

**Part 2A of Form ADV: Firm Brochure**

Item 1 Cover Page

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This brochure provides information about the qualifications and business practices of Syndicated Capital, Inc. If you have any questions about the contents of this brochure, please contact us at (310) 751-7098 and/or [compliance@syndicatedcapital.com](mailto:compliance@syndicatedcapital.com). 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 Syndicated Capital, Inc. also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Syndicated Capital, Inc. is a registered investment advisory firm. It does not imply a certain level of skill or training.

March 28, 2024

Item 2 Material Changes

There was no material change in 2023.

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Item 4 Advisory Business

Syndicated Capital, Inc., ("SCI") a state registered investment advisor, has been in business since 2009.

SCI is privately owned by SC ADD Holdings, LLC and H Baines & L McAdams Living Trust.

SCI investment advisory services including money management, portfolio management and wealth management.

SCI offers customized advisory services to the individual needs of clients on discretionary and non discretionary basis. Clients may impose restrictions on investing in certain securities or types of securities. These accounts would be managed in separate accounts and may be entitled to breakpoint, if applicable.

All material conflicts or interest under CCR Section 260.239(k) are disclosed regarding the investment adviser, its representatives or any of its employees, which could be reasonably expected to impair the rendering of unbiased and objective advice.

As of December 31, 2023, SCI manages over \$109 million dollars on discretionary basis and nearly \$6 million dollars on non discretionary basis.

## Item 5 Fees and Compensation

Our standard fee is 2%. Clients can negotiate fees with the advisers.

Clients pay ticket charges. Fees and ticket charges are negotiable with advisers.

Advisers receive 12B-1 compensation for recommending certain mutual funds.

Management fees are deducted from clients' accounts upon opening of the accounts; thereafter in January, April, July and October in advance of the calendar quarter.

Management fees are deducted from the clients' accounts. Pershing generates statements that indicate the total asset value for the quarter and the amount of the fees deducted.

Clients may request full fee refund, in writing, within the first 5 business days following execution of investment advisory agreement. Thereafter, refunds are prorated.

Clients may pay custodian fees and mutual fund expenses. Clients will incur brokerage and transaction costs. Details are available in Item 12 (Brokerage Practices) and new account applications.

Management fees are charged in advance, based on the average of previous quarter's three-month-end balances multiplied by the annual fee rate as adjusted to reflect a calendar quarter period and that lowers fees for comparable services may be available from other sources.

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

Syndicated Capital, Inc. does not accept performance-based fees or side-by-side management.

Item 7      Types of *Clients*

Syndicated Capital, Inc. provides investment advice to individuals, trusts, corporations and 401K plans.

Syndicated Capital, Inc. does not impose minimum balance when opening accounts or maintenance requirement.

Investment strategies are based on clients' investment objective, risk tolerance, time horizon along with unique circumstances. Investing in securities involves risk of loss that clients should be prepared to bear. Past performance is not indicative of future results.

Clients invest in publicly traded equities, ETFs, fixed income and mutual funds by managing risk and creating balanced portfolios.

Syndicated Capital, Inc. does not offer any proprietary or particular type of security or product or hedge funds.

Although Syndicated Capital makes every effort to preserve each client's capital and achieve real growth of wealth, investing in the securities involve risk of loss that each client should be prepare to bear.

Investors working with Syndicated Capital advisers may lose money and success cannot be guaranteed.

There are risks associated with all investment products. These risks include:

Market Risk The prices of the securities may decline for a number of reasons including in response to economic development and perceptions about the creditworthiness of individual issuers.

Management Risk Investment strategies that involve active management is subject to management risk. These strategies might not work to produce the desired results.

Interest Rate Risk In general, the value of bonds and other debt securities falls when interest rates rise. Longer term obligations are usually more sensitive to interest rate changes than shorter term obligations.

Credit Risk The issuers of the bonds and other debt securities held in customer portfolios may be able to make interest or principal payments.

Prepayment Risk Issuers of securities held in customer portfolios may be able to prepay principal due on these securities, particularly during periods of declining interest rates. Securities subject to prepayment risk generally offer less potential for gains when interest rates decline, and may offer a greater potential for loss when interest rates rise. Prepayment risk is a major risk of mortgage-backed securities.

Risks Associated with Mortgage-Backed Securities These risks include Market Risk, Interest Rate Risk, Credit Risk, Prepayment Risk as well as the risk that the structure of certain mortgage-backed securities may make their reaction to interest rates and other factors difficult to predict, making their prices very volatile.

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Item 9      Disciplinary Information

FINRA fined SCI \$5,000 for a net capital violation in 2004 as a result of unauthorized trades executed by a former branch office.

SCI is in full compliance with FINRA's net capital requirement of \$100,000.

FINRA fined SCI \$15,000 in 2012 for failure to reasonable supervise the participation of a former registered representative's private securities transactions and failure to record these transactions on the books and records.

In July 2014, State of Connecticut imposed a \$10,000 administrative penalty in connection with a former registered representative who engaged in a Ponzi scheme while affiliated with Syndicated Capital in 2006.

The above events occurred with the broker dealer of Syndicated Capital, Inc. and had no impact on the investment advisory activities or its clients.

In March 2019, SCI voluntarily reported omissions of fact made to some clients regarding potential conflicts of interest in some mutual fund classes. SCI assumed responsibility, including paying disgorgement and prejudgment interest to affected investors. For additional information, please visit <https://www.sec.gov/litigation/admin/2019/ia-5181.pdf>

Item 10 Other Financial Industry Activities and Affiliations

Syndicated Capital, Inc. is an independent broker dealer, member FINRA/SIPC.

Management persons are dual registered with the broker dealer and investment advisory firm.

J Lloyd McAdams is also affiliated with Pacific Income Advisers (PIA), an SEC registered investment advisory firm.

J Lloyd McAdams is a general partner to his personal limited partnerships. They are not open to the public nor outside investors are permitted.

J Lloyd McAdams does not solicit, service or manage any SCI advisory accounts.

Faith Lee, Pamela Kim and Patrick Lee do not solicit or manage any SCI advisory accounts. They provide services limited to operations related activities.

Steve Thornton does not solicit, service or manage any SCI advisory accounts.

Heather Baines does not solicit, service or manage any SCI advisory accounts.

SCI does not offer any special or preferred arrangements to PIA.

SCI does not receive compensation from PIA.

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

If Syndicated Capital, Inc. recommends securities to clients, or buys or sells securities for client accounts, at or about the same time that Syndicated Capital or a related person buys or sells the same securities for own account, Syndicated Capital will aggregate the same securities and allocate them accordingly based on average executed prices.

A copy of the code of ethics is available upon request.

Syndicated Capital, Inc. does not exchange research reports for soft dollar benefits.

Since 2003, Syndicated Capital, Inc. has maintained a fully disclosed clearing agreement with Pershing LLC. Therefore, all clients are directed to open accounts with Pershing. It offers comprehensive products and cost effective solutions. Clients have online access as well as paperless confirmations and statements.

Paper Confirmation    \$1/confirmation

Paper Statement      \$2/statement

**Ticket & Handling Charges**

Equities            \$28

ETFs                28

Fixed Income    29

Mutual Funds    24

Retirement accounts are assessed \$60/year/account. See new account application for details.

Syndicated Capital, Inc. may aggregate the purchase or sale of securities for various client accounts when multiple clients are executing the same securities on the same day.

Clients are not required to open accounts with Pershing as it may not achieve most favorable executions of client transactions, and that this practice may cost clients more money.

Item 13      Review of Accounts

Accounts are reviewed by a compliance and back office principal as they occur and as clients' financial profiles change, including but not limited to investment objective, risk tolerance and time horizon.

Principal includes Faith Lee.

Account reviews take place periodically.

Item 14      *Client* Referrals and Other Compensation

Syndicated Capital, Inc. does not offer client referral compensation.

On a case-by-case basis, clients may receive reduced management fees when clients refer others to Syndicated Capital, Inc. This is directly negotiated with the investment adviser.

In State of Washington, clients do not receive reduced management fees when clients refer others to Syndicated Capital, Inc.

Item 15      *Custody*

Syndicated Capital, Inc. has indirect custody of client funds since it withdraws client fees from client accounts via Pershing. Clients' written approval to withdraw fees from their accounts are maintained on file.

Pershing LLC custody client funds and securities. Pershing LLC delivers confirmations and statements quarterly or more frequent. Clients should carefully review them.

Item 16      Investment Discretion

Syndicated Capital, Inc. accepts discretionary authority to manage securities accounts on behalf of clients. Discretion is limited to trading only. All discretionary accounts require executed limited trading authorization on file.



Item 17      Voting *Client* Securities

Syndicated Capital, Inc. does not respond to proxy voting on behalf of clients.

Clients will receive their proxies or other solicitations directly from their custodian or transfer agent.  
Clients can contact Syndicated Capital, Inc. or the servicing investment adviser with questions related to the information they have received.

Item 18 Financial Information

Syndicated Capital, Inc. does not require or solicit prepayment of more than \$500 in fees per client, six months or more in advance.

**J. Lloyd McAdams, CFA, CEBS (1945)**

Education

M.B.A., University of Tennessee

B.S., Statistics, Stanford University

Business Background

*Pacific Income Advisors, Inc.*, President and Chief Investment Officer (1986-Present)

*Syndicated Capital, Inc.*, Registered Principal (1991-Present)

*PIA Farmland, Inc.*, Director and Chairman (2013 - Present)

**Faith Lee (1964)**

**President**

Business Background

*Syndicated Capital, Inc.*, President and Chief Compliance Officer (2003 - Present)

**Steve Thornton (1969)**

**FINOP, CFO**

Business Background

*Syndicated Capital, Inc.*, FINOP and CFO (2004 - Present)

**Heather Baines (1941)**

**Owner**

Education

B.A., Business, Antioch College

Business Background

*Syndicated Capital, Inc.*, owner (2011 - Present)

No management or its advisers receive performance-based fees.

No management has been involved in any arbitration claims more than \$2,500.

There are no special or preferred arrangements between Syndicated Capital and Pacific Incomes Advisors.

Additional Portfolio Managers and Registered Investment Advisers can be found on page 22.

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Liquidity Risk Low or lack of trading volume may make it difficult to sell securities held in client portfolios at quoted market prices.

Derivative Risk Client portfolio may invest in derivative securities for both bona fide hedging purposes and for speculative purposes. A derivative security is a financial contract whose value is based on (or “derived from”) a traditional security (such as a bond) or a market index. Derivatives involve the risk of improper valuation, the risk of ambiguous documentation and the risk that changes in the value of the derivative may not correlate perfectly with the underlying security.

Leverage Risk The use of leverage can enhance investment returns. Leverage, however, also increases risks. The use of leverage increases the risk of loss resulting from various factors including rising interest rates, increased interest rate volatility, downturns in the economy and reductions in the availability of financing or deterioration in the conditions of any of the portfolio investment assets.

Adjustable Rate and Floating Rate Securities Risks Although adjustable and floating rate debt securities tend to be less volatile than fixed-rate debt securities, they nevertheless fluctuate in value.

Risks Associated with Inflation and Deflation Inflation risk is the risk that the rising cost of living may erode the purchasing power of an investment over time. Deflation risk is the risk that prices throughout the economy decline over time - the opposite of inflation.

Non-Diversification Risk When a portfolio invests in non-diversified mutual funds, it will invest in fewer securities than a diversified mutual fund and its performance may be more volatile because changes in a single security in the Fund's portfolio may have a greater effect on the portfolio. If the securities in which the portfolio invests perform poorly, the portfolio could incur greater losses than if the portfolio was diversified.

Portfolio Turnover Risk A high portfolio turnover rate (100% or more) has the potential to result in the realization and distribution to shareholders of higher capital gains, which may subject you to a higher tax liability. A high portfolio turnover rate also leads to higher transactions costs.

To Be Announced ("TBA") Securities Risk Client portfolios may invest in TBA securities. In a TBA transaction, a seller agrees to deliver a security at a future date, but does not specify the particular security to be delivered. Instead, the seller agrees to accept any security that meets specified terms. The principal risks of TBA transactions are increased credit risk and increased overall investment exposure.

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Risks Associated with High Yield Securities Clients may invest in high yield securities. Securities with ratings lower than BBB or Baa are known as "high yield" securities (commonly known as "junk bonds"). High yield securities provide greater income and opportunity for gains than higher-rated securities but entail greater risk of loss of principal.

CMO Risk A CMO is a hybrid between a mortgage-backed bond and a mortgage pass-through security. Similar to a bond, interest and prepaid principal on CMOs is paid, in most cases, semi-annually. CMOs may be collateralized by whole mortgage loans, but are more typically collateralized by portfolios of mortgage pass-through securities guaranteed by GNMA, FHLMC or FNM, and their income streams. CMOs may offer a higher yield than U.S. government securities, but they may also be subject to greater price fluctuation and credit risk.

Government-Sponsored Entities Risk Clients may invest in securities issued or guaranteed by government-sponsored entities, including GNMA, FNM and FHLMC. However, these securities may not be guaranteed or insured by the U.S. Government and may only be supported by the credit of the issuing agency.

Foreign Securities Risk Client may invest some or all assets in securities of foreign issuers denominated in U.S. dollars, including issuers in emerging markets. Foreign economies may differ from domestic companies in the same industry. Foreign economies may differ from domestic companies in the same industry. Investment in emerging markets involves additional risks, including less social, political and economic stability, smaller securities markets and lower trading volume, restrictive national policies and less developed legal structures.

Preferred Stock Risk Preferred stocks may be more volatile than fixed income securities and are more correlated with the issuer's underlying common stock than fixed income securities. Additionally, the dividend on a preferred stock may be changed or omitted by the issuer.

Foreign Securities and Emerging Markets Risk Clients may invest in foreign investments may be adversely affected by changes in the foreign country's exchange rates, political and social instability, changes in economic or taxation policies, decreased illiquidity and increased volatility. Foreign companies may be subject to less regulation than U.S. companies. Investment in emerging markets involves additional risks, including less social, political and economic stability, smaller securities markets and lower trading volume, restrictive national policies and less developed legal structures.

Currency Risk Client portfolios may be subject to the risk that foreign currencies will decline in value relative to the U.S. dollar, or, in the case of hedging positions, that the U.S. dollar will decline in value relative to the currency being hedged.

Additional portfolio managers and registered investment advisers.

Bradley J Boeck, ChFC (1976)

Registered Representative & Registered Investment Representative & Portfolio Manager

**Education**

B.A., University of California, Santa Barbara

**Business Background**

Syndicated Capital, Inc. since 2009

Julia Cheng, CFP (1953)

Registered Representative & Registered Investment Representative

**Business Background**

Syndicated Capital, Inc. since 2020

Jerome Graham (1958)

Registered Representative & Registered Investment Representative

**Business Background**

Syndicated Capital, Inc. since 2003

Mark Juloya (1980)

Registered Investment Representative

**Business Background**

Syndicated Capital, Inc. since 2022

Stephen Kagawa, LUTCF, FSS (1961)

Registered Representative & Registered Investment Representative

**Business Background**

Syndicated Capital, Inc. since 2010

Pamela Kim, CFP (1988)

Registered Principal & Registered Investment Representative

**Education**

B.A., Psychology, University of California, Irvine

**Business Background**

Syndicated Capital, Inc. since 2007

Additional portfolio managers and registered investment advisers.

Patrick Lee (1989)

Registered Principal & Portfolio Manager

**Education**

B.A., International Studies, University of California, Irvine

**Business Background**

Syndicated Capital, Inc. since 2007

Michael Nguyen (1981)

Registered Representative & Registered Investment Representative

**Business Background**

Syndicated Capital, Inc. since 2021

Travus Pope (1976)

Registered Representative & Registered Investment Representative

**Education**

B.A., Political Science, University of Connecticut

**Business Background**

Syndicated Capital, Inc. since 2007

Frank Schweitzer (1947)

Registered Representative & Registered Investment Representative

**Education**

B.A., History, University of California, Los Angeles

**Business Background**

Insurance Agent since 1971

Syndicated Capital, Inc. since 2014

Brian Van Winkle (1969)

**Education**

B.A., Ohio State University

**Business Background**

Syndicated Capital, Inc. since 2003