

Shellman Investment Management, LLC

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March 2024

Form ADV Part 2A Brochure

Shellman Investment Management, LLC ("Shellman Invest") is a registered investment adviser. An "investment adviser" means any person who, for compensation, engages in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities, or who, for compensation and as part of a regular business, issues or promulgates analyses or reports concerning securities. Registration with the SEC or any state securities authority does not imply a certain level of skill or training.

This brochure provides information about the qualifications and business practices of Shellman Investment Management, LLC. If you have any questions about the contents of this brochure, please contact us at 786-655-6180. 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 Shellman Investment Management, LLC is available on the SEC's website at www.adviserinfo.sec.gov. Our CRD number is 316579.

Material Changes - Item 2

The purpose of this page is to inform you of any material changes since the previous version of this brochure. Shellman Invest is newly established Registered Investment Advisory Firm, as such, there are no materials changes as of the date of this Brochure.

If you would like to receive a complete copy of our current brochure free of charge at any time, please contact us at 786-655-6180 or at info@shellmaninvest.com.

Since the last brochure submitted in March 2023, the Adviser has not had any material changes.

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Advisory Business - Item 4

Description of Services and Fees

Shellman Investment Management, LLC (hereinafter "Shellman Invest") is a registered investment adviser based in Miami, Florida. We are a limited liability company, formed under the laws of the State of Delaware. Stephanie Lynn Shellman, CFA is Chief Executive Officer and sole owner and Rajiv Shah is the Chief Compliance Officer of Shellman Invest.

You may see the term Associated Person throughout this Brochure. As used in this Brochure, this term refers to anyone from our firm who is an officer, employee, and all individuals providing investment advice on behalf of our firm. Such persons are properly registered as investment adviser representatives in applicable jurisdictions where required.

Portfolio Management Services

Our firm provides discretionary and non-discretionary portfolio management services to clients, some of which are referred by our related company Shellman S.A. (DBA Shellman Wealth), a duly registered Portfolio Manager located in Montevideo Uruguay.

Shellman Invest uses model portfolios to invest client funds. The portfolio development process has two steps. First, we create 8-10 strategic asset allocations with different levels of projected long-term Return and volatility levels using Long Term Capital Market Expectations provided by JP Morgan. The information is summarized in an Investor Profile which is signed by the client and defines the asset allocation to be used.

To implement the asset allocation strategy, Shellman Invest uses mutual funds, exchange traded funds and international investment company security equivalents in its portfolio management program. We analyze the mutual fund and ETFs universe offered by each broker and chose each instrument per asset class. In mutual fund or ETF determination, we take into account asset class fit, all in cost, historical performance, qualitative factors such as process and people and independent Research Reports from suppliers such as Morningstar.

Discretionary portfolio management means we will make investment decisions and place buy or sell orders for your account without contacting you. We make our decisions upon the Investor Profile signed by you and provided to us by you. Additionally, we will provide advice on existing investments you may hold at the inception of the advisory relationship or on other types of investments for which you ask advice. Non-discretionary portfolio management means we will seek your approval before any buy or sell orders are placed on your account, and you will have the ultimate decision on any investments.

We monitor each portfolio's performance on a continuous basis, and rebalance the portfolio whenever necessary, as changes occur in market conditions and/or your financial circumstances.

Wrap Fee Programs

We do not sponsor, manage, or participate in any wrap fee programs.

Assets Under Management

As of December 31, 2023, Shellman Invest maintained \$139,445,177 in assets under management managed on a discretionary and non-discretionary basis.

Fees and Compensation – Item 5

Portfolio Management Services

For portfolio management services, Shellman Invest charges an annual fee based on a percentage of assets under management. Fees are based on the following fee schedule:

Assets Under Management (in US Dollars)	Annual Advisory Fee
First \$1 million	1.2200%
Next \$1 million	0.9760%
Next \$1 million	0.4880%
Over \$3 million	0.2928%

Clients are encouraged to ask us about our fee calculator to receive an estimate of their annual fees.

The exact fee payable by the client will be listed in the advisory agreement signed by the client and the firm. Associated Persons of the firm receive a 50% discount of advisory fees.

Fees are payable quarterly in advance and are based on the value of assets on the last day of the previous quarter. Fees will be pro-rated for the first partial quarter. Fees **are not** adjusted for any deposits or withdrawals during the quarter. Portfolio management fees are not negotiable.

Generally, the custodian holding the client's account will deduct Shellman Invest's fees and any other custodial fees directly from a designated account to facilitate billing provided the client has given written authorization. The qualified custodian will send an account statement at least quarterly. This statement will detail all account activity. Further, the Adviser manages client accounts whose assets can be custodied at different banks, even for the same client. In instances where the Adviser does not have the ability or authority to deduct the advisory fee from accounts held at certain custodians ("custodian A") due to their respective policy and/or agreement, the Adviser will deduct its advisory fee pertaining to assets held at custodian A from the custodian with which such arrangement is possible ("custodian B"). In this manner, in some instances advisory fees will be deducted from a single designated client account to facilitate billing. Such arrangement is disclosed to and authorized by the client.

Our annual fee is exclusive of, and in addition to brokerage commissions, transaction fees, and other related costs and expenses which will be incurred by the client. However, we will not receive any portion of the commissions, fees, and costs. Please see Item 12 – Brokerage Practices for further information on brokerage and transaction costs.

You may terminate the portfolio management services agreement upon written notice to our firm. If you have pre-paid advisory fees that we have not yet earned, you will receive a prorated refund of those fees.

Important notes regarding billing

Billing on Cash Positions: The firm treats cash and cash equivalents as an asset class. Accordingly, unless otherwise agreed in writing, all cash and cash equivalent positions (e.g., money market funds, etc.) are included as part of assets under management for purposes of calculating the firm's advisory fee. At any specific point in time, depending upon perceived or anticipated market conditions/events (there being no guarantee that such

anticipated market conditions/events will occur), the firm may maintain cash and/or cash equivalent positions for defensive, liquidity, or other purposes. While assets are maintained in cash or cash equivalents, such amounts could miss market advances and, depending upon current yields, at any point in time, the firm's advisory fee could exceed the interest paid by the client's cash or cash equivalent positions.

Periods of Portfolio Inactivity: The firm has a fiduciary duty to provide services consistent with the client's best interest. As part of its investment advisory services, the firm will review client portfolios on an ongoing basis to determine if any changes are necessary based upon various factors, including but not limited to investment performance, fund manager tenure, style drift, account additions/withdrawals, the client's financial circumstances, and changes in the client's investment objectives. Based upon these and other factors, there may be extended periods of time when the firm determines that changes to a client's portfolio are neither necessary nor prudent. Notwithstanding, unless otherwise agreed in writing, the firm's annual investment advisory fee will continue to apply during these periods, and there can be no assurance that investment decisions made by the firm will be profitable or equal any specific performance level(s).

Additional Fees and Expenses

As part of our investment advisory services to you, we will invest in mutual funds, exchange traded funds and other international investment company security equivalents ("funds"). The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by these funds (described in each fund's prospectus) to their shareholders. These fees will generally include an advisory fee and other fund expenses.

You will also incur custodial fees, transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through which your account transactions are executed. We do not share in any portion of the fees or charges imposed by the broker-dealer or custodian. Where suitable, we will recommend no-load mutual funds. To fully understand the total cost you will incur, you should review all the fees charged by the funds, our firm, and others. For information on our brokerage practices, please refer to the "Brokerage Practices" section of this Disclosure Brochure.

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

Note: Information related to tax or legal consequences that is provided as part of our overall portfolio management service is for informative purposes only. Clients are instructed to contact their tax professionals or attorneys for tax or legal advice.

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

Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. We do not accept performance-based fees or participate in side-by-side management. Our fees are calculated as described

in the *Fees and Compensation* section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

Types of Clients – Item 7

We offer investment advisory services to individuals, high net worth individuals, trusts, estates, corporations, or other business entities.

Generally, we require a minimum of \$100,000 to establish an advisory relationship. At our sole discretion we may waive this requirement.

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

We believe that long term asset allocation is the primary driver of portfolio return. We use annual information provided by JP Morgan in its annual Long Term Capital Markets Expectations report as a basis for our decisions. We use the information provided based on its long-term track record, breadth of coverage and detail provided.

We do not make individual security selections but leave this to the asset managers that manage the funds and ETFs that we purchase. We use two types of asset managers. Passive managers (primarily through ETFs) that are low cost and look to track a certain market or asset class and active managers who attempt to outperform their respective market through superior selection and/or timing: We work with active managers whose primary method of analysis is Fundamental Analysis, analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's stock compared to the current market value. The primary risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

We primarily engage in Long Term Purchases. This means that securities are purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year. Using a long-term purchase strategy generally assumes the financial markets will go up in the long-term which may not be the case. There is also the risk that the segment of the market that you are invested in or perhaps just your particular investment will go down over time even if the overall financial markets advance. Purchasing investments long-term may create an opportunity cost – “locking-up” assets that may be better utilized in the short-term in other investments.

On a limited basis, we may also engage in Short Term Purchases. This means that securities are purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations. Using a short-term purchase strategy generally assumes that we can predict how financial markets will perform in the short-term which may be very difficult and will incur

a disproportionately higher amount of transaction costs compared to long-term trading. There are many factors that can affect financial market performance in the short-term (such as short-term interest rate changes, cyclical earnings announcements, etc.) but may have a smaller impact over longer periods of times.

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

The investment advice provided along with the strategies suggested by Shellman Invest will vary depending on each client's specific financial situation and goals. This brief statement does not disclose all of the risks and other significant aspects of investing in financial markets. In light of the risks, you should fully understand the nature of the contractual relationship(s) into which you are entering and the extent of your exposure to risk. Certain investing strategies may not be suitable for many members of the public. You should carefully consider whether the strategies employed would be appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances.

General Investment Risk: All investments come with the risk of losing money. Investing involves substantial risks, including complete possible loss of principal plus other losses and may not be suitable for many members of the public. Investments, unlike savings and checking accounts at a bank, are not insured by the government to protect against market losses. Different market instruments carry different types and degrees of risk, and you should familiarize yourself with the risks involved in the particular market instruments in which you intend to invest.

Loss of Value: There can be no assurance that a specific investment will achieve its investment objectives and past performance should not be seen as a guide to future returns. The value of investments and the income derived may fall as well as rise and investors may not recoup the original amount invested. Investments may also be affected by any changes in exchange control regulation, tax laws, withholding taxes, international, political and economic developments, and governmental economic or monetary policies.

Interest Rate Risk: Fixed income securities and funds that invest in bonds and other fixed income securities may fall in value if interest rates change. Generally, the prices of debt securities rise when interest rates fall, and their prices fall when interest rates rise. Longer-term debt securities are more sensitive to interest rate changes.

Credit Risk: Investments in bonds and other fixed income securities are subject to the risk that the issuer(s) may not make required interest payments. An issuer suffering an adverse change in its financial condition could lower the credit quality of a security, leading to greater price volatility of the security. A lowering of the credit rating of a security may also offset the security's liquidity, making it more difficult to sell. Funds investing in lower quality debt securities are more susceptible to these problems and their value may be more volatile.

Foreign Exchange Risk: Foreign investments may be affected favorably or unfavorably by exchange control regulations or changes in the exchange rates. Changes in currency exchange rates may influence the share value, the dividends or interest earned, and the gains and losses realized. Exchange rates between currencies are determined by supply and demand in the currency exchange markets, the international balance of payments, governmental intervention, speculation, and other economic and political conditions. If the currency in which a security is denominated appreciates against the US Dollar, the value of the security will increase. Conversely, a decline in the exchange rate of the currency would adversely affect the value of the security.

Risks Associated with Investing in Mutual Funds: Mutual funds are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities, or any combination thereof. The fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. While mutual funds 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. The returns on mutual funds can be reduced by the costs to manage the funds. In addition, while some mutual funds are "no load" and charge no fee to buy into, or sell out of, other types of mutual funds do charge such fees which can also reduce returns.

Risks Associated with Investing in Exchange Traded Funds (ETF): Investing in stocks & ETF's carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding in bankruptcy). Investments in these securities are not guaranteed or insured by the FDIC or any other government agency.

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

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

Regulatory Risk. There may be less government supervision and regulation of business. The supervision that may be in place may be subject to manipulation or control. Disclosure and reporting requirements may be minimal or non-existent.

Legal Risk. The process of legal reform may not proceed at the same pace as market developments, which could result in uncertainty. Legislation to safeguard the rights of private ownership may not yet be in place.

Settlement and Clearing Risk. The registration, recordkeeping, and transfer of instruments may be carried out manually, which may cause delays.

Disciplinary Information – Item 9

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Shellman Invest's advisory business or of the integrity of its management personnel. We have no reportable history of material legal or disciplinary events to disclose under this item.

Other Financial Industry Activities or Affiliations – Item 10

Shellman Invest has a related investment adviser called Shellman S.A.(dba Shellman Wealth Management) located in Montevideo, Uruguay. This entity is properly registered with the Central Bank of Uruguay and primarily

services non-US clients. Due to the affiliation of the two entities, Shellman Wealth has an incentive to recommend the services of its affiliate over the services of nonaffiliated firms. As such, clients are hereby informed that a conflict of interest is inherent in such an arrangement. Shellman Wealth upholds its fiduciary duty and only recommends advisers that it believes will act in the client's best interest.

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

Description of Our Code of Ethics

Shellman Invest has adopted a Code of Ethics (the "Code") to address investment advisory conduct. The Code focuses primarily on fiduciary duty, personal securities transactions, insider trading, gifts, and conflicts of interest. The Code includes Shellman Invest's policies and procedures developed to protect client's interests in relation to the following topics:

- The duty at all times to place the interests of clients first.
- The requirement that all personal securities transactions be conducted in such a manner as to be consistent with the code of ethics.
- The responsibility to avoid any actual or potential conflict of interest or misuse of an employee's position of trust and responsibility.
- The fiduciary principle that information concerning the identity of security holdings and financial circumstances of clients is confidential; and
- The principle that independence in the investment decision-making process is paramount.

A copy of Shellman Invest's Code of Ethics is available upon request to Rajiv Shah, CCO and Managing Director, at info@shellmaninvest.com.

Personal Trading Practices

At times, Shellman Invest and/or its Advisory Representatives take positions in the same securities as clients. This is considered a conflict of interest with clients. Shellman Invest and its Advisory Representatives will generally be "last in" and "last out" for the trading day when trading occurs in close proximity to client trades, however, we will uphold our fiduciary responsibilities to our clients. Front running (trading shortly ahead of clients) is prohibited. Should a conflict occur because of materiality (e.g., a thinly traded stock), disclosure will be made to the client(s) at the time of trading.

Brokerage Practices - Item 12

Shellman Invest has an institutional custodial relationship with Charles Schwab & Co., Inc. (Schwab) and Morgan Stanley Smith Barney LLC (Morgan Stanley). As such, depending on your needs, we may recommend one or more of these broker dealers and qualified custodians for your account. All recommended firms are independent and unaffiliated SEC-registered broker-dealers and members of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investor Protection Corporation ("SIPC"). These firms offer services which include custody of securities, trade execution, clearance, and settlement of transactions. We are not affiliated with recommended

custodians. Our investment adviser representatives are not registered representatives of these firms, and, they do not receive commissions or other compensation from recommending the brokerage or custodial services offered by these firms.

We believe that recommended broker-dealers/custodians provide quality execution services for you at competitive prices. Price is not the sole factor we consider in evaluating best execution. We also consider the quality of the brokerage services provided by recommended broker-dealers/custodians, including the value of research provided, the company's reputation, execution capabilities, commission rates, and responsiveness to our clients and our firm. In recognition of the value of research services and additional brokerage products and services recommended broker-dealers/custodians provide, you may pay higher commissions and/or trading costs than those that may be available elsewhere. While we may not always obtain the lowest commission rate, we believe the rate is reasonable in relation to the value of the brokerage and research services provided.

Charles Schwab & Co., Inc. (Schwab)

Shellman Invest has an institutional custodial relationship with Charles Schwab & Co., Inc. (Schwab), a FINRA-registered broker-dealer, member SIPC. Schwab Advisor Services (formerly called Schwab Institutional) is Schwab's business serving independent investment advisory firms like us. We are independently owned and operated and not affiliated with Schwab. Schwab will hold your assets in a brokerage account and will buy and sell securities in your account(s) upon our instructions. While we may recommend that you use Schwab as custodian/broker, you will decide whether to do so and you will open your account with Schwab by entering into an account agreement directly with them. We do not open the account for you.

Your Custody and Brokerage Costs

Schwab generally does not charge you separately for custody services, but is compensated by charging commissions or other fees on trades that it executes or that settle into your Schwab account.

Research and Other Soft Dollar Benefits

As a result of the relationship with Schwab, Shellman Invest has access to Schwab's institutional brokerage, trading, custody, reporting and support related services, which are described below. However, the Adviser does not receive research, products or services that may be deemed as receiving soft dollar benefits in connection with executing client securities transactions. Further, the Adviser does not receive soft dollar compensation.

Services that Benefit You: Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit you and your account.

Schwab also makes available software and other technology that:

- provide access to client account data (such as duplicate trade confirmations and account statements);
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- provide pricing and other market data;
- facilitate payment of our fees from our clients' accounts; and
- assist with back-office functions, recordkeeping, and client reporting.

The aforementioned services allow Shellman Invest to service your account better.

Services that Generally Benefit Only Us: Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- educational conferences and events;
- technology, compliance, legal, and business consulting;
- publications and conferences on practice management and business succession; and
- access to employee benefits providers, human capital consultants, and insurance providers.

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide us with other benefits such as occasional business entertainment of our personnel.

Morgan Stanley Smith Barney LLC (Morgan Stanley)

Shellman Invest has an institutional custodial relationship with Morgan Stanley Smith Barney LLC (Morgan Stanley), a FINRA registered broker. We are independently owned and operated and not affiliated with Morgan Stanley. Morgan Stanley will hold your assets in a brokerage account and will buy and sell securities in your account(s) upon our instructions. While we recommend that you use Morgan Stanley as custodian/broker, you will decide whether to do so and you will open your account with Morgan Stanley by entering into an account agreement directly with them. We do not open the account for you.

Your Custody and Brokerage Costs

Morgan Stanley charges you a separate annual advisory fee of 0.25% calculated based on the value of the assets in your advisory account. Morgan Stanley does not charge you separately for commissions or other fees on trades that it executes or that settle into your Morgan Stanley account.

Research and Other Soft Dollar Benefits

As a result of the relationship with Morgan Stanley, Shellman Invest has access to Morgan Stanley's institutional brokerage, trading, custody, reporting and support related services, which are described below. However, the Adviser does not receive research, products or services that may be deemed as receiving soft dollar benefits in connection with executing client securities transactions. Further, the Adviser does not receive soft dollar compensation.

Services that Benefit You: Morgan Stanley's institutional brokerage services include access to a broad range of institutional investment products, execution of securities transactions, and custody of client assets. The investment products available through Morgan Stanley include some to which we might not otherwise have access or that would require significantly higher minimum initial investment by our clients. Morgan Stanley's services described in this paragraph generally benefit you and your account.

Morgan Stanley also makes available technology that:

- provide access to client account data (such as duplicate trade confirmations and account statements);

- facilitate payment of our fees from our clients' accounts; and
- assist with back-office functions, recordkeeping, and client reporting.

The aforementioned services allow Shellman Invest to service your account better.

Brokerage for Client Referrals

We do not receive client referrals from broker-dealers and custodians with which we have an institutional advisory arrangement. Also, we do not receive other benefits from a broker-dealer in exchange for client referrals.

Directed Brokerage

Clients with assets under management in excess of \$5,000,000 may direct brokerage to a specified broker-dealer other than the firm(s) recommended by Shellman Invest. The firm will only accept directed brokerage arrangement if the broker is able to establish electronic data feeds, the ability to deduct advisory fees from client accounts and access to institutional share classes of investment company securities. In the event that a client directs Shellman Invest to use a particular broker-dealer, the firm may not be authorized under these circumstances to negotiate commissions and may not be able to obtain volume discounts or best execution. In addition, under these circumstances a disparity in commission charges may exist between the commissions charged to clients who direct the Company to use a particular broker/dealer and those that don't.

Trade Aggregation/Block Trading

Shellman Invest does not engage in block trading.

Review of Accounts - Item 13

Managed Account Reviews

Shellman Invest monitors client's account holdings on a continuous basis, conducts full account reviews on a quarterly basis and recommends a formal review with the client at least annually. Accounts are reviewed by the Associated Person assigned to the account.

Additional reviews may be offered in certain circumstances. Triggering factors that may result in additional reviews include, but are not limited to, changes in economic conditions, changes in the client's financial situation or investment objectives, or a client's request. Clients are encouraged to notify our firm if changes occur in their personal financial situation.

Clients will receive consolidated reports and statements directly from their account custodian(s) on at least a quarterly basis.

Client Referrals and Other Compensation - Item 14

Shellman Invest has brokerage and clearing arrangements with Charles Schwab, and the firm receives additional benefits from this firm. These additional benefits are listed under Item 12 above.

Shellman Invest does not currently have any client referral or compensation agreements with outside parties. However, some of Shellman Invest clients will be referred by Shellman S.A., our Uruguayan affiliate, and we share our revenue with Shellman S.A. Shellman Invests maintains a Promotor Agreement with Shellman S.A. to describe the relationship between the entities, and such relationship is disclosed to applicable clients.

Custody - Item 15

Shellman Invest is deemed to have custody of client funds because of the fee deduction authority granted by the client in the Advisory Agreement. You will receive account statements at least quarterly from the broker-dealer or other qualified custodian holding your account. The custodian will not verify the calculation of the advisory fees. You are urged to review custodial account statements for accuracy. If you have questions regarding your account or if you did not receive a statement from your custodian, please contact us at 786-655-6180 or at info@shellmaninvest.com.

With respect to third party standing letters of authorization (“SLOA”) where a client grants us authority to direct custodians to disburse funds to one or more third party accounts, we are deemed to have custody pursuant to Rule 206(4)-2 (the “Custody Rule”). We have taken steps to have controls and oversight in place to comply with the no-action letter issued by the SEC on February 21, 2017 (the “SEC no-action letter”). We are not required to comply with the surprise examination requirements of the Custody Rule if we comply with the representations noted in the SEC no-action letter. Where our firm acts pursuant to a SLOA, we believe we are making a good faith effort to comply with the representations noted in the SEC no-action letter. Additionally, since many of the representations noted in the SEC no-action letter involve the qualified custodian’s operations, we will collaborate closely with our custodian(s) to ensure that the representations are met.

Investment Discretion - Item 16

Shellman Invest offers management services on a discretionary and non-discretionary basis. Clients must grant discretionary authority in the advisory agreement. Discretionary authority extends to the types and amounts of securities to be bought and sold in client accounts. When establishing a relationship where advisory services are provided on a non-discretionary basis, the Adviser will seek client approval for investments and place the trades directly through the client.

Voting Client Securities - Item 17

Shellman Invest does not vote proxies on behalf of Clients. Clients will receive their proxies and other solicitations directly from their custodian and retain sole responsibility for voting. However, we can provide Clients with consulting assistance regarding proxy issues if they contact us with questions.

Financial Information - Item 18

Our firm does not have any financial conditions or impairments that would prevent us from meeting our contractual commitments to you. We do not take physical custody of client funds or securities, or serve as trustee or signatory for client accounts, and we do not require the prepayment of more than \$1,200 in fees six or more months in advance. Therefore, we are not required to include a financial statement with this brochure.

Requirements of State-Registered Advisers - Item 19

This section is not applicable because our firm is SEC registered.

Shellman Investment Management, LLC Privacy Notice

This notice is being provided to you in accordance with the Securities and Exchange Commission's rule regarding the privacy of consumer financial information ("Regulation S-P") and/or comparable state laws. Please take the time to read and understand the privacy policies and procedures that we have implemented to safeguard your nonpublic personal information.

INFORMATION WE COLLECT

Shellman Investment Management, LLC must collect certain personally identifiable financial information about its customers to provide financial services and products. The personally identifiable financial information that we gather during the normal course of doing business with you may include:

- information we receive from you on applications or other forms;
- information about your transactions with us, our affiliates, or others;
- information we receive from a consumer reporting agency.

INFORMATION WE DISCLOSE

We do not disclose any nonpublic personal information about our customers or former customers to anyone, except as permitted or required by law, or as necessary to provide services to you. In accordance with applicable federal and/or state laws, we may disclose all of the information we collect, as described above, to certain nonaffiliated third parties such as our attorneys, accountants, auditors and persons or entities that are assessing our compliance with industry standards. We enter into contractual agreements with all nonaffiliated third parties that prohibit such third parties from disclosing or using the information other than to carry out the purposes for which we disclose the information.

CONFIDENTIALITY AND SECURITY

We limit access to nonpublic personal information about you to those Employees who need to know that information to provide financial products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal standards to guard your nonpublic personal information.

ACCURACY

We strive to maintain accurate personal information in our client files at all times. However, as personal situations, facts and data change over time; we encourage our clients to provide feedback and updated information to help us meet our goals.