

Kobo Wealth Conservancy, LLC

Form ADV Part 2A Brochure

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Item 1: Cover Page

This Form ADV Part 2A brochure provides information about the qualifications and business practices of Kobo Wealth Conservancy, LLC. If you have any questions about the contents of this brochure, please contact us at (808) 546-1001. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Additional information about Kobo Wealth Conservancy, LLC also is available on the SEC's website at www.adviserinfo.sec.gov. Our CRD number is 143654. Kobo Wealth Conservancy, LLC is a registered investment advisor. Registration as an investment advisor does not imply any certain level of skill or training.

Item 2 - Material Changes

The material changes in this brochure from the last annual updating amendment of Kobo Wealth Conservancy, LLC on 03/08/2024 are described below. Material changes relate to Kobo Wealth Conservancy, LLC policies, practices or conflicts of interests only.

- Item 4: This has been updated to reflect that the Firm does not recommend sub-advisors.
- Item 17: The Firm updated its proxy voting policy and will no longer vote proxies.

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Item 4 - Advisory Business

Kobo Wealth Conservancy, LLC is referred to in this document as “Kobo”, “the Company”, “us”, “we”, or “our”. In this document we refer to current and prospective clients of Kobo as “you”, “client”, or “your”. Kobo was created in 2007 and is wholly owned by Kobo, LLC. Kobo, LLC’s principal owner is Cris Borden.

Types of Advisory Services

Investment Supervisory Services

Clients enter into a written Investment Advisory Agreement, where Kobo and our investment adviser representatives provide asset management services on a continuous and ongoing basis guided by the individual needs of the client. Using the information provided by you, the investment advice provided to you is tailored to your individual situation. We regularly inquire about, and you are responsible for providing, information about your investment goals, time horizon, and risk tolerance. These investment supervisory services are generally not provided to all your holdings or net worth but rather only to assets specifically designated by you and agreed to by us as managed assets.

Pension Plans and Participants

Kobo also provides investment advice to both plan sponsors of and plan participants in defined contribution plans (i.e., 401(k) and 403(b) plans) whose employers have contracted with Kobo to provide such services, or in cases where Kobo has been appointed as an ERISA 3(38) investment fiduciary by a named ERISA 3(21) fiduciary.

Types of Investments Used

We consider many different types of securities when formulating the investment advice we give to you. If you come to us with existing investments, we evaluate them with respect to your financial goals, risk tolerance, and investment time horizon. Depending upon your situation, your account(s) managed by us may contain individual stocks, corporate and/or government bonds, mutual funds, or exchange traded funds (“ETFs”). In some situations we may recommend that real estate be part of your investment portfolio.

Negatively Correlated Investments

We may invest a portion of your portfolios in negatively correlated mutual funds or ETFs. Negatively correlated mutual funds or ETFs may rise in value while the general stock market declines and vice versa. We may add these negatively correlated mutual funds or ETFs in an attempt to reduce the volatility of your portfolio. The addition of negatively correlated investments does not in any way guarantee that the volatility, draw down, or loss of portfolio principal will be lower and it may actually reduce long-term portfolio performance.

Tailored Services and Investment Restrictions

We attempt to tailor your investment portfolio to your situation as you have described it to us. This is why it is so important that you let us know about changes to your financial situation, goals, or investment time horizon. You may impose restrictions on investing in certain securities or types of securities. You must clearly identify these restrictions in writing to us.

Assets Under Management

As of December 31, 2023, Kobo manages approximately \$114,669,753.00 in client assets on a discretionary basis and \$22,242,301.00 on a non-discretionary basis.

Item 5 - Fees and Compensation

Compensation Methodology and Rates

Assets Under Management

Clients are charged for our asset management services based on a percentage of the assets being managed. The following fee schedule is our standard fee schedule for investment supervisory services. Your specific annual fee arrangement will be described in the written Investment Advisory Agreement entered into between Kobo and you. Investment advisory fees charged by us are negotiable at our sole discretion. All clients do not pay the same fee. A lower fee for a comparable service may be available from other sources.

Assets Under Management	Annual Rate
\$0 to \$1,000,000	1.00%
\$1,000,001 to \$5,000,000	0.85%
\$5,000,000 and above	0.60%

The annual fee for our services is billed monthly, in arrears, based on the value of the account at the end of the month. If the management agreement does not span the entire monthly billing period, the fee will be prorated based on the number of days the account is open during the billing period. Your account custodian will send client statements, at least quarterly, showing all disbursements for the account including the amount of the advisory fee, if deducted directly from the account. It is the shared responsibility of Kobo and you to verify the accuracy of the fee calculation as the account custodian will not determine whether the fee has been properly calculated. See Brokerage Practices (Item 12) in this brochure for more information about your account custodian(s).

You may terminate the Investment Advisory Agreement without fee or penalty by providing written notice to Kobo within five (5) business days from the execution of the agreement. Thereafter, either party may terminate the Investment Advisory Agreement by providing written notice. If an engagement does not span a full monthly billing period, any unearned fees collected in advance of

services being performed will be returned to you on a pro rata basis.

Valuation of Publicly Traded Securities

Publicly traded securities in your account(s) managed by us are held at the custodian that we recommend but is ultimately chosen by you. We use the securities valuation provided by the independent qualified custodian for reporting and billing purposes. Publicly traded securities are usually valued as of the end of business on the last trading day of the calendar month.

Valuation of Private Equities

Some of our clients hold privately issued securities in their managed account portfolios. Your independent qualified custodian may hold the privately issued securities, you may hold the physical certificates, or you may have ownership that is only reflected on the books of the issuer. These privately issued securities are not publicly traded and therefore do not have a daily indication of their fair market value. It is our policy to use the last known transaction price to value these non-publicly traded securities for reporting and billing purposes. Because the last known transaction price for these securities may be from a date far in the past, it may be higher or lower than the actual fair value of the securities at the portfolio valuation date. Therefore, the management fee related to the asset will be higher or lower than it would have been had an actual fair market value been available and used.

How Clients Pay Advisory Fees

Fees are generally deducted directly from your account. You must provide your qualified account custodian with written authorization to have fees deducted from your account and paid to Kobo.

If agreed upon by both client and Kobo, fees can be billed directly to the client instead of being deducted from account balances.

Other Types of Fees and Expenses

In addition to the investment advisory fees you pay to us, you will pay transaction fees (commissions) to your custodian or broker-dealer for executing securities transactions and charges for special services elected by you or Kobo. These fees may include:

- periodic distribution fees
- electronic fund and wire transfer fees
- certificate delivery fees
- reorganization fees
- account transfer fees (outbound)
- returned check fees
- international security transfer fees
- overnight mail and check fees
- Rule 144 transfer fees
- transfer agent fees

This list is not meant to be all inclusive. Any fee on a special service incurred by the client will be fully disclosed. Please refer to Item 12 of this document for an explanation of our brokerage practices.

Investment Company Fees

Investment company funds (e.g., mutual funds or ETFs) that are held by you will bear their own internal transaction and execution costs, as well as directly compensate their investment managers along with internal administrative services. Some funds pay 12b-1 fees, distribution fees, and/or shareholder service fees to broker-dealers that offer investment company funds to their clients. These fees affect the net asset value of the fund shares and are indirectly borne by fund shareholders such as you.

Some fund companies have imposed a redemption fee. A redemption fee is another type of fee that some funds charge their shareholders when shares are sold or redeemed within a short period of time from the purchase of the fund shares. Although a redemption fee is deducted from redemption proceeds just like a deferred sales load, it is not considered to be a sales load. Unlike a sales load, which is generally used to compensate brokers, a redemption fee is typically used to defray fund costs associated with a shareholder's redemption and is paid directly to the fund, not to a broker. The SEC generally limits redemption fees to 2%. In most cases, the funds will use the "first-in, first-out" (FIFO) method to determine the holding period. Under this method, the date of the redemption will be compared with the earliest purchase date of shares held in the account. While it is not the general practice of Kobo to sell client's securities in a period that would generate a redemption fee we might do so if we believe the sale is in your best interests, or if fund shares must be redeemed to pay fees from the account.

A complete explanation of these charges is contained in the Prospectus and Statement of Additional Information for each investment company fund. You can get a prospectus through the investment company website, by telephone, or by mail.

Commission Based Compensation

Our investment advisor representatives do not receive any commission-based compensation while providing investment advisory services to you.

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

Kobo does not charge fees that are based upon a share of capital gains or capital appreciation of client assets. We provide investment advisory services to other clients in addition to you. Not all clients receive the same investment advice, nor do they pay the same fee. We strive to act in the best interests of each of our clients at all times.

Item 7 - Types of Clients

Kobo provides advisory services to a variety of types of clients including individuals, trusts, individual's pension plan accounts, and retirement plan trustees. We do not currently impose a minimum account size requirement.

Pension Plans

Kobo provides advisory services to pension plans. These services include recommendations to the plan which are then approved by the pension plan sponsor. In some cases we will serve as a discretionary advisor to the plan. You are encouraged to ask your plan sponsor what services we are providing the plan.

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

Methods of Analysis

As part of our analysis of investments, we use a method called modern portfolio theory. Modern portfolio theory is a theory of investment that attempts to maximize an investment portfolio's expected return for a given amount of portfolio risk, when risk is defined as volatility of the value of the investment portfolio, or to minimize risk for a given level of expected return. We attempt to do this by carefully choosing the proportions of various assets in an investment portfolio.

Modern portfolio theory is a mathematical formulation of the concept of diversification in investing, with the aim of selecting an assortment of investment assets that has collectively lower risk than any individual asset. Modern portfolio theory models an asset's return as a normally distributed function (or more generally as an elliptically distributed random variable), defines risk as the standard deviation of return, and models a portfolio as a weighted combination of assets so that the return of a portfolio is the weighted combination of the assets' returns. By combining different assets whose returns are not perfectly positively correlated, modern portfolio theory seeks to reduce the total variance of the portfolio return. Modern portfolio theory also assumes that investors are rational, markets are efficient, and that the future performance of investments will have some similarity to their historical performance. These assumptions are not guaranteed and might not come to pass. Past performance might not be indicative of future performance.

We analyze an investment by examining its publicly available financial statements or reports, its management, competitive advantages, competitors, and markets. We attempt to identify investments that are selling for less than their intrinsic worth. Our fundamental analysis method is based upon the assumption that markets may misprice an investment in the short run but that the "correct" price will eventually be reached.

Investment Strategies

Tactical Asset Allocation

As part of our investment strategy, we use a method called Tactical Asset Allocation. Tactical Asset Allocation is a dynamic investment strategy that adjusts a portfolio's asset allocation. Our goal in using Tactical Asset Allocation is to improve the risk-adjusted returns of an investment portfolio when compared with other investment strategies. We modify our asset allocation advice according to our opinion of the valuation of the markets in which our clients are invested. We attempt to adjust our asset allocation advice to overweight or focus on a market or sector of the market that we feel will perform better than others. We strive to buy investments with the goal of holding them as long-term investments, but we might recommend you sell a particular investment if, in our opinion, it is no longer in your best interest to hold.

Risks

General Risks to Investing

Investing is not without risk and involves the risk of loss of principal which you should be prepared to bear. The third-party advisors that provide the day-to-day management of your account try to reduce risk by diversifying your portfolio across multiple asset classes.

Despite this strategy, historical evidence clearly shows that every asset class has experienced severe declines in value—sometimes sustained over many years—throughout several periods of time in history. In addition, the benefits of diversification decline if asset classes become more correlated.

As with any investment, you could lose all or part of your investments managed by the third-party advisor we introduce you to.

Specific Risks

We recommend various types of securities, and we do not primarily recommend one particular type of security over another since each client has different needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it, and it would not be possible to list here all the specific risks of every type of investment. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with the investment. A description of the types of securities we may recommend to you and some of their inherent risks are provided below.

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.

Bonds: Corporate debt securities (or "bonds") are typically safer investments than equity securities, but their risk can also vary widely based on the financial health of the issuer; the risk that the issuer might default; when the bond is set to mature; and, whether or not the bond can be "called" prior to

maturity. When a bond is called, it may not be possible to replace it with a bond of equal character paying the same rate of return.

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

ETFs may have tracking error risks. For example, the ETF investment adviser may not be able to cause the ETF's performance to match that of its Underlying Index or other benchmark, which may negatively affect the ETF's performance. In addition, an ETF may not have investment exposure to all of the securities included in its Underlying Index, or its weighting of investment exposure to such securities may vary from that of the Underlying Index. Some ETFs may invest in securities or financial instruments that are not included in the Underlying Index, but which are expected to yield similar performance.

Real Estate: Real estate is increasingly being used as part of a long-term core strategy due to increased market efficiency and increasing concerns about the future long-term variability of stock and bond returns. In fact, real estate is known for its ability to serve as a portfolio diversifier and inflation hedge. However, the asset class still bears a considerable amount of market risk. Real estate has shown itself to be very cyclical, somewhat mirroring the ups and downs of the overall economy. In addition to employment and demographic changes, real estate is also influenced by changes in interest rates and the credit markets, which affect the demand and supply of capital and thus real estate values. Along with changes in market fundamentals, investors wishing to add real estate as part of their core investment portfolios need to look for property concentrations by area or by property type. Because property returns are directly affected by local market basics, real estate portfolios that are too heavily concentrated in one area or property type can lose their risk mitigation attributes and bear additional risk by being too influenced by local or sector market changes.

Passive Investment Risk

Kobo may use a passive investment strategy that is not actively managed where we do not attempt to take defensive positions in declining markets.

Key Man Risk

We are a small firm with one principal executive who is also our Chief Investment Officer (CIO). This fact leads to “key man risk,” or the risk that something could happen to Cris Borden that negatively affects your portfolio.

Item 9 - Disciplinary Information

Neither Kobo nor any of our owners or management team members has been involved in any civil or criminal investment-related events.

Item 10 - Other Financial Industry Activities and Affiliations

Mr. Borden is the Chief Investment Officer and an investment adviser representative of Shuster Advisory Group LLC. Shuster Advisory Group, LLC is an unaffiliated RIA firm, and its activities are not supervised by Kobo. Investment Adviser Representatives engaging in outside business activities do so independently of their registration with Kobo. Kobo does not receive compensation from its representatives outside business activities. Mr. Borden does not refer clients to Shuster Advisory Group, LLC.

Mr. Borden is a minority owner of Pan Pacific Partners, LLC, a Honolulu-based private trust and fiduciary practice. Pan Pacific Partners provides trust and fiduciary services to individuals in Hawaii, California, and Massachusetts.

Please refer to Item 4 of each individual advisers ADV Part 2B for further information on outside business activities, including the time spent on these activities.

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

Code of Ethics

We have adopted a code of ethics designed to prevent and detect violations of securities rules by our employees and affiliated persons. Our controls in this area focus upon securities transactions made by our employees that have access to material information about the trading of Kobo. We will provide a copy of our code of ethics to clients or prospective clients upon request.

Material Financial Interest and Personal Trading

From time-to-time the interests of the principals and employees of Kobo may coincide with yours and other clients. Individual securities may be bought, held, or sold by a principal or employee of Kobo that is also recommended to or held by you or another client. If potential insider information is inadvertently provided or learned by a principal or employee, it is our policy to strictly prohibit its use.

It is the policy of Kobo to permit the firm, its employees, and investment advisor representatives to buy, sell, and hold the same securities that the investment advisor representatives also recommend to clients. It is acknowledged and understood that we perform investment services for different types of clients with varying investment goals, risk profiles, and time horizons. As such, the investment advice offered to you may differ from other clients and investments made by our investment advisor representatives. We have no obligation to recommend for purchase or sale a security that Kobo, its principals, affiliates, employees, or investment advisor representatives may purchase, sell, or hold. We address the potential conflict of interest that owning the same investments as our clients presents by following the procedure of when a decision is made to liquidate a security from all applicable accounts, priority will always be given to client orders before those of a related or associated person to Kobo. In some cases, the trades of the clients and advisory personnel will be combined in a single block trade, and all trades will receive the average price. We have procedures for dealing with insider trading, employee-related accounts, “front running” and other issues that may present a potential conflict when buy/sell recommendations are made. These procedures include reviewing employee security transactions and holdings to eliminate, to the extent possible, the adverse effects of potential conflicts of interest on clients.

Item 12 - Brokerage Practices

Factors Considered When Recommending a Qualified Custodian

Kobo does not maintain custody of your assets that we manage. Your assets must be maintained in an account at a “qualified custodian,” generally a broker-dealer or bank. We primarily recommend the brokerage and custodial services of Charles Schwab & Co., Inc. (“Schwab”) and Betterment. We are independently owned and operated and are not affiliated with the Custodian. The Custodian will hold your assets in a brokerage account and buy and sell securities when we instruct them to. While we require that you use the custodian, you will decide whether to do so and will open your account with the Custodian by entering into an account agreement directly with them. We do not open the account for you, although we may assist you in doing so.

How We Select Brokers/Custodians

We seek to use a custodian/broker who will hold your assets and execute transactions on terms that are, overall, most advantageous when compared to other available providers and their services. We consider a wide range of factors, including, among others:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
- Capability to execute, clear, and settle trades (buy and sell securities for your account)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds, etc.)
- Availability of investment research and tools that help us make investment decisions
- Quality of services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices

- Reputation, financial strength, and stability
- Prior service to us and our other clients
- Availability of other products and services that benefit us

Economic Benefits

As a registered investment adviser, we have access to the institutional platform of your account custodian. As such, we will also have access to research products and services from your account custodian and/or another brokerage firm. These products may include financial publications, information about particular companies and industries, research software, and other products or services that provide lawful and appropriate assistance to our firm in the performance of our investment decision-making responsibilities. Services may include access to client account data (such as duplicate trade confirmations and account statements); the ability to have investment advisory fees deducted directly from client account; trade execution and allocate aggregated trade orders for multiple client accounts; and providing pricing and other market data. Schwab also provides us with services that help us manage and further develop our business enterprise. Such services generally benefit only us. Such research products and services are generally provided to all investment advisers that utilize the institutional services platforms of these custodians and are not considered to be paid for with soft dollars. However, you should be aware that the commissions charged by a particular broker for a particular transaction or set of transactions may be greater than the amounts another broker who did not provide research services or products might charge. The availability of products and services benefits us because we do not have to produce or purchase them. They are not contingent upon Kobo Wealth committing any specific amount of business to a custodian in trading commissions or assets in custody. The fact that we receive these benefits is an incentive for us to recommend the use of a particular custodian rather than making such a decision based exclusively on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a conflict of interest. We believe, however, that taken in the aggregate our recommendation of a particular custodian and broker is in the best interest of our clients. Our selection is primarily supported by the scope, quality and price of a custodian's services, and not services that benefit only us

Brokerage for Client Referrals

Kobo does not have any agreements in place where securities transactions are directed to particular broker-dealers in exchange for client referrals.

Directed Brokerage

If you direct Kobo to execute securities transaction at a broker-dealer other than one we use for our other clients you will forgo any benefit from savings on execution costs that we may have obtained through our negotiation of volume discounts or batched orders. In directing the use of a particular broker-dealer, it should be understood that we will not have authority to negotiate commissions or obtain volume discounts, and best execution may not be achieved. You may incur higher commissions, other transactions costs, greater spreads, or receive less favorable net prices, on transactions for your account than would otherwise be the case had you used a broker-dealer we prefer.

Aggregated Orders

When we decide to purchase or sell a specific security for multiple clients at the same time, we will consider aggregating or combining the orders. This procedure will result in a single average price for all client transactions in the aggregated order. The account custodian charges for each transaction as if it were placed individually.

Allocation of Thinly Traded Securities

Kobo may allocate securities among accounts when enough of a particular security or securities cannot be purchased or sold on a given day at a desired price. In this event, we will allocate the shares actually purchased or sold on pro rata basis. We may remove small allocations from the process if we believe it would not be in the best interest of our client(s).

Betterment for Advisors' Trading Policy

When using the Betterment for Advisors platform, we and you are subject to the trading policies and procedures established by Betterment. These policies and procedures limit our ability to control, among other things, the timing of the execution of certain trades (including in response to withdrawals, deposits, or asset allocation changes) within your account. You should not expect that trading on Betterment is instant, and, accordingly, you should be aware that Betterment does not permit you or us to control the specific time during a day that securities are bought or sold in your account (i.e., to "time the market").

Betterment describes its trading policies in Betterment LLC's Form ADV Part 2A. As detailed in that document, Betterment generally trades on the same business day as it receives instructions from you or us. However, transactions will be subject to processing delays in certain circumstances. In particular, orders initiated on non-business days and after markets close generally will not transact until the next business day. Betterment also maintains a general approach of not placing securities orders during approximately the first thirty minutes after the opening of any market session. Betterment also generally stops placing orders arising from allocation changes in existing portfolios approximately thirty minutes before the close of any market session. Betterment continues placing orders associated with deposit and withdrawal requests until market close. Betterment maintains a general approach of not placing orders around the time of scheduled Federal Reserve interest rate announcements. Furthermore, Betterment may delay or manage trading in response to market instability. For further information, please consult Betterment LLC's Form ADV Part 2A.

Item 13 - Review of Accounts

Reviews

Kobo reviews the securities held in its clients' investment supervisory accounts on an ongoing basis. The reviews are conducted by Cris Borden. Your accounts are reviewed at least quarterly for proper asset allocation to assure they comply with your investment objectives and mandates.

Reports

Kobo does not prepare or send written reports to all clients. We have arranged for your independent qualified account custodian to prepare and distribute account statements directly to you. These account statements describe all activity in the clients' accounts including account holdings, transactions, and investment advisory fees deducted from the account. Some third-party advisors require that clients agree to receive reports electronically.

Item 14 - Client Referrals and Other Compensation

Other Compensation

Kobo does not receive any economic benefit, directly or indirectly from any third party for advice rendered to Kobo clients.

Referral Relationships

Kobo is not currently participating in any referral relationships.

Item 15 - Custody

Client securities and other funds are held with a qualified custodian. Kobo does not maintain physical custody of client funds or securities. Clients authorize us to deduct periodic investment advisory fees directly from one or more of the accounts managed by Kobo. These deductions from your account are shown on the periodic statements sent by your custodian directly to you or made available for you to review on your custodian's account portal and web site. You are encouraged to review these statements carefully and compare the amounts on the custodian statements with any statements we send, and the fee schedule outlined in your Investment Advisory Agreement.

Item 16 - Investment Discretion

Most of our clients grant Kobo a limited power of attorney to select, purchase, or sell securities without obtaining your specific consent within the account(s) you have under our management. The limited powers of attorney are granted in the written Investment Advisory Agreement entered into between us. There are no restrictions upon the securities that may be purchased, sold, or held in your account unless you provide these restrictions to us in writing.

Some of our clients request that we contact them and receive their consent before every security transaction placed in their account. Because of the requirement for pre-approval of transactions, trades in these non-discretionary accounts may be placed later than those in discretionary accounts or not at all if, in our opinion, a specific investment opportunity has passed.

Item 17 - Voting Client Securities

The Firm does not perform proxy voting services on the client's behalf. If you own shares of applicable securities, you are responsible for exercising your right to vote as a shareholder. In most cases, you will receive proxy materials directly from the account custodian. Upon the client's request, firm representatives may provide limited clarifications of the issues presented in the proxy voting materials based on his or her understanding of issues presented in the proxy voting materials. However, clients have the ultimate responsibility for making all proxy voting decisions.

Item 18 - Financial Information

Kobo is not aware of any circumstance that is reasonably likely to impair our ability to meet contractual commitments to you or our other clients. We do not require pre-payment of investment advisory fees of greater than \$1200 and more than six months in advance.