

## **Appendix - Wrap Fee Program Brochure**



**Rossby Financial, LLC**

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This Brochure provides information about the qualifications and business practices of Rossby Financial, LLC (“Rossby”, “Adviser”, “firm”, “us”, “we”, “our”). If you (“client,” “prospective client,” “investor”) have any questions about the contents of this Brochure, please contact us at (321) 209-0111 or via email at [aevans@rossbyfinancial.com](mailto:aevans@rossbyfinancial.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority.

Rossby is a Registered Investment Adviser. The registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information that you may use to determine whether to hire or retain them. Additional information about the Adviser is also available via the SEC’s website [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

You can search this site by using a unique identifying number, known as a CRD number. The CRD number for the Adviser is 324631. The SEC’s web site also provides information about any persons affiliated with the Adviser who are registered, or are required to be registered, as Investment Adviser Representatives of the Adviser.

## Item 2 - Material Changes

Form ADV Part 2 Appendix 1 (“Wrap Brochure”) requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser’s brochure, the adviser is required to notify clients and provide a description of the material changes. Generally, we will notify clients of material changes on an annual basis. However, when we determine that an interim notification is either meaningful or required, we will notify our clients promptly. In either case, we will notify our clients in a separate document.

This Wrap Fee Program Brochure dated February 28, 2024, is part of our annual amendment. The material changes since our last filing are as follows:

- Firm address updated

- Item 4: Investment management fee details have been updated to reflect that fees are negotiable and vary depending upon the size and composition of a client’s portfolio and the type of services rendered and the representative providing services.

A revised Wrap Brochure may become available since our delivery or posting of this Wrap Brochure on the SEC’s public disclosure website (IAPD) at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) or clients may contact our office at the number or by email listed on the cover page of this Wrap Brochure to obtain a copy. When an update is made to this Wrap Brochure, we will send a copy to clients with the summary of material changes, or a summary of material changes that includes an offer to send clients a copy [either by electronic means (email) or in hard copy form].

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## **Item 4 - Services, Fees and Compensation**

Rossby will serve the financial needs of clients seeking personal, comprehensive financial planning and investment management services from advisors with experience. Prior to Rossby providing investment advisory services, clients are required to enter into one or more written agreements with Rossby setting forth the relevant terms and conditions of the advisory relationship (the “Advisory Agreement”).

Rossby is principally owned by Andrew Evans and Christopher Marsico, the Adviser’s Managing Members (“the Principals”).

While this Wrap Brochure generally describes our business, certain sections also discuss the activities of its Supervised Persons, which refer to the Firm’s officers, partners, directors (or other persons occupying a similar status or performing similar functions), employees or any other person who provides investment advice on our behalf (collectively referred to as investment adviser representatives or “IARs”) and are subject to the Firm’s supervision or control.

### **Investment and Wealth Management Services**

We manage client investment portfolios on a discretionary basis and primarily allocate client assets among various mutual funds, exchange-traded funds (“ETFs”), individual debt and equity securities, options, and independent investment managers (“Independent Managers”) in accordance with their stated investment objectives.

Where appropriate, IARs may also provide advice about any type of legacy position or other investment held in client portfolios. Clients may engage us to manage and/or advise on certain investment products that are not maintained at their primary custodian, such as variable life insurance and annuity contracts and assets held in employer sponsored retirement plans and qualified tuition plans (i.e., 529 plans). In these situations, we direct or recommend the allocation of client assets among the various investment options available within the product. These assets are generally maintained at the underwriting insurance company, or the custodian designated by the product’s provider.

We tailor our advisory services to meet the needs of our individual clients and seek to ensure, on a continuous basis, that client portfolios are managed in a manner consistent with the client’s stated needs and objectives. We consult with clients on an initial and ongoing basis to assess their specific risk tolerance, time horizon, liquidity constraints and other related factors relevant to the management of their portfolios. Clients are advised to promptly notify us if there are changes in their financial situation or if they wish to place any limitations on the management of their portfolios. Clients may impose reasonable restrictions or mandates on the management of their accounts if we determine, in our sole discretion, the conditions will not materially impact the performance of a management strategy or prove overly burdensome to the Firm’s management efforts.

## **Investment Management Fees**

We offer investment management services for an annual fee based on the amount of assets under the Firm's management. Investment management services are offered on a fee basis, meaning that clients pay a flat annual fee or an annualized fee based upon the value of their assets under our management. The Management Fee is negotiable and varies depending upon the size and composition of a client's portfolio and the type of services rendered and the representative providing services. Our maximum management fee will not exceed 2.5% of the assets under management. The services we provide may be available from other advisers for a lower fee. Similar services may be provided by other advisers for a lower fee. The advisory account Minimum Platform Service Fee (MPSF) may be waived on a single account(s) provided aggregate MPSF fee for the immediate client family household meets the MPSF of \$500 annually per account on an aggregate basis. For example, one household account could cover the MPSF provided the Platform Service Fee is enough in aggregate to meet the minimums for all accounts in the household. The specific fee charged for investment management services is disclosed in the Advisory Agreement for the client's specific investment management plan the client chooses to implement.

The annual fee is prorated and charged quarterly or monthly, in arrears or in advance, based upon the method selected in the Advisory Agreement and the market value of the assets being managed by the IAR on the last day of the billing period.

No adjustment will be made for intra-quarter withdrawals or deposits. Accounts opened during a quarter/month will be billed on a pro-rata basis. For the initial period of an engagement, the fee is calculated based on the date the client entered into the Advisory Agreement. In the event the Advisory Agreement is terminated, the fee for the final billing period is prorated through the effective date of the termination and the outstanding or unearned portion of the fee is charged or refunded to the client, as appropriate.

## **Fee Discretion**

We may, in our sole discretion, negotiate to charge a lesser fee based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing/legacy client relationship, account retention and pro bono activities.

## **Additional Fees and Expenses**

In addition to the advisory fees paid to us, clients may also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks, and other financial institutions (collectively "Financial Institutions"). These additional charges include securities brokerage commissions, transaction fees, custodial fees, fees charged by the Independent Managers, margin costs, charges imposed directly by a mutual fund or ETF in a client's account, as disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. The Firm's brokerage practices are described at length in Item 9. Additional Information section below.

We and your IAR do not retain 12b-1 fees paid by funds for either qualified or non-qualified accounts. All 12b-1 fees on accounts are retained by the custodian. For accounts that are traded with No-Transaction Fee (NTF) mutual funds and/or NTF exchange traded mutual funds, any 12b-1 fee is paid to the custodian in lieu of the client paying transaction or trading costs. Where a fund participates in the NTF platform and does not have a 12b-1 fee, the custodians generally receive a portion of the fund management or

administrative fee. The participation of funds in the NTF platform does not increase the cost of the same share class of the fund to the client. Funds that do not participate in the custodian's NTF platform may have lower expense ratios, which may result in lower annual costs to the client; however, they generally incur transaction fees and trading costs.

### **Direct Fee Debit**

Clients generally provide us and/or certain Independent Managers with the authority to directly debit their accounts for payment of the advisory fees. The Financial Institutions that act as the qualified custodian for client accounts, from which the Firm retains the authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to us. Alternatively, clients can elect to have us send a separate invoice for direct payment.

### **Account Additions and Withdrawals**

Clients may make additions to and withdrawals from their account at any time, subject to our right to terminate an account. Additions may be in cash or securities provided that the Firm reserves the right to liquidate any transferred securities or declines to accept particular securities into a client's account. Clients may withdraw account assets on notice to us, subject to the usual and customary securities settlement procedures. However, the Firm generally designs its portfolios as long-term investments, and the withdrawal of assets may impair the achievement of a client's investment objectives. We will consult with our clients about the options and implications of transferring securities. Clients are advised that when transferred securities are liquidated, they are subject to transaction fees, short-term redemption fees, fees assessed at the mutual fund level (e.g., contingent deferred sales charges) and/or tax ramifications.

### **Commissions and Sales Charges for Recommendations of Securities**

Clients can engage certain persons associated with us (but not the Firm directly) to render securities brokerage services under a separate commission-based arrangement. Clients are under no obligation to engage such persons and may choose brokers or agents not affiliated with us. Under this arrangement, the Firm's IARs, in their individual capacities as registered representatives of Private Client Services, LLC ("PCS"), will provide securities brokerage services and implement securities transactions under a separate commission-based arrangement. Supervised Persons may be entitled to a portion of the brokerage commissions paid to PCS, as well as a share of any ongoing distribution or service (trail) fees from the sale of mutual funds. We may also recommend no-load or load-waived funds, where no sales charges are assessed. Prior to effecting any transactions, clients are required to enter into a separate account agreement with PCS.

A conflict of interest exists to the extent that we recommend the purchase or sale of securities where our IARs receive commissions or other additional compensation as a result of their recommendations. The Firm has procedures in place to ensure that any recommendations made by such IARs are in the best interest of clients.

Additionally, Rossby pays Schwab transaction costs for each executed trade in wrap fee accounts. As a result, we have a financial incentive to limit orders for wrap fee accounts because trades increase our transaction costs. Thus, an incentive exists to trade less frequently in a wrap fee program.

## **Item 5 - Account Requirements and Types of Clients**

We offer services to individuals including high net worth individuals, pension and profit-sharing plans, trusts, estates, charitable organizations, corporations, and other business entities.

### **Minimum Account Requirements**

We do not impose minimum account requirements for opening and maintaining an investment management relationship. We impose a Minimum Platform Service Fee (MPSF) of \$500 annually. The Firm, in its sole discretion, may reduce or waive its MPSF based upon certain criteria.

## **Item 6 - Portfolio Manager Selection and Evaluation**

### **Performance-Based Fees and Side-by-Side Management**

We do not provide any services for a performance-based fee (i.e., a fee based on a share of capital gains or capital appreciation of a client's assets). "Side-by-Side Management" refers to a situation in which the same firm manages accounts that are billed based on a percentage of assets under management, hourly charges, fixed fees (not including subscription fees) and at the same time manages other accounts for which fees are assessed on a performance fee basis. Because we have no performance-based fee accounts, we do not engage in side-by-side management.

### **Methods of Analysis**

We use multiple analyses methods and strategies as part of our overall investment management discipline; the implementation of these analyses as part of our investment advisory services to you may include any, all, or a combination of the following:

#### ***Fundamental Analysis***

Fundamental analysis is a technique that attempts to determine a security's value by focusing on the underlying factors that affect a company's actual business and its future prospects. Fundamental analysis is about using real data to evaluate a security's value. It refers to the analysis of the economic well-being of a financial entity as opposed to only its price movements.

The end goal of performing fundamental analysis is to produce a value that we can compare with the security's current price, with the aim of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short).

#### ***Modern Portfolio Theory (MPT)***

We use Modern Portfolio Theory to help select the funds we use in your account. Modern portfolio theory tries to understand the market, rather than looking for what makes each investment opportunity unique. Investments are described statistically, in terms of their expected long-term return rate and their expected short-term volatility. The volatility is equated with "risk," measuring how much worse than average an investment's bad years are likely to be. The end goal is to identify your acceptable level of risk tolerance, and then to find a portfolio with the maximum expected return for that level of risk.

#### ***Charting / Technical Analysis***

The terms "charting" and "technical" analysis are generally used synonymously and therefore, for the purpose of this document, we will use the term, "technical analysis." Technical analysis is a technique that attempts to determine a security's value by developing models and trading rules based upon price and volume transformation. Technical analysis often involves the use of charts, graphs, and other tools

to evaluate historical factors relating to the investment instrument and perhaps the market as a whole. The goal of technical analysis is to try to identify historical trading patterns that suggest future trading activity or price targets. Technical analysis assumes that a market's price reflects all relevant information, so the analysis focuses on the history of a security's trading behavior rather than external drivers such as economic, fundamental and news events. The practice of technical analysis incorporates the importance of understanding how market participants perceive and act upon relevant information rather than focusing on the information itself. Ultimately, technical analysts develop trading models and rules by evaluating factors such as market trends, market participant behaviors, supply and demand and pricing patterns and correlations.

As with other types of analysis, the predictive nature of technical analysis can vary greatly; models and rules are often modified and updated as new patterns and behaviors develop. Past performance is not an indicator of future return.

### ***Targeted Asset Allocation***

Six targeted asset allocation model portfolios covering everything from conservative income to very aggressive growth-oriented approaches have been compiled by us or other third parties. We will assign you a targeted portfolio that meets your goals and time horizon, while addressing the level of risk you are comfortable assuming. The strategic model portfolio allocation remains constant; your specific portfolio model may change infrequently to reflect shifts in your risk tolerance and goals. We screen and select funds and securities to be added to or removed from the model portfolio on a regular basis. Rebalancing can occur after a move in the market of 15% or more within any year but at least once per year based on the annual review of your financial situation.

### ***Cyclical Analysis***

While we do not attempt to time the market, we may use cyclical analysis in conjunction with other strategies to help determine if shifts are required in your investment strategies depending upon long- and short-term trends in financial markets and the performance of the overall national and global economy.

### **Investment Strategies**

In order to perform this analysis, we use many resources, such as:

- Direct research services (e.g., Morningstar, etc.)
- Financial newspapers and magazines (e.g., Wall Street Journal, Forbes, etc.)
- Annual reports, prospectuses, filings
- Company press releases and websites
- Inspections of corporate activities
- Timing services
- Corporate rating services

The investment strategies we use to implement any investment advice given to you include, but are not limited to:

- Long-term purchases – securities held at least a year.
- Short-term purchases – securities sold within a year.
- Trading – securities sold within 30 days.
- Short sales.
- Margin Transactions.
- Option writing, including covered options, uncovered options, or spreading strategies.



### ***Risk of Loss***

We cannot guarantee our analysis methods will yield a return. In fact, a loss of principal is always a risk. Investing in securities involves a risk of loss that you should be prepared to bear. You need to understand that investment decisions made for your account by us are subject to various market, currency, economic, political, and business risks. The investment decisions we make for you will not always be profitable nor can we guarantee any level of performance.

The information contained in this Brochure cannot disclose every potential risk associated with an investment strategy, nor all the risks applicable to a particular manager, security, or investment. Risks vary by client according to their investment objectives, guidelines, liquidity needs or risk tolerances and not every strategy or portfolio will be exposed to each of the risks described in this Brochure. This list is not intended to be exhaustive of all the risks associated with investing in strategies or securities that are utilized or recommended by us. Rather, it is a general description of the nature and risks of the investment advisory services provided by us and the related investments.

### ***Alternative Investment Risk***

Investing in alternative investments is speculative, not suitable for all clients, and intended for experienced and sophisticated investors who are willing to bear the high economic risks of the investment, which can include:

- Loss of all or a substantial portion of the investment due to leveraging, short-selling or other speculative investment practices.
- Lack of liquidity in that there may be no secondary market for the fund, and none expected to develop.
- Volatility of returns.
- Absence of information regarding valuations and pricing.
- Delays in tax reporting.
- Less regulation and higher fees than mutual funds.

### ***Bond Fund Risk***

Bond funds generally have higher risks than money market funds largely because they typically pursue strategies aimed at producing higher yields of the risks associated with bond funds which include:

- Call Risk - The possibility that falling interest rates will cause a bond issuer to redeem—or call— its high-yielding bond before the bond's maturity date.
- Credit Risk — the possibility that companies or other issuers whose bonds are owned by the fund may fail to pay their debts (including the debt owed to holders of their bonds). Credit risk is less of a factor for bond funds that invest in insured bonds or U.S. Treasury bonds. By contrast, those that invest in the bonds of companies with poor credit ratings generally will be subject to higher risk.
- Interest Rate Risk — the risk that the market value of the bonds will go down when interest rates go up. Because of this, you can lose money in any bond fund, including those that invest only in insured bonds or Treasury bonds.
- Prepayment Risk — the chance that a bond will be paid off early. For example, if interest rates fall, a bond issuer may decide to pay off (or "retire") its debt and issue new bonds that pay a lower rate. When this happens, the fund may not be able to reinvest the proceeds in an investment with as high a return or yield.

### ***Fundamental Analysis Risk***

Fundamental analysis, when used in isolation, has several risks:

- There are an infinite number of factors that can affect the earnings of a company, and its stock

price, over time. These can include economic, political, and social factors, in addition to the various company statistics.

- The data used may be out of date.
- It is difficult to give appropriate weightings to the factors.
- It assumes that the analyst is competent.
- It ignores the influence of random events such as oil spills, product defects being exposed, and acts of God and so on.

### ***Modern Portfolio Theory (MPT) Risk***

Modern Portfolio Theory tries to understand the market as a whole and measures market risk in an attempt to reduce the inherent risks of investing in the market. However, with every financial investment strategy there is a risk of a loss of principal. Not every investment decision will be profitable, and there can be no guarantee of any level of performance.

### ***Cyclical Analysis Risk***

Looking at market cycles in conjunction with other investment strategies can be useful when making investment decisions. However, market cycles are not always predictable. Each financial investment strategy has benefits and risks. Not every investment decision will be profitable, and there can be no guarantee of any level of performance.

### ***Exchange-Traded Fund (ETF) Risk***

Most ETFs are passively managed investment companies whose shares are purchased and sold on a securities exchange. An ETF represents a portfolio of securities designed to track a particular market segment or index. ETFs are subject to the following risks that do not apply to conventional funds:

- The market price of the ETF's shares may trade at a premium or a discount to their net asset value,
- An active trading market for an ETF's shares may not develop or be maintained, and
- There is no assurance that the requirements of the exchange necessary to maintain the listing of an ETF will continue to be met or remain unchanged.

### ***Insurance Product Risk***

The rate of return on variable insurance products is not stable, but varies with the stock, bond, and money market subaccounts that you choose as investment options. There is no guarantee that you will earn any return on your investment and there is a risk that you will lose money. Before you consider purchasing a variable product, make sure you fully understand all of its terms. Carefully read the prospectus. Some of the major risks include:

- Liquidity and Early Withdrawal Risk – There may be a surrender charge for withdrawals within a specified period, which can be as long as six to eight years. Any withdrawals before a client reaches the age of 59 ½ are generally subject to a 10 percent income tax penalty in addition to any gain being taxed as ordinary income.
- Sales and Surrender Charges – Asset-based sales charges or surrender charges. These charges normally decline and eventually are eliminated the longer you hold your shares. For example, a surrender charge could start at 7 percent in the first year and decline by 1 percent per year until it reaches zero.
- Fees and Expenses – There are a variety of fees and expenses which can reach 2% and more such as:
  - Mortality and expense risk charges
  - Administrative fees
  - Underlying fund expenses
  - Charges for any special features or riders.

- **Bonus Credits** – Some products offer bonus credits that can add a specified percentage to the amount invested ranging from 1 percent to 5 percent for each premium payment. Bonus credits, however, are usually not free. In order to fund them, insurance companies typically impose high mortality and expense charges and lengthy surrender charge periods.
- **Guarantees** – Insurance companies provide a number of specific guarantees. For example, they may guarantee a death benefit or an annuity payout option that can provide income for life. These guarantees are only as good as the insurance company that gives them.
- **Market Risk** – The possibility that stock fund or bond fund prices overall will decline over short or even extended periods. Stock and bond markets tend to move in cycles, with periods when prices rise and other periods when prices fall.
- **Principal Risk** – The possibility that an investment will go down in value, or "lose money," from the original or invested amount.

### ***Mutual Funds Risk***

The following is a list of some general risks associated with investing in mutual funds.

- **Country Risk** - The possibility that political events (a war, national elections), financial problems (rising inflation, government default), or natural disasters (an earthquake, a poor harvest) will weaken a country's economy and cause investments in that country to decline.
- **Currency Risk** -The possibility that returns could be reduced for Americans investing in foreign securities because of a rise in the value of the U.S. dollar against foreign currencies. Also called exchange-rate risk.
- **Income Risk** - The possibility that a fixed-income fund's dividends will decline as a result of falling overall interest rates.
- **Industry Risk** - The possibility that a group of stocks in a single industry will decline in price due to developments in that industry.
- **Inflation Risk** - The possibility that increases in the cost of living will reduce or eliminate a fund's real inflation-adjusted returns.
- **Manager Risk** -The possibility that an actively managed mutual fund's investment adviser will fail to execute the fund's investment strategy effectively resulting in the failure of stated objectives.
- **Market Risk** - The possibility that stock fund or bond fund prices overall will decline over short or even extended periods. Stock and bond markets tend to move in cycles, with periods when prices rise and other periods when prices fall.
- **Principal Risk** - The possibility that an investment will go down in value, or "lose money," from the original or invested amount.

### ***Stock Fund Risk***

Overall "market risk" poses the greatest potential danger for investors in stocks funds. Stock prices can fluctuate for a broad range of reasons, such as the overall strength of the economy or demand for particular products or services.

### ***Technical Analysis risk***

- Technical analysis is derived from the study of market participant behavior and its efficacy is a matter of controversy.
- Methods vary greatly and can be highly subjective; different technical analysts can sometimes make contradictory predictions from the same data.
- Models and rules can incur sufficiently high transaction costs.

### ***Legal and Regulatory Matters Risks***

Legal developments which may adversely impact investing and investment-related activities can occur at any time. “Legal Developments” means changes and other developments concerning foreign, as well as US federal, state and local laws and regulations, including adoption of new laws and regulations, amendment or repeal of existing laws and regulations, and changes in enforcement or interpretation of existing laws and regulations by governmental regulatory authorities and self-regulatory organizations (such as the SEC, the US Commodity Futures Trading Commission, the Internal Revenue Service, the US Federal Reserve and the Financial Industry Regulatory Authority). Our management of accounts may be adversely affected by the legal and/or regulatory consequences of transactions effected for the accounts. Accounts may also be adversely affected by changes in the enforcement or interpretation of existing statutes and rules by governmental regulatory authorities or self-regulatory organizations.

### ***System Failures and Reliance on Technology Risks***

The firm’s investment strategies, operations, research, communications, risk management, and back-office systems rely on technology, including hardware, software, telecommunications, internet-based platforms, and other electronic systems. Additionally, parts of the technology used are provided by third parties and are, therefore, beyond our direct control. We seek to ensure adequate backups of hardware, software, telecommunications, internet-based platforms, and other electronic systems, when possible, but there is no guarantee that our efforts will be successful. In addition, natural disasters, power interruptions and other events may cause system failures, which will require the use of backup systems (both on- and off-site). Backup systems may not operate as well as the systems that they back up and may fail to properly operate, especially when used for an extended period. To reduce the impact a system failure may have, we continually evaluate our backup and disaster recovery systems and perform periodic checks on the backup systems’ conditions and operations. Despite our monitoring, hardware, telecommunications, or other electronic systems malfunctions may be unavoidable, and result in consequences such as the inability to trade for or monitor client accounts and portfolios. If such circumstances arise, the Investment Committee will consider appropriate measures for clients.

### ***Cybersecurity Risk***

A portfolio is susceptible to operational and information security risks due to the increased use of the Internet. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyberattacks include, but are not limited to, infection by computer viruses or other malicious software code, gaining unauthorized access to systems, networks, or devices through “hacking” or other means for the purpose of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cybersecurity failures or breaches by third-party service providers may cause disruptions and impact the service providers’ and our business operations, potentially resulting in financial losses, the inability to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement, or other compensation costs, and/or additional compliance costs. While we have established business-continuity plans and risk management systems designed prevent or reduce the impact of such cyberattacks, there are inherent limitations in such plans and systems due in part to the everchanging nature of technology and cyberattack tactics.

The above list of risk factors does not purport to be a complete list or explanation of the risks involved in an investment strategy. In addition, due to the dynamic nature of investments and markets, strategies may be subject to additional and different risk factors not discussed above.

### ***Overall Risks***

Clients need to remember that past performance is no guarantee of future results. All funds carry some level of risk. You may lose some or all the money you invest, including your principal, because the securities held by a fund go up and down in value. Dividend or interest payments may also fluctuate, or

stop completely, as market conditions change.

Before you invest, be sure to read a fund's prospectus and shareholder reports to learn about its investment strategy and the potential risks. Funds with higher rates of return may take risks that are beyond your comfort level and are inconsistent with your financial goals.

You are encouraged to consult your financial advisor, legal counsel, and tax professional on an initial and continuous basis in connection with selecting and engaging in the services we provide. In addition, due to the dynamic nature of investments and markets, strategies may be subject to additional and different risk factors not discussed above.

### **Proxy Voting**

As a matter of firm policy, we do not vote proxies on behalf of clients. Therefore, although we may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the way proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing each custodian of the assets to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets.

We may provide clients with consulting assistance regarding proxy issues if they contact us with questions at our principal place of business.

### **Class Actions**

In addition, as a general policy, we do not elect to participate in class action lawsuits on behalf of a client. Rather, such decisions shall remain with the client or with an entity the client designates. We may assist in determining whether they should pursue a particular class action lawsuit by assisting with the development of an applicable cost-benefit analysis, for example. However, the final determination of whether to participate, and the completion and tracking of any such related documentation, shall rest with the client.

## **Item 7 - Client Information Provided to Portfolio Managers**

We have access to client information as our Supervised Persons act as the portfolio managers for the Wrap Fee Programs described in Item 4 above. Pursuant to applicable Federal and/or State Privacy Regulations, we are a financial institution that has determined to keep confidential the non-public personal information about each of our clients.

In opening an advisory account, our Supervised Persons will obtain the necessary financial data from the client, assist the client in determining the suitability of the Program and assist the client in setting appropriate investment objectives.

## **Item 8 - Client Contact with Portfolio Managers**

Clients may contact our Supervised Persons directly to discuss their accounts in detail. We have not placed any restrictions on your ability to contact and consult with your portfolio manager.

## **Item 9 - Additional Information**

## **Disciplinary Information**

We have not been involved in any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of its management.

## **Other Financial Industry Activities and Affiliations**

Neither our Firm nor any of our management persons (except as disclosed below), are registered, nor do we have an application pending to register as a futures commission merchant, commodity pool operator, commodity trading advisor or as an associated person of the foregoing entities.

In addition, neither our Firm nor any of our management persons have any arrangement that is material to our advisory business or to our clients that we or any of our management persons have with any related person that is under common control and ownership, i.e., a:

- Broker-dealer, municipal securities dealer, or government securities dealer or broker,
- Investment company or other pooled investment vehicle,
- Other investment adviser or financial planner,
- Futures commission merchant (or commodity pool operator or commodity trading advisor),
- Banking or thrift institution,
- Accountant or accounting firm,
- Lawyer or law firm,
- Pension consultant,
- Real estate broker or dealer, or
- Sponsor or syndicator of limited partnerships.

## **Registered Representatives of a Broker/Dealer**

Registered representatives of Private Client Services, LLC ("PCS"), an SEC registered broker-dealer and member of FINRA. In this capacity, they provide securities brokerage services and implement securities transactions under a commission-based arrangement. They may be entitled to a portion of the brokerage commissions paid to PCS, as well as a share of any ongoing distribution or service ("trail") fees from the sale of mutual funds. This arrangement is described in Item 4.

## **Licensed Insurance Agents**

Andrew J. Evans is separately licensed as an independent insurance agent through Rossby Insurance L.L.C., an affiliate and a licensed insurance agency. In this capacity, he effects transactions in insurance products for his clients and earns commissions for these activities. The fees you pay our firm for advisory services are separate and distinct from the commissions earned by Mr. Evans for insurance-related activities.

This presents a conflict of interest because Mr. Evans may have an incentive to recommend securities and/or insurance products to you for the purpose of generating commissions rather than solely based on your needs. However, you are under no obligation, contractually or otherwise, to purchase securities and insurance products through any person affiliated with us. We have procedures in place to ensure that all recommendations are made in the best interests of clients regardless of any additional compensation earned.

We may enter into a sub-advisor arrangement with other registered investment advisers. In the sub-advisory agreement, we agree to provide, on a discretionary basis, investment management services to clients of those firms. Refer to Items 4 and 5 above for details of our business relationship with other registered investment advisers and the compensation we receive.

## **Code of Ethics**

We have adopted a Code of Ethics for all supervised persons of the Firm describing its high standards of business conduct, and fiduciary duty to you, our client. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor

mongering, restrictions on the acceptance of significant gifts, the reporting of certain gifts and business entertainment items, and personal securities trading procedures. All of our supervised persons must acknowledge the terms of the Code of Ethics annually, or as amended.

The Code of Ethics also requires certain of our personnel to report on their personal securities holdings and transactions, and obtain pre-approval of certain investments (e.g., initial public offerings, limited offerings). However, our supervised persons are permitted to buy or sell securities that they also recommend to clients if done in a fair and equitable manner that is consistent with our policies and procedures. This Code of Ethics has been established recognizing that some securities trade in sufficiently broad markets to permit transactions by certain personnel to be completed without any appreciable impact on the markets of such securities. Therefore, under limited circumstances, exceptions may be made to the policies stated below.

When we are engaging in or considering a transaction in any security on behalf of a client, no supervised person with access to this information may knowingly effect for themselves or for their immediate family (i.e., spouse, minor children and adults living in the same household) a transaction in that security unless:

- the transaction for the client has been completed,
- the transaction for the supervised person is completed as part of a batch trade with clients, or
- a decision has been made not to engage in the transaction for the client.

Transactions for supervised person or immediate family member made during last 30 minutes of trading are allowed.

These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

Clients and prospective clients can contact us to request a copy of our Code of Ethics.

### **Participation or Interest in Client Transactions**

Neither we nor any of our supervised persons have any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this Brochure.

Our Chief Compliance Officer, or his designee, will review all securities transactions of our IARs and files of securities transactions effected for our IARs will be maintained for review. To mitigate conflicts of interest, all our employees must comply with our Compliance Manual and Code of Ethics, which imposes disclosure requirements on the purchase or sale of securities for their own accounts and the accounts of certain related persons.

We do not execute transactions on a principal or agency cross basis.

Our compliance policies and procedures prohibit anyone associated with us from having an interest in a client account or participating in the profits of a client's account without the approval of the CCO.

The following acts are prohibited:

- Employing any device, scheme, or artifice to defraud.
- Making any untrue statement of a material fact.
- Omitting to state a material fact necessary in order to make a statement, considering the circumstances

under which it is made, not misleading.

- Engaging in any fraudulent or deceitful act, practice, or course of business.
- Engaging in any manipulative practices.

## **Personal Trading**

Our IARs may employ the same strategy for their personal investment accounts as they do for their clients. Additionally, our IARs may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of Rossby to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting from the recommendations they provide to clients. It is our process to only trade in the same securities we have recommended to you after we have placed your order. Such transactions may create a conflict of interest. We will document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

Certain affiliated accounts may trade in the same securities with your accounts on an aggregated basis when consistent with our obligation of best execution. When trades are aggregated, all parties will share the costs in proportion to their investment. We will retain records of the trade order (specifying each participating account) and its allocation. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the order.

We have a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of "Access Persons." The policy requires that our Access Persons provide the CCO or his designee with a written report of their current securities holdings within ten (10) days after becoming an Access Person. Additionally, each Access Person must provide the CCO or his designee with a written report of the Access Person's current securities holdings at least once each twelve (12) month period thereafter on a date we select.

## **Review of Accounts**

While the underlying securities are continually monitored, reviews are conducted at least annually, or more frequently upon receipt of information material to the management of a client portfolio, or any time such review is deemed necessary or advisable by us, or upon specific client request. Reviews will be conducted by the Chief Compliance Officer. You may request that your IAR review your account more frequently and may set thresholds for triggering events that would cause a review by your IAR to take place. Generally, we will monitor changes and shifts in the economy, changes to the management and structure of a mutual fund or company in which client assets are invested, and market shifts and corrections. Other triggering events may include changes to our investment recommendations and changes to your financial situation and/or investment needs.

## **Account Statements and Reports**

Clients are provided with written transaction confirmations and account statements directly from the custodian. From time-to-time or as otherwise requested, clients may also receive written or electronic reports from us and/or an outside service provider, which contain certain account and/or market-related information, such as an inventory of account holdings or account performance. You should carefully review those statements promptly when you receive them, to review and verify activities including contributions and distributions reported in accounts. We urge you to compare the account statements you receive from your custodian with any documents or reports you receive from us or an outside service provider. If any discrepancies are noted, you should immediately report the findings to us, your IAR or



your custodians. Please Note: Each client is responsible for promptly notifying us of any change in the financial situation or investment objectives.

## **Client Referrals**

We have a limited number of arrangements whereby from time-to-time we may compensate, either directly or indirectly, affiliated and/or unaffiliated persons for client referrals and/or service. Under such arrangements, we generally pay a percentage of the investment advisory fee payable to us by the client. This fee may vary according to each agreement. Clients referred to us will not be charged more than similarly situated clients who were not referred to us. Clients referred to us will receive a copy of this Wrap Brochure along with a disclosure statement at the time of the referral. We may recommend a third-party advisor to manage a portion of a client's assets. In certain arrangements, the client pays their advisory fees to the third-party advisor who then remits a portion to us.

Individuals who refer business to more than one investment adviser may have a financial incentive to recommend advisers with more favorable compensation arrangements. Our promoters will disclose to you whether multiple referral relationships exist, and those comparable services may be available from other advisers. Referral fees paid to a promoter are contingent upon your entering into an advisory agreement with us. This creates a conflict of interest given that the promoter has a financial incentive to recommend our firm to you for advisory services. However, you are not obligated to retain our firm for advisory services. Comparable services and/or lower fees may be available through other firms. In addition, we have implemented a compliance program to monitor such conflicts and our relationships with promoters are periodically reviewed.

## **Other Compensation**

We receive economic benefit from custodians in the form of the support products and services made available to us and other independent investment advisors that have their clients maintain accounts. In addition, custodians may pay for certain products and services for which we would otherwise have to pay once the value of our clients' assets in accounts reaches a certain size. You do not pay more for assets maintained at these custodians as a result of these arrangements. However, we benefit from the arrangement because the cost of these services would otherwise be borne directly by us. You should consider these conflicts of interest when selecting a custodian. These products and services, how they benefit our firm, and the related conflicts of interest are described our Brochure (see Item 12 – Brokerage Practices of the ADV Part 2A). The availability of custodial products and services is not based on our firm giving particular investment advice, such as buying securities for our clients.

## **Financial Information**

We are not required to disclose any financial information due to the following:

- The Firm does not require or solicit the prepayment of more than \$1,200 in fees six months or more in advance of services rendered,
- The Firm does not take custody of client funds or securities,
- The Firm does not have a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients, and
- The Firm has not currently, nor have been, at any time the subject of a bankruptcy petition.

## **PRIVACY STATEMENT**

We are committed to safeguarding your confidential information and hold all personal information provided to us in the strictest confidence. These records include all personal information that we collect from you or receive from other firms in connection with any of the financial services they provide. We also require other firms with whom we deal to restrict the use of your information. Our Privacy Policy is

available upon request.