

Item 1: Cover Page
Form ADV Part 2A - Firm Brochure



Caerus Investment Advisors, LLC

March 2024

**311 Laurel Valley Road,
West Lake Hills, TX 78746**

www.caerusadvisor.com

**Firm Contact:
Jessica Clark
Chief Compliance Officer**

This brochure provides information about the qualifications and business practices of Caerus Investment Advisors, LLC. If you have any questions about the contents of this brochure, please contact us by telephone at (650) 906-7666 or jessica.clark@caerusadvisor.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 Caerus Investment Advisors, LLC also is available on the SEC's website at www.adviserinfo.sec.gov by searching CRD #171716.

Please note that the use of the term "registered investment adviser" and description of Caerus Investment Advisors, LLC and/or our associates as "registered" does not imply a certain level of skill or training. You are encouraged to review this Brochure and Brochure Supplements for our firm's associates who advise you for more information on the qualifications of our firm and our employees.

Item 2: Material Changes

Caerus Investment Advisors, LLC is required to advise you of any material changes to our Firm Brochure ("Brochure") from our last annual update, identify those changes on the cover page of our Brochure or on the page immediately following the cover page, or in a separate communication accompanying our Brochure.

Since the last amendment filed on **02/17/2023**, we have the following material changes to disclose:

- Our firm has closed out Caerus X NorCal SPV I, LLC, Caerus X NorCal SPV II, LLC, Caerus NC III, LLC, Caerus NC IV, LLC, and Caerus NC IV-A, LLC. However, our firm still maintains custody of client assets due to our involvement with multiple other private funds including a new fund opened entitled CRSWIN, LLC. Please refer to Item 4, Item 5, and Item for more information.

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Item 4: Advisory Business

We are dedicated to providing individuals and other types of clients with a wide array of investment advisory services. Our firm is a limited liability company formed in the State of California. Our firm has been in business as an investment adviser since 2014 and is solely owned by Michael Cheung.

The purpose of this Brochure is to disclose the conflicts of interest associated with the investment transactions, compensation and any other matters related to investment decisions made by our firm or its representatives. As a fiduciary, it is our duty to always act in the client's best interest. This is accomplished in part by knowing our client. Our firm has established a service-oriented advisory practice with open lines of communication for many different types of clients to help meet their financial goals while remaining sensitive to risk tolerance and time horizons. Working with clients to understand their investment objectives while educating them about our process, facilitates the kind of working relationship we value.

Description of the Types of Advisory Services We Offer.

Wrap Comprehensive Portfolio Management:

Please refer to our Form ADV 2A Appendix 1 – Wrap Fee Program Brochure for additional information.

Retirement Plan Consulting:

Our firm provides retirement plan consulting services to employer plan sponsors on an ongoing basis. Generally, such consulting services consist of assisting employer plan sponsors in establishing, monitoring and reviewing their company's participant-directed retirement plan. As the needs of the plan sponsor dictate, areas of advising may include:

- Establishing an Investment Policy Statement – Our firm will assist in the development of a statement that summarizes the investment goals and objectives along with the broad strategies to be employed to meet the objectives.
- Investment Options – Our firm will work with the Plan Sponsor to evaluate existing investment options and make recommendations for appropriate changes.
- Asset Allocation and Portfolio Construction – Our firm will develop strategic asset allocation models to aid Participants in developing strategies to meet their investment objectives, time horizon, financial situation and tolerance for risk.

- Investment Monitoring – Our firm will monitor the performance of the investments and notify the client in the event of over/underperformance and in times of market volatility.
- Participant Education – Our firm will provide opportunities to educate plan participants about their retirement plan offerings, different investment options, and general guidance on allocation strategies.

In providing services for retirement plan consulting, our firm does not provide any advisory services with respect to the following types of assets: employer securities, real estate (excluding real estate funds and publicly traded REITS), participant loans, non-publicly traded securities or assets, other illiquid investments, or brokerage window programs (collectively, “Excluded Assets”). All retirement plan consulting services shall be in compliance with the applicable state laws regulating retirement consulting services. This applies to client accounts that are retirement or other employee benefit plans (“Plan”) governed by the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). If the client accounts are part of a Plan, and our firm accepts appointment to provide services to such accounts, our firm acknowledges its fiduciary standard within the meaning of Section 3(21) or 3(38) of ERISA as designated by the Retirement Plan Consulting Agreement with respect to the provision of services described therein.

Private Fund Investments:

As noted in Item 10 below, our firm is deemed to be an issuer of a securities, acting as a managing member of various private funds due to Mr. Cheung’s involvement in those funds. The funds encompass Caerus FICC, LLC, CRSBB, LLC, CRSUB I, LLC, Caerus SX SP I, LLC, CRSCLM, LLC, CRSNXT, LLC, CRSPIN, LLC, CRSSTRP II, LLC, CRSSTRP III, LLC, CRSSTRP, LLC, CRSX III, LLC, CRSWIN, LLC, and CRSX IV (“the Funds”).

Clients of our firm may be solicited to invest in the Funds, but Clients are under no obligation to do so. The purpose of the Funds is to buy, sell, hold, and otherwise invest in Portfolio Company Securities (or any other securities acquired or received with respect thereto or in exchange therefor); to exercise all rights, powers, privileges, and other incidents of ownership or possession with respect to securities held of owned by the Company; to enter into, make and perform all contracts and other undertakings; and to engage in all activities and transactions as may be necessary, advisable, or desirable to carry out the foregoing. The members of the Company acknowledge and agree that the Company intends to pursue a venture capital strategy.

Each Funds Operating Agreement and Subscription Agreement contain additional information about their specific fund, including a discussion of certain significant risks of investing in the fund. Prospective investors should read the Funds Operating Agreement and Subscription Agreement carefully before investing.

Tailoring of Advisory Services.

We offer individualized investment advice to clients utilizing our Wrap Comprehensive Portfolio Management service.

Each Wrap Comprehensive Portfolio Management service client has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio. Restrictions on investments in certain securities or types of securities may not be possible due to the level of difficulty this would entail in managing the account.

Participation in Wrap Fee Programs.

Our firm offers and sponsors a wrap fee program. Comprehensive Portfolio Management services are only offered through wrapped accounts, which are managed on an individualized basis according to the client's investment objectives, financial goals, risk tolerance, etc. Please see our Part 2A, Appendix 1 (the "Wrap Fee Program Brochure") for more information.

Regulatory Assets Under Management.

As of December 31, 2023, we manage \$131,803,039 on a discretionary basis and \$74,553,089 on a non-discretionary basis.

Item 5: Fees & Compensation

How We Are Compensated for Our Advisory Services.

Wrap Comprehensive Portfolio Management:

Please refer to our Form ADV 2A Appendix 1 – Wrap Fee Program Brochure for additional information.

Retirement Plan Consulting:

Our Retirement Plan Consulting services are billed on a fee based on the percentage of Plan assets under management. The total estimated fee, as well as the ultimate fee charged, is based on the scope and complexity of our engagement with the client. Fees based on a percentage of managed Plan assets will not exceed 1.00%. The fee-paying arrangements will be determined on a case-by-case basis and will be detailed in the signed consulting agreement.

Private Fund Investments:

Please refer to the Fund's Private Placement Memorandum and Subscription Agreement for more information on applicable fees. Please Note, Clients will not be charged an advisory fee by our firm on the assets invested in any of the Funds (i.e., Caerus FICC, LLC, CRSBB, LLC, CRSUB I, LLC, Caerus

SX SP I, LLC, CRSCLM, LLC, CRSNXT, LLC, CRSPIN, LLC, CRSSTRP II, LLC, CRSSTRP III, LLC, CRSSTRP, LLC, CRSX III, LLC, CRSWIN, LLC, and CRSX IV, LLC).

However, clients invested in Caerus SX SP I, LLC are billed an annualized fee not to exceed 1.50%. The ultimate fee charged will be based on the scope and complexity of our engagement with the client and will be listed in the Fund's Private Placement Memorandum and Subscription Agreement we present you. This fee is to be paid on a pro-rata basis monthly in arrears based on the percentage of fund assets under management on the last day of the previous month.

Other Types of Fees & Expenses.

Non-Wrap Clients will incur transaction fees for trades executed by their chosen custodian via individual transaction charges. These transaction fees are separate from our firm's advisory fees and will be disclosed by the chosen custodian.

Our firm requires Trade-PMR Inc. ("Trade-PMR") as a custodian for client accounts. Other major custodians have recently eliminated transaction fees for all ETFs and U.S. listed equities, so clients may pay more for investing in the same securities at Trade-PMR Inc.

Clients may also pay holdings charges imposed by the chosen custodian for certain investments, charges imposed directly by a mutual fund, index fund, or exchange traded fund, which shall be disclosed in the fund's prospectus (i.e., fund management fees, initial or deferred sales charges, mutual fund sales loads, 12b-1 fees, surrender charges, variable annuity fees, IRA and qualified retirement plan fees, and other fund expenses), mark-ups and mark-downs, spreads paid to market makers, fees for trades executed away from custodian, wire transfer fees and other fees and taxes on brokerage accounts and securities transactions. Our firm does not receive a portion of these fees.

Wrap fee clients will receive our Form ADV, Part 2A, Appendix 1 (the "Wrap Fee Program Brochure"). Wrap fee clients will not incur transaction costs for trades. More information about this is disclosed in our separate Wrap Fee Program Brochure.

Termination & Refunds.

We charge our advisory fees monthly in arrears. If you wish to terminate our services, you need to contact us in writing and state that you wish to cancel the advisory agreement. Upon receipt of your letter of termination, we will proceed to close out your account and charge you a pro-rata advisory fee(s) for services rendered up to the point of termination.

Either party to a Retirement Plan Consulting Agreement may terminate at any time by providing written notice to the other party. Full refunds will only be made in cases where cancellation occurs within 5 business days of signing an agreement. After 5 business days from initial signing, either party must provide the other party 30 days written notice to terminate billing. Billing will terminate 30 days after receipt of termination notice. Clients will be charged on a pro-rata basis, which takes into account work completed by our firm on behalf of the client. Clients will incur

charges for bona fide advisory services rendered up to the point of termination (determined as 30 days from receipt of said written notice) and such fees will be due and payable.

Commissionable Securities Sales.

We do not sell securities for a commission in our advisory accounts.

Item 6: Performance-Based Fees & Side-By-Side Management

Our firm does not charge performance-based fees.

Item 7: Types Of Clients & Account Requirements

We have the following types of clients:

- Individuals and High Net Worth Individuals;
- Trusts, Estates or Charitable Organizations;
- Corporations, Limited Liability Companies and/or Other Business Types.

We require a minimum household balance of \$1,000,000 for our Wrap Comprehensive Portfolio Management service. This minimum household balance is negotiable depending on the extenuating circumstances of the client.

Item 8: Methods of Analysis, Investment Strategies & Risk of Loss

Methods of Analysis.

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

Modern Portfolio Theory: This is an investment theory based on the idea that risk-averse investors can construct portfolios to optimize or maximize expected return based on a given level of market risk, emphasizing that risk is an inherent part of higher reward. The theory suggests that it is possible to construct an "efficient frontier" of optimal portfolios, offering the maximum possible expected return for a given level of risk. It suggests that it is not enough to look at the expected risk and return of one particular stock. By investing in more than one stock, an investor can reap the benefits of diversification, particularly a reduction in the riskiness of the portfolio.

Investment Strategies We Use.

We use the following strategies in managing client accounts, provided that such strategies are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

Private Funds: A private fund is an investment vehicle that pools capital from a number of investors and invests in securities and other instruments. In almost all cases, a private fund is a private investment vehicle that is typically not registered under federal or state securities laws. So that private funds do not have to register under these laws, issuers make the funds available only to certain sophisticated or accredited investors and cannot be offered or sold to the general public. Private funds are generally smaller than mutual funds because they are often limited to a small number of investors and have a more limited number of eligible investors. Many but not all private funds use leverage as part of their investment strategies. Private funds management fees typically include a base management fee along with a performance component. In many cases, the fund's managers may become "partners" with their clients by making personal investments of their own assets in the fund. Most private funds offer their securities by providing an offering memorandum or private placement memorandum, known as "PPM" for short.

The PPM covers important information for investors and investors should review this document carefully and should consider conducting additional due diligence before investing in the private fund. The primary risks of private funds include the following: (a) Private funds do not sell publicly and are therefore illiquid. An investor may not be able to exit a private fund or sell its interests in the fund before the fund closes.; and (b) Private funds are subject to various other risks, including risks associated with the types of securities that the private fund invests in or the type of business issuing the private placement.

Long Term Purchases (Securities Held At Least a Year): When utilizing this strategy, we may purchase securities with the idea of holding them for a relatively long time (typically held for at least a year). A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantages of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell. Typically, we employ this sub-strategy when we believe the securities to be well valued; and/or we want exposure to a particular asset class over time, regardless of the current projection for this class.

Short Term Purchases (Securities Sold Within a Year): When utilizing this strategy, we may also purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

Trading (Securities Sold Within 30 Days): We purchase securities with the idea of selling them very quickly (typically within 30 days or less). We do this in an attempt to take advantage of our predictions of brief price swings.

Short Sales: We borrow shares of a stock for your portfolio from someone who owns the stock on a promise to replace the shares on a future date at a certain price. Those borrowed shares are then sold. On the agreed-upon future date, we buy the same stock and return the shares to the original owner. We engage in short selling based on our determination that the stock will go down in price after we have borrowed the shares. If we are correct and the stock price has gone down since the shares were purchased from the original owner, the client account realizes the profit.

Margin Transactions: We will purchase stocks for your portfolio with money borrowed from your brokerage account. This allows you to purchase more stock than you would be able to with your available cash and allows us to purchase stock without selling other holdings.

Option Writing, including Covered Options, Uncovered Options or Spreading Strategies: We may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset. The two types of options are calls and puts. A call gives us the right to buy an asset at a certain price within a specific period of time. We will buy a call if we have determined that the stock will increase substantially before the option expires. A put gives us the holder the right to sell an asset at a certain price within a specific period of time. We will buy a put if we have determined that the price of the stock will fall before the option expires.

We will use options to "hedge" a purchase of the underlying security; in other words, we will use an option purchase to limit the potential upside and downside of a security we have purchased for your portfolio.

We use "covered calls", in which we sell an option on security you own. In this strategy, you receive a fee for making the option available, and the person purchasing the option has the right to buy the security from you at an agreed-upon price.

We use a "spreading strategy", in which we purchase two or more option contracts (for example, a call option that you buy and a call option that you sell) for the same underlying security. This effectively puts you on both sides of the market, but with the ability to vary price, time and other factors.

Risk of Loss.

Investing in securities involves risk of loss that clients should be prepared to bear. While the stock market may increase and your account(s) could enjoy a gain, it is also possible that the stock market may decrease and your account(s) could suffer a loss. It is important that you understand the risks

associated with investing in the stock market, are appropriately diversified in your investments, and ask us any questions you may have.

Description of Material, Significant or Unusual Risks.

We generally invest client's cash balances in money market funds, FDIC Insured Certificates of Deposit, high-grade commercial paper and/or government backed debt instruments. Ultimately, we try to achieve the highest return on our client's cash balances through relatively low-risk conservative investments. In most cases, at least a partial cash balance will be maintained in a money market account so that our firm may debit advisory fees for our services related to Comprehensive Portfolio Management, as applicable.

Item 9: Disciplinary Information

There are no legal or disciplinary events that are material to the evaluation of our advisory business or the integrity of our management.

Item 10: Other Financial Industry Activities & Affiliations

Our firm is deemed to be an issuer of a securities, acting as a managing member of Caerus FICC, LLC, CRSBB, LLC, CRSUB I, LLC, Caerus SX SP I, LLC, CRSCLM, LLC, CRSNXT, LLC, CRSPIN, LLC, CRSSTRP II, LLC, CRSSTRP III, LLC, CRSSTRP, LLC, CRSX III, LLC, CRSWIN, LLC, and CRSX IV, LLC ("the Funds"). Clients of our firm may be solicited to invest in the Fund. Clients, however, are under no obligation to do so. Mr. Cheung spends approximately 5 to 10 hours per month during trading hours with this outside business activity.

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

An investment adviser is considered a fiduciary and our firm has a fiduciary duty to all clients. As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. Our fiduciary duty is considered the core underlying principle for our Code of Ethics which also includes Insider Trading and Personal Securities Transactions Policies and Procedures. If a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided upon request.

We recognize that the personal investment transactions of members and employees of our firm demand the application of a high Code of Ethics and require that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, we believe that if

investment goals are similar for clients and for members and employees of our firm, it is logical and even desirable that there be common ownership of some securities.

Therefore, in order to prevent conflicts of interest, we have in place a set of procedures (including a pre-clearing procedure) with respect to transactions effected by our members, officers and employees for their personal accounts. In order to monitor compliance with our personal trading policy, we have a quarterly securities transaction reporting system for all of our associates. Upon employment or affiliation and at least annually thereafter, all supervised persons will sign an acknowledgement that they have read, understand, and agree to comply with our Code of Ethics.

Generally, neither our firm nor a related person recommends to clients, or buys or sells for client accounts, securities in which our firm or a related person has a material financial interest. However, in certain instances, the firm solicits clients to invest in affiliated pooled investment vehicles. As a result, CIA understands that there exists a potential conflict of interest with clients. Advisors have an obligation to act in the client's best interest and disclose all material facts about the funds to clients through detailed meetings with the clients where they supply them with pertinent and detailed information about the funds and associated risks. Related persons of our firm may buy or sell securities and other investments that are also recommended to clients. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics. Further, our related persons will refrain from buying or selling the same securities prior to buying or selling for our clients in the same day. If related persons' accounts are included in a block trade, our related persons accounts will be traded in the same manner every time.

Our firm and supervised persons must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics.

Item 12: Brokerage Practices

Selecting a Brokerage Firm.

We seek to recommend a custodian/broker who will hold your assets and execute transactions on terms that are overall most advantageous when compared to other available providers and their services. We consider a wide range of factors, including, among others, these:

- Timeliness of execution
- Timeliness and accuracy of trade confirmations
- Research services provided
- Ability to provide investment ideas
- Execution facilitation services provided
- Record keeping services provided
- Custody services provided

- Frequency and correction of trading errors
- Ability to access a variety of market venues
- Expertise as it relates to specific securities
- Financial condition
- Business reputation
- Quality of services

With this in consideration, our firm has an arrangement with Trade-PMR, Inc. ("Trade-PMR") for brokerage and trade execution services. Trade-PMR clears trades and custodies assets with First Clearing, FINRA member broker-dealers. First Clearing is a trade name used by Wells Fargo Clearing Services, LLC., a non-bank affiliate of Wells Fargo & Company. Trade-PMR offers services to independent investment advisers which includes custody of securities, trade execution, clearance and settlement of transactions. Trade-PMR enables us to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. Trade-PMR does not charge client accounts separately for custodial services. Client accounts will be charged transaction fees, commissions or other fees on trades that are executed or settle into the client's custodial account. Transaction fees may be charged based on a percentage of the dollar amount of assets in the account(s) or via individual transaction charges. These fees are negotiated with Trade-PMR and are generally discounted from customary retail commission rates. This benefits clients because the overall fee paid is often lower than would be otherwise.

Trade-PMR may make certain research and brokerage services available at no additional cost to our firm. Research products and services provided by Trade-PMR may include: research reports on recommendations or other information about particular companies or industries; economic surveys, data and analyses; financial publications; portfolio evaluation services; financial database software and services; computerized news and pricing services; quotation equipment for use in running software used in investment decision-making; and other products or services that provide lawful and appropriate assistance by Trade-PMR to our firm in the performance of our investment decision-making responsibilities. The aforementioned research and brokerage services qualify for the safe harbor exemption defined in Section 28(e) of the Securities Exchange Act of 1934.

Trade-PMR does not make client brokerage commissions generated by client transactions available for our firm's use. The aforementioned research and brokerage services are used by our firm to manage accounts for which our firm has investment discretion. Without this arrangement, our firm might be compelled to purchase the same or similar services at our own expense.

As part of our fiduciary duty to our clients, our firm will endeavor at all times to put the interests of our clients first. Clients should be aware, however, that the receipt of economic benefits by our firm or our related persons creates a potential conflict of interest and may indirectly influence our firm's choice of Trade-PMR as a custodial recommendation. Our firm examined this potential conflict of interest when our firm chose to recommend Trade-PMR and have determined that the recommendation is in the best interest of our firm's clients and satisfies our fiduciary obligations, including our duty to seek best execution.

Our clients may pay a transaction fee or commission to Trade-PMR that is higher than another qualified broker dealer might charge to effect the same transaction where our firm determines in good faith that the commission is reasonable in relation to the value of the brokerage and research services provided to the client as a whole.

In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Although our firm will seek competitive rates, to the benefit of all clients, our firm may not necessarily obtain the lowest possible commission rates for specific client account transactions.

For client accounts maintained with Betterment Securities, Betterment Securities does not charge separately for custody/brokerage services, but is compensated as part of the Betterment for Advisors platform fee, which is charged for a suite of platform services, including custody, brokerage, and sub-advisory services provided by Betterment and access to the Betterment for Advisors platform. The platform fee is an asset-based fee charged as a percentage of assets in client's Betterment account. Clients utilizing the Betterment for Advisors platform may pay a higher aggregate fee than if the investment management, brokerage and other platform services are purchased separately. Nonetheless, for those clients participating in the Betterment for Advisors platform, our firm has determined that having Betterment Securities execute trades is consistent with our duty to seek "best execution" of client trades.

Betterment Securities serves as broker-dealer to Betterment for Advisors, an investment and advice platform serving independent investment advisory firms like our firm ("Betterment for Advisors"). Betterment for Advisors also makes available various support services which may not be available to Betterment's retail customers. Some of those services help our firm manage or administer client accounts, while others help manage and grow our business. Betterment for Advisors' support services are generally available on an unsolicited basis (our firm doesn't have to request them) and at no charge to our firm. Below is a more detailed description of Betterment for Advisors' support services:

Services that Benefit You

Betterment for Advisors includes access to a globally diversified, low-cost portfolio of ETFs, execution of securities transactions, and custody of client assets through Betterment Securities. In addition, a series of model portfolios created by third-party providers are also available on the platform. Betterment Securities' services described in this paragraph generally benefit clients and their account(s).

Services that May Not Directly Benefit You

Betterment for Advisors also makes available to our firm other products and services that benefit our firm but may not directly benefit clients or their account(s). These products and services assist in managing and administering client accounts, such as software and technology that may: (1) Assist with back-office functions, recordkeeping, and client reporting of client accounts; (2) Provide access to client

account data (such as duplicate trade confirmations and account statements); and/or (3) Provide pricing and other market data.

Services that Generally Benefit Only Our Firm

By using Betterment for Advisors, our firm is offered other services intended to help manage and further develop our business enterprise. These services include: (1) Consulting (including through webinars) on technology and business needs; and/or (2) Access to publications and conferences on practice management and business succession.

Our Interest in Betterment Securities' Services

The availability of these services from Betterment for Advisors benefits our firm because our firm does not have to produce or purchase them. In addition, our firm does not have to pay for Betterment Securities' services. These services may be contingent upon us committing a certain amount of business to Betterment Securities in assets in custody. This presents a conflict of interest, as our firm may have an incentive to recommend that clients maintain their account(s) with Betterment Securities, based on our interest in receiving Betterment for Advisors and Betterment Securities' services that benefit our business rather than based on client interest in receiving the best value in custody services and the most favorable execution of client transactions. Our firm believes, however, that the selection of Betterment Securities as custodian and broker is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of Betterment Securities' services and not Betterment for Advisors and Betterment Securities' services that benefit only our or that may not directly benefit clients.

Betterment for Advisors' Trading Policy

When using the Betterment for Advisors platform, our firm and its clients are subject to the trading policies and procedures established by Betterment. These policies and procedures limit our ability to control, among other things, the timing of the execution of certain trades (including in response to withdrawals, deposits, or asset allocation changes) within client account(s). Clients should not expect that trading on Betterment is instant, and, accordingly, should be aware that Betterment does not permit our firm or its clients to control the specific time during a day that securities are bought or sold in client account(s) (i.e., to "time the market"). Betterment describes its trading policies in Betterment LLC's Form ADV Part 2A. As detailed in that document, Betterment generally trades on the same business day as it receives instructions from our firm or its clients. Transactions, however, will be subject to processing delays in certain circumstances. In particular, orders initiated on non-business days and after markets close generally will not transact until the next business day. Betterment also maintains a general approach of not placing securities orders during approximately the first thirty minutes after the opening of any market session. Betterment also generally stops placing orders arising from allocation changes in existing portfolios approximately thirty minutes before the close of any market session. Betterment continues placing orders associated with deposit and withdrawal requests until market close. Betterment maintains a general approach of not placing orders around the time of scheduled Federal Reserve interest rate announcements. Furthermore, Betterment may delay or manage trading in response to market instability. For further information, please consult Betterment LLC's Form ADV Part 2A.

Client Brokerage Commissions.

We do not acquire client brokerage commissions (or markups or markdowns).

Procedures to Direct Client Transactions in Return for Soft Dollars.

We do not direct client transactions to a particular broker-dealer in return for soft dollar benefits.

Brokerage for Client Referrals.

Our firm does not receive brokerage for client referrals.

Directed Brokerage.

Neither our firm nor any of our firm's representatives have discretionary authority in making the determination of the brokers-dealers and/or custodians with whom orders for the purchase or sale of securities are placed for execution, and the commission rates at which such securities transactions are effected. Our firm routinely requires that clients direct us to execute through a specified broker-dealer. Our firm recommends the use of Trade-PMR. Each client will be required to establish their account(s) with Trade-PMR if not already done. Please note that not all advisers have this requirement.

Our firm provides appropriate disclosure in writing to clients who direct trades to particular brokers, that with respect to their directed trades, they will be treated as if they have retained the investment discretion that our firm otherwise would have in selecting brokers to effect transactions and in negotiating commissions and that such direction may adversely affect our ability to obtain best price and execution. In addition, our firm will inform clients in writing that the trade orders may not be aggregated with other clients' orders and that direction of brokerage may hinder best execution.

Permissibility of Client-Directed Brokerage.

We allow clients to direct brokerage outside our recommendation. We may be unable to achieve the most favorable execution of client transactions. Client directed brokerage may cost clients more money. For example, in a directed brokerage account, you may pay higher brokerage commissions because we may not be able to aggregate orders to reduce transaction costs, or you may receive less favorable prices.

Special Considerations for ERISA Clients.

A retirement or ERISA plan client may direct all or part of portfolio transactions for its account through a specific broker or dealer in order to obtain goods or services on behalf of the plan. Such

direction is permitted provided that the goods and services provided are reasonable expenses of the plan incurred in the ordinary course of its business for which it otherwise would be obligated and empowered to pay. ERISA prohibits directed brokerage arrangements when the goods or services purchased are not for the exclusive benefit of the plan. Consequently, we will request that plan sponsors who direct plan brokerage provide us with a letter documenting that this arrangement will be for the exclusive benefit of the plan.

Aggregation of Purchase or Sale.

We perform investment management services for various clients. There are occasions on which portfolio transactions may be executed as part of concurrent authorizations to purchase or sell the same security for numerous accounts served by our firm, which involve accounts with similar investment objectives. Although such concurrent authorizations potentially could be either advantageous or disadvantageous to any one or more particular accounts, they are affected only when we believe that to do so will be in the best interest of the effected accounts. When such concurrent authorizations occur, the objective is to allocate the executions in a manner which is deemed equitable to the accounts involved. In any given situation, we attempt to allocate trade executions in the most equitable manner possible, taking into consideration client objectives, current asset allocation and availability of funds using price averaging, proration and consistently non-arbitrary methods of allocation. In determining whether to aggregate an order, CIA looks at all accounts at least once per quarter, and either to market on close or block trades.

Item 13: Review of Accounts

Please refer to our Form ADV 2A Appendix 1 – Wrap Fee Program Brochure for additional information regarding review of accounts for clients subscribing to our Wrap Comprehensive Portfolio Management service.

Retirement Plan Consulting clients receive reviews of their retirement plans for the duration of the service. Our firm also provides ongoing services where clients are met with upon their request to discuss updates to their plans, changes in their circumstances, etc. Retirement Plan Consulting clients do not receive written or verbal updated reports regarding their plans unless they choose to engage our firm for ongoing services.

Item 14: Client Referrals & Other Compensation

Trade-PMR, Inc.

Our firm receives economic benefits from Trade-PMR as services that are made available to our firm. How these services benefit our firm, and a description of what those services are and the related

conflicts of interest are described above (see *Item 12 – Brokerage Practices*). Trade-PMR's products and services made available to our firm is not based on our firm giving particular investment advice.

MTG, LLC dba Betterment Securities

Our firm receives non-economic benefit from Betterment for Advisors and Betterment Securities in the form of the support products and services it makes available to our firm and other independent investment advisors whose clients maintain their accounts at Betterment Securities. These products and services, how they benefit our, and the related conflicts of interest are described above (see *Item 12: Brokerage Practices*). The availability of Betterment for Advisors' and Betterment Securities' products and services is not based on our firm giving particular investment advice, such as buying particular securities for our clients.

Referral Fees.

In accordance with Rule 206 (4)-1 of the Investment Advisers Act of 1940, our firm provides cash or non-cash compensation directly or indirectly to unaffiliated persons for testimonials or endorsements (which include referral fees to independent solicitors). Such compensation arrangements will not result in higher costs to the referred client. In this regard, our firm maintains a written agreement with each unaffiliated person that is compensated for testimonials or endorsements in an aggregate amount of \$1,000 or more (or the equivalent value in non-cash compensation) over a trailing 12-month period in compliance with Rule 206 (4)-1 of the Investment Advisers Act of 1940 and applicable state and federal laws. The following information will be disclosed clearly and prominently to referred prospective clients at the time of each testimonial or endorsement:

- Whether or not the unaffiliated person is a current client of our firm,
- A description of the cash or non-cash compensation provided directly or indirectly by our firm to the unaffiliated person in exchange for the referral, if applicable, and
- A brief statement of any material conflicts of interest on the part of the unaffiliated person giving the referral resulting from our firm's relationship with such unaffiliated person.

In cases where state law requires licensure of solicitors, our firm ensures that no solicitation fees are paid unless the solicitor is registered as an investment adviser representative of our firm. If our firm is paying solicitation fees to another registered investment adviser, the licensure of individuals is the other firm's responsibility.

Item 15: Custody

Our firm maintains custody of client funds or securities. Due to the nature of CIA's affiliation with pooled investment vehicles, our firm maintains custody of client assets. To comply with the Custody Rule, CIA engages an independent public accountant that is registered with the Public Company Accounting Oversight Board ("PCAOB") and ensures audited financial statements of the pooled vehicle are prepared in accordance with GAAP and distributed to all limited partners within 120

days of the end of its fiscal year (180 days from the end of the fund of funds fiscal year if the fund is a fund of fund).

All of our clients receive at least quarterly account statements directly from their custodians. Upon opening an account with a qualified custodian on a client's behalf, we promptly notify the client in writing of the qualified custodian's contact information. If we decide to also send account statements to clients, such notice and account statements include a legend that recommends that the client compare the account statements received from the qualified custodian with those received from our firm.

We encourage our clients to raise any questions with us about the custody, safety or security of their assets. The custodians we do business with will send you independent account statements listing your account balance(s), transaction history and any fee debits or other fees taken out of your account.

Fund Manager:

Michael Cheung is the General Partner of the ("Funds"), our firm is deemed to have custody of the cash and securities held by these Funds. In compliance with SEC Rule 206(4)-2(b)(4)(i), the Funds each send an audited financial statement, audited by a registered Public Company Accounting Oversight Board ("PCAOB") accountant, to each Fund investor within 120 days of each Fund's fiscal year end (180 days from the end of the fund of funds fiscal year if the fund is a fund of fund). By ensuing these steps are followed, our firm's annual surprise examination requirement is satisfied. Clients are encouraged to raise any questions with us about the custody, safety or security of their assets and our custodial recommendations.

Item 16: Investment Discretion

Clients have the option of providing our firm with investment discretion on their behalf, pursuant to an executed investment advisory client agreement. By granting investment discretion, we are authorized to execute securities transactions, which securities are bought and sold, the total amount to be bought and sold, and the costs at which the transactions will be effected. Limitations may be imposed by the client in the form of specific constraints on any of these areas of discretion with our firm's written acknowledgement.

Item 17: Voting Client Securities

Our firm does not accept the proxy authority to vote client securities. Clients will receive proxies or other solicitations directly from their custodian or a transfer agent. In the event that proxies are sent to our firm, our firm will forward them to the appropriate client and ask the party who sent them to mail them directly to the client in the future. Clients may call, write or email us to discuss questions they may have about particular proxy votes or other solicitations.

Item 18: Financial Information

Our firm does not require prepayment of more than \$1,200 in fees and six or more months in advance, and our firm has never been the subject of a bankruptcy proceeding.

Our firm has received financial assistance through the U.S. Small Business Administration's ("SBA") Economic Injury Disaster Loan ("EIDL") program. The EIDL program is intended to support small businesses in response to the COVID-19 pandemic by providing low-interest loans and granting up to a \$10,000 grant for business essential purposes. Although our firm has directly received funding from an outside entity, clients are not obligated to partner with any SBA lenders nor is our firm directly affiliated with the SBA outside of this unique situation. In addition, the funding is meant to provide relief to our firm's current operations and are not intended for soliciting business. These loans are eligible for forgiveness, but it is not guaranteed as it will be based on factors such as staff retention and being used for payroll or firm overhead.