

Deltec Investment Advisers Limited

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FORM ADV PART 2A BROCHURE

This brochure provides information about the qualifications and business practices of Deltec Investment Advisers Limited. If you have any questions about the contents of this brochure, please contact us at 242-302-4110. 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 Deltec Investment Advisers Limited is available on the SEC's website at www.adviserinfo.sec.gov.

Deltec Investment Advisers Limited is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

Item 2 Summary of Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

Since our last annual updating amendment, dated March 27, 2023 we have no material changes to report.

Item 3 Table Of Contents

Item 1 Cover Page	Page 1
Item 2 Summary of Material Changes	Page 2
Item 3 Table Of Contents	Page 3
Item 4 Advisory Business	Page 4
Item 5 Fees and Compensation	Page 9
Item 6 Performance-Based Fees and Side-By-Side Management	Page 12
Item 7 Types of Clients	Page 12
Item 8 Methods of Analysis, Investment Strategies and Risk of Loss	Page 12
Item 9 Disciplinary Information	Page 14
Item 10 Other Financial Industry Activities and Affiliations	Page 15
Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	Page 15
Item 12 Brokerage Practices	Page 16
Item 13 Review of Accounts	Page 17
Item 14 Client Referrals and Other Compensation	Page 17
Item 15 Custody	Page 18
Item 16 Investment Discretion	Page 19
Item 17 Voting Client Securities	Page 20
Item 18 Financial Information	Page 20
Item 19 Requirements for State-Registered Advisers	Page 20
Item 20 Additional Information	Page 20

Item 4 Advisory Business

A. Description of the Advisory Firm

Deltec Investment Advisers Limited ("DIAL") is a registered investment adviser based in Nassau, Bahamas. We are organized as an international business company under the laws of the Commonwealth of the Bahamas and have been in business since February 2013. Deltec International Group ("DIG") is our principal owner. DIG is a Cayman Islands corporation. Schell Stubbs is our Chief Compliance Officer, Jean Chalopin is our President, and Terence Girling is our Secretary.

As used in this brochure, the words "we", "our" and "us" refer to Deltec Investment Advisers Limited and the words "you", "your" and "client" refer to you as either a client or prospective client of our firm.

B. Description of Services

1. Investment Advisory Services

DIAL offers investment advisory services to wealthy individuals and families as well as to certain trusts, foundations, and other corporate entities. These services include, but are not limited to, the following:

1. Portfolio Management and Financial Planning Services
2. Security, Strategy and Manager Selection (Selection of Other Advisers)
3. Fund Management

DIAL's investment advisory services integrate the fundamentals of financial planning with the full range of portfolio construction and management techniques in order to provide objective advice through an open architecture platform. DIAL works individually with each client to develop a tailored investment policy based on the specific goals, objectives, risk tolerance, time horizon, liquidity and cash flow needs of each pool of assets (or grouping of accounts/portfolios) the client may own or control. The investment policy for individuals and families considers a variety of inputs which include a set of financial statements (Balance sheet, Income statement, cash flow statement and budget), tax returns, estate planning efforts as well as philanthropic and legacy issues and desires. We typically work with your other professionals (accountant, estate lawyer, insurance agent, etc.) in order to provide you with comprehensive investment advisory services. These inputs, along with a number of qualitative factors such as your risk tolerances and investment experience and disposition, are used to form the basis of our investment recommendations. Our advice is captured in an investment policy statement (IPS) that is created in collaboration with you. The IPS serves to document the goals and objectives of the portfolio or group of portfolios, risk tolerances, limits and restrictions on specific investments, investment types, structures and strategies. The IPS is reviewed periodically, but no less than annually, and is updated when appropriate.

The following paragraphs describe our services in more detail. Please refer to the description of each service listed below for information on how we tailor them to your individual needs.

a. Portfolio Management and Financial Planning Services

We offer discretionary and non-discretionary portfolio management services. Our investment advice is tailored to meet our clients' goals, needs and investment objectives. If you retain our firm for portfolio management services, we will meet with you to determine your investment goals and objectives, risk tolerance, time horizon and other relevant information at the beginning of our advisory relationship. Based on our discussions with you we will create an Investment Policy Statement (IPS) which outlines your current situation (income, tax levels, goals and objectives, and risk tolerance, among others). The

IPS will outline a plan and the strategies that will enable our firm to give you continuous and focused investment advice and/or to make investments on your behalf. As part of our portfolio management services, we will customize an investment portfolio for you according to your risk tolerance and goals and objectives. We may also invest your assets using a predefined strategy, or we may invest your assets according to one or more model portfolios developed by our firm. Once we construct an investment portfolio for you, or select a model portfolio, we will monitor your portfolio's performance on an ongoing basis, and will rebalance the portfolio to meet changes in market conditions, regulations, the tax code or your financial circumstances.

If you participate in our discretionary portfolio management services, we require you to grant our firm discretionary authority to manage your account. Discretionary authorization will allow us, without your approval prior to each transaction, to determine the specific securities, strategies and managers and the amount to invest in each for your account. Discretionary authority is granted through the investment advisory agreement you sign with our firm along with the appropriate trading authorization forms. You may limit our discretionary authority (for example, limiting the types of securities that can be purchased for your account) by providing our firm with your restrictions and guidelines in writing. If you enter into non-discretionary arrangements with our firm, we must obtain your approval prior to executing any transaction or the hiring/firing of an investment manager on behalf of your account.

In conjunction with our portfolio management service, we may also offer broad based financial planning services. These services typically involve providing a variety of advisory services to clients regarding the management of their financial resources based upon an analysis of their individual needs. We will meet with you to gather information about your financial circumstances and objectives. Part of this review process includes the review of prior tax returns and an evaluation of any estate planning efforts you have made. We use many financial planning tools to determine your current financial position and to define and quantify your short-term as well as long-term goals and objectives; these include financial statements (balance sheet, income statement, cash flow statement and budgets). Once we review and analyze the information you provide us and the data derived from our financial planning analysis, we will develop a plan for you which will be designed to help you achieve your stated financial goals and objectives. Once we are able to determine your long-term objectives (both financial and non-financial) we recommend a long-term, strategic asset allocation for your portfolio. With the long-term strategic asset allocation in place we then have the opportunity to overlay shorter-term, over/under weights to take advantage of potential apparent asset mis-valuations and market dislocations. This entire plan will be incorporated into the Investment Policy Statement we create for you.

Financial plans are based on your financial situation at the time we present the plan to you, and on the financial information you provide to us. You must promptly notify our firm if your financial situation, goals, objectives, or needs change.

i. Asset Allocation

There are a number of dynamics involved in making asset allocation decisions. Our approach to asset allocation involves a two-staged process.

Stage One: The first stage begins with an analysis and consideration of the client goals and objectives. The purpose of this stage is to determine the appropriate allocation to short term, intermediate term and long term sub-portfolios intended to meet the client goals and objectives with similar time horizons. To the extent that some client objectives have a short-term time frame or involve a significant cash flow requirement, we generally allocate a portion of client assets to a short-term cash flow and liquidity sub-portfolio. This sub-portfolio primarily holds cash and high quality fixed income investments taking into account each client's structure and tax considerations. Assets with higher expected returns and higher

levels of potential volatility (uncertainty) are appropriately associated with intermediate-term and longer-term client objectives. In those cases, intermediate-term and long-term sub portfolios are developed to meet these client goals and objectives using similar time horizons. Through this first stage we strive to appropriately size a series of sub-portfolios designed to meet specific client goals and objectives. We believe that this process allows for the allocation of risk in proper proportion to the time frame of client goals. This goals-based approach works to build durable portfolios that are designed to stand the test of both time and market volatility.

Stage Two: The second stage seeks to create an appropriate allocation of assets *within* each of the various sub-portfolios.

ii. Investment Policy Creation, Monitoring and Updating

We have created a comprehensive and thoughtful process to prepare detailed Investment Policy Statements (IPS) for our clients.

In order to begin working on your portfolio as soon as possible, our team will complete an analysis of your current investment portfolio and draft an Executive Summary version of an IPS to outline our understanding of account structures, investment goals and strategies. This first stage in developing the IPS includes the following:

- Outlining asset ownership and structure
- Reviewing current portfolio attributes and exposures concentrating on any out-sized positions or sources of risk on both an aggregated and individual portfolio level
- Understanding any constraints or restrictions that the portfolio(s) may be subject to
- Overview of goals, objectives, risk tolerances

The Executive Summary serves as a launching point for a more comprehensive and detailed series of meetings and discussions with you. Typically, this discussion period may take place over the initial three to six months of our relationship. The resulting and fully developed IPS seeks to outline the following:

- A clear understanding of the investment goals and objectives of your portfolio(s) including income distribution targets and liquidity needs
- The parties who will participate in the development, implementation, management, and evaluation of your portfolio(s)
- Define and assign responsibilities among all parties involved
- Set limitations and define restrictions for the investment of your portfolio(s)
- The relevant investment horizon for which your portfolio(s) will be managed
- The basis of evaluating the investment results of your portfolio(s) including benchmarks
- A strategic, long-term asset allocation policy set within a goals-based framework
- The exposure limits to asset class, specific investments or types of investment
- Other considerations such as taxes, fees and general investment philosophy issues

b. Security, Strategy and Manager Selection (Selection of Other Advisers)

For the majority of DIAL's clients, DIAL provides investment supervisory services using individual securities, separately managed portfolios and pooled investment vehicles, including, but not limited to, limited partnerships, international business companies, and hedge funds. Detailed information can be found about the partnerships and hedge funds in each of their private placement memoranda ("PPMs").

A rigorous due diligence and evaluation process is used to evaluate specific investments, investment strategies, investment managers and funds. We employ both quantitative and qualitative techniques to identify Investments and managers we believe are best qualified to meet our clients' objectives. To the extent clients are invested directly or indirectly in unaffiliated funds, the managers of such funds will have their own investment practices, and those independent investment practices will be described in each manager's Form ADVs or such funds' offering documents.

With regard to its investment advisory services, DIAL's specialization is not in one given instrument or asset class, but rather in the ongoing process of: 1) Assessing our clients' objectives; 2) Developing an appropriate asset allocation to achieve those objectives and modifying that allocation when risks/opportunities are present in the markets; and 3) Evaluating investments and assessing where it is most appropriate to use active or passive strategies.

As part of our investment advisory services, we may recommend that you invest part or all of a portfolio in hedge funds which would be managed separately by hedge fund managers. After gathering information about your financial situation and objectives, we may recommend that you invest in a specific hedge fund program. Factors that we take into consideration when making our recommendation(s) include, but are not limited to, the following: the manager's performance, methods of analysis, fees, your financial needs, investment goals, risk tolerance, and investment objectives. On an ongoing basis we will monitor the manager's performance to ensure its management and investment style remains aligned with your investment goals and objectives.

c. Fund Management

DIAL may serve as an investment manager to various international business companies or other hedge or private funds in which clients are solicited to invest. To the extent that DIAL advises clients to purchase interests in these private funds, or similar investment vehicles established by DIAL or an affiliate of DIAL, client assets invested in such IBCs or other types of private funds will generally be included in the total assets on which DIAL charges its regular investment management fee.

The respective offering memorandum for each of the private funds managed by DIAL or its affiliates would contain a detailed description of each fund's investment strategy and the associated investment risks, including material conflicts of interest with DIAL and its affiliates. These funds would be offered only to prospective investors who meet the qualification requirements of each respective fund pursuant to a private placement memorandum. An investment in such funds is speculative and involves a high degree of risk. The funds generally are not subject to regulatory restrictions or oversight. Opportunities for redemptions and transferability of interests in the funds are generally restricted so investors may not have access to their capital if and when it is needed. There is no secondary market for an investor's interest in the funds and none is expected to develop. Each fund's management and incentive fees/allocations (if applicable), and expenses, may offset trading profits. An investor should not invest in the funds unless the investor is prepared to lose all or a substantial portion of its investment.

DIAL may recommend to individual and institutional clients that they purchase shares of funds sponsored and/or advised by DIAL or an affiliate pending investment of assets or as part of their investment program. DIAL's recommendation of such funds could create a potential conflict of interest in that DIAL or an affiliate receives a management fee in connection with the management of such funds. Therefore, DIAL faces a potential conflict of interest in that it may have an incentive to recommend a fund which they manage over another vehicle that they do not manage. However, as previously mentioned, the following factors and policies mitigate such potential conflicts of interest:

- DIAL employees must act in the best interests of clients and in accordance with DIAL's fiduciary obligations to clients.
- In light of the nature of DIAL's business and client base, clients typically choose the investment vehicle utilized with respect to a particular mandate.

Clients, along with other fund shareholders, bear a proportionate share of the expenses of those funds including, to the extent permitted by law, the management fee paid to DIAL or an affiliate. With respect to funds that pay distribution fees, clients may also bear a portion of the distribution fee.

2. Portfolio Aggregation & Reporting Services

We offer our clients the ability to report on their investments in a variety of ways. We have the ability to provide reporting on all publicly traded investments you may own, whether that be the assets that we are directly managing or assets that you own in any type of investment or bank account. Additionally, our systems have been built to track and report on illiquid (non-publicly traded) investments, providing the capability to monitor the performance of alternative investment managers.

We have the ability to report on virtually any level – from security level to portfolio level, from individual to family level. Our standard reporting package is customized to each client and can be modified on an ongoing basis.

C. Types of Investments

We primarily offer advice on all types of investments including, but not limited to equity securities, warrants, government debt securities, corporate debt securities, commercial paper, municipal securities, investment company securities including mutual funds and ETFs, REITs, options contracts on securities and commodities, futures contracts on securities and commodities, and interest in partnerships investing in real estate, oil and gas interests, hedge funds, private equity, structured products, and others.

Additionally, we may advise you on any type of investment that we deem appropriate based on your stated goals and objectives. We may also provide advice on any type of investment held in your portfolio at the inception of our advisory relationship.

You may request that we refrain from investing in particular securities or certain types of securities or funds. You must provide these restrictions to our firm in writing.

D. Assets Under Management

As of December 31, 2023, we provide continuous management services for \$18,369,633 in client assets on a discretionary basis, and \$1,716,830 in client assets on a non-discretionary basis.

E. Wrap Fee Program(s)

A wrap fee program is an investment program where the investor pays one state fee that includes management fees, transaction costs, fund expenses, and any other administrative fees. DIAL does not participate in any wrap fee programs.

Item 5 Fees and Compensation

A. Investment Advisory Services & Portfolio Aggregation and Reporting Services Fee Schedule

Investment advisory services include portfolio construction and management services, financial planning services, asset allocation, investment policy creation, monitoring and updating, selection of other advisers, and performance measurement. In consideration for the investment advisory services you choose, you will be charged an asset-based annual fee for these services. To the extent you designate certain assets over which DIAL does not provide investment advisory services, but with respect to which DIAL provides portfolio aggregation and reporting services, you will be charged an asset-based annual fee for these portfolio aggregation and reporting services.

Asset-Based Fees

You may choose any one, all or a combination of these investment advisory and aggregation/ reporting services. The investment advisory fee and the portfolio aggregation and reporting fee are based on a percentage of your assets we manage (and/or aggregate and report on) and are set forth in the following fee schedule:

Asset-Based Annual Fee for Investment Advisory Services	Assets Under Management
1.50% on the first	\$10,000,000
1.00% for next	\$15,000,000
0.65% for next	\$25,000,000
0.50% for next	\$50,000,000
Negotiable	Accounts over \$100,000,000
Asset-Based Annual Fee for -Portfolio Aggregation & Reporting Services	Assets Under Management
0.30% on the first	\$25,000,000
0.20% for next	\$25,000,000
0.10% for next	\$50,000,000
Negotiable	Accounts over \$100,000,000

Our annual asset-based fees are generally billed and payable quarterly in arrears based on the value of the assets in your account as calculated by taking the average balance of your account on the last business day of each month of the quarter.

B. Proration and Combining Family Member Accounts

If the Investment Advisory Agreement is executed at any time other than the first day of a calendar quarter, our fees will apply on a pro rata basis, which means that the fee is payable in proportion to the number of days in the quarter for which you are a client. Our fee is negotiable, depending on individual client circumstances.

At our discretion, we may combine the account values of family members living in the same household to determine the applicable fee. For example, we may combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts. Combining account values may increase the asset total, which may result in your paying a reduced fee based on the available breakpoints in our fee schedules stated above.

C. Payment of Fees

Depending on the arrangements made at the time of the engagement, we may either invoice you or your authorized representative directly or we may deduct our fee directly from your account through the qualified custodian holding your funds and securities. We will deduct our fees only when the following requirements are met:

- You provide our firm with written authorization permitting the fees to be paid directly from your account held by the qualified custodian.
- The qualified custodian agrees to send you a statement, at least quarterly, indicating all amounts dispersed from your account including the amount of the fee paid directly to our firm.

D. Termination and Reconciliation

You may terminate the Investment Advisory Agreement upon 30-days' written notice to our firm. You will incur a pro rata charge for services rendered prior to the termination of the Investment Advisory Agreement, which means you will incur fees only in proportion to the number of days in the quarter for which you are a client.

We encourage you to reconcile our invoices with the statement(s) you receive from the qualified custodian. If you find any inconsistent information between our invoice and the statement(s) you receive from the qualified custodian, please call our main office number located on the cover page of this brochure.

E. Financial Planning Services

We may charge an additional fee for financial planning services and depending on the extent of our financial planning services our fees will vary on the size of your account since these services are incorporated into our Investment Advisory Services and are part of the fees described in the *Fees and Compensation* section above.

F. Selection of Other Advisers

For the majority of DIAL's clients, DIAL provides investment supervisory services using individual securities, separately managed portfolios and pooled investment vehicles, including, but not limited to, domestic limited partnerships and hedge funds. Detailed information can be found about the partnerships and hedge funds in each of their private placement memoranda ("PPMs").

A rigorous due diligence and evaluation process is used to evaluate specific investments, investment strategies, investment managers and funds. We employ both quantitative and qualitative techniques to identify Investments and managers we feel are best qualified to meet our clients' objectives. To the extent clients are invested directly or indirectly in unaffiliated funds, the managers of such funds will have their own investment practices and fees/expenses, and those independent investment practices and fees/expenses will be described in each manager's Form ADVs or such funds' offering documents.

You will be required to sign an agreement directly with the recommended hedge fund or private equity/debt fund (PE Fund). You may terminate your advisory relationship with the hedge fund/ PE Fund according to the terms of your agreement with the fund. You should review each hedge fund's documentation for specific information on how you may terminate your relationship with the hedge fund and how you may receive a refund, if applicable.

G. Additional Fees and Expenses

As part of our investment advisory services to you, we may invest, or recommend that you invest, in affiliated and unaffiliated managers and funds, including mutual funds, exchange traded funds, private equity funds, limited partnerships, or other investment vehicles. The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by these other managers and funds (described in each investment's offering documents). These fees will generally include a management fee and other fund expenses. You will also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through whom your account transactions are executed. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian. To fully understand the total cost you will incur, you should review all the fees charged by these managers and funds, our firm, and others. For information on our brokerage practices, please refer to the *Brokerage Practices* section of this brochure.

H. Fees Will Not be Assessed on Clients' Margin Balances

We may trade client accounts on margin. Each client must sign a separate margin agreement with a lender before margin is extended to that client account. Fees for advice and execution on these securities are based on the net asset value of the account, which takes into consideration (and deducts from the total value) the value of the securities purchased on margin. Therefore, you do not pay any higher fees if you trade on margin. The use of margin will result in interest charges in addition to all other fees and expenses associated with the security involved.

Additional Fees and Expenses

As part of our investment advisory services to you, we may invest, or recommend that you invest, in mutual funds, exchange traded funds and depending on the extent of our financial planning services our fees will vary on the size of your account. The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds, private equity funds, limited partnerships, or other investment vehicles (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. You will also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through whom your account transactions are executed. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian. To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange traded funds, our firm, and others. For information on our brokerage practices, please refer to the *Brokerage Practices* section of this brochure.

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

We do not accept performance-based fees or participate in side-by-side management. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Our fees are calculated as described in the *Fees and Compensation* section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

Item 7 Types of Clients

A. Types of Clients

We generally offer investment advisory or portfolio aggregation and reporting services to:

- high net worth individuals,
- trusts and foundations,
- captive insurance companies,
- charitable organizations, and
- corporations.

B. Minimum Account Size

We require a minimum one million dollars to open and maintain an advisory account. We have the right to terminate your Account if it falls below a minimum size which, in our sole opinion, is too small to effectively manage. We may also combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts to meet the stated minimum.

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

A. Our Methods of Analysis and Associated Risk

DIAL's primary method of analysis is **Fundamental Analysis**. Our investment process includes both top down and bottom up fundamental research and analysis as well as investor psychology and sentiment indicators that help inform the portfolio construction process. DIAL will form a global macro view on the overall global markets (equity, fixed income, real estate, commodities, etc.) and determine the recommended allocation to various asset classes based on our view of risks and opportunities that may exist at the time. As mentioned above, we will customize the client portfolio and design it to attempt to achieve the client's specific goals and objectives.

In general, **Fundamental Analysis** involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company and its industry. The resulting data are used to measure the true value of the company and its securities compared to the current market value.

- **Risk:** The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a company's or its stock's value. If securities prices adjust rapidly to new information, utilizing

fundamental analysis may not result in favorable performance.

B. Our Investment Strategies and Associated Risk

We may use one or more of the following investment strategies when providing investment advice to you:

1. Long-Term Purchases - securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

- **Risk:** Using a long-term purchase strategy generally assumes the financial markets will go up in the long-term which may not be the case. There is also the risk that the segment of the market that you are invested in or perhaps just your particular investment will go down over time even if the overall financial markets advance. Purchasing investments long-term may create an opportunity cost - "locking-up" assets that may be better utilized in the short-term in other investments.

2. Short-Term Purchases - securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations.

- **Risk:** Using a short-term purchase strategy generally assumes that we can predict how financial markets will perform in the short-term which may be very difficult and will incur a disproportionately higher amount of transaction costs compared to long-term trading. There are many factors that can affect financial market performance in the short-term (such as short-term interest rate changes, cyclical earnings announcements, etc.) but may have a smaller impact over longer periods of times.

3. Short Sales - securities transaction in which an investor sells securities that were borrowed in anticipation of a price decline. The investor is then required to return an equal number of shares at some point in the future.

- **Risk:** A short seller will profit if the security goes down in price, but if the price of the security increases, the potential losses are unlimited.

4. Margin Transactions - a securities transaction in which an investor borrows money to purchase a security, in which case the security serves as collateral on the loan.

- **Risk:** If the value of the security drops sufficiently, the investor will be required to either deposit more cash into the account or sell a portion of the security in order to maintain the margin requirements of the account. This is known as a "margin call." An investor's overall risk includes the amount of money invested plus the amount that was loaned to them.

5. Option Writing - a securities transaction that involves selling an option. An option is the right, but not the obligation, to buy or sell a particular security at a specified price before the expiration date of the option. When an investor sells an option, he or she must deliver to the buyer a specified number of shares if the buyer exercises the option. The seller pays the buyer a premium (the market price of the option at a particular time) in exchange for writing the option.

- **Risk:** Options are complex investments and can be very risky, especially if the investor does not own the underlying instrument. In certain situations, an investor's risk can be unlimited.

Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined goals, objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other various suitability factors. Your restrictions, guidelines, preferences and constraints may affect the composition of your overall portfolio.

C. Tax Considerations

Our strategies and investments may have unique and significant tax implications. Although we will generally be tax aware when managing your assets, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you consult with a tax professional prior to and throughout the investing of your assets.

Moreover, as a result of revised IRS regulations, custodians and broker-dealers will begin reporting the cost basis of equities acquired in client accounts on or after January 1, 2011. Your custodian may default to the FIFO (First-In First-Out) accounting method for calculating the cost basis of your investments. You are responsible for contacting your tax advisor to determine if this accounting method is the right choice for you. If your tax advisor believes another accounting method is more advantageous, please provide written notice to our firm immediately and we will alert your account custodian of your individually selected accounting method. Please note that decisions about cost basis accounting methods will need to be made before trades settle, as the cost basis method cannot be changed after settlement.

D. Risk of Loss

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

E. Recommendation of Particular Types of Securities

As disclosed under the *Advisory Business* section in this brochure, we recommend all types of securities and we do not necessarily recommend one particular type of security over another since each client has different goals, objectives, needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with it.

Item 9 Disciplinary Information

We are required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of our advisory business or the integrity of our management. We do not have any required disclosures under this item.

Item 10 Other Financial Industry Activities and Affiliations

A. Financial Industry Activities

DIAL nor any of its representatives is registered as or has pending applications to become a broker/dealer or as representatives of a broker/ dealer, or to become a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor, or as representatives of any of these type of entities. In addition, DIAL nor any of its representatives has any material relationships to this advisory business that would present a possible conflict of interest.

B. Affiliated Entities

DIAL is affiliated with Deltec Bank & Trust Limited ("DBT") through common control and ownership. We may recommend that you use the services of Deltec Bank & Trust Limited, if appropriate and suitable for your needs. Our advisory services are separate and distinct from the compensation paid to Deltec Bank & Trust Limited for their services.

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

A. Description of Our Code of Ethics

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for persons associated with our firm. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All persons associated with our firm are expected to adhere strictly to these guidelines. Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.

Clients or prospective clients may obtain a copy of our Code of Ethics by contacting us at the telephone number on the cover page of this brochure.

B. Participation or Interest in Client Transactions

Neither our firm nor any persons associated with our firm has any material financial interest in client transactions beyond the provision of investment advisory and/or portfolio aggregation and reporting services as disclosed in this brochure

C. Personal Trading Practices

Our firm or persons associated with our firm may buy or sell the same securities that we recommend to you or securities in which you are already invested. A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To mitigate this conflict of interest, it is our policy that neither our firm nor persons associated with our firm shall have priority over your account in the purchase or sale of securities.

Item 12 Brokerage Practices

We may recommend the brokerage and custodial services of Deltec Bank & Trust Limited, an affiliated company of DIAL. We believe that DBT provides quality execution services for you at competitive prices. Price is not the sole factor we consider in evaluating best execution. We also consider the quality of the brokerage services provided by DBT including the value of the firm's reputation, execution capabilities, commission rates, and responsiveness to our clients and our firm. In recognition of the value of the services DBT provides, you may pay higher commissions and/or trading costs than those that may be available elsewhere.

A. Research and Other Soft Dollar Benefits

We do not have any soft-dollar benefit arrangements.

B. Brokerage in Exchange for Client Referrals

1. No Client Referrals from Broker-Dealers

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, or in exchange for using that broker-dealer or third party.

2. Client Referrals from Registered Representatives

We may receive client referrals from registered representatives of various unaffiliated broker-dealers. In those cases, we may execute all of the client's trades through the registered representatives who referred the client to our firm.

A conflict of interest exists because we have an incentive to execute client transactions through these registered representatives in exchange based on the expectation of continued referrals. This arrangement could cause clients to pay higher commission rates than those available through other broker-dealers that we generally recommend that are not based on a referral. However, clients are not obligated to use the services of the referring registered representative and should discuss available alternatives with our firm.

Also, our procedures governing directing brokerage in exchange for client referrals mandates that we consider disproportionate commissions generated as a result of such arrangements and exclude consideration of fees generated by referred clients in our periodic evaluation of best execution.

While you are free to choose any broker-dealer or other service provider, we may recommend that you establish an account with a brokerage firm with which we have an existing relationship. Such relationships may include benefits provided to our firm, including but not limited to market information and administrative services that help our firm manage your account(s). We believe that recommended broker-dealers provide quality execution services for our clients at competitive prices. Price is not the sole factor we consider in evaluating best execution. We also consider the quality of the brokerage services provided by recommended broker-dealers, including the value of the firm's reputation, execution capabilities, commission rates, and responsiveness to our clients and our firm.

C. Clients Directing which Broker/ Dealer/Custodian to Use

We routinely recommend that you direct our firm to execute transactions through and custody assets at DBT. DIAL will never charge a premium or commission on transactions, beyond the actual cost imposed by the broker-dealer or custodian.

DIAL allows clients to instruct us to use one or more particular broker-dealer or custodian ("directing brokerage") for the transactions in their accounts. If you choose to direct our firm to use a particular broker, you should understand that this might prevent our firm from aggregating trades with other client accounts or from effectively negotiating brokerage commissions on your behalf. This practice may also prevent our firm from obtaining favorable net price and execution. Thus, when directing brokerage business, you should consider whether the commission expenses, execution, clearance, and settlement capabilities that you will obtain through your broker are adequately favorable in comparison to those that we would otherwise obtain for you.

D. Block Trades

Transactions for each client generally will be effected independently, unless we decide to purchase or sell the same securities for several clients at approximately the same time. We may, but are not obligated to, combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as "block trading"). We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. The distribution of the shares purchased is typically proportionate to the size of the account, but it is not based on account performance or the amount or structure of management fees. Subject to our discretion regarding factual and market conditions, when we combine orders, each participating account pays an average price per share for all transactions and pays a proportionate share of all transaction costs on any given day. Accounts owned by our firm or persons associated with our firm may participate in block trading with your accounts; however, they will not be given preferential treatment.

Item 13 Review of Accounts

DIAL's investment representatives will monitor your accounts on a periodic basis and will conduct account reviews at least quarterly and no less than annually to ensure the advisory services provided to you and that the portfolio mix is consistent with your stated investment needs and objectives. Our Investment Policy Statement is updated no less than annually. Additional reviews may be conducted based on various circumstances, including, but not limited to:

- contributions and withdrawals,
- year-end tax planning,
- market moving events,
- security specific events, and/or,
- changes in your risk/return objectives.

We may provide you with additional or regular written reports in conjunction with account reviews. Reports we provide to you will contain relevant account and/or market-related information such as an inventory of account holdings and account performance. You will receive trade confirmations and monthly or quarterly statements from your account custodian(s).

Item 14 Client Referrals and Other Compensation

A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards and Other Prizes)

We do not receive any compensation from any third party in connection with providing investment advice to you.

Please refer to the *Brokerage Practices* section above for disclosures on research and other benefits we may receive resulting from our relationship with DBT.

B. Compensation to Non-Employees or Solicitors for Client Referrals

We may directly compensate non-employee (outside) consultants, individuals, and/or entities ("Solicitors") for client referrals. In order to receive a cash referral fee from our firm, Solicitors must comply with the requirements of the jurisdictions in which they operate. If you were referred to our firm by a Solicitor, you should have received a copy of this brochure along with the Solicitor's disclosure statement at the time of the referral. If you become a client, the Solicitor that referred you to our firm will receive a referral fee based on a percentage of the annual advisory and/or aggregation and reporting fee you pay to our firm during the first 36 months of our Investment Advisory Agreement with you. This referral fee shall be paid in three installments. Generally, forty-five percent of the referral fee shall be paid to the Solicitor after you have been a client of our firm for 12 months. One-third of the referral fee shall be paid after you have been a client of our firm for 24 months. Twenty-two percent of the referral fee shall be paid after you have been a client of our firm for 36 months. You will not pay additional fees because of this referral arrangement.

Referral fees paid to a Solicitor are contingent upon your entering into an advisory agreement with our firm. Therefore, a Solicitor has a financial incentive to recommend our firm to you for advisory and/or aggregation and reporting services. This creates a conflict of interest; however, you are not obligated to retain our firm for advisory and/or aggregation and reporting services. Comparable services and/or lower fees may be available through other firms.

Solicitors that refer business to more than one investment adviser may have a financial incentive to recommend advisers with more favorable compensation arrangements. We request that our Solicitors disclose to you whether multiple referral relationships exist and that comparable services may be available from other advisers for lower fees and/or where the Solicitor's compensation is less favorable.

C. Compensation to DIAL Employees or Employees of Affiliates for Client Referrals

We have entered into contractual arrangements with DIAL employees and employees of our affiliated entities, under which such employees receive compensation from our firm for the establishment of new client relationships. Employees who refer clients to our firm must comply with the requirements of the jurisdictions in which they operate. The compensation to employees varies and will be paid upon your signing an Investment Advisory Agreement with our firm. You will not be charged additional fees based on this compensation arrangement.

This incentive-based compensation paid to employees is contingent upon you entering into an advisory agreement with our firm. Therefore, employees have a financial incentive to recommend our firm to you for advisory and/or aggregation and reporting services. This creates a conflict of interest; however, you are not obligated to retain our firm for advisory services. Comparable services and/or lower fees may be available through other firms.

Item 15 Custody

Pursuant to the written client authorization in the Investment Advisory Agreement with our firm, your independent custodian will directly debit your account(s) for the payment of our advisory and/or aggregation and reporting fees. This ability to deduct our fees from your accounts causes our firm to exercise limited custody over your funds or securities. We do not have physical custody of any of your funds and/or securities. Your funds and securities will be held with a bank, broker-dealer, or other

independent, qualified custodian. You will receive account statements from the independent, qualified custodian(s) holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate the amount of our fees deducted from your account(s) each billing period. You should carefully review account statements for accuracy. We will also provide statements to you reflecting the amount of our fee deducted from your account.

You should compare our statements with the statements from your account custodian(s) to reconcile the information reflected on each statement. If you have a question regarding your account statement, or if you did not receive a statement from your custodian, please contact us directly at the telephone number on the cover page of this brochure.

Deltec Bank & Trust Limited, may serve as trustee to certain accounts for which we provide investment advisory services. Deltec Bank & Trust Limited's capacity as trustee gives it custody over the advisory accounts for which it serves as trustee. These accounts will be held with Deltec Bank & Trust Limited as the qualified custodian. If Deltec Bank & Trust Limited, acts as trustee for any of your advisory accounts, you will receive account statements from Deltec Bank & Trust Limited at least quarterly. You should carefully review account statements for accuracy. We will also provide statements to you. You should compare our statements with the statements from your account custodian(s) to reconcile the information reflected on each statement. If you have a question regarding your account statement or if you did not receive a statement from your custodian, please contact us directly at the telephone number on the cover page of this brochure.

Item 16 Investment Discretion

A. Discretionary Investment Advisory Authorization

Should you choose to enter into a discretionary investment advisory relationship with DIAL, before we can buy or sell securities or funds on your behalf, you must first sign our discretionary Investment Advisory Agreement, and the appropriate trading authorization forms. The client provides DIAL with discretionary authority via a limited power of attorney in the Investment Advisory Agreement and in the contract between the Client and the custodian.

You may grant our firm discretion over the selection and amount of securities or funds to be purchased or sold for your account(s) without obtaining your consent or approval prior to each transaction. You may specify investment objectives, guidelines, and/or impose certain conditions or investment parameters for your account(s). For example, you may specify that the investment in any particular stock or industry should not exceed specified percentages of the value of the portfolio and/or restrictions or prohibitions of transactions in the securities of a specific industry or security. Please refer to the *Advisory Business* section in this brochure for more information on our discretionary investment advisory services.

B. Non-Discretionary/ Portfolio Aggregation & Reporting Services

If you enter into non-discretionary arrangements with our firm, we will obtain your approval prior to the execution of any transactions for your account(s). Or in the case of Portfolio Aggregation & Reporting Services, you will designate which assets you want us to include on your client statements and we will implement those per your instructions. You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

Item 17 Voting Client Securities

We will not vote proxies on behalf of your advisory accounts. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights. If you own shares of applicable securities, you are responsible for exercising your right to vote as a shareholder.

In most cases, you will receive proxy materials directly from the issuer of the securities or the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward any electronic solicitation to vote proxies.

Item 18 Financial Information

We are not required to provide a balance sheet or other financial information to our clients because we do not require the prepayment of fees in excess of \$1,200 and six months or more in advance; we do not take custody of client funds or securities; and, we do not have a financial condition that is reasonably likely to impair our ability to meet our commitments to you. Moreover, we have never been the subject of a bankruptcy petition.

Item 19 Requirements for State-Registered Advisers

We are registered with the United States Securities Exchange Commission and, therefore, this section does not apply.

Item 20 Additional Information

Your Privacy

We view protecting your private information as a top priority. Pursuant to applicable privacy requirements, we have instituted policies and procedures to ensure that we keep your personal information private and secure.

We do not disclose any nonpublic personal information about you to any nonaffiliated third parties, except as permitted by law. In the course of servicing your account, we may share some information with our service providers, such as transfer agents, custodians, broker-dealers, accountants, consultants, and attorneys.

We restrict internal access to nonpublic personal information about you to employees, who need that information in order to provide products or services to you. We maintain physical and procedural safeguards that comply with regulatory standards to guard your nonpublic personal information and to ensure our integrity and confidentiality. We will not sell information about you or your accounts to anyone. We do not share your information unless it is required to process a transaction, at your request, or required by law.

You will receive a copy of our privacy notice prior to or at the time you sign an advisory agreement with our firm. Thereafter, we will deliver a copy of the current privacy policy notice to you on an annual basis. Please contact our main office at the telephone number on the cover page of this brochure if you have any questions regarding this policy.

Trade Errors

In the event a trading error occurs in your account, our policy is to restore your account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the account. If a trade error results in a profit, you will keep the profit.

Class Action Lawsuits

We do not determine if securities held by you are the subject of a class action lawsuit or whether you are eligible to participate in class action settlements or litigation nor do we initiate or participate in litigation to recover damages on your behalf for injuries as a result of actions, misconduct, or negligence by issuers of securities held by you.