and Financial Planning Reports and Analyses. Pandi may also, through contract arrangements, provide Clients with access to third-party investment managers’ separately managed account strategies. These strategies are offered through contract arrangements directly between the Client and third-party investment manager. Each of our services is described in further detail below.

Investment Consulting Services

Pandi offers (1) non-discretionary consulting services as well as (2) discretionary and non-discretionary investment advisory services to Clients. Depending on the type of client, we may provide one or more service offerings, including the following:

Non-Discretionary Investment Consulting Services:

- Assist client in the preparation of investment objectives and policies
- Assist client in the creation of an investment policy statement (“IPS”)

- Provide client advice regarding investment of account and/or trust fund
- Provide client assistance with fund searches
- Provide advice regarding third-party investment advisers and/or managers
- Provide client with periodic performance reporting

Pandi does not have discretionary authority over clients' assets in these third-party custodian accounts. Clients have sole discretion to accept or reject any investment advice or strategy or any specific recommendation to purchase or sell an individual investment. Clients are also responsible for implementing or arranging with the third-party custodian for the implementation of any advice provided by Pandi.

Investment Advisory Services

In connection with Investment Advisory services, the Firm provides clients with one or more discretionary or non-discretionary investment recommendations, advice, assistance and related services including related to: asset allocation; existing and potential investment strategies; existing investment holdings; the purchase or sale of securities, funds and other investment products and services; and/or performance, analytical or planning reports.

Pandi uses third party sources and internal processes to screen investments. The Firm recommends, on occasion, redistributing investment allocations to diversify Clients' portfolios. We recommend specific positions to increase sector or asset class weightings and employing cash positions as a possible hedge against market movement, which has the ability to adversely affect the portfolio. Pandi may recommend selling positions for reasons that include, but are not limited to, harvesting capital gains or losses, business or sector risk exposure to a specific security or class of securities, overvaluation or overweighting of the position[s] in the portfolio, change in risk tolerance of Client, generating cash to meet Client needs, or any risk deemed unacceptable for the Client's risk tolerance.

In all cases, Clients have a direct and beneficial interest in their securities, rather than an undivided interest in a pool of securities. We do have limited authority to direct the Custodian to deduct our investment advisory fees from your accounts, but only with the appropriate written authorization from clients.

You are advised and are expected to understand that our past performance is not a guarantee of future results. Certain market and economic risks exist that adversely affect an account's performance. This could result in capital losses in your account.

Selection of Sub-Advisers

For certain strategies, Pandi outsources a portion of the investment selection to independent professional asset managers, who are not affiliated with Pandi, who serve as sub-advisers ("Sub-Adviser"). These independent professional Sub-Advisers include Private/Alternative Investment Managers and other independent professional asset managers (e.g., independent boutique investment advisers managing multi-asset alternative strategies). Prior to referring any Clients to Sub-Advisers, Pandi will make sure that

they are registered, or notice filed.

A Sub-Adviser's responsibility varies and may include the authority to:

- exercise discretion to determine the types of securities bought and sold, along with the percentage allocation;
- apply their discretion on when to buy and sell;
- apply their discretion on the timing of transactions;
- select the broker-dealer for execution of securities transactions, if appropriate;
- vote proxies; and
- take other portfolio management actions that Pandi delegates or deems appropriate.

As part of the discretionary investment management agreement the Client executes with Pandi, the Client provides Pandi with a limited power of attorney over the Client's assets that are invested through Sub-Advisers. The limited power of attorney grants Pandi the right to receive certain documents from the Sub-Adviser on the Client's behalf, including but not limited to prospectuses, shareholder reports, privacy notices, proxies and the Sub-Adviser's Form ADV Part 2A. This limited power of attorney granted by the Client may be rescinded at any time upon written notice (email will suffice) from the Client to Pandi.

The manager is selected by matching their investment strategy and risk profile with a Client's risk profile and stated investment needs and objectives. The managers selected under these programs will have discretion to determine the securities they buy and sell within the account, subject to reasonable restrictions imposed by Clients.

The selection of the securities and the investment decisions are made in accordance with the Client Profile and/or Investment Policy Statement ("IPS") we complete with a Client and their objectives and risk tolerance. The independent professional asset managers, and/or Private/Alternative Investment Manager enables Clients to pursue their investment objectives with the Firm as manager all in one consolidated portfolio.

Pandi actively monitors the performance of the selected manager and may recommend a change in the manager when and if we believe such a change would be in a Client's best interest. The Client will enter into a separate management agreement with the sub-manager. The agreement you enter into with the independent professional asset managers, and/or Private/Alternative Investment Manager will disclose the fees a Client will pay to them for the management of the account.

The Company employs investment advice that is primarily based on the analysis of investment programs and separate account managers by reviewing the background of the managers, their investment process, investment philosophy, methodology, stability of the managers, referrals, historical performance, and disclosure documents. Pandi may perform research on various programs through third-party resources. Pandi also performs its own due diligence on managers and may use publicly available resources as sources of information while conducting our research.

Upon request, Pandi will provide Clients with information about any Sub-Adviser appointed by Pandi. This information may include content provided by a Sub-Adviser explaining its investment style, or an

explanation from Pandi describing the Sub-Adviser's investment style. Additionally, Pandi will provide Clients with a copy of the Sub-Adviser's Form ADV Part 2A upon request.

Private Fund and Alternative Investment Managers

Pandi offers Clients access to certain alternative investments. Clients should understand that an alternative investment strategy is subject to a number of risks and is not suitable for all investors. Alternative investments are generally classified as an investment other than a traditional stock, bond, mutual fund or exchange traded fund. Alternative investments include hedge funds, private equity funds, venture capital funds, private real estate funds and other private investments. Investing in alternative investments is only intended for experienced and sophisticated investors who are willing to bear the high economic risk associated with such an investment. By themselves, alternative investments do not constitute a balanced investment program. Clients should carefully review and consider potential risks before investing, including carefully reviewing all disclosure documents, private offering memoranda, prospectuses, or other offering materials provided by Pandi and any separate manager or third-party service provider of an alternative investment. Many alternative investment offering documents are not reviewed or approved by federal or state regulators.

Tailor Advisory Services to Individual Needs of Clients

Our services are always provided based on the individual needs of each Client. This means, for example, that you are given the ability to impose restrictions on the accounts we manage for you, including specific investment selections and sectors. We work with each Client on a one-on-one basis through interviews and questionnaires to determine the Client's investment objectives, risk tolerance and suitability information. Furthermore, when the Company serves as investment adviser, it enters into a written investment management agreement with each of its advisory Clients. Investment management agreements include provisions related to each Client's management fees, investment strategy, investment guidelines, termination rights, proxy voting and sub-adviser, if applicable.

Outsourced Chief Financial Officer (OCFO) Consulting, Financial Reports and Analyses

Pandi, upon request, provides strategic advisory services with respect to specific types of business transactions. In addition, upon request, Pandi will provide clients with reports and/or analyses on one or more financial topics, including cash flows, income needs, asset allocation, retirement and life insurance assessments, charitable giving, estate and wealth transfer, and business succession. Those clients seeking these services will generally enter into a Client Agreement with Pandi, which sets forth the specific services to be provided, the reports and analyses that Pandi will provide, and the fees that the client agrees to pay. The reports and analyses are for informational purposes only and are based upon information provided by the clients, and are intended to provide broad, general guidelines on the advantages of certain financial planning concepts. The reports and analyses do not constitute a recommendation of any particular technique or strategy, or of any particular investment type or investment opportunity.

Furthermore, the reports and analyses do not provide on-going investment advice and are current only as of the date of each respective report. Certain reports and analyses may provide projections based on various assumptions, are hypothetical in nature, are subject to important limitations, and are not a guarantee of investment returns. Pandi may also provide one or more financial planning reports or analyses without a

separate charge as part of the overall services provided to its clients.

SMA Contract Arrangements

Pandi may also, through contract arrangements, provide Clients with access to third-party investment managers' separately managed account strategies. Clients investing through this type of arrangement are expected to receive personalized investment advice and guidance through their investment advisor representative, including ongoing asset allocation, investment manager recommendations and monitoring, rebalancing, account review and other advice. Clients will separately enter into discretionary advisory agreements with one or more investment managers that will manage the Clients' assets on a discretionary basis in accordance with the investment strategy or strategies selected.

In summary, Pandi provides the following advisory services:

- Discretionary Investment Management, except as otherwise set forth in any applicable Client Agreement. Our Clients authorize Pandi to investigate, purchase, and sell on behalf of Client, various securities and investments. Pandi is authorized to execute purchases and sales of securities on Client's behalf without consulting Client regarding each sale or purchase. Client may, however, terminate the discretionary authority of Pandi immediately upon written or verbal notice.
- Non-Discretionary Investment Management. In these types of Client Agreements, Pandi is authorized to execute purchases and sales of securities only after securing permission from Client regarding each transaction.

Furthermore, Pandi tailors its investment advice to the specific needs of its Clients and is subject to applicable investment restrictions set forth in the governing documents, including the investment advisory agreement, for the applicable Clients. The Company works with Clients to formulate appropriate and agreed-upon investment guidelines. Pandi works with Clients to determine the feasibility of monitoring proposed restrictions and limitations. Clients who restrict their investment portfolios may experience potentially worse performance results than Clients with unrestricted portfolios even for Clients with similar objectives. Pandi reserves the right to reject or terminate any Client that seeks restrictions which Pandi is unable to implement, or which may fundamentally alter the investment objective of the Client.

Regulatory Assets Under Management

As of September 30, 2024, Pandi managed approximately \$0 in discretionary assets and \$2,014,265,251 in non-discretionary assets, totaling \$2,014,265,251 of advisory assets. The SEC has adopted a uniform method for advisers to calculate assets under management for regulatory purposes which it refers to as an adviser's "regulatory assets under management." Regulatory assets under management are generally an adviser's gross assets, i.e., assets under management without deduction for outstanding indebtedness or other accrued but unpaid liabilities. Pandi reports its regulatory assets under management in *Item 5* of Part 1 of Form ADV which you can find at www.adviserinfo.sec.gov.

Item 5 Fees and Compensation

Fees paid by Clients of Pandi for the services described in this Brochure are charged based on the terms in the Client Agreement. When we act as investment adviser, we charge an hourly fee that is billed monthly as agreed at the time of entering into the applicable Client Agreement or thereafter.

You should expect that the fees you pay will differ from those paid by other clients of the Firm, including based on the scope and size of relationships and accounts, the complexity of the client's needs, and other factors. Except as otherwise stated herein or in the Client Agreement, these fees are in addition to any fees you pay to other investment managers or fees and you pay indirectly as an investor in any mutual fund, alternative investment fund, or other pooled vehicle or financial product, which are described in the applicable prospectus or other offering document.

The fees for investment management are based on:

- An hourly rate ("Hourly Rate")
- When determining an Hourly Rate with respect to each individual client, the specific fee, which is based on the rate payable to, or received by, the adviser are generally set forth in each client's respective invoices with the mutual understanding that they may evolve according to Pandi's unilateral determination and will be disclosed in each clients' respective invoice.

Typically, fees are billed monthly in arrears, based on an Hourly Rate, for time and services rendered. Fees may vary based on the size of the account, complexity of the portfolio, extent of activity in the account, or other reasons agreed upon by us and you as the Client.

In certain circumstances, our fees, which are based on an Hourly Rate, and the timing of the fee payments, which are typically billed monthly in arrears, may be negotiated.

The independent and qualified custodian holding your securities agrees to deliver an account statement to you on a quarterly basis indicating all the amounts deducted from the account including our advisory fees.

Sub-Advisor Fees and Services

Pandi may recommend an independent sub-adviser to manage all or a portion of a Client's portfolio. In those circumstances, the Sub-Advisor manages the assets based upon the parameters provided by our Firm. The Sub-Advisor for the portfolio may have higher or lower fees than other programs available through Pandi or available elsewhere. Investment management programs may differ in the services provided and method or type of management offered, and each may have different account minimums. Client reports will depend upon the management program selected. Sub-Advisor fees and services will be indicated on a Client's Investment Advisory Agreement with the sub-advisor.

Mutual Fund and ETF Fees

Brokerage fees and/or transaction ticket fees charged by the custodian will be billed directly to the Client.

Pandi does not receive any portion of such fees from the custodian or Client. In addition, Clients may incur certain charges imposed by third parties other than Pandi in connection with investments made through the account, including but not limited to, mutual fund sales loads, 12(b)-1 fees and surrender charges, IRA and qualified retirement plan fees. Pandi does not receive any portion of such fees. Management fees charged by Pandi are separate and distinct from the fees and expenses charged by investment company securities that may be recommended to Clients. A description of these fees and expenses are available in each investment company security's prospectus and are paid by the funds but are ultimately borne by Clients as shareholders in the funds.

These fees and expenses are in addition to the Advisory Fees each Advisory Account pays to Pandi and any applicable transaction fees. Broker-dealers make available mutual fund share classes on their platforms at their sole discretion. Different mutual funds with similar investment policies, and different share classes within those funds, will have different expense levels. Generally, a fund or share class with a lower minimum investment requirement has higher expenses, and therefore a lower return, than a fund or share class with a higher minimum investment requirement. The share classes made available by various broker-dealers and which Pandi selects for Advisory Accounts will not necessarily be the lowest cost share classes for which Clients might be eligible or that might otherwise be available if Clients invested in mutual funds through another firm or through the mutual funds directly. If mutual funds are selected for inclusion in the Client's account, those mutual funds are either no-load funds or load-waived mutual funds.

Private Fund and Alternative Investment Managers Associated Fees

As described in Item 4, Pandi may recommend that a Client invest a portion of their assets in a private fund, hedge fund, or other alternative investment, based on the individual Client's risk tolerance and objectives. Important disclosures related to investing in alternative investments are described in Pandi's Part 2A Brochure Disclosure, *Item 8 Methods of Analysis, Investment Strategies, & Risk of Loss* section or a similar agreement. Actual fees are disclosed in the private placement memorandum (PPM), a supplement to the PPM or in a prospectus of the alternative investment fund.

Pandi does not exercise discretion over any non-public alternative investments. Clients are responsible for initially executing any documents required to be completed by the investment manager and for continuously maintaining any subsequent documentation required after the initial investment is made. Please see Item 4.

Other Fees and Expenses

In addition to the fees described above, Clients may bear other costs associated with investments or accounts including but not limited to: (i) custodial charges, brokerage fees, commissions and related costs; (ii) interest expenses; (iii) taxes, duties and other governmental charges; (iv) transfer and registration fees or similar expenses; (v) costs associated with foreign exchange transactions; (vi) other portfolio expenses; and (vii) costs, expenses and fees (including investment advisory and other fees charged by the investment advisers of funds in which the Client's account invest) associated with products or services that may be necessary or incidental to such investments or accounts.

With respect to such services (which may include, but are not limited to, custodial, securities lending, brokerage, futures, banking, consulting or third-party advisory or legal services) each Client may be

required to establish business relationships with relevant service providers or other counterparties based on the Client's own credit standing. Pandi will not have any obligation to allow its credit to be used in connection with the establishment of such relationships, nor is it expected that such service providers or counterparties will consider or rely on Pandi's credit in evaluating the Client's creditworthiness.

Pandi's fees only cover its investment advisory services offered and do not cover any other services, accounts, or products that clients obtain from Pandi or its affiliates provided that the cost of certain non-investment advisory services (e.g. tax preparation) may be included when clients are charged. Unless otherwise agreed to in writing, clients who receive Investment Management services through Pandi will pay additional fees and expenses in connection with such services. These fees are pass through costs. Toward this end, Clients are responsible for fees imposed for third-party reporting services providers, and/or expenses imposed by third party managers and other third parties, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Those fees and expenses are described below.

Custodian Fees

Clients may be charged the following fees from their account custodian or executing broker: charges for transactions with respect to assets not executed through the custodian; short term redemption costs; costs charged to shareholders of mutual funds and exchange traded funds by the fund manager; odd-lot differentials; American Depositary Receipt costs; costs associated with exchanging currencies; or other costs required by law. Administrative costs for retirement accounts and any platform (technology) fees are paid directly by the Client, unless other arrangements have been made.

Additionally, the Client will be charged for non-standard service fees incurred as a result of any special requests made by the Client, such as overnight courier or wiring fees. Account custodians may also charge clients account transfer and/or termination fees.

For custodial services, Pandi utilizes the services of a number of firms to meet its Clients' needs. Custodial transaction fees (for transactions executed through the custodian's broker-dealer) may be paid by the Client or by Pandi as negotiated and stated in the Client's agreement with the account custodian. Custodians charge Clients other fees, beyond transaction fees. The additional fees charged to Clients by the custodian may include, but are not limited to, fees related to custodial and clearing agent services, maintenance of portfolio accounting systems, preparation and mailing of Client statements, account processing, systematic withdrawals, redemptions, terminations, account transfers, retirement account custodial services (except for the retirement account termination cost), maintenance of a Client inquiry system, as well as execution of securities transactions in the Client's account. None of these charges are retained by Pandi.

Terminated Accounts

The Firm's standard investment management contract generally continues in effect until terminated by either party upon written or verbal notice to the other (email notice will suffice). Upon the termination of the Agreement, Adviser will have no obligation to recommend or take any action with regard to the securities, cash or other investments in the account. Typically, fees are billed monthly in arrears, based on an Hourly Rate, for time and services rendered. An account may be terminated with written notice 30 days in advance. Since fees are billed in arrears, no refund of advisory fees is necessary. Accounts initiated or

terminated during a calendar month will only be charged a prorated fee based on the amount of time and services rendered during the billing period.

In addition, upon execution of an investment advisory agreement, the Client acknowledges receipt of Part 2 of Form ADV; a disclosure statement containing the equivalent information; or a disclosure statement containing at least the information required by Part 2A Appendix 1 of Form ADV, if the Client is entering into a wrap fee program sponsored by the investment adviser. If the appropriate disclosure statement was not delivered to the Client at least 48 hours prior to the Client entering into any written or oral advisory contract with this investment adviser, then the Client has the right to terminate the contract without penalty within five business days after entering into the contract. For the purposes of this provision in our Agreements, a contract is considered entered into when all parties to the contract have signed the contract, or, in the case of an oral contract, otherwise signified their acceptance, any other provisions of this contract notwithstanding. Importantly, upon termination, a Client is responsible for monitoring the securities in his or her account, and we will have no further obligation to act or advise with respect to those assets. In the event of Client's death or disability, Pandi will continue management of the account until we are notified of Client's death or disability and given alternative instructions by an authorized party.

Generally, upon notice of termination to the Client, the Firm will begin the process of removing its access to the Client's account; however, the custodian may require a reasonable amount of time to liquidate and/or transfer assets, including time for required recordkeeping, processing, and complying with the rules and conditions imposed by mutual fund companies, stock exchanges, or securities issuers.

For an additional discussion of brokerage and other transaction costs, please refer to *Item 12 – Brokerage Practices* of this Brochure.

Other Compensation

Neither Pandi nor its supervised persons accept any compensation for the sale of investment products, including asset-based sales charges or service fees from the sale of mutual funds.

For further information on this compensation and its relationship with Pandi's Clients, please refer to *Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading (Potential Conflicts)*.

For an additional discussion of other compensation, please refer to *Item 14 – Client Referrals and Other Compensation* of this Brochure.

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

Pandi does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a Client.

Item 7 Types of Clients

As discussed in *Item 4 – Advisory Business* of this Brochure, Pandi currently provides investment management services, as an investment adviser, to families, individuals, trusts, and institutions, including private foundations and private companies owned and controlled by its family clients. In addition, the Company provides services as an agent on behalf of a manager according to an Agency Services Agreement (“ASA”). These underlying clients include a benefit program and 401(k) Retirement Plan on behalf of the manager and its clients. We do not require a minimum dollar amount to open and maintain an advisory account. All Clients are required to execute an agreement for services in order to establish a client arrangement with Pandi. The agreement sets forth the scope of engagement and terms and conditions of the investment management services, outlines the responsibilities of the parties and defines the relationship of the Firm and the Client.

Lastly, the Firm may seek to obtain, verify, and record information that identifies each Client who retains Pandi to manage its account, in order to help the U.S. Government fight the funding of terrorism and money laundering activities.

Item 8 Methods of Analysis, Investment Strategies, & Risk of Loss

Investing in securities involves risk of loss that Clients should be prepared to bear.

Investment Strategies

The Company may choose to use investment managers that invest in a wide range of securities and other financial instruments including: equity securities of domestic and foreign issuers (both publicly and privately traded); corporate debt securities of domestic and foreign issuers (both publicly and privately traded); MLPs; derivative securities, including but not limited to futures, options, swaps and forward contracts; warrants; commercial paper; foreign currency contracts; registered investment company securities, including exchange-traded funds (“ETFs”); and U.S. government securities. As financial markets and products evolve, Pandi may partner with managers that invest in other instruments or securities, whether currently existing or developed in the future, when consistent with Client guidelines, objectives, and policies.

Methods of Analysis

Pandi’s methods of analyzing managers includes:

- As discussed above, the Firm assists Clients in selecting an asset allocation and will provide other investment recommendations and advice to you. The Firm has access to various market, research, portfolio modeling and other tools and information to which we may refer in determining investment advice provided to Clients. The investment strategies and advice vary depending upon each client’s specific financial situation. As such, the Firm determines investments and allocations based upon Clients’ predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and various other suitability factors. Clients’ restrictions and guidelines may affect the composition of client portfolios.
- Pandi may recommend, on occasion, redistributing investment allocations to diversify the portfolio. The Advisor may recommend employing cash positions as a possible hedge against market movement, which may adversely affect the portfolio. Pandi may recommend selling positions for reasons that include, but are not limited to, harvesting capital gains or losses, business or sector risk exposure to a specific security or class of securities, overvaluation or overweighting of the position[s] in the portfolio, change in risk tolerance of Client, generating cash to meet Client needs, or any risk deemed unacceptable for the Client’s risk tolerance.

Pandi may include mutual funds and exchange traded funds, (“ETFs”) in our investment strategies. Pandi policy is to purchase institutional share classes of those mutual funds selected for the client’s portfolio. The institutional share class generally has the lowest expense ratio. The expense ratio is the annual fee that all mutual funds charge their shareholders. It expresses the percentage of assets deducted each fiscal year for funds expenses, including 12b-1 fees, management fees, administrative fees, operating costs, and all other asset-based costs incurred by the fund. Some fund families offer different classes of the same fund, and one share class may have a lower expense ratio than another share class. These expenses come from client assets which could impact the client’s account performance. Mutual fund expense ratios are in addition to our fee, and we do not receive any portion of these charges. As share classes with lower expense ratios become

available, Pandi may use them in the client's portfolio, and/or convert the existing mutual fund position to the lower cost share class. Clients who transfer mutual funds into their accounts with Pandi would bear the expense of any contingent or deferred sales loads incurred upon selling the product. If a mutual fund has a frequent trading policy, the policy can limit a client's transactions in shares of the fund (e.g., for rebalancing, liquidations, deposits or tax harvesting). All mutual fund expenses and fees are disclosed in the respective mutual fund prospectus.

Asset Allocation: We attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to the Client's investment goals and risk tolerance. Periodically we may encounter economic conditions that warrant temporary adjustments to the asset allocation of an investment strategy or portfolio. If we believe that these conditions present either an increase in risk or opportunity for that particular asset class we may alter the appropriate allocation to reflect this conviction.

Mutual Fund and/or ETF Analysis: We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if the manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in the Client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy. A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results.

Furthermore, Pandi focuses on the following areas of a Client portfolio:

- purpose driven investing through aligning the underlying investment strategy to the needs of the Client assets,
- consistent and unwavering diversification within the portfolio in an attempt to ensure against the risk of total loss, and
- rebalancing of Client assets, when necessary, allowing for an objective reallocation of capital and risk.

* * * * *

The methods of analysis and investment strategies summarized above are not intended to be comprehensive. For more information regarding the investment objective and strategies of each, please carefully review its applicable governing documents. Investing in securities involves a risk of loss that you, as a Client, should be prepared to bear.

Certain Risk Factors

Clients should understand that all investment strategies and the investments made when implementing those investment strategies involve risk of loss and Clients should be prepared to bear the loss of assets invested. There can be no assurance that Clients will achieve their investment objectives or that investments will be successful or profitable. The investment performance and the success of any investment strategy or particular investment can never be predicted or guaranteed, and the value of a Client's investments fluctuates due to market conditions and other factors. Nothing in this Brochure is intended to imply, and no one is or will be authorized to represent, that Pandi's

investment strategies and services are low risk or risk free. The investment decisions made, and the actions taken for Clients accounts are subject to various market, liquidity, currency, economic and political risks, and will not necessarily be profitable. Past performance of Clients accounts is not indicative of future performance. Investors and advisory Clients are urged to consult with their own independent financial, legal and tax advisors before making any investment decisions. This Brochure does not include every potential risk associated with an investment strategy, or all of the risks applicable to a particular Client account. Rather, it is a general description of the nature and risks of the strategies and securities and other financial instruments in which Client accounts may invest. The following risks may apply to strategies managed by Pandi:

- **Exchange Traded Funds (ETFs):** An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance.
- **Stocks:** 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") are but the mere size of an issuer is not, by itself, an indicator of the safety of the investment. Markets may move in cycles, with periods of rising prices and periods of falling prices.
- **Mutual Funds:** Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond "fixed income" nature (lower risk) or stock "equity" nature. Fixed income investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best-known type of fixed income security. In general, the fixed income market is volatile and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.
- **Capitalization Risk:** Small-cap and mid-cap companies may be hindered as a result of limited resources or less diverse products or services, and their stocks have historically been more volatile than the stocks of larger, more established companies.
- **Equity Risk:** The market price of securities owned by Clients may go up or down, sometimes rapidly or unpredictably. The equity securities in Clients' portfolios may decline in value due to

factors affecting equity securities markets generally or the energy sector. The values of equity securities may decline due to general market conditions which are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. They may also decline due to factors which affect a particular industry or industries, including the basic minerals sector, such as labor shortages or increased production costs and competitive conditions within an industry. Other risks of investing globally in equity securities may include changes in currency exchange rates, exchange control regulations, expropriation of assets or nationalization, imposition of withholding taxes on dividend or interest payments, and difficulty in obtaining and enforcing judgments against non-U.S. entities. In addition, securities which Pandi believes are fundamentally undervalued or incorrectly valued may not ultimately be valued in the capital markets at prices and/or within the time frame we anticipate. As a result, Clients may lose all or substantially all of their investments in any particular instance.

- **Fixed Income Securities:** Pandi may invest Client assets in bonds or other fixed income securities of issuers including, without limitation, bonds, notes and debentures issued by corporations; debt securities and commercial paper. Fixed income securities pay fixed, variable or floating rates of interest. The value of fixed income securities in which Pandi invest will change in response to fluctuations in interest rates. In addition, the value of certain fixed income securities can fluctuate in response to perceptions of creditworthiness, political stability or soundness of economic policies. Fixed income securities are subject to the risk of the issuer's inability to meet principal and interest payments on its obligations (i.e., credit risk) and are subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (i.e., market risk).
- **Real estate funds (including REITs):** REITS face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.
- **Interest Rate Risk:** In a rising rate environment, the value of fixed-income securities generally declines and the value of equity securities may be adversely affected.
- **Liquidity Risk:** Liquidity risk exists when particular investments would be difficult to purchase or sell, possibly preventing clients from selling such securities at an advantageous time or price.
- **Credit Risk:** Credit risk is the risk that the issuer of a security may be unable to make interest payments and/or repay principal when due. A downgrade to an issuer's credit rating or a

perceived change in an issuer's financial strength may affect a security's value and, thus, impact the fund's performance.

- Private placements carry a substantial risk as they are subject to less regulation than are publicly offered securities, the market to resell these assets under applicable securities laws may be illiquid, due to restrictions, and the liquidation may be taken at a substantial discount to the underlying value or result in the entire loss of the value of such assets.
- Venture capital funds invest in start-up companies at an early stage of development in the interest of generating a return through an eventual realization event; the risk is high as a result of the uncertainty involved at that stage of development.
- Alternative Investment Risk - Alternative investments, including hedge funds, private equity funds, real estate private equity funds, interval funds and venture capital funds: (1) involve a high degree of risk, (2) often engage in leveraging and other speculative investment practices that may increase the risk of investment loss, (3) can be highly illiquid with extended lock up periods where assets may not be sold, (4) may lack a secondary market to purchase shares that investors care to redeem, (5) are not required to provide periodic pricing or valuation information to investors, (6) may involve complex tax structures and delays in distributing important tax information, (7) are not subject to the same regulatory requirements as publicly traded securities, (8) often charge high fees which may offset any trading profits, and (9) in many cases execute investments which are not transparent and are known only to the investment manager. The performance of alternative investments, including hedge funds and other alternative funds, can be volatile. An investor could lose all or a substantial amount of his or her investment. Often, hedge fund or other alternative investment account managers have total trading authority over their funds or accounts. The use of a single advisor applying generally similar trading programs could mean lack of diversification and, consequently, higher risk. There is often no secondary market for an investor's interest in alternative investments, including hedge funds and managed futures, and none is expected to develop. Even when there is a secondary market, it is often a small group of investors willing to purchase the investment, typically resulting in a discount on the sale of the asset, versus the actual value of the underlying assets. There may be restrictions on transferring interests in any alternative investment. Alternative investment products may execute some portion of their trades on non-U.S. exchanges. Investing in foreign markets may entail risks that differ from those associated with investments in U.S. markets.
- Commodities are tangible assets used to manufacture and produce goods or services. Commodity prices are affected by different risk factors, such as disease, storage capacity, supply, demand, delivery constraints and weather. Because of those risk factors, even a well-diversified investment in commodities can be uncertain.
- General Economic and Market Conditions: The success of Pandi's activities is affected by general economic and market conditions, such as changes in interest rates, availability of credit and debt-related issues, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of Client investments), trade barriers, unemployment rates, release of economic data,

currency exchange controls and national and international political circumstances (including wars, terrorist acts, natural disasters, security operations, the European debt crisis or the U.S. budget negotiations). These factors may affect the level and volatility of securities prices and the liquidity of Client investments. Volatility and/or illiquidity could impair a Client's profitability or result in losses. Clients could incur material losses even if Pandi reacts quickly to difficult market or economic conditions, and there can be no assurance that Clients will not suffer material losses and other adverse effects from broad and rapid changes in economic and market conditions in the future. Clients should realize that markets for the financial instruments in which Pandi invest Client assets can correlate strongly with each other at times or in ways that are difficult for Pandi to predict. Even a well-analyzed approach may not protect Clients from significant losses under certain market conditions.

- **Cybersecurity Risk:** In addition to the Material Risks listed above, investing involves various operational and "cybersecurity" risks. These risks include both intentional and unintentional events at Pandi or one of its third-party counterparties or service providers, that may result in a loss or corruption of data, result in the unauthorized release or other misuse of confidential information, and generally compromise our Firm's ability to conduct its business. A cybersecurity breach may also result in a third-party obtaining unauthorized access to our clients' information, including social security numbers, home addresses, account numbers, account balances, and account holdings. Our Firm has established business continuity plans and risk management systems designed to reduce the risks associated with cybersecurity breaches. However, there are inherent limitations in these plans and systems, including that certain risks may not have been identified, in large part because different or unknown threats may emerge in the future. As such, there is no guarantee that such efforts will succeed, especially because our Firm does not directly control the cybersecurity systems of our third-party service providers. There is also a risk that cybersecurity breaches may not be detected. Furthermore, cybersecurity failures by or breaches have the ability to cause disruptions and impact business operations, potentially resulting in: financial losses; interference with the Index's ability to administer, calculate, and/or disseminate those certain indices (each individually an "Index" and collectively the "Indices") and the values related thereto (the "Values"); disclosure of confidential trading information; the inability of the Index or its service providers to transact business; violations of applicable privacy and other laws; regulatory fines penalties, reputational damage, reimbursement or other compensation costs; or additional compliance costs. Substantial costs may be incurred by the Fund in order to resolve or prevent cyber incidents in the future. While the Firm has established business continuity plans in the event of, and risk management systems to prevent, such cyber-attacks, there are inherent limitations in such plans and systems, including the possibility that certain risks have not been identified and that prevention and remediation efforts will not be successful. Furthermore, the Company cannot control the cybersecurity plans and systems put in place by service providers to the Firm. However, there is no guarantee that such efforts will succeed, and the Firm and its clients could be negatively impacted as a result.
- **Epidemics, Pandemics, Outbreaks of Disease and Public Health Issues:** Our business activities could be materially adversely affected by pandemics, epidemics and outbreaks of disease in Asia, Europe, North America and/or globally or regionally, such as COVID-19, Ebola, H1N1 flu, H7N9

flu, H5N1 flu, severe acute respiratory syndrome (SARS), and/or other epidemics, pandemics, outbreaks of disease, viruses and/or public health issues. Specifically, COVID-19 has spread rapidly around the world since its initial emergence in China in December 2019 and has severely negatively affected (and may continue to materially adversely affect) the global economy and equity markets (including, in particular, equity markets in Asia, Europe and the United States). Although the long-term effects or consequences of COVID-19 and/or other epidemics, pandemics and outbreaks of disease cannot currently be predicted, previous occurrences of other pandemics, epidemics and other outbreaks of disease, such as H5N1 flu, H1N1 flu, SARS and the Spanish flu, had a material adverse effect on the economies and markets of those countries and regions in which they were most prevalent. Any occurrence or recurrence (or continued spread) of an outbreak of any kind of epidemic, communicable disease or virus or major public health issue could cause a slowdown in the levels of economic activity generally (or cause the global economy to enter into a recession or depression), which would adversely affect the business, financial condition and operations of the Adviser. Should these or other major public health issues, including pandemics, arise or spread farther (or continue to spread or materially impact the day to day lives of persons around the globe), the Adviser could be adversely affected by more stringent travel restrictions, additional limitations on the Adviser's operations or business and/or governmental actions limiting the movement of people between regions and other activities or operations (or to otherwise stop the spread or continued spread of any disease or outbreak).

Item 9 Disciplinary Information

This Item requests information relating to legal and disciplinary events in which Pandi or any supervised persons, as defined by the Advisors Act, have been involved that are material to Client's or prospective Client's evaluations of Pandi's advisory business or management. There are no reportable material legal or disciplinary events related to Pandi or any of its supervised persons.

Item 10 Other Financial Industry Activities and Affiliations

Affiliated Broker-Dealers

Pandi is not registered, and does not have an application pending to register, as a broker-dealer or registered representative of a broker-dealer. Certain affiliated persons listed in Schedule A of Pandi's Part 1 of Form ADV and affiliated persons (i.e., personnel) of Pandi may hold FINRA licenses but do not receive any compensation from a broker dealer.

Affiliated CPO and/or CTA

Neither Pandi nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

Relationship or Arrangements with Affiliates and/or Related Persons

Pandi does have specific arrangements with affiliates or related persons.

Pandi is indirectly controlled by TIFEC, LLC, Excolo, LLC and Pandi Ventures. TIFEC is a private company founded by a family office that owns, operates, and invests in private companies and also manages various real estate holdings and developments. Excolo, LLC is a private company founded by a family office that owns and invests in private investment partnerships and controls various private companies. Pandi is indirectly controlled by Pandi Ventures, LLC through its indirect ownership of the voting securities of Pandi.

No employee, officer, director, or other representative of Excolo or TIFEC, or any of their respective controlled affiliates, is a member of any committee of Pandi or the Firm that determines which products or services are offered or sold to Firm clients. Additionally, directors, officers, employees or other representatives of TIFEC or Excolo any of its controlled affiliates are generally prohibited from discussing any information regarding Pandi's portfolio investment activities in the presence of any employee, officer, director, investment committee member or other representative of Pandi or any of its controlled affiliates. Pandi does not anticipate material conflicts with any clients in light of TIFEC, Excolo or Pandi Ventures' indirect control of Pandi. If any conflicts arise, Pandi will resolve such conflicts in an equitable manner.

Directors, officers and employees of Pandi and its affiliates may serve as non-executive directors or employees of for-profit businesses, including financial service companies that provide services to Pandi and/or to clients of Pandi. Pandi has adopted procedures and practices in seeking to mitigate conflicts of interest that may result from such outside business affiliations.

Neither Pandi nor any of its management persons have any other affiliations with broker-dealers, financial planning firms, commodity pool operators, commodity trading advisers, futures commission merchants, banks, thrift institutions, accounting firms, law firms, insurance companies or agencies, pension consultants, real estate brokers or dealers, or entities that create or package limited partnerships that are material to Pandi's advisory business or clients. In the event that such affiliation exists, it will be disclosed accordingly.

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

Pandi maintains a policy of strict compliance with the highest standards of ethical business conduct and the provisions of applicable federal securities laws, including rules and regulations promulgated by the SEC, and has adopted policies and procedures described in its code of ethics. The code of ethics has been adopted by Pandi in compliance with Section 204A of the Advisers Act. The code of ethics applies to each employee of Pandi and any other “access person” as defined under the Advisers Act. It is designed to ensure compliance with legal requirements of Pandi’s standard of business conduct.

A complete copy of Pandi’s code of ethics (“Code of Ethics”) is available upon request to Clients or prospective Clients.

The Code of Ethics is based upon the premise that all Pandi personnel have a fiduciary responsibility to render professional, continuous and unbiased investment advisory services. The Code of Ethics requires all personnel to: (1) comply with all applicable laws and regulations; (2) observe all fiduciary duties and put Client interests ahead of those of Pandi; (3) observe Pandi’s personal trading policies so as to avoid “front-running” and other conflicts of interests between Pandi and its Clients; (4) ensure that all personnel have read the Code of Ethics, agreed to adhere to the Code of Ethics, and are aware that a record of all violations of the Code of Ethics will be maintained by Pandi’s Chief Compliance Officer, and that personnel who violate the Code of Ethics are subject to sanctions by Pandi, up to and including termination.

Standards of Conduct: Pandi and its access persons are expected to comply with all applicable federal and state laws and regulations. Access persons are expected to adhere to the highest standards of ethical conduct and maintain confidentiality of all information obtained in the course of their employment and bring any risk issues, violations, or potential violations to the attention of the Chief Compliance Officer. Access persons are expected to deal with Clients fairly and disclose any activity that may create an actual or potential conflict of interest between them and Pandi or Client.

Confidentiality: Employees must maintain the confidentiality of Pandi’s proprietary and confidential information and must not disclose that information unless the necessary approval is obtained. Pandi has a particular duty and responsibility, as investment adviser or sub-adviser, to safeguard Client information. Information concerning the identity and transactions of Clients is confidential, and such information will only be disclosed to those employees and outside parties who may need to know it in order to fulfill their responsibilities.

Potential Conflicts

Pandi does not recommend that Clients buy or sell any security in which a related person to Pandi or Pandi has a material financial interest. From time to time, representatives of Pandi may buy or sell securities for themselves that they also recommend to Clients. This may provide an opportunity for representatives of Pandi to buy or sell the same securities before or after recommending the same securities to Clients resulting in representatives profiting off the recommendations they provide to Clients. Such transactions may create a conflict of interest. Pandi will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the Client’s disadvantage when similar securities are being bought or sold.

Allocation of Investment Opportunities: As stated herein above, Pandi acts as investment adviser to more than one Client that may have similar investment objectives and pursue similar strategies. Certain investments identified by Pandi may be appropriate for multiple Clients. When it is determined by Pandi that it would be appropriate for more than one Client to participate in an investment opportunity, Pandi will generally allocate such investment opportunity among the Clients in proportion to the relative amounts of capital available for new investments, taking into account such other factors as it may, in its sole discretion determine appropriate, including investment objectives, legal or regulatory restrictions, current holdings, availability of capital for investment, the size of investments generally, nature and type of investment or opportunity, risk-return considerations, relative exposure to market trends, targeted leverage level, targeted asset mix, target investment return, diversification requirements, strategic objectives, specific liquidity requirements, as well as any tax consequences, limitations and restrictions on a Client's portfolio that are imposed by such Client's governing documents or other considerations that Pandi deems necessary or appropriate in light of the circumstances at such time. Pandi seeks to manage and/or mitigate these potential conflicts of interest described by following procedures with respect to the allocation of investment opportunities for its Clients.

Pandi's allocation policy is based on a fundamental desire to treat each Client account fairly over time. It is Pandi's general policy to allocate investments among its Clients in a manner which it believes to be fair and equitable. Allocations of investment opportunities should not be based on any of the following, or similar, reasons: (i) to generate higher fees paid by one account over another, or to produce greater fees to Pandi; (ii) to develop a relationship with a Client or prospective Client; or (iii) to compensate a Client for past services or benefits rendered to the company or any employee of Pandi or to induce future services or benefits to be rendered to Pandi or any employee of Pandi. Consistent with its fiduciary duties, Pandi allocates trades to its Clients on an equitable basis as set forth in the Firm's policy.

Conflicts Related to Relationships with Third Parties: Conflicts may arise where Pandi has the responsibility and authority to vote proxies on behalf of its Clients. Please refer to *Item 17 – Voting Client Securities* of this Brochure for information regarding the policies and procedures governing Pandi's proxy voting activities.

Item 12 Brokerage Practices

As a general rule, Pandi receives discretionary investment authority from its Clients at the outset of an advisory relationship. Depending on the terms of the applicable investment management agreement, Pandi's authority may include the ability to select broker-dealers through which to execute transactions on behalf of its Clients, and to negotiate the commission rates, if any, at which transactions are effected. Pandi may also have the authority to enter into International Swap and Derivatives Association ("ISDA"), repurchase clearing, trading brokerage, margin future, options, or other types of agreements on behalf of Pandi's Clients. In making decisions as to which securities are to be bought or sold and the amounts thereof, Pandi is guided by the mandate selected by the Client and any Client-imposed guidelines or restrictions. Unless Pandi and the Client have entered into a non-discretionary arrangement, Pandi generally is not required to provide notice to, consult with, or seek the consent of its Clients prior to engaging in transactions.

Brokerage Selection

We require that Clients utilize the custody, brokerage and clearing services of a Custodian (the "Custodian") for investment management accounts. Our recommended Custodians are independent and unaffiliated FINRA-registered broker-dealers. We may recommend that you establish accounts with these custodians to maintain custody of your assets and to effect trades for your accounts. Some of the products, services and other benefits provided by our custodians benefit us and may not benefit you or your account. Our recommendation/requirement that you place assets with one of these custodians may be based in part on benefits they provide us, and not solely on the nature, cost or quality of custody and execution services provided by the custodian. We are independently owned and operated and not affiliated with these custodians. They provide us with access to their institutional trading and custody services. These services include brokerage, custody, research and access to mutual funds and other investments that are otherwise generally available only to institutional investors.

Custodians/broker-dealers will be recommended based on Pandi's duty to seek "best execution," which is the obligation to seek execution of securities transactions for a Client on the most favorable terms for the Client under the circumstances. Clients will not necessarily pay the lowest commission or commission equivalent, and Pandi may also consider the market expertise and research access provided by the broker-dealer/custodian, including but not limited to access to written research, oral communication with analysts, admittance to research conferences and other resources provided by the brokers that may aid in Pandi's research efforts. Pandi will never charge a premium or commission on transactions, beyond the actual cost imposed by the broker-dealer/custodian.

In the event you request us to recommend a broker-dealer custodian for execution and/or custodial services, we generally recommend your account to be maintained at one of these custodians. We may recommend that you establish accounts with the custodians to maintain custody of your assets and to effect trades for your accounts. You have the right to not act upon any recommendations, and if you elect to act upon any recommendations, you have the right to not place the transactions through any broker-dealer we recommend. Our recommendation is generally based on the broker's cost and fees, skills, reputation, dependability and compatibility with the Client. You may be able to obtain lower commissions and fees from other brokers and the value of products, research and services given to us is not a factor in

determining the selection of broker-dealer or the reasonableness of their commissions.

The custodian we utilize makes available to us other products and services that benefit us but may not benefit your accounts in every case. Some of these other products and services assist us in managing and administering your accounts. These include software and technology that provide access to Client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple Client accounts), provide research, pricing information and other market data, facilitate payment of our fees from your account, and assist with back-office functions, recordkeeping and reporting.

Many of these services generally may be used to service all or a substantial number of our accounts. The custodians also make available to us other services intended to help us manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing. In addition, the custodians may make available, arrange and/or pay for these services rendered to us by third parties. The custodians may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to us.

While as a fiduciary, we endeavor to act in your best interest, our recommendation that you maintain your assets in accounts at our recommended custodians may be based in part on the benefit to us or the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by the custodian, which may create a conflict of interest. Investment advisor representatives endeavor at all times to act in the best interest of our Clients first as a part of their fiduciary duty.

We place trades for our Clients' accounts subject to its duty to seek best execution and its other fiduciary duties. Each Custodian's execution quality may be different than other broker-dealers.

We will aggregate trades for ourselves or our associated persons with your trades, providing that the following conditions are met:

- Our policy for the aggregation of transactions shall be fully-disclosed separately to our existing Clients (if any) and the broker/dealer(s) through which such transactions will be placed
- We will not aggregate transactions unless we believe that aggregation is consistent with our duty to seek the best execution (which includes the duty to seek best price) for you and is consistent with the terms of our investment advisory agreement with you for which trades are being aggregated
- No advisory Client will be favored over any other Client; each Client that participates in an aggregated order will participate at the average share price for all our transactions in a given security on a given business day, with transaction costs based on each Client's participation in the transaction
- We will prepare a written statement ("Allocation Statement") specifying the participating Client accounts and how to allocate the order among those Clients

- If the aggregated order is filled in its entirety, it will be allocated among Clients in accordance with the allocation statement; if the order is partially filled, the accounts that did not receive the previous trade's positions should be "first in line" to receive the next allocation
- Notwithstanding the foregoing, the order may be allocated on a basis different from that specified in the Allocation Statement if all Client accounts receive fair and equitable treatment and the reason for difference of allocation is explained in writing and is reviewed by our compliance officer. Our books and records will separately reflect, for each Client account, the orders of which aggregated, the securities held by, and bought for that account
- We will receive no additional compensation or remuneration of any kind as a result of the proposed aggregation; and
- Individual advice and treatment will be accorded to each advisory Client

Soft Dollars

Section 28(e) of the Exchange Act provides a "safe harbor" to investment advisers who use soft dollars generated by their advised accounts to obtain investment research and brokerage services that provide lawful and appropriate assistance to such investment advisers in the performance of investment decision-making responsibilities. The term "soft dollars" refers to the receipt by an investment adviser of products and services provided by brokers, without any cash payment by such investment adviser, based on the volume of revenues generated from brokerage commissions for transactions executed for Clients of the investment adviser. The products and services available from brokers include both internally generated items (such as research reports prepared by employees of the broker) as well as items acquired by the broker from third parties. Research services furnished by brokers may include (but are not limited to) written information and analyses concerning specific securities, companies or sectors; market, financial and economic studies and forecasts; statistics and pricing or appraisal services; discussions with research personnel; and invitations to attend conferences or meetings with management or industry consultants.

The Company does not currently participate in any soft dollar program. In the event that the Company utilizes soft dollars, it will do so solely to pay for products or services that qualify as "research and brokerage services" within the meaning of Section 28(e) of the Exchange Act.

Brokerage for Client Referrals

Pandi receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

Clients Directing Which Broker/Dealer/Custodian to Use

We do not routinely recommend, request, or require that you direct us to execute transaction through a specified broker dealer. Additionally, we do not permit you to direct brokerage. We place trades for your account subject to our duty to seek best execution and other fiduciary duties.

Trade Errors

We have implemented procedures designed to prevent trade errors; however, trade errors in Client accounts cannot always be avoided. Consistent with our fiduciary duty, it is our policy to correct trade errors in a manner that is in the best interest of the Client. In cases where the Client causes the trade error, the Client will be responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, the Client may not be able to receive any gains generated as a result of the error correction. In all situations where the Client does not cause the trade error, the Client will be made whole and we will absorb any loss resulting from the trade error if the error was caused by the Firm. If the error is caused by the Custodian, the Custodian will be responsible for covering all trade error costs. We will never benefit or profit from trade errors.

Item 13 Review of Accounts

All Client accounts are reviewed at least annually with regard to Clients' respective investment policies and risk tolerance levels. Reviews may be triggered by material market, economic or political events, or by changes in Client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

Item 14 Client Referrals and Compensation

Compensation to Non -Advisory Personnel for Client Referrals

The Adviser does not receive economic benefits from someone who is not a client for providing investment advisory services to its clients. In addition, neither Pandi nor its related people receive or provide any compensation or other economic benefit to any persons or entities for providing investment advice or other advisory services to our clients other than relationships described elsewhere in the Firm's Form ADV.

Item 15 Custody

Rule 206(4)-2 of the Advisers Act sets forth extensive requirements for investment advisers who have possession or custody of Client funds or securities. The purpose of the rule is to protect Client funds and securities from fraud or other abuse by investment advisers. SEC-registered advisers must (i) maintain Client funds and securities with a qualified custodian in a separate account for each Client under that Client's name, or in an account that contains only Client funds and securities with the adviser listed as agent or trustee for the Clients ; (ii) have a reasonable basis, formed after "due inquiry," for believing that the qualified custodian holding Client funds or securities sends an account statement to each advisory Client at least quarterly; (iii) notify Clients upon opening any new custodial account on behalf of the Client (or changes to any such account) and include a legend in such notice urging the Clients to compare custodial account statements with any statements received from the adviser (if the adviser elects to send any such statements directly); and (iv) undergo an annual surprise examination conducted by an independent public accountant (where applicable).

Advisory Clients generally custody their funds and securities in their accounts with qualified custodians, including JP Morgan Chase ("JP Morgan"). Pandi is not an affiliate of any broker dealer nor a custodian and is not affiliated with JP Morgan. However, under the Advisers Act, Pandi or its affiliates are "deemed" to have custody of client assets under certain circumstances, including where Pandi has a limited power of attorney for accounts custodied at third-party custodians and in the case of certain Clients, in connection with the receipt of client checks and provision of bill pay services, or accounting services, which are ancillary non-investment advisory services.

In certain limited situations, investment advisor representatives may serve as the trustee for an account under Pandi's supervision that is not an account for the investment advisor representative's family member. In these limited circumstances, Pandi can be deemed to have custody even though Pandi will not allow its investment advisor representatives to hold, directly or indirectly, the Trustee-client's funds or securities, nor will Pandi permit the investment advisor representative to obtain possession of the Trustee-client's funds or securities in connection with advisory services that Pandi provides to such Trustee-clients.

Clients who custody funds and securities with a non-affiliated custodian will receive periodic account statements from their applicable custodian. Clients who custody funds and securities away from a non-affiliated custodian receive account statements directly from their qualified custodian and may also receive periodic account statements and performance reports from Pandi or its affiliates. Clients should understand that the statements received from the custodian of their funds or securities are the official records for their accounts.

Clients will receive account statements at least quarterly from their broker-dealer, bank, or other qualified custodian that holds and maintains clients' investment assets. It is important in all cases for clients to carefully review their custodial statements to verify the accuracy of the calculation, as well as their holdings and activity. Pandi urges its clients to carefully review such statements for accuracy. Clients should contact Pandi directly if they believe that there may be an error in their statement, or have any questions about any of the transactions, activity, holdings, or fees deducted.

Item 16 Investment Discretion

Pandi provides discretionary and non-discretionary investment advisory services to Clients. The advisory contract established with each Client sets forth the discretionary authority for trading. Where investment discretion has been granted, Pandi generally manages the Client's account and makes investment decisions without consultation with the Client as to when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, what securities to buy or sell, or the price per share.

The limitations on investment and brokerage discretion held by Pandi for you are:

- For discretionary accounts, we require that we be provided with authority to determine which securities and the amounts of securities to be bought or sold.
- Any limitations on this discretionary authority shall be in writing as indicated on the investment advisory Agreement. You may change/amend these limitations as required.

Item 17 Voting Client Securities (Proxy Voting)

As a fiduciary, an investment adviser with proxy voting authority has a duty to monitor corporate events and to vote proxies, as well as a duty to cast votes in the best interest of Clients and not subrogate Client interests to its own interests. Rule 206(4)-6 under the Advisers Act (the “Proxy Voting Rule”) places specific requirements on registered investment advisers with proxy voting authority. The Rule also requires these advisers to maintain certain records relating to proxy voting. The Rule is designed to ensure that advisers vote proxies in the best interests of their Clients and provide Clients with information about how their proxies must be voted. The Rule requires an investment adviser that exercises voting authority over Client proxies to:

- Adopt and implement written proxy voting policies and procedures reasonably designed to ensure that the fund manager votes Client and fund securities in the best interests of the Clients and fund investors and addressing how conflicts of interest are handled;
- Disclose its proxy voting policies and procedures to Clients and fund investors and furnish Clients and fund investors with a copy of these policies and procedures if requested;
- Inform Clients and fund investors as to how they can obtain information from the manager on how their securities were voted; and
- Retain required records.

The Adviser will not vote Client proxies. If at any time in the future, the firm chooses to allow the voting of proxies on behalf of Clients, all requirements previously referenced will be implemented prior to accepting proxy voting responsibilities.

For the accounts under third-party management, third-party managers may vote proxies. Please review each third-party manager’s ADV Part 2A for specific details regarding their proxy voting policies and procedures.

Item 18 Financial Information

Pandi does not solicit prepayment of more than \$1,200 in fees per Client six months or more in advance, and thus has not provided a balance sheet according to the specifications of 17 CFR Parts 275 and 279.

Pandi is not aware of any financial conditions that would reasonably likely impair its ability to meet its contractual commitments to its clients. Pandi has not been the subject of a bankruptcy petition during the past ten years.