



Item 1: Cover Page

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Form ADV Part 2A
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This Part 2A Brochure (“**Brochure**”) provides information about the qualifications and business practices of Galapagos Advisory LLC. If you have any questions about the contents of this brochure, please contact us at the number listed above.

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 Galapagos Advisory LLC is also available on the SEC’s website at www.adviserinfo.sec.gov.

Any reference to Galapagos Advisory LLC as a “registered investment adviser” or as being “registered” does not imply a certain level of skill or training.

Item 2: Material Changes

This item provides a summary of specific material changes that have been made to this Form ADV Part 2A Brochure ("**Brochure**").

Since our last amendment in May 2023, the Firm is registering as an investment adviser with the SEC under the federal Investment Advisers Act of 1940, as amended (the "Advisers Act"), and will be withdrawing from registration with the State of Florida. In addition to editing and formatting changes, we also updated Item 4 to disclose that we now offer retirement account services, updated Item 6 to disclose a performance fee arrangement and provide information regarding a new U.S. based affiliate under Item 10.

We will provide you with a new Brochure whenever there are material changes to the information contained in this Brochure. You may obtain a copy of our most recent Brochure by contacting us at the number on the cover page of this document or download the most recent version from the SEC's Investment Advisor Public Disclosure website at www.adviserinfo.sec.gov.

Item 3: Table of Contents

Item 1: Cover Page.....	1
Item 2: Material Changes	2
Item 3: Table of Contents.....	3
Item 4: Advisory Business	4
Item 6: Performance-Based Fees and Side-by-Side Management	10
Item 7: Types of Clients	10
Item 9: Disciplinary Information.....	19
Item 10: Other Financial Industry Activities and Affiliations	19
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	20
Item 12: Brokerage Practices	20
Item 13: Review of Accounts.....	23
Item 14: Client Referrals and Other Compensation	24
Item 15: Custody.....	24
Item 16: Investment Discretion	25
Item 17: Voting Client Securities	25
Item 18: Financial Information.....	26

Form ADV Part 2B Brochure Supplement(s) for Investment Advisory Representatives are provided separately to clients.

Item 4: Advisory Business

The Firm and Related Companies

Galapagos Advisory, LLC (“**Galapagos Advisory**”, the “**Adviser**”, or the “**Firm**”) is a Delaware limited liability company that was organized in May 2022. Galapagos International LLC (“**Galapagos Holdings**”) is the managing member and owner of Galapagos Advisory. Galapagos Holdings is a Delaware limited liability company that is owned 75% owned by Galapagos Capital Control Participações SA and 25% by Galapagos Capital Partnership Participações S.A. (the “**Parent Companies**”), which have their principal places of business in São Paulo, Brazil. The Parent Companies and their affiliates have operated as a privately held Brazilian investment management group that offers asset management, wealth management, and debt capital markets to Brazilian and international investors since 2019.

Galapagos Holdings also owns and serves as the managing member of Galapagos Global Capital Management LLC (“**Galapagos Investment Management**”), a Delaware limited liability company organized in February 2023 that is also registered as an investment adviser. Bruno de A. Carvalho currently serves as the Manager and a Managing Director of both the Adviser and Galapagos Investment Management.

Galapagos Investment Management currently offers “Macro” and “Real Estate” investment strategies, principally through investments by private funds that it or a partner manages. The Firm expects to recommend or direct investments by its clients in strategies and funds (collectively, “**Galapagos Funds**”) managed by Galapagos Investment Management or other Parent Company affiliates (collectively, the “**Galapagos Group**”), with appropriate disclosures to the client. See also “Investments in Securities Issued / Marketed by Affiliates” and Items 10 and 14 below.

The Firm and Galapagos Investment Management share offices and have their principal place of business in Miami, Florida.

Advisory Services Offered

Galapagos Advisory provides investment advisory services primarily to high-net-worth individuals, corporations, trusts, and institutional clients. Its client base primarily consists of domestic and international clients with a focus on the Brazilian market. Galapagos Advisory’s investment management services include the design, structure, and implementation of investment strategies for advisory accounts managed on a discretionary or non-discretionary basis, as well as customized services that may include both or either of discretionary or non-discretionary management with respect to specified client accounts and advice and reporting with respect to client-directed assets.

An Investment Advisory Agreement (each, a “**Client Agreement**”) executed with each client sets forth the terms and conditions of the engagement and other important disclosures, and defines the services to be provided and advisory fees to be paid

by the client. A Client Agreement will be effective upon acceptance by the client and Galapagos Advisory.

Accounts are managed in accordance with each client's investment objectives and risk profile. Clients will generally select one or more of the following portfolio strategies:

1. Conservative
2. Income
3. Bond
4. Balanced
5. Growth

Client portfolios will typically include, as appropriate, a wide range of assets and securities in a variety of markets including stocks, bonds, time deposits, Exchange Traded Funds ("ETFs"), mutual funds, hedge funds, private equity funds and other alternative investments, commodities, and currencies. For certain clients the Firm will offer portfolios with a concentration in alternative investments and structured products. The Firm may also initiate forward foreign exchange transactions, provided they serve to hedge an existing investment and as long as this does not subject the Firm to having to register with the National Futures Association under the Commodity Exchange Act as a Commodity Trading Adviser.

Tailored Relationships

The Firm offers the same suite of services to all of its clients. However, specific client investment strategies and their implementation are dependent upon each client's investment objectives and risk tolerance as set forth in the client's Client Agreement or other documents. Clients may impose reasonable restrictions or guidelines on the types of investments in their account. However, if the restrictions prevent the Firm from properly servicing the client account, or if the restrictions would require the Firm to deviate from its standard suite of services, the Firm reserves the right to end the relationship.

Use of Subadvisors / Third Party Managers

The Firm may select affiliated or unaffiliated third-party managers to serve as subadvisors and assist in actively managing all or a portion of a client's portfolios and may recommend or direct investments by its clients in Galapagos Funds or other private funds. The specific advisory services under which a client or the Firm (acting on behalf of a client) engages a subadvisor will be set forth in a separate written agreement with and the designated subadvisor, and private fund investments will be made pursuant to a client's subscription agreement or other written direction by a client.

Fees charged to the Firm's clients by the subadvisors or borne by a client as an investor in a private fund are in addition to the Firm's management fees depend on

several factors, including the size and type of the investment, trading strategy, and degree of risk, except as described below in “Investments in Securities Issued / Marketed by Affiliates” with respect to **Galapagos Funds**. Subadvisors may charge performance fees on realized or unrealized gains in their portfolio. The Firm does not receive any portion of fees, commissions, or other charges from subadvisors, brokers, or other service providers. The Firm does not receive fees or commissions for recommending any security, investment, or subadvisor. Clients will be provided with the subadvisor’s Brochure and/or other written disclosure documents and fee schedule. Please refer to the subadvisor’s Form ADV or disclosure documents for additional information regarding fees and other important information.

The Firm evaluates a variety of information about subadvisors and private funds it recommends. The Firm analyzes subadvisors and private fund managers based upon their investment strategies, experience, performance track records, reputations, and fees. To the extent possible, the Firm seeks to assess each subadvisor’s and private fund manager’s investment strategies, past performance, and risk results in relation to its clients’ individual portfolio allocations and risk exposure. The Firm also takes into consideration the subadvisor’s or private fund manager’s management style, returns, reputation, financial strength, reporting, pricing, and research capabilities, among other factors. On an ongoing basis, the Firm monitors the performance of those private funds and the accounts being managed by subadvisors. The Firm seeks to ensure the subadvisor and private fund strategies and target allocations remain aligned with its clients’ investment objectives and overall best interests. Galapagos Advisory’s due diligence of subadvisors and private funds also includes a review of subadvisors and private fund manager publicly available disclosure documents, materials supplied by the subadvisors and private fund managers themselves and other third-party analyses from sources the Firm believes to be reliable.

The Firm also offers sub-advisory services to our affiliates as well as to independent investment advisors and/or family offices in Brazil.

Investments in Securities Issued / Marketed by Affiliates

The Firm expects to recommend or invest client assets in securities or other investment products (including Galapagos Funds) that Galapagos Group members issue, promote, underwrite, manage or serve as a general partner, and in which Galapagos Group members have a material financial interest.

Recommending securities or other investment products described above creates an inherent conflict of interest between the interests of the Firm’s clients and those of Galapagos Group members including the Firm. Galapagos Advisory has a fiduciary duty to act in its client’s best interests and manage this conflict of interest, and has in place policies and procedures to ensure that investment selection and recommendations are made based on what is suitable and in the best interests of its clients with disclosures that allow clients to make informed decisions. Clients are under no obligation to accept recommendations to engage the services of

affiliated companies or invest in products issued by the Firm's affiliates. See Items 10, 12 and 14 below for additional information regarding the Galapagos Group and the Firm's brokerage practices.

Wrap Fee Programs

We do not sponsor or manage a Wrap Fee Program. We will, where appropriate, use a third-party sponsored wrap account to manage a client's portfolio.

Portfolio Consolidation Services

Galapagos also provides portfolio consolidation services designed for clients using multiple custodians and / or asset managers. This service provides an overview of the client's consolidated portfolio and several analytical tools to help optimize asset allocation, risk, performance, and cost. Reporting is customized to the client's needs and requirements. The portfolio consolidation offered by Galapagos is part of its services and is a non-investment advisory product or service. Also see Item 13 Consolidated Reports.

Consulting, Financial Planning, Reporting, and Special Projects

Clients may engage the Firm for consulting, financial planning, reporting, and special projects. These services may include family office-type services, including consolidated reporting. Consolidated reporting is customized to the client's needs and requirements. The scope of such services, terms and conditions, and fees will be set forth in a written agreement.

Transferring Assets

Clients may fund their accounts with cash or securities. The Firm will typically liquidate securities transferred in and invest the proceeds in accordance with the investment mandate selected by the client. Depending on the types of securities involved, length of time held in the client's portfolio, and other factors, liquidations could result in redemption fees and tax consequences. Clients should carefully review the impact of such fees and potential tax consequences before transferring assets. Additionally, certain investments, such as Private Placements, hedge funds, limited partnerships, insurance contracts or commodities, may not be transferred or held in the account. Clients should consult with their Galapagos Advisory Representative prior to instructing the transfer or liquidation of assets.

Regulatory Assets Under Management

As of December 31, 2023, Galapagos Advisory had USD\$106,646,343 in assets under management, of which USD\$54,362,084 were managed on a discretionary basis and USD\$52,284,259 are non-discretionary assets.

The Firm typically charges a management fee on a per annum basis of the client's net assets under management by the Firm and other Galapagos Group members, including amounts invested in Galapagos Funds, as per the agreed schedule. The management fee is calculated quarterly based on the average of month-end values

and cash balances of the previous three months, as adjusted on a pro-rated basis for contributions and withdrawals during the quarter and charged in arrears during the month following the end of the quarter. Account valuations are determined by the custodian or other independent third party. The Firm, in its discretion, may impose a minimum fee for managing smaller accounts.

Fees generally range from 0.5% to 1.5% but may be negotiated at our discretion and may vary from client to client based on the assets managed, related accounts, and other services provided as set out in the Client Agreement. The Firm has also agreed with other members of the Galapagos Group that manage Galapagos Funds that the management fees charged to the Firm's clients who invest in those funds will typically be reduced by 0.5% (subject to negotiated adjustments) per annum to mitigate the layering of fees resulting from such an investment. The fees paid to the Firm may also be reduced for employee and family member accounts. On a case-by-case involving large, sophisticated, qualified clients (as defined under the Advisers Act), the Firm will agree to charge a negotiated performance-based fee instead of a management fee based on assets under management. See also discussion of Performance Fees in Item 6 below. Clients should be aware that the same or similar investment services may be available from other investment advisors for a lower or higher fee, and any qualified clients.

The Client Agreement provides us with written authorization to deduct advisory fees from a client's custodian account. The fees will be reflected in the client's custodian account statements. We request that clients carefully review their custodian statements and inform us of any discrepancies.

An asset-based fee may cost more than a transaction-based fee, but clients may prefer an asset-based fee if they want continuing advice or for someone to make investment decisions on their behalf. Although the Firm believes the charges and fees offered are competitive with other investment advisors and/or investment sources, we make no guarantee that the aggregate cost of a particular program will be lower than that which may be available elsewhere.

When appropriate, the Firm may recommend the use of margin and/or option transactions. As these investment strategies involve a certain degree of additional risk, they are only recommended when consistent with the client objectives and risk tolerance. The use of margin also results in interest charges in addition to all other fees and expenses associated with the management of the account. Although account statements for margined accounts may reflect a negative amount, our advisory fee is based on the account's absolute market value. This poses a conflict of interest because the Firm benefits by receiving a higher fee based on the account's absolute market value.

Payment of Special Services Fees

The Firm does not charge "set up" or termination fees. If applicable, any such fees would be charged by the client's custodian. Clients that terminate their relationship with the Firm will only be charged a prorated amount for any unbilled management fees. Fees for consulting, financial planning, reporting, and special projects are charged on a flat fee, per project, hourly or as negotiated with the client based on a minimum hourly fee ranging from USD\$500-\$800. Galapagos Advisory's fee will

be based upon various factors including but not limited to the services requested by the client, the size of the portfolio, the type of holdings in the portfolio and any pre-existing relationship with the client. Since these are customized services and separate from the other services we provide to clients, the fees will vary by client and by project.

Fees for consulting, financial planning, and other services fees will be invoiced to the client upon completion of the project.

Portfolio Consolidation Fees

Pricing for the Galapagos portfolio consolidation service is a fixed dollar amount per year based on the number of custodians, the number of investment positions and the ease of access to the data (varying from electronic data interface to manual input from printed statements). Pricing ranges from \$1,000 to \$10,000 per quarter, a basis points base fee can be implemented. At our discretion, we may discount the fee and/or offset all or a portion of the fee against fees paid for investment management services.

Client Responsibility for Third Party Fees

Clients will generally incur certain charges imposed by custodians, brokers, and other third parties such as fund managers. These include third-party manager fees, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund transfer fees, and other fees and taxes on brokerage account and securities transactions. Clients are responsible for the payment of all third-party fees. Such fees are separate and distinct from the fees and expenses charged by the Firm. See Item 12 for additional information.

In addition to the Firm's advisory fee, each mutual fund or ETF in which a client's assets may be invested, also charges its own management fees. Specific fees and expenses are described in the respective fund's prospectus. Depending on the fund, a client may be able to invest directly in the shares issued by a mutual fund with or without incurring any sales or advisory fees.

Mutual fund companies generally offer multiple share classes of the same fund. Share classes are described in the mutual fund's prospectus. Each share class charges different fees and expenses and depending on the share class selected, fees and internal expenses charges may be higher or lower. Certain funds do not charge a transaction fee but have higher internal expenses. Selecting funds that charge higher fees and expenses may adversely impact an account's long-term performance. Galapagos Advisory's policy is to recommend that clients invest in the lowest cost share class available based on the client's individual situation. The Firm generally recommends Advisor or Institutional share classes that typically have the lowest expense ratios and the Firm believes are more beneficial than other share classes. Advisor or Institutional share classes are generally available to investors in qualified fee-based advisor programs, or accounts that meet certain minimum investment requirements.

When deemed appropriate, we may recommend that a client that transfers in mutual fund holdings liquidate their existing holdings. This could result in tax

consequences, contingent deferred sales charges, or other redemption fees to the client. Clients are encouraged to review the fees charged by the funds and our advisory fees to fully understand the total amount of fees to be paid. Please refer to the mutual fund's prospectus for additional information regarding a particular fund's fees and expenses.

Prepayment of Fees

The Firm collects its fees in arrears. It does not collect fees in advance.

Outside Compensation for the Sale of Securities to Clients

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

Termination

Clients may terminate their Client Agreement without penalty within five business days of signing the contract. Thereafter, clients may terminate the Client Agreement by providing 30 days' written notice prior to termination. Fees for accounts terminated during a calendar quarter will be charged on a prorated basis.

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

The Firm does not normally charge performance-based fees, but does as requested and negotiated with a particular qualified client. In addition, clients who invest in the Galapagos Funds and third-party alternative investment accounts will typically bear performance-based fees or disproportionate incentive profit and carried interest profit allocations. Clients should consider that the Firm has an incentive to favor those accounts that do pay performance-based fees, and the Firm and the managers of the Galapagos Funds and of third-party alternative investment accounts will also have an incentive to make investments that are riskier and more speculative to generate profits that result in increased fee amounts. However, the Firm has policies and procedures in place to ensure that it acts in the best interest of its clients and seeks to fairly allocate investment opportunities as described below in Item 12: Brokerage Practices -- Allocation of Investment Opportunities.

Item 7: Types of Clients

The Firm offers advisory services to individuals, high-net-worth individuals, trusts, corporations, and institutional investors. We generally require a minimum account size of \$250,000. At our sole discretion, we may waive or lower the required account minimum. The Firm also offers services to pension plans, retirement accounts and with respect to 529 plans.

Pension Consulting Services

Galapagos Advisory offers pension consulting services to employee benefit plans and their fiduciaries based upon the needs of the plan and the services requested

by the plan sponsor or named fiduciary. In general, these services may include an existing plan review and analysis, plan-level advice regarding fund selection and investment options consistent with the parameters set forth in the plan documents, education services to plan participants, investment performance monitoring, and/or ongoing consulting. Pension consulting services will generally be non-discretionary and advisory in nature. The ultimate decision to act on behalf of the plan shall remain with the plan sponsor or other named fiduciary.

We may also assist with participant enrollment meetings and provide investment-related educational sessions to plan participants on such topics as: asset allocation, diversification, risk tolerance and investment time horizons. Our educational sessions may also include other investment-related educational topics applicable to the particular plan. The Firm may also provide additional types of pension consulting services to plans on an individually negotiated basis. We will provide the plan fiduciaries with a written document that lists all agreed to services and fees.

Retirement Account Rollovers

We offer recommendations and advice concerning employer retirement plan or other qualified retirement accounts. Our recommendations may generally include that the client consider withdrawing the assets from his/her employer's retirement plan or other qualified retirement account and roll the assets over to an Individual Retirement Accounts (“IRA”) or other qualified investment vehicle. If a client elects to roll the assets to an IRA that is subject to our management, we will charge an asset-based fee as described above under Item 5 below. This poses a conflict of interest because we have an incentive to recommend a rollover for the purpose of generating compensation rather than solely based on the client's needs. As a fiduciary, we are required to always act in the client's best interests. Clients are under no obligation, contractually or otherwise, to rollover their retirement assets, or to have their assets rolled into an IRA managed by us.

It is important for clients to understand that many employer retirement plan sponsors permit former employees to keep their retirement assets in their company plan, even after the employee terminates their employment with the company or retires. In determining whether to rollover employment retirement plan assets to an IRA or other investments vehicle, clients should consider the costs and benefits of each option. Employees will typically have the following options:

- Leave the funds in the employer's (or former employer's) plan.
- Move the funds to the new employer's retirement plan.
- Withdraw the funds from the plan, which results in a taxable distribution and a taxable event.
- Rollover the funds into an IRA rollover account.

Before making any changes to their plan, we encourage clients to carefully consider any tax implications with their accountant or tax advisor. Below are some general 401K Plan features and differences versus an IRA that clients should take into account:

- Although employer retirement plans may have a more limited investment menu than the investment options available in an IRA, the plan may also have unique investment options not available to the public, such as the opportunity to invest in the employer's securities if the employer is a publicly traded company.
- The employer retirement plan may offer financial advice, guidance, and/or model management or portfolio options at no additional cost, or at a fee which may be lower than our advisory fee.
- Clients should understand the various investments available in an IRA and the costs.
- In some cases, the employer retirement plan may allow participants to hire us as manager and keep the assets titled in the plan's name.
- Clients interested in investing only in mutual funds should understand the cost structure of the share classes available in the employer's retirement plan and how the costs of those share classes compare with those available in an IRA.
- It may be possible to take out a loan on 401k Plan assets. This option is not available for IRAs.
- It may be possible to delay taking 401k Plan or retirement account minimum distributions beyond age 72.
- A 401k Plan may offer more liability protection than a rollover IRA. Although IRA assets are generally protected from creditors in bankruptcies, it depends on state law and there can be some exceptions to the general rules.
- IRA distributions are subject to ordinary income tax and may also be subject to a 10% early distribution tax penalty unless they qualify for an exception. There are certain exceptions available based on age, disability, or if the assets are used to pay for higher education expenses or to purchase a home.

It is important that clients understand the differences and options available as well as the cost and tax implications to be able to decide whether an IRA rollover is appropriate.

529 Plans

529 Plans are tax-advantaged investment plans adopted in accordance with Section 529 of the Internal Revenue Code. 529 plans are often used by families looking to save for future college costs or other qualified education expenses. Withdrawals from 529 plans for qualified education expenses are free of federal income tax. All 50 states and several territories have adopted various kinds of 529 plans, which commonly offer various investment options, or prepaid tuition plans.

Although Galapagos Advisory does not receive compensation from any 529 Plan, you should be aware that your investment in a 529 Plan will be subject to layering of fees. In addition to paying Galapagos Advisory' management fee, your investment will be subject to the fees and expenses of the 529 Plan, as described in the 529 Plan's disclosure documents. You are not obligated to use our services and may invest directly in the 529 Plan.

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

The Firm designs investment advice based on the clients' investment objectives and goals. In formulating investment advice and our outlook on the market, we rely on various sources of information, including but not limited to:

- Third-Party Research Materials
- Company Press Releases
- Annual Reports, Prospectuses, SEC filings
- Corporate Rating Services
- Financial Publications

Methods of Analysis

We will, as deemed appropriate, use the following methods of analysis:

Fundamental Analysis - The review of a company's financial statements, industry, market trends, and other factors to develop an assessment of the company's potential for future earning's growth.

Technical Analysis - The statistical analysis of price and volume patterns to predict a security's future price movements or trends.

There can be no assurances that fundamental or technical analysis will be accurate or achieve the intended goals.

Investment Strategies Used

We will generally use the following strategies in managing client accounts:

- Long-Term Purchases (securities held at least one year)
- Short-Term Purchases (securities sold within one year)
- Trading (securities sold within 30 days)
- Margin Transactions
- Hedging through Forwards and Futures transactions investment process and strategies

Although the Firm will seek to implement strategies to minimize potential losses, there can be no assurance that these strategies will be successful, particularly in the short-term, and clients may lose all or a substantial portion of their assets.

All investment decisions and recommendations are based on the client's profile, investment goals, and risk tolerance to ensure that appropriate investments are made for the client within its needs. As the cornerstone of the portfolio management process, the Firm obtains the client's suitability and investment profile and the client's investment objectives, risk tolerance, and any reasonable investment restrictions and sets benchmarks (indices or otherwise) against which portfolio assets will be managed/advised. In the process of managing assets and to achieve the clients' objectives, the Firm will assess current and projected financial,

economic, and social conditions. The Firm will propose an investment strategy and construct and manage client portfolios **based one or more of the following “Strategies.”**

Conservative: Clients who seek to maintain capital in real terms, investment returns are mainly generated in the form of interest and dividend income. This includes a below-average risk tolerance with minimum possible capital fluctuations. The assets will generally be invested in cash, bonds, fixed income ETFs, mutual funds and/or money market instruments.

Income: Designed for investors who seek to maximize current income, wish a significant degree of principal protection and diversification into alternative investments. Investments, generally, are limited to fixed income securities (including preferred and high yield securities), real estate and alternative investments.

Bond: Designed for clients seeking income through fixed income assets (bonds). The fixed income investing strategy basically focuses on generating returns off Corporate or Sovereign low, medium, or high-risk securities with a fixed (known or certain) interest rate as well as CLN (Credit Linked Notes). A credit-linked note functions similarly to a bond in that payments are made semi- annually, but with a credit default swap attached. A fixed income portfolio comprises investment securities that pay a fixed interest until their maturity date. Upon maturity, the principal amount of the security is paid back to the investor.

Balanced: Suited for investors seeking moderate current income with moderate long-term growth potential and global diversification of their assets, including a portion in alternative investments. The equity component consists of value and/or growth-oriented stocks, ETFs, and global indices for capital appreciation while the balance of the portfolio is invested in mutual funds, fixed income securities (including preferred and high yield securities), and alternative investments.

Growth: Clients who seek to generate long-term growth, investment returns are mainly generated in the form of capital gains. This strategy may involve foreign currency exposure. This is above- average risk tolerance with higher capital fluctuations attractive for those seeking currency and global diversification in equity markets and alternative investments.

Each client working together with the Investment Adviser Representative will select the investment strategy most in line with his/her investment goals, objective, and acceptable risk level. The Firm will invest all or part of its clients’ assets in portfolios of marketable securities and/or funds (onshore and offshore funds), including non-registered funds and alternative investments.

Portfolio allocations and performance will differ for non-U.S. clients due to relevant tax and regulatory issues. Clients must seek their own tax and legal advice. The Firm is not an accounting or law firm and does not provide tax or legal advice.

Concentrated Portfolios - For certain clients, the Firm will offer portfolios with a concentration in alternative investments and structured products.

Material Risks

Although our investment approach seeks to manage risk, all investment programs have certain risks that clients should be prepared to bear. Below is a general description of investment risks. It is not intended to be a complete list of all the risk factors faced by investors, and clients should refer to the disclosures set forth in the prospectus or private offering memorandum of each fund in which their accounts invest. Depending on the strategy employed and investments actually made, certain risk factors below may not apply or be more prevalent than others.

Risk of Loss - Investing in securities involves the risk of loss that clients should be prepared to bear.

Market Risk - The price of a security, bond, or mutual fund may drop in response to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic, and social conditions may trigger market events. The stock market as a whole, or the value of an individual company's security, will fluctuate in value and cause the value of a client's investments to increase or decrease. Market risk exists in all types of investments.

Interest Rate Risk - Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.

Inflation Risk - When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.

Currency Risk - Offshore investments are subject to fluctuations in the value of the dollar against the currency of the investments originating country. This is also referred to as exchange rate risk.

Reinvestment Risk - The risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (*i.e.*, interest rate). This primarily relates to fixed income securities.

Liquidity Risk - Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.

Credit/Counterparty Risk – The risk that the issuer or guarantor of a fixed income security, or the counterparty of a structured product or derivative contract, will default on its obligation to pay interest and/or principal, resulting in a loss to the investor.

Leverage - Leverage creates an opportunity for greater total returns, but also carries a greater risk of loss from adverse price changes and margin calls.

Risk of Specific Types of Investments

Different financial instruments have different levels of exposure to risk and may therefore be inappropriate for a particular client's circumstances or risk tolerance. Additional product and risk disclosures are provided when investments are made or included in the prospectus, offering documents, or term sheets for the particular investment.

Risk Disclosures

Clients should be aware that there is a material risk of loss using any investment strategy or product. The securities listed below are not guaranteed or insured by the Federal Deposit Insurance Corporation ("**FDIC**") or any other government agency.

Mutual Funds: Investing in mutual funds carries the risk of capital loss and therefore you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The risk of owning a mutual fund or ETF generally reflects the risks of owning the underlying securities the mutual fund holds. Mutual fund and ETF investors should carefully review the respective mutual fund or ETF's prospectus, which contains a description of the investment objectives, risks, fees, and expenses.

Equity Investments: Generally, refers to buying shares of stock in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions, and the general economic environments.

Fixed Income Investments: Debt securities 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 bonds, leveraged loans, high yield, and investment grade debt, structured products, mortgage, and other asset-backed securities. However, 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 (although this is unlikely), however, they carry a potential risk of losing share price value. The risks of investing in foreign fixed income securities also include the general risk of investing in non-U.S. securities markets described below.

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 an issuer declaring bankruptcy). Areas of concern include the lack of transparency and increasing complexity in products, conflicts of interest, and the possibility of inadequate regulatory compliance. Precious Metal ETFs (e.g., Gold, Silver, or Palladium Bullion backed “electronic shares”, not physical metal) specifically, may be negatively impacted by several unique factors. This includes: (1) large sales by the official sector which own a significant portion of aggregate world holdings in gold and other precious metals, (2) a significant increase in hedging activities by producers of gold or other precious metals, and (3) a significant change in the attitude of speculators and investors.

Real Estate Funds (including real estate investment trusts (“REITs”)): These face several kinds of risks that are inherent to the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by various conditions. They include 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, and the impact of present or future environmental legislation and compliance with environmental laws.

Alternative Investments: Investments in private funds such as hedge funds, private equity, or venture capital funds involve long holding periods, have little liquidity and carry a significant degree of risk. These types of investments should only be assumed by sophisticated investors capable of bearing the risk of loss of all of their investment. Prior to investing, prospective investors should carefully review the offering documents, which contain a description of the risks, fees, and expenses.

Private placements: These investments carry a substantial risk as they are subject to less regulation than 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: These are funds that invest in start-up companies at an early stage of development in the interest of generating a return through an eventual realization event. The risks are high as a result of the uncertainty involved at that early stage of development.

Structured Products: These are securities derived from or based on a single security, a basket of securities, an index, a commodity, a debt issuance and/or a foreign currency. While some structured products offer full protection of the principal invested, others offer limited or no protection of the principal. Most structured products pay an interest or coupon rate substantially above the prevailing market rate. Structured products also frequently cap or limit the upside

participation in the reference asset, particularly if some principal protection is offered or if the security pays an above-market rate of interest. Structured products, which are typically issued by investment banks or their affiliates, have a fixed maturity. Some, but not all, structured products may be listed on a national securities exchange. Moreover, even those structured products listed on a national securities exchange may be very thinly traded. Structured products typically have two components - a note and a derivative (often an option). The note pays interest to the investor at a specified rate and interval. The derivative component establishes the payment at maturity. In some products, the derivative is, in effect, a put option sold by the investor that gives the issuer the right, but not the obligation, to sell the investor the reference security or securities at a predetermined price. In other products, the derivative is, in effect, a call option sold by the investor that gives the issuer the right, but not the obligation, to buy from the investor the reference security or securities at a predetermined price. Despite the derivative component of a structured product, they are often marketed as debt securities. In some cases, structured products are assigned a credit rating by a nationally recognized statistical rating organization. To the extent that such credit rating pertains to the creditworthiness of the issuer (i.e., the ability of the issuer to meet its obligations under the terms of the structured product) and is not indicative of the market risk associated with the structured product or the reference security, this should be clearly delineated to investors.

Commodities: 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. Due to these risk factors, even well-diversified investments in commodities can have a high degree of uncertainty.

Non-U.S. Securities/Emerging Markets: These present certain risks such as currency fluctuation, political and economic change, social unrest, changes in government regulation, differences in accounting, and the lesser degree of accurate public information available.

We seek to mitigate the above risks by monitoring markets, economic conditions, industries, and changes to the general outlook on corporate earnings, regulatory developments, monetary policies by central banks, changes to interest or currency rates, or adverse investor sentiment. However, there can be no assurances that a particular strategy will be successful or be able to avoid a loss. Investment performance of any kind is not guaranteed. Past performance is not indicative of future results. Investing involves a risk of loss that you, as a client, should be prepared to bear.

Cybersecurity Risk - The Firm utilizes electronic communication networks and electronic mediums to maintain information regarding its clients and its business. This creates the potential for cybersecurity incidents or cyber-attacks that may result in the inadvertent disclosure of confidential sensitive information to unintended parties, unauthorized access to confidential sensitive information, or operational disruptions by malicious hackers. The Firm has in place policies and procedures regarding information technology security, maintaining technical and physical safeguards, and taking other reasonable precautions to safeguard the

confidentiality of sensitive information and internal data. However, despite reasonable precautions, the risk remains that cybersecurity incidents may occur. If such an event were to occur, the Firm will promptly notify the affected parties and take all necessary appropriate actions.

Item 9: Disciplinary Information

We are required to disclose legal or disciplinary events involving the Firm or its employees that are material to the client's evaluation of the Firm's business or the integrity of its management. The Firm and its employees have not been the subject of any disciplinary proceedings and at this time, the Firm has no information to report that is applicable to this item.

Item 10: Other Financial Industry Activities and Affiliations

Neither the Firm nor its management persons are registered or have an application pending to register with the SEC as a broker-dealer or a registered representative of a broker-dealer. Additionally, neither the Firm nor its management persons are registered or have an application pending to register as a Futures Commission Merchant (FCM), Commodity Pool Operator (CPO), a Commodity Trading Advisor (CTA), or an associated person of the foregoing entities.

Galapagos Group

Galapagos Advisory's relationship with its parent company, Galapagos International LLC, and other Galapagos Group members is material to its advisory business and its clients. Galapagos Group is a privately held Brazilian investment management group founded in 2019 that offers asset management, wealth management, and debt capital markets to Brazilian and international investors.

Galapagos International LLC is 75% owned by Galapagos Capital Control Participações SA and 25% owned by Galapagos Capital Partnership Participações S.A.

Galapagos Capital Investimentos e Participações Ltda ("**Galapagos Capital**") and Galapagos Wealth Management Gestão de Investimentos Ltda are affiliated entities under common control, both of which are regulated by the Brazil Security and Exchange Commission ("**CVM**"). These entities do not have any clients who are U.S. persons.

The Firm and its affiliates will have certain non-U.S. person clients in common. Galapagos Advisory's non-U.S. person clients may obtain certain products and services from Galapagos Capital or other Galapagos Group affiliates. The fees for such products and services may be more or less favorable than those obtained from unaffiliated third parties. As noted, this poses a conflict of interest between the interests of the Firm's clients and those of the Firm's affiliates. The Firm manages this conflict of interest through disclosure, so that the Firm's clients can make an informed decision and through policies and procedures that require it to act in its client's best interest. See also Item 14 below regarding the conflicts posed by Galapagos Group referral arrangements.

Service Agreements

The Firm intends to enter into service agreements with affiliated or unaffiliated entities to perform certain administrative services for the Firm. Such agreements will be reviewed by the Firm's legal and compliance team as deemed appropriate to ensure adequate privacy and non-disclosure provisions are in place and that such arrangements and any potential conflicts are adequately disclosed and, in the client's, best interests. Clients would not be charged for such services.

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

The Firm has adopted a Code of Ethics in compliance with Rule 204A-1 under the Investment Advisers Act of 1940 ("Advisers Act") that describes the Firm's fiduciary duty to its clients and the high standard of conduct expected of its employees. The Code of Ethics includes provisions relating to:

- a prohibition on engaging in any fraudulent, deceptive, or manipulative practice, including insider trading
- procedures for maintaining the confidentiality of client information
- reporting of certain gifts and business entertainment
- personal trading policies that require putting clients' interests first, including a restricted securities list
- preclearance of employee's participation in certain investments such as initial public offerings ("IPOs") or private offerings and
- reporting of personal securities holdings and transactions

We may purchase, sell, or recommend to clients, securities in which the Firm, its officers, directors, and employees maintain a position, or have a financial or other interest. The Code of Ethics is designed to discourage and prohibit personal trading that would disadvantage clients. The Code of Ethics also provides for disciplinary action as appropriate for violations. The Firm has a fiduciary duty to act in the best interests of its clients and when an apparent or potential conflict exists, the interests of clients must be placed above the interests of the Firm, its officers, directors, and employees.

All employees must acknowledge and agree to abide by the terms of the Firm's Code of Ethics and report any violations of the Code of Ethics to the Chief Compliance Officer. Failure to abide by the Code of Ethics will subject an employee to sanctions which may include termination of employment. Clients may request a copy of our Code of Ethics by contacting us at the number listed on the cover page of this Brochure.

Item 12: Brokerage Practices

The Firm does not have discretionary authority to select the client's custodian. Clients will select the custodian to safeguard client assets and authorize us to execute trades through the custodian's brokers, or other brokers selected by us.

Best Execution

The Firm seeks “best execution” for client trades, which is a combination of a number of factors. Galapagos will typically use the custodian’s brokers to execute trades. In seeking best execution and selecting brokers with which the Firm will execute trades and place orders, determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of the executing broker’s services, including these factors:

- price
- transaction net costs
- clearance and settlement practices
- ease of execution
- executing broker-custodian relationships and extended credit lines
- firm commitment to regulatory compliance
- industry reputation
- general financial strength and stability
- breadth of products and services
- research capabilities
- other factors relevant to a specific type of trade

The Firm will generally not negotiate commissions on behalf of its clients on a trade-by-trade basis. The executing broker will generally determine those costs. Although executing brokers are subject to best execution obligations and will generally seek competitive commission rates, they are not obligated to choose the broker offering the lowest available commission rate if, in their reasonable judgment, a higher commission may be justified by the services provided by the broker, or by other factors such as those described above.

As part of its fiduciary duty, the Firm will periodically evaluate the quality of brokerage services received and the quality and cost of services available from alternative brokers or venues as well as other quantitative and qualitative factors as described above.

Custodian Relationships

The Firm has a custodial relationship with Schwab Advisor Services, (“Schwab”), a subsidiary of the Charles Schwab Corporation, and also offers custodial relationships with other U.S. custodians. Such custodian relationships will generally provide the Firm with certain benefits. These include custody, clearing, and reporting services, online access for clients, as well as access to an institutional trading desk, and access to a wide range of investment products and services that assist the Firm in monitoring and/or servicing client accounts.

These services may also include pricing information and market data, marketing support, computer hardware and/or software, performance reporting, financial planning, contact management systems, third-party research, publications, access to educational conferences, roundtables and webinars, practice management resources, access to consultants and other third-party service

providers who provide a wide array of business-related services and technology with whom we may contract directly, or other benefits useful to us in providing investment advisory services to clients.

The receipt of these economic benefits creates a conflict of interest. It may serve as an incentive for us to recommend a particular custodian and to increase assets at a particular custodian in order to decrease our expenses and receive such benefits. We manage this conflict through disclosure, so that our clients can make an informed decision and through policies and procedures that require us to always act in the client's best interests.

Soft Dollars

"Soft dollars" are typically generated when an adviser enters into an agreement with an executing broker to receive a portion of the commissions generated by client trades placed by the adviser. The soft dollars are allocated to the adviser and can then be used to purchase services.

We do not have any soft-dollar arrangements, as described above, although we may enter into such agreements at any time in compliance with the SEC's guidance regarding permissible soft dollar arrangements. We do not receive client referrals from external brokers or financial intermediaries in exchange for directing client brokerage to financial intermediaries or brokers.

However, the receipt of research and other services from a third-party in connection with providing advice to clients could be deemed soft dollars. To the extent that we receive research and other benefits, they will be used to benefit all clients.

Directed Brokerage

Clients may direct the Firm to use a particular broker for custodial or transaction services on behalf of the client's portfolio. In directed brokerage arrangements, the client is responsible for negotiating the commission rates and other fees to be paid to the broker. Accordingly, a client who directs brokerage should consider whether such designation may result in certain costs or disadvantages to the client, either because the client may pay higher commissions or obtain less favorable execution, or the designation limits the investment options available to the client.

By directing brokerage arrangements, the client acknowledges that these economies of scale and levels of efficiency are generally compromised when alternative brokers are used. While every effort is made to treat clients fairly over time, the fact that a client chooses to use the brokerage and/or custodial services of these alternative service providers may in fact result in a certain degree of delay in executing trades for their account(s) and otherwise adversely affect management of their account(s).

Trade Aggregation

When deemed appropriate, we may aggregate multiple client orders into one trade. In an aggregated trade, all participants will receive an average price. If a partial execution is obtained, the Firm will generally allocate shares on a pro rata basis, or in a manner that is equitable to the clients involved.

Allocation of Investment Opportunities

From time to time, two or more accounts may seek to invest in the same securities or pursue a similar strategy. In such cases, the Firm will ensure that one account or group of accounts is not favored or preferred over another account or group of accounts. As a fiduciary, the Firm must at all times act in the best interest of all its clients.

We have policies and procedures for the allocation and aggregation of orders, including IPOs. We allocate on a pre-trade basis that is fair and consistently applied, with the exception of limiting factors such as available cash and investment overweighting. We typically do not change allocations after execution, except for an error made in the pre-allocation which may be treated as a trade error. Post-trade changes to pre-trade allocations require the prior written approval of the CCO.

Principal and Cross Trades

The Firm does not engage in principal trades or effect agency cross transactions for client accounts. Any cross transactions between client accounts would be done on an exception basis, in accordance with applicable rules and only if it is equitable and in the best interests of the clients involved.

Trade Errors

Galapagos Advisory's trade error policy is to restore the client's account to the original position through a trade correction, trade cancellation, or adjustment so that clients are not adversely impacted by trade errors.

Item 13: Review of Accounts

The Firm will monitor client accounts on an ongoing basis for consistency of portfolio investments with objectives and risk tolerance, performance, allocations, and compliance with any reasonable investment restrictions. The Investment Adviser Representative will review and confirm the client's investment objectives and selected investment profile at least annually. Clients are reminded to promptly notify us if there are material changes to their financial situation or investment objectives, as this will affect the management of their account.

Consolidated Reports

The Firm will prepare consolidated reports, as required, or requested by the client. The reports prepared by the Firm may vary from custodial statements due to, among other things, differences in reporting dates, accounting procedures, pricing

differences, or valuation methodologies of certain securities. Galapagos Advisory's reports may present account performance in relation to certain indices or benchmarks. Any benchmarks shown are presented for informational purposes only and are not intended to imply that an account will meet or exceed the benchmarks. As an accommodation to clients, the reports may include client assets that are not managed by the Firm, including private funds or private equity investment underwritten or managed by affiliates or third parties, or other assets for which a readily available market value is not available, and the valuation shown has not been independently verified by the Firm. Clients are urged to review the information in the custodian statements and any reports prepared by the Firm and promptly notify us if they believe that there may be errors or discrepancies in the information presented.

Clients that engage the Firm for financial planning or special services will typically not receive any ongoing reviews or reports, unless specifically agreed to in the engagement.

Item 14: Client Referrals and Other Compensation

The Firm may use unaffiliated third parties to refer clients ("Paid Promoter/Solicitors") in accordance with the provisions of Advisers Act Rule 206(4)-1, as amended. Paid Promoter/Solicitors will generally be compensated based on a percentage of the annual management fees earned by the Firm on assets under management of referred clients. Any referral fee costs paid to Paid Promoter/Solicitors are not passed on to clients and such arrangements and the specific compensation paid to the Promoter/Solicitor referring clients must be fully disclosed to clients. The receipt of referral fees by the Paid Promoter/Solicitor poses a conflict of interest. The Promoter/Solicitor has an incentive to recommend our services. We manage this conflict through disclosure, so that referred clients can make an informed decision. Referred clients are under no obligation to retain us and may decide to work with a different investment advisor.

The Firm also receives client referrals ("**Intra-Group Referrals**") from other Galapagos Group members and their employees, as well as referring Firm clients to other Galapagos Group members as determined appropriate. Galapagos Group members and their employees do not receive direct compensation with respect to referred clients and there is no formula for sharing of referred client fees or related revenues among Galapagos Group members, but Intra-Group Referrals will typically be a general consideration when evaluating Galapagos Group employees and determining their compensation. Prospective and current clients should be aware that Galapagos Group members and employees still have an incentive to recommend the Firm as a result of the consideration of Intra-Group Referrals among many other factors when determining the referrer's compensation.

Item 15: Custody

We do not accept physical custody of clients' funds or securities or engage in activities that would cause the Firm to be subject to the provisions in Advisers Act Rule 206(4)-2 (the "**Custody Rule**"). Client cash and securities are maintained at the custodian bank, broker-dealer or financial institution selected by the client. However, the Firm's limited ability to instruct a client's custodian to deduct advisory

fees from the client's accounts results in the Firm being deemed to exercise "custody" over client assets.

The clients' custodian(s) are required to send account statements directly to clients at least quarterly. The custodian(s) also offer clients online access to their accounts. We will make reasonable efforts to ensure that its clients are receiving their account statements from their custodians.

The custodian account statements will show all account activity and transactions during the period, including beginning and ending balances, current values and holdings and the amounts deducted from the client's account for payment of our advisory fees. We encourage clients to carefully review the custodian account statements and promptly notify us of any discrepancies or errors.

The Firm also offers consolidated reporting, as described above and from time to time, the Firm will provide additional reports. As mentioned above, the account balances reflected on these reports should be compared to the balances shown on the brokerage statements to ensure accuracy. At times there may be small differences due to the timing of dividend reporting, pending trades, or other similar issues.

Item 16: Investment Discretion

For discretionary accounts, the Client Agreement provides us with authority to determine, without obtaining the client's specific client consent, the securities to be bought or sold, the amount of the securities to be bought or sold, and the broker to be used to execute transactions. Clients may limit our discretionary authority by imposing reasonable investment restrictions limiting the types of securities that can be purchased for their account. We will exercise this discretionary authority in a manner consistent with each client's stated investment objectives.

For non-discretionary accounts, we will interact with the client and, at the client's request, discuss views, advice, and recommendations concerning securities, currencies, financial market trends, and related investment options, strategies, and opportunities. We will provide investment advice, formulate strategies, and evaluate account performance, but we are required to obtain the client's approval prior to placing any transactions. Consequently, if we are unable to reach the client to obtain the client's consent to execute a particular recommendation or strategy, the investment opportunity may no longer be available at the desired price.

Item 17: Voting Client Securities

We will not vote proxies on behalf of advisory accounts, while we do not vote proxies, at clients request, we may offer advice regarding corporate actions or tender offers and the exercise of clients proxy voting rights. Ultimately, clients owning shares of common stock or mutual funds, must exercise their own right to vote as a shareholder.

The Firm does not have authority to and does not vote proxies on behalf of advisory clients. Clients are responsible for voting proxies for all securities held in their portfolios. The client's custodian will mail all correspondence related to proxies,

class action lawsuits, legal proceedings bankruptcies, and proceedings involving issuers whose securities are held in the client's account directly to each client. Any required action is the responsibility of the client.

Additionally, we will not vote or provide any advice about the voting of proxies solicited by, or with respect to, legal proceedings, including bankruptcies and class actions, or their issuers, except to the extent required by law. At a client's request and as a courtesy, the Firm may provide general information and answer general client questions regarding the voting of proxies to the extent that the Firm has relevant knowledge or information. Should the Firm provide advice on voting proxies, the Firm shall disclose any material conflict to the clients receiving the advice.

Clients may request a copy of our written policies and procedures regarding proxy voting by contacting us at the number listed on the cover of this Brochure.

Item 18: Financial Information

We are required to provide clients with certain financial information or disclosures about the advisor's financial condition. As of the date of this brochure, the Firm has no financial commitments or liabilities that could impair our ability to manage client accounts and meet our contractual commitments to clients. The Firm and its management have not been the subject of any bankruptcy or other proceeding that might impact its financial condition.