



AUTHENTIKOS ADVISORY

INCOME • INVESTMENT • TAX • HEALTHCARE • LEGACY

Authentikos Wealth Advisory, LLC

Main Office

1295 East Dunne Avenue, Suite
215 Morgan Hill CA 95037

Meeting Office

1500 E. Hamilton Ave., Suite 201
Campbell, CA 95008

Telephone (877) 457-4567

Facsimile: (877)-457-8292

Form ADV Part 2A – DISCLOSURE BROCHURE

EFFECTIVE: 03/26/2024

Item 1: Cover Page

This brochure provides information about the qualifications and business practices of Authentikos Wealth Advisory LLC. If you have any questions about the contents of this brochure, please contact us at 888.578.8763. 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.

Authentikos Wealth Advisory LLC is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with information about which you determine to hire or retain an adviser. Additional information about Authentikos Wealth Advisory LLC also is available on the SEC's website at www.adviserinfo.sec.gov. The CRD number for Authentikos is 286646.

Item 2: Material Changes

This Brochure dated March 26, 2024, represents the annual amendment to Authentikos Form ADV Part 2A and replaces the previous version of Authentikos' Disclosure Brochure dated March 28, 2023.

Below is a summary of material changes that have been made to the Disclosure Brochure since the last version was published. Please be aware that other non-material changes have also been included in this amendment which are not listed in Item 2. Please let us know if you have any questions about these material changes or about other items in this Disclosure Brochure.

- There have been no material changes made since the previous annual update.

Item 3: Table of Contents

Item 1: Cover Page	1
Item 2: Material Changes.....	2
Item 3: Table of Contents	3
Item 4: Advisory Business	4
Firm Description	4
Authentikos Managed Account.....	4
AE Wealth Model Portfolio Program.....	4
Financial Planning Services	5
Third-Party Investment Advisory Services.....	5
Investment Needs and Restrictions	6
Assets under Management.....	7
Item 5: Fees and Compensation	7
Authentikos Managed Account.....	7
AE Wealth Model Portfolio Program.....	7
Fees for Financial Planning	8
General Fee Information	9
Item 6: Performance-Based Fees.....	11
Item 7: Types of Clients	11
Item 8: Methods of Analysis, Investment Strategies and Risk of Loss	12
Methods of Analysis	12
Investment Risks.....	12
Risks Associated with Particular Investments	14
Item 9: Disciplinary Information	17
Item 10: Other Financial Industry Activities and Affiliations	17
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	20
Item 12: Brokerage Practices	21
Item 13: Review of Accounts.....	23
Item 14: Client Referrals and Other Compensation.....	24
Item 15: Custody.....	24
Item 16: Investment Discretion.....	25
Item 17: Voting Client Securities	25
Item 18: Financial Information	25

Item 4: Advisory Business

Firm Description

Authentikos Wealth Advisory LLC (Authentikos) is a Limited Liability Company organized under the laws of the state of California. Authentikos is an investment advisory firm registered with the Securities and Exchange Commission ("SEC"). The firm has provided investment advisory services since May 2017. Jared M. Elson is the sole owner of Authentikos.

This Disclosure Brochure provides information regarding the qualifications, business practices, advisory services offered by Authentikos along with any associated conflicts of interest.

Authentikos Managed Account

We work with you to identify your investment goals and objectives, as well as risk tolerance, in order to create a portfolio allocation designed to complement your financial situation and personal circumstances. The investment strategies selected, along with the associated portfolio construction and management, depends primarily on your investment objectives and goals. You will work with an investment adviser representative ("IAR") of Authentikos who will utilize their own management style and experience to help implement your portfolio.

We utilize different types of investments to assist clients in meeting their financial goals. Our investment recommendations are not limited by any specific product or service offered by a broker-dealer or custodian. These investment recommendations include, but are not limited to, mutual funds, equities, options, fixed income, closed-end mutual funds, exchange traded funds, variable life and annuity subaccounts, limited partnerships, and other types of investments. Model portfolios and margin can be used as a part of this strategy. We will consider the use of reasonable restrictions on the type of investments to be held in the portfolio. Portfolios which restrict a significant number of investments, including entire sectors and/or industries, can impact our ability to act on potential investment opportunities which could result in performance for your account that is different from similar accounts without such restrictions. Your IAR may periodically rebalance your account in which we have discretionary authority to maintain the initially agreed upon strategic and tactical asset allocation. However, no changes are made to the agreed-upon asset allocation in nondiscretionary accounts without your prior review and consent.

AE Wealth Model Portfolio Program

The AE Wealth Management (AEWM) program provides clients with access to model portfolio selection services through a wrap fee program, which allows Authentikos and AE Wealth Management to exercise discretion to select model portfolios managed by the AEWM investment committee and/or certain third-party non-affiliated investment managers. Authentikos will assist you in completing a client profile questionnaire and review the information you provide in order to select the model portfolio(s) that aligns with your

disclosed risk tolerance and investment objectives.

AEWM uses a third-party platform provider to implement the model portfolios for clients. The platform provider is given discretionary authority to implement the selected model portfolio(s) and to trade your account based on information and/or signals provided by the manager(s) of the model portfolio(s). The platform provider will implement the model(s) for your account by acquiring the securities that are represented in the selected model portfolio(s). Your IAR will be available to answer questions that you may have regarding your account. We will have the ability to select the model portfolio(s) as well as the ability to reallocate funds from or to the model portfolio(s) and funds in other accounts over which you have granted us discretionary authority. For complete details regarding the model portfolio selection services offered through a wrap fee program, please refer to the AE Wealth Wrap Fee Program Brochure (Form ADV, Part 2A Appendix) which can be found by accessing AE Wealth's Disclosure Documents at <https://aewealthmanagement.com/disclosures>. All other disclosure documentation made available by AE Wealth will be available there as well.

Clients who participate in this wrap fee program will be assessed an advisory fee based on the assets under management which will cover all transaction costs (including ticket charges) related to implementation and ongoing management of the model portfolio(s) selected for them. Please see [Item 5 – Fees and Compensation](#) for additional information.

You should be aware that there are other model portfolios not recommended by AEWM or Authentikos that are suitable for you which could be less costly than model portfolios recommended by our firm. No guarantees can be made that your financial goals or objectives will be achieved through this Model Portfolio Solutions program or by any other model portfolio recommended or selected by us. Further, no guarantees of performance can ever be offered by Authentikos or by AEWM.

Financial Planning Services

We may prepare and provide you with a written financial plan designed to help you achieve your financial goals and investment objectives. The preparation of such a plan may necessitate that you provide us with personal data such as family records, budgeting, personal liability, estate information and additional financial goals. The financial plan can typically include any or all of the following: asset protection, tax planning, business succession, strategies for exercising stock options, cash flow, education planning, estate planning and wealth transfer, charitable gifting, long-term care and disability planning, retirement planning, insurance planning, asset allocation comparisons, and risk management.

Should you choose to implement the recommendations contained in the plan, we suggest that you work closely with your attorney, accountant, insurance agent, and/or stockbroker. Implementation of financial plan recommendations is entirely at your discretion.

Third-Party Investment Advisory Services

In addition to the aforementioned advisory services, we have also entered into agreements

with various third-party investment advisers (“Third-Party Advisory Service”) for the provision of certain investment advisory services. We will provide individualized advisory services to you through the selection of a suitable third-party investment manager. Factors considered in the selection of a Third-Party Advisory Service include, but is not limited to, each individual IAR’s preference for a particular third-party investment manager; your risk tolerance, goals, and objectives, as well as investment experience; and the amount of your assets available for investment.

To assist you in the selection of a third-party investment manager, we will typically gather information from you about your entire financial situation, including your investment objectives and risk tolerance. We will utilize this information to help us recommend a particular third-party advisor that aligns with your objectives and goals.

Authentikos will conduct an initial due diligence review of any third-party advisor we recommend in order to determine their suitability for our clients and ensure they are either registered with the Securities and Exchange Commission or with an appropriate state agency. Thereafter, we will conduct periodic due diligence reviews to re-evaluate and confirm their ongoing suitability.

Authentikos does not sponsor or participate in any wrap fee programs.

Retirement Plans and Individual Retirement Accounts

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours.

Under this special rule’s provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

Investment Needs and Restrictions

When managing your investment portfolio, your IAR will utilize the background information you provide, which typically includes but is not limited to, your overall financial situation, risk tolerance, investment horizon, liquidity needs, tax considerations, investment objectives, and other issues important to your individual circumstances.

You should notify us promptly of any changes in your financial situation or investment objectives. You can impose any reasonable investment restrictions related to the management of your account which must be communicated to us in writing.

Assets under Management

As of December 31, 2023, we managed approximately \$125,138,473 million in client assets on a discretionary basis. We managed no client assets on a non-discretionary basis where the client is responsible for implementing our investment recommendations.

Item 5: Fees and Compensation

We offer our services on a fee-only basis. Fees can be charged in advance or in arrears. Depending on the program chosen, our fee can either be calculated based upon the market value of the assets in your account on the last business day of the previous month or the average daily balance in the account during previous month, as valued by your custodian.

Authentikos Managed Account

Our management fee is negotiated in advance of formalizing an advisory agreement with each client after considering the specific needs and circumstances of each customer. Our advisory fee will not exceed 2.5% per annum. Our management fee is in addition to fees charged by third party advisors that we may recommend. Fees charged by Authentikos and any third-party advisor combined will not exceed 3%, per annum, of total assets under management. Client fees are payable monthly, in arrears, based on the value of the assets under management as of the last business day of the previous month. The initial management fee will be prorated from inception date till the end of the quarter and calculated using the value of the account assets on the first day it is fully funded.

Since we charge an advisory fee which is based upon the value of assets we manage on your behalf the total fees you pay us will increase as the value of your account increases. This creates a conflict of interest by incentivizing us to recommend that you increase the assets in your account.

Authentikos may recommend the use of other asset management firms with whom we have a relationship with and from whom we could receive a share of the advisory fees you pay them. This creates a conflict of interest by incentivizing us to recommend a particular asset management firm based on the compensation we receive rather than based upon your needs.

AE Wealth Model Portfolio Program

The Model Portfolio Program is offered on a wrap fee basis only. This means you will pay a management fee based on assets under management but won't be assessed any commission, ticket charges, and custodian fees related to the execution of transactions in their account. The fee assessed to clients who participate in this program will not exceed 2.9% annually and is individually negotiated with Authentikos, in advance, after considering the specific

needs and circumstances of each customer.

The advisory fee is payable monthly, in arrears, based on assets under management and calculated based on the average daily balance of the account(s) during the billing period (e.g., previous month). Fees are prorated (based on the number of days service is provided during the initial billing period) for your account opened at any time other than the beginning of the billing period. Under the average daily balance method, each day's balance for the month is summed then divided by the number of days in the month, to compute the average daily balance. The average daily balance is then multiplied by the monthly portion of the annual fee to determine the monthly fee due. A portion of the advisory fee you are assessed will be shared with any third-party investment adviser and certain services providers (i.e., platform provider, custodian, and model portfolio manager) who provide services to the program. The fee paid to Authentikos and AE Wealth will be deducted in separate entries from your account and total amount combined will not exceed the total fee negotiated with you in advance.

Clients can terminate their AE Wealth platform account at any time upon written notice and receive a full pro-rata refund of any unearned fees. Fees and compensation for using the AE Wealth Model Portfolio Program, are provided in more detail in the AE Wealth Wrap Fee Program Brochure (Form ADV, Part 2A Appendix) which can be found by accessing AE Wealth's Disclosure Documents at <https://aewealthmanagement.com/disclosures> and the Client Fee Addendum.

Each account on the AE Wealth platform can also be subject to the following fees: Financial Advisor Fee, Platform Fee, Investment Manager Fee; and Initial Consulting Fees. Other fees for special services may also be charged depending on the circumstances related to the Client's account. The Client should consider all applicable fees, cost and expenses related to the program.

Participants in a wrap fee program will not pay separate commissions, ticket charges or custodian fees for the execution of transactions in their account. To compensate the custodian who has custody of the account, a portion of the fee paid by you is shared with them to cover these expenses. This creates a conflict of interest by incentivizing us and others to trade your account less frequently, despite your best interest, to decrease transaction related expenses incurred in managing your account.

Services similar to those provided by AE Wealth may be offered from other registered investment advisers at a lower fee.

Fees for Financial Planning

Financial planning services are charged on either a fixed fee or hourly arrangement as agreed upon between you and your IAR. Fees are negotiable and will vary depending upon the complexity of the client's situation and services to be provided. Fixed fees range from \$1,000 to \$14,000 per plan. Financial planning services billed on an hourly basis can range from \$0 -

\$300 per hour, depending on the experience and qualifications of the IAR. An estimate for total hours will be determined at the start of the advisory relationship. The cost of some plans may be recovered through a reduction in Authentikos' investment advisory fee in an amount equal to the cost of the financial plan should the recipient of the financial plan choose to become a client of Authentikos. Similar financial planning services may be available through other registered investment advisors for a lower fee.

For financial planning fees of less than \$1,000 per year, 50% of the fee may be due at the inception of engagement with the remainder paid at delivery. The financial plan will be presented to the client within 90 days of the contract date, provided that the client has promptly provided all information needed to prepare the financial plan.

A financial planning agreement can be terminated by either party upon receipt of written notice. Upon termination, any prepaid Planner fees will be prorated, and the unused portion shall be returned to Client. Also, if any fees are due in arrears, they will be prorated and invoiced to the Client.

The terms and conditions of the financial planning and/or consulting engagement are set forth in the Advisory Agreement or in a separate engagement letter. Authentikos generally requires payment of the entire fee upon execution of the Advisory Agreement or engagement letter.

A conflict exists between the interests of the investment adviser or associated persons and the interest of the client. The client is under no obligation to act upon the investment adviser's or associated person's recommendation. If the client elects to act on any of the recommendations, the client is under no obligation to effect any of the recommendations through the investment adviser or with an associated person when acting as an agent with a licensed broker-dealer or through any associate or affiliate of such person.

General Fee Information

In order for us to be able to deduct advisory fees from your account, you must explicitly authorize us to do so in writing with your custodian. Fees are deducted monthly or quarterly depending upon your advisory agreement with us.

Broker-dealers and other financial institutions that hold client accounts are referred to as custodians ("custodian/ broker-dealer"). Your custodian/broker-dealer determines the values of the assets in your portfolio. Your custodian/broker-dealer provides you with statements that show the amount paid directly to us. We strongly recommend that you regularly review and verify the calculation of our fees. Your custodian/broker-dealer does not verify the accuracy of our fee calculations.

In addition to our fee, you could be required to pay other charges such as: custodial fees, brokerage commissions, transaction fees, SEC fees, internal fees, margin fees and interest and expenses charged by mutual funds or exchange traded funds ("ETFs"), and other fees and taxes on brokerage accounts and securities transactions.

Mutual fund companies, ETFs, and variable annuity issuers charge internal fees and expenses for their products. These fees and expenses typically include management fees, operating expenses (e.g., custodial fees, legal fees, transfer agent expenses, trading expenses, marketing and distribution fees and other administrative costs) and certain shareholder fees (e.g., redemption fees, exchange fees, account fees and purchase fees). These fees are in addition to the management fee that we charge you. Complete details of these internal fees and expenses are explained in the prospectus related to each investment. You are strongly encouraged to read the prospectus related to any of these investments before investing any money. You can ask us any questions you have about any associated fees and expenses.

If you purchase mutual funds through the custodian/broker-dealer, you could pay a transaction fee that would not be charged if the transactions were made directly through the mutual fund company. Also, mutual funds held in accounts at brokerage firms may be subject to internal fees that are different from funds held directly with the mutual fund company.

While you can purchase shares of mutual funds directly from the mutual fund company without a transaction fee, those investments would not be part of our advisory relationship with you. This means that they would not be included in our investment strategies, investment performance monitoring, or portfolio reallocations.

Please read [Item 12 - Brokerage Practices](#), which follows later in this brochure for additional information.

Advisory fees are charged in advance or in arrears on a quarterly or monthly basis depending on the contractual agreement elected. Should you terminate the advisory agreement within five (5) business days from the date the agreement is executed, you will receive a full refund of any fees paid.

If the advisory fee was paid in advance and either one of us terminates the advisory agreement before the end of a billing period, we will refund any unearned fees to you. The amount refunded to you is calculated by dividing the most recent advisory fee you paid by the total number of days in the quarter. This daily fee is then multiplied by the number of calendar days that have already elapsed in the quarter to determine the amount of the advisory fee we earned during the month or quarter. Your refund is then calculated by subtracting this amount from the total fee you paid to us in advance.

Our firm and our professionals owe a fiduciary duty to all our clients. We also serve as a fiduciary to advisory clients that are employee benefit plans (such as profit-sharing plans or pension plans) or individual retirement accounts (collectively, our "retirement clients") (IRAs) pursuant to ERISA or the Internal Revenue Code ("IRC"). When acting as a fiduciary to these plans, we are subject to specific duties and obligations under ERISA and the IRC that include among other things, restrictions concerning certain forms of conflicted compensation. To avoid engaging in prohibited transactions, the firm only charges fees for investment advice (i) about products for which our firm and/or our related persons do not receive any commissions or 12b-1 fees, or (ii) about products for which our firm and/or our related persons receive commissions or 12b-1 fees if such commission and fees are used to offset advisory fees.

Our IARs are also licensed with various insurance companies and will typically be paid commissions through the sale of insurance products on your behalf.

We may receive benefits such as assistance with conferences and educational meetings from product sponsors.

Our IARs could also recommend various asset management firms through their affiliation with Authentikos. If you establish an investment advisory relationship with one of these firms, our IARs may share in the advisory fees you pay to these asset management firms.

The above arrangements present a conflict of interest because they create an incentive to make recommendations based upon the amount of compensation we receive rather than based upon your needs. We will explain the specific costs associated with any recommended investments with you upon request. We also recommend no-load and load-waived mutual funds to further reduce conflicts of interest. Additionally, you are under no obligation to purchase investment and insurance products through us and can do so through other brokers or agents who are not affiliated with us.

Item 6: Performance-Based Fees

Performance-based fees are designed to compensate an investment advisor for positive returns (realized and unrealized) in an investment portfolio or fund. Typically, the goal is to reward an investment adviser for generating positive performance. The fee is generally a percentage of the profits made in the portfolio or fund. As a matter of policy, we do not accept, negotiate, or charge performance-based fees on any of our client accounts.

Item 7: Types of Clients

We provide advisory services primarily to both individuals and to high-net-worth individuals, including their trusts, estates, and retirement accounts. We also provide services to corporations or business entities including their pension and profit-sharing plans. Certain Authentikos approved advisers offered through the Third-Party Investment Advisory Services have a required minimum dollar value for managing client assets ranging from \$25,000 to \$250,000.

The account minimum for the Authentikos Managed Account Program is \$100,000. We may accept clients with smaller portfolios based upon certain factors such as anticipated future earnings capacity and/or accumulation of additional assets, account composition, related accounts, and pre-existing client relationships. We may also consider the portfolios of your family members to determine if your portfolio meets the minimum size requirement. Minimum account size can be waived by Authentikos solely at our discretion. The minimum account size for AE Wealth model portfolio platform is \$10,000. This can be waived at the discretion of either AE Wealth or Authentikos.

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

Methods of Analysis

We select specific investments for your portfolios by utilizing fundamental, cyclical, and technical analysis, as well as charting.

Fundamental analysis is a method of evaluating a company that has issued a security by attempting to measure the value of its underlying assets. This involves assessing the overall economic and industry conditions, along with the financial condition and the quality of the company's management. Earnings, expenses, assets, and liabilities are all important in determining the value of a company. The value is then compared to the current market price of the issuing company's security to help determine whether to purchase, sell or hold the security.

Cyclical analysis is a form of fundamental analysis that involves the process of making investment decisions based on the different stages of an industry at a given point in time.

Technical analysis is a method of evaluating securities by analyzing statistics generated by market activity, such as historical prices and volume. Technical analysis does not attempt to measure a security's intrinsic value but uses charts and other tools to identify patterns that can suggest future activity.

Charting involves identifying patterns that can suggest future activity in price movements. A chart pattern is a distinct formation on a stock chart that creates a trading signal or a sign of future price movements. Chartists use these patterns to help identify current trends and trend reversals to trigger buy and sell signals. Some of the types of charts analyzed include Line Charts, Bar Charts, Candlestick, Point and Figure, etc.

Our investment strategies can utilize long-term and short-term purchases and sales, trading (securities sold within 30 days) and the use of options, margin, and short sales. You can place reasonable restrictions on the strategies to be employed in your portfolio and the types of investments to be held in your portfolio. Though, portfolios which restrict a significant number of investments, including sectors and/or industries, could impact our ability to act on potential investment opportunities which could result in performance for your account that is different from similar accounts without such restrictions.

Investment Risks

Investing in securities carries a significant amount of risk for investors. Some investments are associated with a higher degree of risk, and it is very important for investors to be familiar with these risks. As a result, you should be prepared to bear investment loss including the full amount of the principal invested. Also, past performance is not indicative of future results. Therefore, you should never assume that the future performance of any investment will be profitable.

Although we manage your portfolio in a manner consistent with your risk tolerances, we are not able to predict the future performance of any investment or guarantee that the methods

of analysis performed by us will be successful. The risks involved can include a loss of principal, reduction in earnings (including interest, dividends, and other earnings) and the loss of future earnings. There are certain risks associated with investing in securities through our advisory services which include the following:

Market Risk – loss of value in a fund, portfolio, or individual holding(s) due to adverse declines in the market as a whole. The prevalence of these declines can be more significant during times of heightened volatility.

Equity (stock) Risk – Common stocks represent a share of ownership in a particular company. They are subject to the price fluctuations associated with the general stock market. The price of a company can be significantly impacted by the market's perception and confidence in its current and future prospects. Investing in common stocks carries more risk than other investment types such as preferred stocks and debt obligations of the same issuer. In the event of a company's liquidation, common stockholders will have rights to the firm's assets after the rights of bondholders, other debt holders and preferred stockholders have been satisfied.

Company Risk – Every company has certain risks which are inherent in them which creates uncertainties about their current and future performance prospects. These risks can have an impact on the company's performance and effect their ability to make a profit or fail. The consequences can lead to significant reductions in the overall performance of the company and cause significant declines in the price of the stock. Such risks be internal (e.g., strikes, consumer preferences, manufacturing costs) and external (i.e., demand, increased competition, government regulations).

Market Capitalization Risk – Your portfolio could be invested in securities with varying levels of market capitalization (i.e., Large Cap, Mid-Cap and Small Cap). Each level has its own associated risks. Large Cap companies may lag in performance because they can experience lower rates of growth due to their size and may not be able to quickly respond to changes and opportunities in the market. Small and Mid-Cap stocks can be more exposed to business or economic events and may be less able to weather the impact of such events compared to larger, more established companies. Small and Mid-sized firms can also be less sophisticated when it comes to reacting and addressing certain challenges that may face its business operations due to limited product lines, size of management and experience and lack of resources. Small and mid-capitalization stocks tend to be more volatile than larger companies.

Fixed Income (bond) Risk – Fixed income represents an issuance of debt by a company which is purchased by investors. The funds the company receives from the issuance can be used for such matters as financing specific projects, creating new products and services, paying off other debts and funding the firm's operations. Fixed income investors always face the risk that the issuer may default on the debt and will not be able to make payments. Also, bond holders will be subject to interest rate risk. For example, as interest rates rise the value of bonds usually will fall, and vice-versa. Additionally, bond holders who receive regular fixed payments from their investment in a fixed income instrument may be impacted by changes in

inflation (i.e., inflation risk) which can erode the spending power of these payments.

Management Risk – The management of your account is dependent on the success and failure of the investment strategies, research, analysis, and selection of portfolio securities we provide. The investment performance of your investment strategy depends on the skill of the key individuals responsible for directly managing your account. If the investment strategy we implement on your behalf is not successful, the value of your account will decrease. There is no guarantee that the objectives of the investment strategy employed will be successful.

Trading Risk – Frequent trading can affect portfolio performance, particularly through increased brokerage and other transaction costs (if applicable) and taxes. Infrequent trading can affect portfolio performance, particularly through ongoing fees and other costs (if applicable) that can be intrinsically greater than trading commissions. Additionally, you should be aware that the use of margin, options and short sales are higher risk strategies. It is possible to lose all your principal, and sometimes more. In a cash account, your risk is limited to the amount of money that you have invested. In a margin account, your risk includes the amount of money invested plus the amount that has been loaned to you. When you short sell, your losses can be infinite.

Risks Associated with Particular Investments

Described below are some risks associated with specific types of investments that we could recommend when managing your portfolio. Many of these investments are usually sold by use of a prospectus or other offering document. Clients should review these documents carefully for more detailed information regarding the specific risks. All these investment types are subject to the risk of loss which can result in a partial or total loss of all your principal invested.

Mutual Funds

A mutual fund is a company organized to aggregate the funds of individuals investors into a pool that invests in securities such as stocks, bonds, and short-term debt. The assets of the mutual fund are known as its portfolio and individual investors purchase shares in the mutual fund. These shares represent an investor's ownership in the mutual fund and each investor shares pro rata in the income and/or capital gains that it generates. Also, each investor also shares in the fees and expenses associated with the fund and these fees and expenses will reduce the overall performance of the fund. Investors may incur losses up to and including any principal invested in the fund if the value of the underlying investments decrease. Dividends and/or interest payments may also fluctuate as market conditions fluctuate. Past performance does not guarantee future results.

Closed-End Funds

Closed-end funds are a type of mutual fund in which a fixed shares are sold through a single initial public offering (IPO). These shares are typically bought and sold on a stock exchange,

but no new shares will be issued and the amount of money flowing into the fund will not increase. Closed-end funds are less illiquid than a typical mutual fund and may not be readily marketable. They also may be subject to higher levels of volatility and could be heavily discounted. To help provide investors with some liquidity, a fund could offer to repurchase a certain percentage of shares from time to time. Thus, clients may be unable to liquidate all or a portion of their shares in these types of funds when they desire to do so.

Exchange-Traded Funds (“ETFs”)

ETFs are typically investment companies that are legally classified as an open-end mutual fund. Typically, they will track a particular index, sector, currency, commodity, or some other asset. However, they differ from traditional mutual funds in that ETF shares can be bought or sold on a securities exchange. Shares can be bought and sold throughout the trading day like shares of other publicly traded companies. ETF shares can potentially trade at a discount or premium to their net asset value. This difference between the bid price and the ask price is often referred to as the “spread.” The spread varies over time based on the ETF’s trading volume and market liquidity and is generally lower if the ETF has high trading volume and high market liquidity. Conversely, the spread is generally higher if the ETF has low trading volume and low market liquidity. ETFs can be closed and liquidated at the discretion of the issuing company.

Exchange-Traded Notes (“ETNs”)

An ETN is a senior unsecured, unsubordinated debt obligation issued by a bank. It is designed provide access for investors to the returns of a market index or benchmark. At maturity, the issuer of an ETN will make payment to investors which based on the performance of the underlying index, minus any associated fees. ETNs can be linked to a variety of assets, such as commodities, foreign currencies, and equities. ETNs are like ETFs in that they are listed on an exchange and can typically be bought or sold throughout the trading day. An ETN is not a mutual fund and does not have a net asset value as the value is determined by its current market price on the exchange where it trades. Some of the more common risks of an ETN are: 1) the issuer may default on the note and be unable to facilitate the repayment of the principal, interest (if any) and the payment of any investment linked to associated index or benchmark; or 2) the issuers credit rating may be downgraded which could significantly impact the trading price of the ETN in the secondary market. The asset or asset class to which the ETN is linked can carry specific risks not associated with a particular index or sector. ETNs can be closed and liquidated at the discretion of the issuing company.

Options

An option is a contract which gives the buyer the right, without obligation, to either buy or sell an underlying asset at a specific price on or before a certain date. The risks of loss associated with trading can include the entire loss of principal and sometimes more depending on the option strategy employed. A holder of an option can experience significant losses in a relatively short period of time as the value of an option can fluctuate greater than the underlying security it represents. This risk reflects the nature of an option as a wasting

asset which becomes worthless when it expires. An option holder who neither sells their option in the secondary market nor exercises it prior to its expiration will necessarily lose their entire investment. An option writer can be assigned an exercise at any time during the period the option is exercisable.

For more information regarding the risks of options, please read the “Characteristics and Risks of Standardized Options” brochure, which can be found at <http://www.theocc.com>

Bonds, High-Yield Bonds and Other Debt Obligations

High-yield bonds and other debt obligations are issued by companies or municipalities that do not qualify for “investment-grade” ratings (i.e., Moody’s: **Baa3 or better**, Standard & Poor’s: **BBB- or better**, Fitch: **BBB- or better**) by one or more rating agencies. These bonds carry a greater risk of failure to repay both principal and interest and a greater risk of default than those obligations that are rated investment-grade. The potential deterioration of an issuer’s financial health (i.e., reduced cash flow, deteriorating balance sheet, falling profit margins) will typically result in a downgrade in the rating of the issuer’s bond(s) and will increase the risk of default. There is also the risk that the bond’s market value will decline as interest rates rise and that an investor will suffer a significant loss of principal if liquidated before maturity or will not be able to liquidate the bond at all before it matures.

Variable Annuities and Variable Life Insurance

A variable annuity is a life insurance contract that has an investment component. Its value can therefore fluctuate with market conditions. Investors choose how to participate in financial markets by choosing among several “subaccounts” available within the annuity. Variable annuity “subaccounts” typically invest in mutual funds which are invested in stock, bonds, money markets or some combination. Investors should also be aware that certain riders purchased can increase the costs associated with a variable annuity which can limit the investment options and the ability to manage the subaccounts. These products are usually subject to significant fees and expenses. They are also considered long-term investments and variable annuity products may have restrictions which may restrict (i.e., once per year) or limit your ability (i.e., surrender charges) to withdrawal funds, especially in the early years which is called the accumulation phase.

Equities

Investing in individual stocks carries certain risks. Among these risks are Systematic risk is also known as market risk which is the potential for the entire market to decline. Systematic risk cannot be completely avoided through diversification. This involves factors or events which can impact the entire market such as inflation, interest rates, recessions, wars, and other issues. Unsystematic risk is the potential that any one stock may go down in value, independent of the stock market as a whole. Business risk is the possibility a company will have lower than anticipated profits or experience a loss rather than making a profit. Event risk is the possibility that an unforeseen event will negatively affect a company, industry, or security.

Third Party Money Management

Clients should read in full the Disclosure Brochure (Form ADV Part 2A) of the respective third-party money manager to understand the investment strategies and methods of analysis employed by them along with the associated risks. Prospective investors should carefully consider all risks, as there can be no assurance that the asset management programs managed by the third-party managers will achieve their respective investment objectives or avoid substantial losses. An investor should not make an investment with the expectation of sheltering income or receiving cash distributions. Clients should also make sure they understand the fees and expenses related to the use of each third-party money manager and how they are calculated and assessed to your account.

Unregistered Securities and Private Placement Risks

Investments in private placements are not immediately tradeable on an exchange or in the over-the-counter market. They can be subject to resale restrictions including significant holding or lockup restrictions for significant time periods. Private placements may serve as financing vehicles for public companies, commonly referred to as PIPEs (Private Investment in Public Equity), or for privately held entities. Securities purchased through private placements are typically less liquid than publicly traded securities and investments in privately held entities are generally less liquid than PIPEs. The offering documents contain limited information on the company's business and many private placement securities are issued by companies that are not required to file audited financial reports making it difficult to gauge how the private placement is likely to perform over time. Because of the illiquid nature of these securities, Authentikos will not be able to liquidate these securities upon termination of a client's account. Authentikos cannot provide oversight of these securities following a client's account termination. Clients should consider these risks when deciding whether to permit these investments for their accounts.

Item 9: Disciplinary Information

Registered Investment Advisors are required to disclose any legal or disciplinary events that are material to your evaluation of our firm and the firm's management.

We do not have any legal or disciplinary events related to the firm or the firm's management to disclose.

Item 10: Other Financial Industry Activities and Affiliations

Authentikos Financial & Insurance Services, LLC (AFI) is a licensed insurance agency. In this capacity, AFI sells insurance policies and annuities for a commission on behalf of clients, who may or may not have an advisory fee agreement with Authentikos Wealth Advisory, LLC.

Our representatives can sell other products or provide services outside of their role as investment adviser representatives with us. Due to the firm's financial planning philosophy, it is common for our financial professionals to recommend that clients utilize insurance products (for example, a fixed index annuity ("FIA")) as part of the client's overall financial plan in lieu of separately managed accounts (specifically, in lieu of cash and fixed income asset classes). You should be aware that there are a number of conflicts of interests that are present due to our planning philosophy and recommendations to utilize insurance products in this nature.

As an estimate, our financial professionals that are registered as investment advisor representatives spend approximately 40% of their time on insurance sales and services and 60% of their time on investment advisory services in the future. Please refer to Item 5 – Fees and Compensation and Item 14 – Client Referrals and Other Compensation for more details.

You may therefore work with your financial professional in both their capacity as an investment adviser representative of Authentikos, as well as in their capacity as an insurance agent. As such, your Authentikos financial professional, in their dual capacity as an IAR and insurance agent, may advise you to purchase insurance products (general disability insurance, life insurance, annuities, and other insurance products to you), and then assist you in implementing the recommendations by selling you those same products.

When acting as an insurance agent, in exchange for selling you those products, the financial professional will typically be paid a commission. This recommendation that a client purchase an insurance product through them as an insurance agent presents a conflict of interest, as the receipt of commissions is an incentive to recommend products that could potentially be based on commissions rather than your personal needs and objectives.

Furthermore, commissions may vary by product, and each individual product may have different commission rates, encouraging the financial professional to recommend products that may pay higher commissions over the products that make the most sense for you.

In addition, insurance products may also have different payment schedules depending on the nature of the product, and the timing of the payments likely differ from that of the advisory options offered by Authentikos. This timing difference has the potential to create a conflict of interest since some financial professionals may have the incentive to recommend a product that pays commissions now, over an advisory product that pays fees over a relatively longer period. As an example, all other variables held equal, a 5% commission paid by an insurance company upon sale of a \$100,000 annuity product, may be more attractive to a financial professional than a one percent (1%) advisory fee charged on a \$100,000 account paid over a period of five (5) years, despite the overall pre-tax compensation paid to the financial professional being equal.

There are other conflicts present as well. Authentikos utilizes the services of Advisors Excel, a third-party insurance marketing organization ("IMO") to select the appropriate product for our clients. The purpose of the IMO is to assist us in finding the insurance product that best fits the client's situation, although the IMO and insurance carrier may also offer special bonus

or incentive compensation to our firm and our investment adviser representatives when they act in their separate capacities as insurance agents when they meet certain overall sales goals by placing annuities and/or other insurance products through the IMO. This creates a conflict of interest for Authentikos and our financial professionals to utilize the products recommended by the IMO.

In addition, each of the individual insurance carriers that our financial professionals work with may also separately provide incentive-based bonuses or awards in exchange for sales-related production over specific periods of time, which is a conflict of interest. They may also provide indirect compensation by providing marketing assistance, business development tools, technology, back office/operations support, business succession planning, business conferences, and incentive trips. These incentive programs do not directly affect fees paid by the client. Although some of these services can benefit a client, other services obtained by our IARs such as marketing assistance, business development, and incentive trips, will not benefit an existing client and is a conflict of interest.

At times, our financial professionals receive expense reimbursement for travel and/or marketing expenses from distributors of investment and/or insurance products. Travel expense reimbursements are a result of attendance at due diligence and/or investment training events hosted by product sponsors. Marketing expense reimbursements are the result of informal expense sharing arrangements in which product sponsors will underwrite costs incurred for marketing, such as client appreciation events, advertising, publishing, and seminar expenses. Although receipt of these travel and marketing expense reimbursements are not predicated upon specific sales quotas, the product sponsor reimbursements are made by those sponsors for which sales have been made or for which it is anticipated sales will be made. This creates a conflict of interest in that there is an incentive to recommend certain products and investments based on the receipt of this compensation instead of what is in the best interest of clients.

Advisors Excel is also a related company of AE Wealth Management. Advisors Excel provides affiliate members such as our firm, Authentikos, with marketing assistance and business development tools to acquire new clients, technology with the goal of improving the client experience and our firm's efficiency, back office and operations support to assist in the processing of our insurance (through Advisors Excel) and investment advisory services (through AE Wealth Management) for clients, and business succession planning for our firm. Although some of these services may directly benefit a client, other services obtained by us from Advisors Excel such as marketing assistance and business development may not benefit an existing client. There is a conflict of interest when we use the sub- adviser and financial planning services of AE Wealth Management because we are influenced to use AE Wealth Management based upon our relationship and services provided and support of Advisors Excel.

We have taken a number of steps to manage these types of conflict of interests. We attempt to control for these sales-related conflicts by always basing investment decisions on the individual needs of clients. As a fiduciary, we expect and require that each investment adviser representative only recommend insurance and annuities when in the best interest of the client. The sale of commission-based products is supervised by the firm's CEO in

concert with Advisors Excel and AE Wealth Management, in addition to their compliance team. The firm makes periodic reviews of its insurance recommendations to ensure that our financial professionals act in accordance with our fiduciary duty. If you have any questions or concerns about annuity recommendations made during the financial planning process, we encourage you to immediately bring it to the attention of the firm's CEO or the CCO.

Finally, you should be aware that there are other insurance products that are offered by other insurance agents other than those recommended by our financial professionals. You are under no obligation to implement any insurance or annuity transaction through Authentikos.

Our IARs may also recommend various asset management firms through their affiliation with Authentikos. Authentikos will ensure that any third-party advisor recommended by the firm is registered either with the Securities and Exchange Commission or the appropriate state agency. If you establish an investment advisory relationship with one of these firms, our IARs may share in the advisory fees you pay to them. This arrangement creates a conflict of interest because we have an incentive to recommend an advisor based on the amount of compensation we receive instead of what is in your best interest.

Authentikos does not have an application pending to register as a broker-dealer. None of the owners nor any member of the management team is registered with a broker-dealer as a registered representative.

Authentikos is not registered, nor does it have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor. None of the owners nor any member of our management team is registered with a futures commission merchant, commodity pool operator, a commodity trading advisor as a registered representative.

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

Authentikos has adopted a Code of Ethics ("Code") which is designed to assist the firm and our employees in complying with applicable laws and regulations governing our investment advisory business. The Code requires persons associated with Authentikos (managers, officers, and employees) to act with honesty, good faith and fair dealing when working with our clients. In addition, the Code prohibits all employees from trading with or otherwise acting on insider information.

The Code also sets forth business conduct standards for Authentikos' employees. Under the Code's Business Conduct Standards, Authentikos expects its associated persons to put the interests of its clients first, ahead of any personal interests. In this regard, Authentikos employees must comply with all applicable state and federal securities laws, disclose or eliminate conflicts of interest, not favor one client over another and not to take inappropriate advantage of the firm's clients based on their position within the firm. The Code also addresses such activities as the receipt and acceptance of gifts and entertainment, political

contributions, and outside business activities.

Authentikos' Code establishes policies and procedures to monitor and review the personal trading activities of the Firm's employees. Authentikos' employees are allowed and have the capability to invest in the same securities recommended to our clients. Under the Code, Authentikos has adopted policies and procedures designed to help reduce or eliminate conflicts of interest that can arise from the personal trading activities of its employees. These policies and procedures require that all employees must report their securities transactions to us. Authentikos' Chief Compliance Officer or Designee, at least quarterly, is responsible for reviewing our employees personal trading activity to ensure compliance with our Code of Ethics. Also, the Code requires pre-clearance for transactions in Initial Public Offerings (IPOs) and limited offerings. A pre-clearance review considers, at a minimum, whether the opportunity should be reserved for clients and if the opportunity is being offered to the individual by virtue of their position with Authentikos. These policies are designed to discourage and prohibit personal trading that would disadvantage our clients. The Code also provides for disciplinary action as appropriate for violations related to the Code.

Our employees are permitted to buy or sell the same securities for their personal and family accounts that are bought or sold for your account(s). The personal securities transactions related to an investment advisor and its employees creates a conflict of interest when they trade in a security that is either owned by you or under consideration for your account.

Any client or prospective client can request a copy of Authentikos' Code of Ethics by contacting Authentikos' Chief Compliance Officer (Thomas Kerney) at tkerney@kbc.team or (312) 273-4322.

Item 12: Brokerage Practices

Unless directed otherwise, we generally recommend a firm as your broker-dealer and as your custodian who will be responsible for the execution of trades, holding of funds and securities and servicing your account.

In recommending a firm as your custodian and as the securities brokerage firm responsible for executing transactions for your portfolio, we consider at a minimum the Institution's execution capability, trading expertise, accuracy of execution, commission rates, research, reputation and integrity, fairness in resolving disputes, financial responsibility and responsiveness.

The determining factor in the selection of a firm to execute transactions for your accounts is not the lowest possible transaction cost, but whether the firm can provide what is in our view the best qualitative execution for your account.

Soft dollar arrangements involve the receipt of certain benefits by an investment advisor from a broker-dealer or custodian through the payment of commission revenue that is generated by client trading activity routed to them. Authentikos does not receive research or other soft dollar arrangements in connection with Client securities transactions. It has also not entered into any soft dollar arrangements with any custodian or broker-dealer.

Though, a custodian we recommend to you will provide us with access to institutional trading and custody services, which includes brokerage, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. We are not required to place a minimum volume of transactions or maintain a minimum dollar amount of client assets to receive these services.

The custodian that we recommend does not charge separately for holding our clients' accounts but can be compensated by you through other transaction-related fees (i.e., trade commissions) associated with the securities transactions it executes for your accounts.

The custodian could also make available to us other products and services that benefit us but may not benefit you directly. Some of these products and services assist us in managing and administering our client accounts, such as software and other technology. These products and services typically provide us with access to information related to your account and the ability to execute trades on your behalf. They include the ability to retrieve duplicate trade confirmations, bundled duplicate account statements, use of an electronic communication network for client order entry and account information. Also, we are given access to a trading desk which exclusively serves advisory firms, along with the ability to facilitate block trading which allows us to aggregate multiple client trades with the same transaction type in the same security into one transaction. After execution of the block trade, we then allocate the appropriate number of shares pro rata to each individual account. Also, we are provided with research, pricing information and other market data; ability to facilitate payment of our fees from client accounts; assistance with back-office functions, record keeping and client reporting and receipt of compliance publications.

The custodian could also make available to us other services intended to help us manage and further develop our business. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing.

The custodian could also make available or arrange for these types of services to be provided to us by independent third parties. The firm may discount or waive the fees it would otherwise charge for some of the services it makes available to us. It may also pay all or a part of the fees of a third party providing these services to us. Thus, we receive economic benefits due to our relationship with the custodian because we do not have to produce or purchase the products and services listed above.

The amount of compensation and/or the products and services we receive may vary depending on the custodian/broker-dealer we recommend to our clients. As a result, we have a conflict of interest in recommending a particular custodian/broker-dealer because there is an incentive to recommend them based on the amount and/or types of benefits we receive rather than what's in your best interest. For example, our recommendation of specific custodian/broker-dealers could be based in part on the economic benefit to us and not solely on the nature, cost or quality of custody and brokerage services provided to you and our other clients. We nonetheless strive to act in your best interests at all times.

Commissions and other fees for transactions executed through the custodian we recommend may be higher than commissions and other fees available through another custodian/broker-dealer firm who executes transactions and maintains custody of accounts. We believe, however, that the overall level of services and support provided to our clients by the custodian we recommend outweighs the benefit of possibly lower transactions costs which could be available under other competing custodian/brokerage arrangements.

You can direct us in writing to use a particular broker-dealer to execute some or all investment transactions for your account. If you do so, you are responsible for negotiating the terms and arrangements for the account with that broker-dealer. We may not be able to negotiate commissions, obtain volume discounts, or best execution. In addition, under these circumstances a difference in commission charges can exist between the commissions charged to clients who direct us to use a particular broker or dealer and other clients who do not direct us to use a particular broker or dealer.

We may engage in bunched trading, which is the purchase or sale of a security for the accounts of multiple clients in a single transaction. Each client participating in a bunched trade receives a price which represents the average price of all the transactions executed. Executing a bunched trade allows transaction costs to be shared equally on a pro rata basis among all the participating clients. If the order receives a partial execution, the securities purchased or sold will be allocated among the participating clients on a pro rata basis or in some other equitable manner.

The use of bunched trading is only facilitated when we reasonably believe that aggregating trades will provide better prices for clients than had individual transactions been placed. Transactions for nondiscretionary client accounts are not bunched with transactions for discretionary client accounts. Transactions for the accounts of our employees and advisory representatives can be included in bunched trades. If so, they will receive the same average price and pay the same commissions and other transaction costs as clients. Transactions for the accounts of Authentikos' investment advisory representatives or our employees will not be favored in any way over the transactions of our client accounts.

Authentikos is not obligated to include any client account in a bunched trade and clients can prohibit their participation in bunched trading. Your trades will not be included in a bunched trade if doing so is prohibited by you or otherwise inconsistent with your investment advisory agreement. We will not favor one client over any other client.

Item 13: Review of Accounts

Reviews are performed at least annually but can be done more frequently at your request. Initially, we review the information related to your goals, investment objectives, risk tolerance and overall financial situation to help us recommend a particular advisory program or investment strategy suitable for you. We also review and update, at least annually, your current financial status, goals, and objectives to document continued suitability. More frequent reviews could be triggered by material changes in your life

circumstances, changes or shifts in the economy and/or the financial markets, change in the management of mutual funds and market corrections. Your advisory representative is responsible for reviewing your account. Certain clients, dependent upon their choice of investment program, will receive quarterly reports showing the investment performance in their account.

Item 14: Client Referrals and Other Compensation

If a client is referred to Authentikos by a solicitor who is either affiliated or unaffiliated, we will typically pay that solicitor a referral fee. The payment of such referral fee will be made in accordance with SEC Rule 206(4)-3 (the "Solicitation Rule") and with appropriate state securities laws.

Through these solicitation arrangements, we pay a cash referral fee to the Solicitor and/or their firm based upon a percentage of the advisory fee we charge to manage your account. The payment of referrals fees will not increase the amount of the fees paid by program participants. However, clients should be aware that the receipt of this compensation can create an incentive for the solicitor to recommend us as your investment advisor over others for which less or no compensation is received. Any such referral fee shall be paid solely from Authentikos' investment management fee and shall not result in any additional charge to the client. If the client is introduced to Authentikos by an unaffiliated solicitor, the solicitor, at the time of the solicitation, must disclose the nature of the solicitor relationship and shall provide each prospective client with a copy of Authentikos' written Disclosure Brochure (Form ADV Part 2A). Concurrently, the solicitor will also provide a copy of their own written disclosure statement to the client which discloses the terms of the solicitation arrangement between Authentikos and the solicitor, including the compensation they will receive from us. Currently, Authentikos has not entered into any solicitation arrangements with any third party which is subject to the disclosure requirements mandated by the Solicitation Rule.

As previously noted in [Item 12 – Brokerage Practices](#), Authentikos does not receive any soft dollar benefits, but we do receive certain products and services from the custodian we recommend to our clients. Some of the products and services we receive may benefit us but may not benefit you directly. These products and services will typically help us with managing and administering our client's accounts. For example, these products and services can typically provide us with the ability to access client account information, execute client trades, give assistance with our back-office functions, record keeping, client reporting and access to publications associated with industry compliance. Please see [Item 12 – Brokerage Practices](#) for additional information.

Item 15: Custody

You will receive statements from the custodian/broker-dealer that holds your investment account at least quarterly. You should verify that the transactions in your account are consistent with the goals, investment objective and risk tolerance for your account. We also encourage you to contact your investment advisor or our CCO should you have any questions

or concerns regarding your account. We will adhere to all safeguards to ensure the proper custody of your investment assets.

You must authorize us to have the custodian/broker-dealer pay us directly by charging your account. This authorization must be provided in writing. Fees are deducted monthly or quarterly in advance depending on the terms of your advisory agreement.

The custodian/broker-dealer provides you with statements that show the amount paid directly to us. We strongly recommend that you regularly review and verify the calculation of our fees. The custodian/broker-dealer does not verify the accuracy of fee calculations.

Item 16: Investment Discretion

We offer our advisory services primarily on a discretionary basis but accept non-discretionary accounts on a case-by-case basis. Discretionary means that we execute investment transactions in your account without advance approval from you. Non-discretionary means that we need advance approval from you when executing investment transactions in your account.

The discretion granted to Authentikos by you does not allow us to choose the broker-dealer through which transactions will be executed. Additionally, we do not have the ability to withdraw funds from your account except for the billing of our advisory fee which requires your prior written authorization. We use the discretion granted to us in a manner that is consistent with the stated investment objectives for your account and will only exercise discretion in accounts where we have been expressly authorized to do so. This authorization is typically granted in the investment advisory agreement executed with us.

Item 17: Voting Client Securities

We do not take any action or give any advice with respect to the voting of proxies related to securities that we manage on behalf of our client's accounts. In addition, we do not take any action or give any advice with respect to any securities held in any accounts that are named in or subject to class action lawsuits. We will, subject to reasonably adequate advanced notice, gather and forward to you any information received by us related to proxies and class action legal matters involving any securities held in your accounts.

Item 18: Financial Information

Registered investment advisors who maintain discretionary authority over their client's assets or accounts must disclose any financial conditions which could impair their ability to meet contractual commitments made with clients.

We have no financial commitment which would impair our ability to meet contractual and fiduciary commitments to you and we have not been the subject of any bankruptcy proceeding. We also do not require prepayment of more than \$1,200 in fees per client, six months or more in advance.