

## Item 1 Cover Page

Fifth Force Management  
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**This brochure provides information about the qualifications and business practices of Fifth Force Management, CRD# 325161. If you have any questions about the contents of this brochure, please contact us at 972-571-4397. 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. Registration as a registered investment advisor does not imply a certain level of skill or training.**

**Additional information about Fifth Force Management also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Item 2 Material Changes**

September 21, 2023. Items 5 and 6 have been amended to add performance-based fees.

The material changes discussed above are only those changes that have been made to this brochure since the firm's initial brochure filing on March 31, 2023.

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## **Item 4 Advisory Business**

Fifth Force Management is a multi-family office investment advisor firm that was formed in April 2021 and is a registered investment advisor under the Investment Advisers Act of 1940 (the “Act”) since March 2023.

The principal owner of Fifth Force is Ryan Chowdhury, Managing Director.

### Advisory Services

Fifth Force Management (“Fifth Force” or “Advisor”) is a family office investment advisor whose principal service is providing fee-based investment management and financial planning services. The Advisor practices custom management of portfolios, on a discretionary basis, according to the client’s objectives. The Advisor’s primary approach is to use a tactical allocation strategy aimed at reducing risk and increasing performance. The Advisor may use exchange listed securities, over-the-counter securities, warrants, corporate debt securities, commercial paper, CDs, municipal securities, mutual funds, United States government securities, options on securities, and interests in partnerships investing in real estate to accomplish this objective. The Advisor measures and selects mutual funds by using various criteria, such as the fund manager’s tenure, and/or overall career performance. The Advisor may recommend, on occasion, redistributing investment allocations to diversify the portfolio in an effort to reduce risk and increase performance. The Advisor may recommend specific stocks to increase sector weighting and/or dividend potential. The Advisor may recommend employing cash positions as a possible hedge against market movement which may adversely affect the portfolio. The Advisor may recommend selling positions for reasons that include, but are not limited to, harvesting capital gains or losses, business or sector risk exposure to a specific security or class of securities, overvaluation or overweighting of the position(s) in the portfolio, change in risk tolerance of client, or any risk deemed unacceptable for the client’s risk tolerance.

### Financial Planning

Fifth Force may provide financial planning services to some of its clients. The Advisor’s financial planning services may include recommendations for portfolio customization based on the client’s investment objectives, goals and financial situation, recommendations relating to investment strategies as well as tailored investment advice. Financial planning may also include non-investment advice such as developing strategies to achieve retirement or other financial goals, tax optimization strategies, cash flow and budgeting analysis and recommendations, financing and financial education, estate planning, and asset protection strategies.

### Family Office Services

In addition to the investment management and financial planning services, Fifth Force provides other services to its family office clients for separate fees. Those services include: bookkeeping, reporting and bill pay; and family governance, coaching and mentoring.

Fifth Force will tailor its advisory services to its client’s individual needs based on meetings and conversations with the client. If clients wish to impose certain restrictions on investing in certain securities or types of securities, the Advisor will address those restrictions with the client to have a clear understanding of the client’s requirements.

Fifth Force does not provide portfolio management services to wrap fee programs.

As of December 31, 2023, Fifth Force has \$315,000,000 in discretionary, and no non-discretionary client assets under management.

## **Item 5 Fees and Compensation**

### Asset Management Fees

Pursuant to an investment advisory contract signed by each client, the client will pay Fifth Force an annual management fee of 0.30% based on the value of portfolio assets managed by the Advisor at the end of each month. The fee is payable monthly in arrears. The management fee may be adjusted to account for significant contributions or withdrawals made to the account during the month. New account fees will be prorated from the inception of the account to the end of the first month.

These fees may be negotiated by Fifth Force at its sole discretion. Asset management fees will be directly deducted from the client account by the qualified custodian. The client will give written authorization permitting the Advisor to be paid directly from their account held by the custodian, and the custodian will send a statement at least quarterly to the client. Where it is not practical to deduct fees directly from client accounts, client will be sent an invoice at the beginning of each quarter. The invoice is payable upon receipt.

### Fees For Other Family Office Services

For clients that request them, Fifth Force charges separate asset-based fees (based on the assets being managed) for the other family office services it provides as follows:

- Bookkeeping, reporting, and bill pay services – 0.30% annually
- Family governance, coaching, and mentoring – 0.10% annually

These family office services fees are also negotiable and billed monthly in arrears and paid directly from the clients' account held by the custodian.

Where clients are charged asset-based investment management and family office services, the minimum annual fee is \$600,000.

### Fixed Fees

In lieu of the asset-based fees described above, certain clients will pay an annual fixed fee of \$500,000 payable quarterly in arrears. This fee is negotiable and directly deducted from the client account by the qualified custodian. As with the fees above, the fee will be defined in a written agreement that also provides the authorization to deduct the fees, and the custodian will send statements at least quarterly to the client.

### Performance Fees

For clients invested in private placement securities, client will pay a negotiated fixed fee as described above plus a performance fee of up to 20% of the profit from investments sourced by

Fifth Force. This fee is negotiable and will be deducted directly from the client account by the qualified custodian. As with the fees above, the fee will be defined in a written agreement that also provides authorization to deduct the fees, and the custodian will send statements at least quarterly to the client.

There is no additional fee for financial planning. Financial planning is included in the fees described above. All fees paid to Fifth Force for investment advisory services are separate and distinct from the expenses charged by mutual funds to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee and other fund expenses. Client is responsible for all custodial and securities execution fees charged by the custodian and executing broker-dealer. The Advisor's fee is separate and distinct from the custodian and execution fees.

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

#### **Item 6 Performance-Based Fees and Side-by-Side Management**

Qualified clients, as defined by Rule 205-3 of the Investment Adviser's Act, may enter into advisory agreements where Fifth Force is entitled to a performance fee as part or all of its compensation. Qualified clients must meet one or more of the following requirements:

- i. Client is a natural person who, or a company that, immediately after entering into the contract has at least \$1,100,000 under the management of the Advisor;
- ii. Client is a natural person who, or a company that, immediately prior to entering into the contract, has a net worth (together, in the case of a natural person, with assets held jointly with a spouse) of more than \$2,200,000 at the time the contract is entered into (excluding the equity in the Clients' primary residence) reduced by any indebtedness that is secured by the Client's primary residence in excess of the estimate fair market value of the residence;
- iii. Client is a qualified purchaser as defined in section 2(a)(51)(A) of the Investment Company Act of 1940 at the time the contract is entered into.

Suitability will be determined through due diligence inquiries determined to be appropriate in the circumstances by Fifth Force. Fifth Force, at its sole discretion, may reject any client application where the above financial standards are not met and/or where it reasonably believes the investor lacks the necessary financial sophistication, who purport to not fully understand Fifth Force's method of compensation and the nature of its risks, or who are otherwise deemed to be unsuitable for such an arrangement.

The firm may receive a Performance Fee, in addition to a negotiated fixed fee as described in Item 5 above, based upon any gains obtained in the client's account while the security is held. The fee will be calculated and paid when the position is liquidated. This fee will be equal to 20% of any gains in the client account during that period. For accounts terminated before the security is liquidated, Advisor will calculate the Performance Fee for the period from the initial acquisition of the security through the termination date and deduct the fee directly from the client account.

There is an inherent conflict of interest when a firm charges performance-based fees to some accounts and management fees based on a percentage of assets under management to other accounts, in that an advisor is incented to favor the accounts from which it will earn higher compensation. To mitigate this conflict, the firm provides its advisory services to all client accounts, including those clients who are not charged a performance fee. These services include evaluation of investor suitability and adhering to the investor risk profile when making investment decisions, client communications and account reviews that are the same for all clients, and availability by the firm and supervised persons to meet with clients as necessary. In addition, the firm maintains trading policies and a Code of Ethics that are intended to deliver consistency, that no one client is favored over another.

Another conflict of interest concerning accounts with performance-based fees is that the advisor is incented to use higher risk investments than called for by the client risk profile. Such investments may generate higher returns, which in turn would generate higher performance-based fees for the advisor. Fifth Force has a fiduciary obligation to its clients to put the interest of their clients first over and above the interest of the firm and its supervised persons. In addition, Fifth Force attempts to further mitigate this conflict by maintaining suitability and employing trading policies and procedures designed to assist the advisor in further meeting its fiduciary obligations to adhere to the client's agreed upon risk profile.

### **Item 7 Types of Clients**

Fifth Force is a family office advisor and offer its services to individuals and high net worth individuals and their related trusts and charities.

The Advisor has a \$50,000,000 minimum requirement across family assets to be managed to become a client. However, the Advisor may at its sole discretion accept accounts with a lower value.

### **Item 8 Methods of Analysis, Investment Strategies and Risk of Loss**

The Advisor utilizes fundamental analysis techniques in formulating investment advice or managing assets for clients.

Fundamental analysis of businesses involves analyzing its financial statements and health, its management and competitive advantages and its competitors and markets. Fundamental analysis is performed on historical and present data but with the goal of making financial forecasts. There are several possible objectives: to conduct a company stock valuation and predict its probable price evolution; to make a projection on its business performance; to evaluate its management and make internal business decisions; and to calculate its credit risk.

The investment strategies the Advisor will implement may include long-term purchases of securities held at least for one year, short-term purchases for securities sold within a year, trading of securities sold within 30 days, short sales, margin transactions, and option writing, including covered options, uncovered options or spreading strategies.

Clients need to be aware that investing in securities involves risk of loss that clients need to be prepared to bear.

The methods of analysis and investment strategies followed by the Advisor are utilized across all of the Advisors clients, as applicable. One method of analysis or investment strategy is not more significant than the other as the Advisor is considering the client's portfolio, risk tolerance, time horizon and individual goals. However, the client should be aware that with any trading that occurs in the client account, the client will incur transaction and administrative costs.

Investing includes the risk that the value of an investment can be negatively affected by factors specifically related to the investment (e.g., capability of management, competition, new inventions by other companies, lawsuits against the company, labor issues, patent expiration, etc.), or to factors related to investing and the markets in general (e.g., the economy, wars, civil unrest or terrorism around the world, concern about oil prices or unemployment, etc.).

Risks of fundamental analysis may include risks that market actions, natural disasters, government actions, world political events or other events not directly related to the price or valuation of a specific company's fundamental analysis can adversely impact the stock price of a company causing a portfolio containing that security to lose value. Risks may also include that the historical data and projections on which the fundamental analysis is performed may not continue to be relevant to the operations of a company going forward, or that management changes or the business direction of management of the company may not permit the company to continue to produce metrics that are consistent with the prior company data utilized in the fundamental analysis, which may negatively affect the Advisor's estimate of the valuation of the company.

All investments involve some degree of risk. In finance, risk refers to the degree of uncertainty and/or potential financial loss inherent in an investment decision. In general, as investment risks rise, investors seek higher returns to compensate themselves for taking such risks.

Every saving and investment product have different risks and returns. Differences include how readily investors can get their money when they need it, how fast their money will grow, and how safe their money will be. The primary risks faced by investors include:

#### Business Risk

With a stock, you are purchasing a piece of ownership in a company. With a bond, you are loaning money to a company. Returns from both of these investments require that the company stays in business. If a company goes bankrupt and its assets are liquidated, common stockholders are the last in line to share in the proceeds. If there are assets, the company's bondholders will be paid first, then holders of preferred stock. If you are a common stockholder, you get whatever is left, which may be nothing.

#### Volatility Risk

Even when companies aren't in danger of failing, their stock price may fluctuate up or down. Large company stocks as a group, for example, have lost money on average about one out



of every three years. A stock's price can be affected by factors inside the company, such as a faulty product, or by events the company has no control over, such as political or market events.

#### Inflation Risk

Inflation is a general upward movement of prices. Inflation reduces purchasing power, which is a risk for investors receiving a fixed rate of interest. The principal concern for individuals investing in cash equivalents is that inflation will erode returns.

#### Interest Rate Risk

Interest rate changes can affect a bond's value. If bonds are held to maturity the investor will receive the face value, plus interest. If sold before maturity, the bond may be worth more or less than the face value. Rising interest rates will make newly issued bonds more appealing to investors because the newer bonds will have a higher rate of interest than older ones. To sell an older bond with a lower interest rate, you might have to sell it at a discount.

#### Liquidity Risk

This refers to the risk that investors won't find a market for their securities, potentially preventing them from buying or selling when they want. This can be the case with the more complicated investment products. It may also be the case with products that charge a penalty for early withdrawal or liquidation such as a certificate of deposit (CD).

The Advisor does not primarily recommend a particular type of security. However, clients are advised that many unexpected broad environmental factors can negatively impact the value of portfolio securities causing the loss of some or all of the investment, including changes in interest rates, political events, natural disasters, and acts of war or terrorism. Further, factors relevant to specific securities may have negative effects on their value, such as competition or government regulation. Also, the factors for which the company was selected for inclusion in a client portfolio may change, for example, due to changes in management, new product introductions, or lawsuits.

### **Item 9 Disciplinary Information**

Neither Fifth Force nor its management persons have had any legal or disciplinary events, currently or in the past.

### **Item 10 Other Financial Industry Activities and Affiliations**

Neither Fifth Force nor any of its management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, or as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

Fifth Force does not currently have any relationships or arrangements that are material to its advisory business or clients with either a broker-dealer, municipal securities dealer, or government securities dealer or broker, investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund" and offshore fund), other investment advisor or financial planner, futures

commission merchant, commodity pool operator, or commodity trading advisor, banking or thrift institution, accountant or accounting firm, lawyer or law firm, insurance company or agency, pension consultant, real estate broker or dealer or sponsor of syndicator of limited partnerships.

Fifth Force does not recommend or select other investment advisors for clients.

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

Fifth Force is registered with the SEC and maintains a Code of Ethics pursuant to SEC rule 204A-1. Fifth Force has adopted a Code of Ethics that sets forth the basic policies of ethical conduct for all managers, officers, and employees of the adviser. In addition, the Code of Ethics governs personal trading by each employee of Fifth Force deemed to be an Access Person and is intended to ensure that securities transactions effected by Access Persons of Fifth Force are conducted in a manner that avoids any conflict of interest between such persons and clients of the adviser or its affiliates. Fifth Force collects and maintains records of securities holdings and securities transactions effected by Access Persons. These records are reviewed to identify and resolve conflicts of interest. Fifth Force will provide a copy of the Code of Ethics to any client or prospective client upon request.

Fifth Force does not recommend to clients, or buy or sell for client accounts, securities in which the firm or a related person has a material financial interest.

Fifth Force and/or its investment advisor representatives may from time to time purchase or sell products that they may recommend to clients. This practice creates conflicts of interest in that personnel of Fifth Force can take advantage of the advance knowledge of firm securities trading and trade their personal accounts ahead of the client trades or recommend trades in client accounts that may affect the price of the securities owned by the Investment Advisor Representatives. To mitigate these conflicts, Fifth Force has adopted a Code of Ethics as noted above. Fifth Force's Code of Ethics is available upon request. Finally, supervised persons of registered investment advisors are fiduciaries by law and are required to put the client's interest before those of the firm and themselves.

Fifth Force requires that its investment advisor representatives follow its basic policies and ethical standards as set forth in its Code of Ethics.

Investment Advisor Representatives of Fifth Force may trade for their own accounts securities that are being traded for client accounts at or about the same time. To mitigate the conflict of interest in such circumstances, Fifth Force's policy is to require the trading of all relevant client accounts prior to the trading of their own accounts. The Chief Compliance Officer examines personal trading activities of Fifth Force's personnel to verify compliance with this policy.

### **Item 12 Brokerage Practices**

Fifth Force does not select or recommend broker-dealers for client transactions.

Fifth Force does not receive research or other products or services other than execution from a broker-dealer or third party as a result of client securities transactions.

Fifth Force does not receive client referrals from any broker-dealer or third party as a result of the firm selecting or recommending that broker-dealer to clients.

Fifth Force does not recommend, request or require that a client direct it to execute transactions through a specified broker-dealer.

Fifth Force will allow clients to direct brokerage at the firm's sole discretion. Clients should be aware that if they direct Fifth Force to a particular broker-dealer for execution Fifth Force may be unable to achieve most favorable execution of client transactions. Directing brokerage may cost clients more money than if Fifth Force were to execute transactions at the broker-dealer where it has an established relationship. The client may pay higher brokerage commissions because Fifth Force may not be able to aggregate orders to reduce transaction costs or the client may receive less favorable prices.

Fifth Force does not aggregate trades because the trades are executed at multiple custodians.

### **Item 13 Review of Accounts**

The firm reviews client accounts on a quarterly basis, or when conditions would warrant a review based on market conditions or changes in client circumstances. Triggering factors may include Fifth Force becoming aware of a change in client's investment objectives, a change in market conditions, change of employment, or a change in recommended asset allocation weightings in the account that exceed a predefined guideline. Client accounts are reviewed by Ryan Chowdhury, Managing Director.

The client is encouraged to notify the Advisor and Investment Advisor Representative if changes occur in his/her personal financial situation that might materially affect his/her investment plan.

The client will receive written statements no less than quarterly from the custodian. In addition, the client will receive other supporting reports from mutual funds, asset managers, trust companies or other custodians, broker-dealers and others who are involved with client accounts. Fifth Force provides quarterly reports to clients that includes a market summary and performance over the past quarter. Clients are urged to compare the account statements they receive from the qualified custodian with the reports they receive from Fifth Force. Any discrepancies should be immediately brought to the firm's attention.

### **Item 14 Client Referrals and Other Compensation**

Fifth Force is not compensated by anyone for providing investment advice or other advisory services except as disclosed in this Brochure.

Fifth Force does not directly or indirectly compensate any person who is not a supervised person for client referrals.

## **Item 15 Custody**

Fifth Force has custody of client assets due to both the ability to directly deduct its fees from client accounts, and where Fifth Force provides bill pay services. Fifth Force complies with the requirements of the Custody Rule (Rule 206(4)-2 of the Act, including being subject to an annual surprise verification of the accounts for which it has custody by an independent public accountant.

The banks, broker-dealers, and trust companies that have custody of client assets provide account statements directly to clients on at least a quarterly basis. Clients are urged to compare the account statement they receive from the qualified custodian with those they receive from Fifth Force. Any discrepancies should be immediately brought to the firm's attention.

## **Item 16 Investment Discretion**

Fifth Force generally has discretion over the selection and amount of securities to be bought or sold in client accounts without obtaining prior consent or approval from the client for each transaction. However, these purchases or sales may be subject to specified investment objectives, guidelines, or limitations previously set forth by the client and agreed to by Fifth Force.

Discretionary authority will only be provided upon full disclosure to the client. The granting of such authority will be evidenced by the client's execution of an Investment Advisory Agreement containing all applicable limitations to such authority. All discretionary trades made by Fifth Force will be in accordance with each client's investment objectives and goals.

## **Item 17 Voting Client Securities**

Fifth Force will not vote, nor advise clients how to vote, proxies for securities held in client accounts. The client clearly keeps the authority and responsibility for the voting of these proxies. Also, Fifth Force cannot give any advice or take any action with respect to the voting of these proxies. The client and Fifth Force agree to this by contract. Clients will receive proxy solicitations from their custodian and/or transfer agent.

## **Item 18 Financial Information**

Fifth Force does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, and is not required to file a balance sheet.

Fifth Force has discretionary authority over client accounts and is not aware of any financial condition that will likely impair its ability to meet contractual commitments to clients. If Fifth Force does become aware of any such financial condition, this Brochure will be updated and clients will be notified.

Fifth Force has never been subject to a bankruptcy petition.