



**FORM ADV PART 2A**

**FIRM BROCHURE**

## **PROSSIMO ADVISORS LLC**

**1150 Osos Street, Suite 208  
San Luis Obispo, CA 93401**

**Phone: 805-548-2800  
Web: [www.prossimoadvisors.com](http://www.prossimoadvisors.com)**

**Updated: March 27, 2024**

**This brochure provides information about the qualifications and business practices of Prossimo Advisors LLC. If you have any questions about the contents of this brochure, please contact us at (805) 548-2800 or via email at [Admin@prossimoadvisors.com](mailto:Admin@prossimoadvisors.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. Our registration does not imply a certain level of skill or training and no inference to the contrary should be made.**

**Any reference to or use of the terms "registered investment adviser" or "registered" does not imply that Prossimo Advisors LLC, or any person associated with Prossimo Advisors LLC has achieved a certain level of skill or training.**

**Additional information about Prossimo Advisors LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the firm name or CRD #289347.**

---

## Item 2: Statement of Material Changes

---

The purpose of this Item 2 is to inform you of material changes since the previous version of this Brochure. If you are reading this Brochure for the first time, this section may not be relevant to you.

Since Prossimo Advisors LLC (“Prossimo” or the “Firm”) filed its ADV Part 2A Brochure, dated March 29, 2023, the following material changes occurred:

- None.

Prossimo encourages you to read the most current version of its ADV Part 2A Brochure. Pursuant to applicable regulations, Prossimo will ensure that you receive a summary of any material changes to this Brochure within 120 days of the close of the Firm’s fiscal year (December 31<sup>st</sup>). Additionally, as the Firm experiences material changes in the future, you will receive a summary of any such “Material Changes” under separate cover.

---

## Item 3: Table of Contents

---

### TABLE OF CONTENTS

Item 1: Cover Sheet.....	1
Item 2: Statement of Material Changes .....	2
Item 3: Table of Contents.....	3
Item 4: Advisory Business.....	4
Item 5: Fees and Compensation.....	8
Item 6: Performance-Based Fees .....	11
Item 7: Types of Clients .....	12
Item 8: Methods of Analysis, Investment Strategies and Risk of Loss .....	12
Item 9: Disciplinary Information .....	18
Item 10: Other Financial Industry Activities and Affiliations.....	18
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .....	19
Item 12: Brokerage Practices .....	20
Item 13: Review of Accounts.....	23
Item 14: Client Referrals and Other Compensation .....	24
Item 15: Custody .....	24
Item 16: Investment Discretion.....	24
Item 17: Voting Client Securities .....	25
Item 18: Financial Information.....	25
Item 19: Requirements for State-Registered Advisers.....	25

---

## Item 4: Advisory Business

---

### A. Firm Information

Prossimo Advisors LLC, a California limited liability company (“Prossimo”), was formed in July 2017. Jerry Todd Mirolla is the firm’s Managing Director and co-owner. Mr. Mirolla’s extensive background as a business and corporate mergers and acquisitions attorney provides him with unique experience and qualifications to advise successful individuals, business owners and families with significant assets.

Katelyn Hunter is the firm’s Chief Compliance Officer and co-owner. Ms. Hunter’s prior career as a securities litigator facilitates her deep understanding of industry rules and regulations, as well as the nuances of individual financial products.

This document gives clients an understanding of Prossimo’s business. Any material conflicts of interest have been disclosed in this document. If clients or prospective clients have any questions concerning the contents of this disclosure document, they may contact Mr. Mirolla or Ms. Hunter at the number on the cover sheet of this document.

### B. Advisory Services Offered

Prossimo provides advisory services to a select group of high net-worth clients, most of whom are past or current business owners. These clients are focused on ensuring stewardship and planning for existing wealth through proper wealth management, including investment oversight, succession planning and liability protection. Current business owners may either be focused on proper succession planning or seeking assistance with exiting their business in a manner that maximizes their opportunities for a competitive liquidity event. Prossimo’s clients have services specifically tailored to their needs, along with the needs of their family and ongoing business(es), as applicable. These services include financial oversight and asset management, but not necessarily in the manner those concepts are most typically defined within the securities industry.

Prossimo and its clients agree on investment goals, guidelines and strategies after analyzing the client’s circumstances, assets and liabilities, income needs, risk tolerance, and other invested assets. Each client’s situation will be analyzed and evaluated, producing an individualized investment plan designed to address any client-imposed restrictions on types of securities, investment sectors or, in limited circumstances, the broker-dealer to engage for certain securities transactions.

Most Prossimo clients will have achieved financial success, but they are seeking a partner to help steward their wealth into the future. Typical clients are often “serial entrepreneurs” and are concerned with finding the time and ability to manage multiple professional relationships, including investment managers, attorneys, accountants and other professionals needed to ensure their wealth is maintained and ultimately transferred to the intended parties. In this sense, Prossimo’s role in



advising clients is best described as a “multi-family office,” creating an organized and proactive approach to the complex financial and personal circumstances that surround a high net-worth family, while acting as the main contact point and advocate for each client. The process begins with a review of the totality of the client’s financial circumstances, to include current real estate holdings, trusts, investments, and other assets. At times, organizational structures can be very complex, with various trusts and partnerships created to hold and manage a family’s wealth. Prossimo’s services include streamlining these structures (with the goal of reducing complexity and expenses), assisting and managing tax advisors and other professionals to ensure complete and timely delivery of necessary services, and ultimately providing proactive management of each client’s financial and personal needs.

If requested, Prossimo will assist clients with due diligence regarding business and investment opportunities, real estate investments, and generational planning, including managing the implementation of estate planning objectives. Prossimo’s goal is to provide clients with a superior set of services and address the complete family office needs of successful individuals and their families.

Owners of privately-held companies encounter specific business issues, including the continuity of ownership, and the risks associated with an operating business being controlled by a small group of individuals. The company’s best interests are served by maintaining a consistent approach to these issues, where each owner’s individual circumstances are planned and documented, thereby limiting the risks to the company. Coordination of business oversight, change of control issues, tax concerns, and investments are critical for the operation and possible sale of any complex business. Clients can engage Prossimo to work with them to assist in the coordination and implementation of complex business plans.

Prossimo’s investment advisory services are tailored to the specific needs of each client. Clients can place reasonable restrictions on the management of assets, including specific securities or types of securities. However, clients should understand that significant restrictions can decrease the ability of Prossimo to meet the client’s goals, as well as increase the costs associated with managing the client’s portfolio.

With respect to asset management, Prossimo will manage a client’s assets, but Prossimo does not require a client to place assets directly with Prossimo. High net-worth individuals often have an assortment of existing investment managers, and in some cases, Prossimo will conclude these managers are appropriate choices for management of the individual’s assets. Where Prossimo adds value in these circumstances is through the management of these investment managers, examining the manager’s fee schedule, challenging the manager’s thought processes, and identifying emerging managers larger firms may have overlooked. As an independent adviser, Prossimo can remain objective and proactively identify issues arising from the client’s overall circumstances and investment portfolio. If Prossimo believes that a manager, or managers, are not performing their duties, or feels the client’s needs can be better served elsewhere, Prossimo will typically advise

changes be made. Prossimo's clients are free to accept or reject any recommendation from Prossimo.

Prossimo may recommend that a client place assets with a third-party investment adviser. The rationale and investment process associated with such recommendations are more fully described in Item 8 below.

Prossimo manages client assets on a discretionary basis and in some cases on a non-discretionary basis. Discretionary management means that Prossimo will continue an ongoing relationship with each client as they remain involved in investment plans, due diligence, performance reviews and informing Prossimo of changes in circumstances and risk tolerances. However, Prossimo will not seek specific prior approval of changes to the client's investment accounts if the client's assets are managed on a discretionary basis. Clients can always make deposits or withdrawals in their accounts at any time, or place restrictions on the types of investments in an account or portfolio. Where Prossimo uses discretion when managing accounts, clients engaging Prossimo will be asked to execute a Limited Power of Attorney (granting Prossimo discretionary authority over the client's accounts) and an Investment Advisory Agreement that outlines the responsibilities of both the client and Prossimo.

When a client engages Prossimo to provide services on a non-discretionary basis, Prossimo monitors the accounts in the same way it does accounts managed on a discretionary basis. The difference is that a change to a client's account will not be made until Prossimo has the client's prior approval (either verbally or in writing) that Prossimo's proposed change is acceptable.

Prossimo does not guarantee the future performance of a client's account, any specific level of performance, or the success of any investment recommendation or strategy made by Prossimo, as such advice is subject to various market, currency, economic, political and business risks.

If requested, Prossimo will recommend the services of other professionals for investment implementation and ongoing management, subject to oversight by Prossimo. Clients are under no obligation to engage the services of any such recommended professional. Clients retain absolute discretion over all such implementation decisions and are free to accept or reject any recommendation from Prossimo. If a client engages any professional recommended by Prossimo, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional.

If directed by a client, Prossimo may oversee certain of the client's accounts or assets held with third parties. Prossimo will not have discretionary authority over any such accounts or assets and Prossimo's investment management fee will not apply. Such accounts or assets may, however, be subject to a separate fee for due diligence and monitoring by Prossimo (see Item 5). Any instance in which accounts or assets are overseen by Prossimo but not subject to Prossimo's discretionary

authority and investment management fee will be documented in the client's agreement with the Firm.

For those clients without tax advisors, Prossimo can recommend tax professionals in domestic and international tax specialties. Prossimo does not give tax advice to its clients, but Prossimo will work with a client's tax advisors to address the client's particular circumstances and implement a wealth management strategy intended to be tax efficient.

### C. Wrap Fee Program

A "wrap fee program" exists when asset management fees and transaction costs related to the management of the same assets are included in one fee. Transaction costs and fees include transaction fees for the purchase or sale of securities but do not include expenses related to the use of margin, wire transfer fees, the fees charged to shareholders of mutual funds or Exchange Traded Funds ("ETFs"), mark-ups and mark-downs, spreads, odd-lot differentials, fees charged by regulatory agencies, and any transaction fees for securities trades executed by a broker-dealer other than Schwab Advisor Services <sup>™</sup>, a division of Charles Schwab & Co., Inc. ("Schwab"). For clients who participate in the Firm's wrap fee program, some of these fees will be paid on the client's behalf by Prossimo. Prossimo Advisors LLC is the sponsor of the wrap fee program.

Because of the nature of a wrap fee program, the wrap fee program client can pay more or less than if the client had compensated Prossimo outside of the wrap fee program. For example, if a client's account is rarely traded, the transaction fees owed by the client are minimal, thus limiting the benefits of "wrapping" management fees and transaction fees.

Prossimo may not be the sole portfolio manager for the wrap fee program, which means that Prossimo receives a portion of the wrap fee for its services and other portions of the wrap fee are paid to one or more third-party portfolio manager(s). Transaction fees are paid to various broker-dealers, mutual funds and exchange traded funds. The remainder of the wrap fee is the management fee payable to Prossimo. The amount payable to Prossimo varies depending upon the amount of trading in a client's account. The more transactions in the account, the greater the amount of transaction fees, and therefore the less compensation to Prossimo. Accordingly, Prossimo has a financial incentive to avoid trading the account. This creates a conflict of interest between the Firm and its wrap fee program clients. Prossimo mitigates this conflict by requiring that the Firm's employees acknowledge their fiduciary duty to place client interests ahead of their own and by periodically comparing wrap fee program client performance against any clients who do not participate in the wrap fee program.

Prossimo receives no additional compensation for offering the wrap fee program and manages wrap fee program accounts no differently than non-wrap fee program accounts.

**Clients should refer to the accompanying Wrap Fee Program Informational Brochure for additional information.**

**D. Non-Wrap Fee Program**

For asset management clients who do not participate in Prossimo's wrap fee program, transaction costs and fees, to include transaction fees for the purchase or sale of securities, will be separate and in addition to Prossimo's asset management fee. Additionally, expenses related to the use of margin, wire transfer fees, the fees charged to shareholders of mutual funds or Exchange Traded Funds ("ETFs"), mark-ups and mark-downs, spreads, odd-lot differentials, and fees charged by regulatory agencies, will also be separate and in addition to Prossimo's asset management fee. Transaction costs and related expenses are paid to various broker-dealers, mutual funds and ETFs; they are not paid to Prossimo or any principal thereof.

**E. Assets Under Management**

Prossimo manages client assets on a continuous and regular basis. As of March 20, 2024, the total amount of discretionary client assets under Prossimo's management is \$175,287,205. As of March 20, 2024, the total amount of non-discretionary client assets under Prossimo's advisement is \$52,252,712.

---

## **Item 5: Fees and Compensation**

---

**A. Fees Charged**

All clients will be required to execute an Investment Advisory Agreement ("IAA") with Prossimo outlining the services to be performed, as well as the fees for those services.

Clients are advised that they may pay fees that are higher or lower than fees they may pay another advisor for the same services and might in fact pay lower fees for comparable services from other sources. Clients are under no obligation at any time to engage or to continue to engage Prossimo for investment advisory services. If a client does not receive a copy of this Brochure at least forty-eight (48) hours prior to the execution of an IAA, the client may terminate the IAA within the first five (5) business days without penalty.

**Asset Management**

For clients whose assets are managed by Prossimo, asset management fees are based on a percentage of the assets managed. This fee varies from 0.95% to 0.70%, based on the amount and type of assets managed, and if the client is engaged under a wrap fee agreement or a non-wrap fee agreement. Prossimo's current asset management fee schedule is as follows:

Less than \$2 million:	0.95% (subject to minimum annual fee of \$10,000)
------------------------	---

+\$2 million - \$5 million:	0.90%
+\$5 million - \$10 million:	0.85%
+\$10 million - \$18 million:	0.80%
+\$18 million - \$25 million:	0.75%
+\$25 million:	0.70%

These fees are guidelines, subject to change according to the complexity of the client's needs, including the range of family office services provided, the number of family accounts, and the need for business oversight services. Fees are paid quarterly in advance and are calculated using the client's quarter-end account balance as reflected on a custodial statement. As noted above, Prossimo reserves the right to charge an annual minimum fee of \$10,000 for any account below \$2,000,000.

In those instances where Prossimo is asked to perform due diligence, monitor and report to the client on assets or accounts managed by third parties not affiliated with Prossimo as an investment manager and for which Prossimo does not have discretionary authority, the Firm charges a fee of between 0.15% and 0.25% of the value of the assets or accounts under advisement. These fees are paid quarterly in advance and are calculated using the client's account balance as reflected on the most recent third-party statement.

#### Family Office and Business Oversight Services

Fees for family office and business oversight services are generally fixed annual fee arrangements, paid in equal quarterly installments, in advance. Fees for family office and business oversight services begin at \$60,000 per year. The amount of the fee is subject to negotiation and may vary significantly given the complexity of each client's circumstances, the frequency of ongoing services, and/or any complicating factors that may or may not be identifiable until they arise.

In limited circumstances, Prossimo will bill clients on an hourly basis for family office and business oversight services performed, at a mutually agreed upon negotiated hourly rate based on the complexity of work. Hourly fees for family office services will be billed monthly, in arrears, with payment due within fifteen (15) days of the date of the invoice.

Clients for whom Prossimo provides investment advisory services may choose to pay fees for family office and business oversight based on a percentage of the client's assets under management. Because the typical Prossimo client is high net-worth and has complex financial circumstances, each client's case is truly unique, and therefore a simple fee tier for assets under management is not appropriate. In some cases, the asset management component of Prossimo's services is actually a smaller part of the work performed, as compared to the family office and business oversight services, the overall strategic advice, and investment monitoring services that Prossimo provides. It is important to note that at times, the amount of assets under direct management is not an appropriate proxy for the amount of work required for a given client.

Prossimo believes that its fees are reasonable based on the investment advisory and family office services the Firm provides to its clients. However, third parties may provide comparable services for lower fees.

B. Fee Payment

Asset Management:

For clients whose assets are managed by the Firm, investment advisory fees will be debited directly from each client's account(s). The advisory fee is paid quarterly in advance, and the value used for the fee calculation is the net value as of the last market day of the previous quarter. This means that if a client's annual fee is 0.80%, each quarter Prossimo will multiply the value of the account by 0.80%, divide by 365 days, and then multiply by the number of days in the upcoming quarter to calculate the fee. For assets deposited into or withdrawn from an account after the inception of a billing period, the fee payable is prorated based on the number of days remaining in the billing period. Any reduction in fees related to the withdrawal of assets in an account will be credited against the next billing period's investment advisory fees. To the extent there is cash in a client's account, it will be included in the value for calculating fees only if the cash is part of an investment strategy. Once the calculation is made, Prossimo will instruct the account custodian to deduct the fee from the appropriate account and remit it to Prossimo. If requested, fees due Prossimo may be paid from an account managed by a third-party investment manager, as authorized by the client.

Clients whose fees are directly debited will provide written authorization to debit advisory fees from their accounts held by a qualified custodian chosen by the client. Each quarter, Prossimo sends the custodian written notice of the amount of the fee to be deducted from the client's account. Clients receive an invoice itemizing the fees to be debited, including the formula used to calculate the fee, the amount of assets upon which the fee is based, and the time period covered by the fee. The fee will not be independently calculated by the custodian. The client also receives a statement from their account custodian showing all transactions in their account, including the fees debited by Prossimo.

In summary, Prossimo provides each client details showing the amount of the advisory fee and the value of the assets on which the fee is based (including any proration) concurrently with the custodian's debiting of client accounts. It is the client's responsibility to verify the accuracy of the advisory fee calculation; the custodian will not do this on the client's behalf.

Family Office and Business Oversight Services:

Family office and business oversight services are generally based on a fixed annual fee, paid in equal quarterly installments, in advance. An annual fee will be mutually agreed upon at the end of each calendar year. The ongoing annual fee will be paid in a mutually agreeable manner between the client and Prossimo. Hourly fees are billed monthly in arrears and are payable within fifteen (15) days of the date of the invoice.

### C. Other Fees

Additional fees are associated with holding and investing in securities. For clients participating in Prossimo's wrap fee program, some or all of these fees will be paid by Prossimo on the client's behalf, such as transaction fees for the purchase or sale of a mutual fund or Exchange Traded Fund ("ETF"), commissions for the purchase or sale of a stock, or fees charged by independent managers, though these fees are not paid to Prossimo or any principal thereof. Expenses of a fund (mutual fund or ETF, for example) will not be included in management fees, as they are deducted from the value of the shares by the fund manager. For a complete discussion of expenses related to each mutual fund or ETF, clients should read a copy of the prospectus issued by that fund. Prossimo can provide or direct clients to a copy of the prospectus for any recommended fund.

For clients not participating in Prossimo's wrap fee program, transaction fees and costs are paid by the client from custodial accounts as incurred. The custodian will provide the client with a statement detailing all such transaction fees and costs.

Please make sure to read Item 12 of this Brochure, where broker-dealer and custodial issues are discussed.

### D. *Pro-rata* Fees

Those individuals who become asset management clients during a quarter will pay an investment advisory fee for the number of days remaining in that quarter. If the client terminates the relationship during a quarter, the client will be entitled to a refund of any investment advisory fees for the remainder of the quarter. Once notice of termination is received in writing, Prossimo will assess pro-rated fees for the number of days between the end of the prior billing period and the date of termination, to be paid in whatever way the client directs (check or wire). Prossimo will cease to perform services, including processing trades and distributions, upon notice of termination. Terminated accounts containing assets may be de-linked thirty (30) days after notice of termination, meaning they will no longer be visible to Prossimo and will become retail accounts with the custodian.

### E. Compensation for the Sale of Securities

This item is not applicable, as neither Prossimo nor any employee thereof receives any compensation for the sale of securities other than the investment advisory fees described elsewhere in Item 5.

---

## Item 6: Performance-Based Fees

---

Prossimo does not charge performance-based fees.

---

## Item 7: Types of Clients

---

Clients advised by Prossimo include individuals, families, trusts, limited liability companies, corporations, charitable organizations, and pensions associated with closely-held companies. With some limited exceptions, the minimum Prossimo account size is generally \$2 million.

---

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

---

Prossimo's focus is on the management of a client's overall financial condition. In certain situations, Prossimo may recommend maintaining relationships with the client's current investment manager(s), organizing and overseeing those relationships to work for the client's best interests.

At the onset of the relationship, Prossimo will:

- 1) Meet with and conduct a review of the totality of a client's financial circumstances, which includes current business ventures, real estate holdings, trusts, investments, and other assets. Prossimo will take into account specific liquidity needs, tax budget(s) and any other constraints that may play a role in the client's investment parameters.
- 2) Create an Investment Policy Statement (sometimes in conjunction with one or more investment managers) which outlines an appropriate asset allocation, including the general types of securities that are appropriate to meet the client's needs.
- 3) If needed, prepare a transition plan for the client's current accounts to account(s) managed by Prossimo. Each client comes to Prossimo with a distinct history and unique securities holdings. Market conditions may make a short-term transition to Prossimo's asset allocation guidelines not advisable, which means certain securities may need to be purchased or sold over time in an attempt to limit any transaction-related losses or adverse tax consequences.

At times, Prossimo may recommend a new investment manager for one of its clients, which recommendation the client is free to accept or reject. Prior to referring any client to another manager, Prossimo will confirm that such manager is registered, or exempt from registration, as an investment adviser.

In selecting investment managers, Prossimo considers the specific expertise of the manager, the background and prior experience of each manager, the manager's regulatory history and filings, the experiences of other investors, the overall track record for various investment cycles, and how the manager's anticipated portfolio will fit into the client's overall financial circumstances and investment objectives. Once a manager is included in a client portfolio, Prossimo monitors that



manager's performance and business operations with the goal of anticipating manager failures, sub-quality performance, or faulty risk management. Because Prossimo is an independent investment adviser, its ability to review third-party managers is enhanced as compared to firms with inherent conflicts of interest.

In some instances where a client has a significant ownership position with an employer, Prossimo will coordinate outside investments with these equity positions or other concentrated stock positions in an attempt to balance the client's overall investment allocations in line with the client's objectives.

Many Firm clients may have investments placed with third-party investment managers, as recommended by the Firm and approved by the client. For those investments managed directly by Prossimo, such investments will typically be in cash or cash-like instruments, mutual funds, individual equities, bonds, and Exchange Traded Funds ("ETFs") designed for maximum liquidity and lowest cost. Separately, directly managed accounts may be used, if appropriate for a given client. In directly managed accounts, Prossimo is looking for liquidity and potential return profile, balanced in coordination with other managers, not an independent asset allocation.

Additionally, part of Prossimo's client services may include, where appropriate, involving multiple generations to facilitate family financial planning. This can increase the financial education of the family's later generations and manage expectations. However, potential for conflicts of interest exist with the exchange of intergenerational information. Prossimo attempts to minimize these conflicts by sharing information across generations only with appropriate client consent.

Regardless of a particular client's circumstances, it is important for the client to know and remember that all investments carry risks. **Investing in securities involves risk of loss clients should be prepared to bear. Client accounts may not achieve their investment objectives. An investment strategy may not be successful, and investors may lose some or all their investment.** Risks are varied and include, but are not limited to, the following:

#### Security-Specific Material Risks

##### **Equity (Stock) Risk**

Common stocks are susceptible to general stock market fluctuations and to increases or decreases in value as market confidence in and perceptions of their issuers change. If an investor holds common stock or common stock equivalents of any given issuer, they may be exposed to greater risk than if they hold preferred stocks and debt obligations of the issuer.

##### **ETF/ETN and Mutual Fund Risks**

The risk of owning Exchange Traded Funds ("ETFs")/Exchange Traded Notes ("ETNs") and mutual funds reflects the risk(s) associated with their underlying securities (e.g., stocks, bonds, securities futures, etc.). These forms of securities typically carry additional operating expenses and brokerage

fees, which may result in the potential duplication of certain fees. Prossimo does not recommend leveraged or inverse ETFs due to their inherent heightened risk.

### **Fixed Income Risks**

Various forms of fixed income instruments, such as bonds, money market or bond funds may be affected by various forms of risk, including:

#### **Credit or “Default” Risk**

The potential risk that an issuer is unable to pay scheduled interest or repay principal at maturity, sometimes is referred to as “default risk.” Credit risk may also occur when an issuer’s ability to make payments of principal and interest when due is interrupted. This may result in a negative impact on all forms of debt instruments, as well as funds or ETF share values that hold these issues. Bondholders are creditors of an issuer and have priority to assets before equity holders (i.e., stockholders) when receiving a payout from liquidation or restructuring. When defaults occur due to bankruptcy, the type of bond held will determine seniority of payment.

#### **Duration Risk**

Duration is a measure of a bond’s volatility, expressed in years to be repaid by its internal cash flow (interest payments). Bonds with longer durations carry more risk and have higher price volatility than bonds with shorter durations.

#### **Interest Rate Risk**

The risk that the value of a fixed income holding will decrease because of an increase in interest rates.

#### **Liquidity Risk**

The inability to readily buy or sell an investment for a price close to the true underlying value of the asset due to a lack of buyers or sellers. While certain types of fixed income are generally liquid (i.e., bonds), there are risks which may occur such as when an issue trading in any given period does not readily support purchases and sales at an efficient price. Conversely, when trading volume is high, there is also a risk of not being able to purchase a particular issue at the desired price.

#### **Reinvestment Risk**

With declining interest rates, investors may have to re-invest interest income or principal at a lower rate.

#### **Index Investing**

Certain ETFs and indexed funds have the potential to be affected by “active risk” (or “tracking error risk”), which might be defined as a deviation from a stated benchmark.

### Additional Risks of Investing

There are always risks to investing. **Clients should be aware that all investments carry various types of risk including the potential loss of all principal. These are risks clients should be prepared to bear.** It is impossible to name all possible types of risks. Among the additional possible risks are the following:

#### **Political Risks**

Most investments have a global component, even domestic stocks. Political events anywhere in the world may have unforeseen consequences to markets around the world, including domestic markets.

#### **General Market Risks**

Markets can go up or down on various news releases, global events, or for no understandable reason. This sometimes means that the price of specific securities go up or down without real reason and take some time to recover any lost value. Adding securities does not help to minimize this risk since all securities may be affected by market fluctuations.

#### **Currency Risk**

When investing in another country using another currency, changes in the value of the currency can change the value of the applicable securities in a client's portfolio.

#### **Regulatory Risk**

Changes in laws and regulations from any government can change the value of a given company and its securities. Certain industries are more susceptible to government regulation. Changes in zoning, tax structure or laws impact the return on these investments.

#### **Tax Risks Related to Short-Term Trading**

Clients should note that Prossimo or third-party investment managers may engage in short-term trading transactions. These transactions may result in short-term gains or losses for federal and state tax purposes, which may be taxed at a higher rate than long-term strategies. Prossimo endeavors to invest client assets in a tax efficient manner, but all clients are advised to consult with tax professionals regarding the transactions in client accounts.

#### **Purchasing Power Risk**

Purchasing power risk is the risk that an investment's value will decline as the price of goods rises (inflation). The investment's value itself does not decline, but its relative value does, which is the same thing. Inflation can happen for a variety of complex reasons, including, for example, a growing economy and a rising money supply.

#### **Business Risk**

This can be thought of as certainty or uncertainty of income. Management falls under business risk. Cyclical companies (like holiday specialty companies) have more business risk because of a cyclical

income stream. On the other hand, fast food chains tend to have steadier income streams and therefore, less business risk.

### **Financial Risk**

The amount of debt or leverage determines the financial risk of a company.

### **Default Risk**

This risk pertains to the ability of a company to service its debt. Ratings provided by several rating services help to identify those companies with more risk. Obligations of the U.S. government are said to be free of default risk.

### **Margin Risk**

“Margin” is a tool used to maximize returns on a given investment by using securities in a client account as collateral for a loan from the custodian to the client. The proceeds of that loan are then used to buy more securities. In a positive result, the additional securities provide additional return on the same initial investment. In a negative result, the additional securities provide additional losses. Margin therefore carries a higher degree of risk than investing without margin. Any client account that will use margin will do so in accordance with Regulation T. Prossimo may recommend margin on a limited basis for clients with higher risk tolerances.

### **Risks Specific to Private Placements, Sub-Advisors and Other Managers**

If Prossimo invests certain assets with another investment manager recommended by Prossimo, including a private placement, there are additional risks. These include risks that the third-party manager is not as qualified as Prossimo believes them to be, that the investments they use are not as liquid as Prossimo would normally use in the client’s portfolio, or that their risk management guidelines are more liberal than those Prossimo would normally employ.

### **Information Risk**

All investment professionals rely on research to make conclusions about investment options. This research is always a mix of both internal (proprietary) and external (provided by third parties) data and analyses. Even an adviser who says they rely solely on proprietary research must still collect data from third parties. This data, or outside research, is chosen for its perceived reliability but there is no guarantee that the data or research will be completely accurate. Failure in data accuracy or research will translate to a compromised ability by the adviser to reach satisfactory investment conclusions.

### **Small Companies**

Some investment opportunities in the marketplace involve smaller issuers. While these companies sometimes have potential for outsized returns, they also have the potential for increased losses. For example, a company’s management may lack experience, or the company’s growth capital may be restricted. These small companies also tend to trade less frequently than larger companies, which can add to the risks associated with their securities because the ability to sell them at an appropriate

price may be limited as compared to the market as a whole. Not only do these companies have investment risk, if a client is invested in such small companies and requests immediate or short-term liquidity, these securities may require a significant discount to value in order to be sold in a shorter time frame.

### **Concentration Risk**

While Prossimo selects individual securities, including mutual funds, for client portfolios based on an individualized assessment of each security, a client's equity portfolio may be concentrated in a specific sector, geography, or sub-sector (among other types of potential concentrations), so that if an unexpected event occurs that affects a specific sector or geography, for example, the client's equity portfolio may be affected negatively, and significant losses may be incurred.

### **Transition Risk**

As assets are transitioned from a client's prior adviser(s) to Prossimo or third-party investment managers recommended by Prossimo, there may be securities and other investments that do not fit within the asset allocation strategy selected for the client. Accordingly, these investments will need to be sold to reposition the portfolio into the asset allocation strategy selected. This transition process may take some time to accomplish. Some investments may not be unwound for a lengthy period of time for a variety of reasons, including unwarranted low share prices, restrictions on trading, contractual restrictions on liquidity, or market-related liquidity concerns. In some cases, there may be securities or investments that are never able to be sold. The inability to transition a client's holdings into investment recommendations may adversely affect the client's account value, as recommendations may not be able to be fully implemented.

### **Restriction Risk**

Clients may at all times place reasonable restrictions on the management of their accounts. However, placing these restrictions may make managing the accounts more difficult, thus lowering the potential for returns.

### **Risks Related to Investment Term & Liquidity**

Securities do not follow a straight line up in value. All securities will have periods of time when the current price of the security is not an accurate measure of its value. If a client requires Prossimo to liquidate the client's portfolio during one of these periods, the client will not realize as much value as the client would have had the investment had the opportunity to regain its value. Further, some investments are made with the intention of the investment appreciating over an extended period. Liquidating these investments prior to their intended time horizon may result in losses.

### **Risks Related to Business Continuity**

Clients may encounter risks related to unplanned interruptions, including Prossimo's business activities and/or its personnel. Prossimo maintains a written Business Continuity Plan that addresses such issues as the loss of physical access to its office, a key person and/or a key vendor.

---

## Item 9: Disciplinary Information

---

There are no disciplinary items to report.

---

## Item 10: Other Financial Industry Activities and Affiliations

---

### A. Broker-dealer

Neither the Principals of Prossimo nor any related persons are registered, or have an application pending to register, as a broker-dealer or as an associated person of a broker-dealer.

### B. Futures Commission Merchant/Commodity Trading Advisor

Neither the Principals of Prossimo nor any related persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

### C. Relationship with Related Persons

Jerry Todd Mirolla, the Firm's Managing Director, is an attorney licensed in California, and currently Of Counsel with Palmer Hunter & Hall, Attorneys at Law ("Palmer Hunter & Hall"). Therefore, Mr. Mirolla may have an incentive to recommend various services outside the scope of this Brochure based on the compensation to be received, rather than on a client's needs. Any legal services performed by Mr. Mirolla for clients of Prossimo will be pursuant to a separate written fee agreement and not related to the investment activities of Prossimo.

Mr. Mirolla is also the owner of a consulting firm, Consiliarius Consultants, which advises owners of closely-held companies on how to devise exit strategies and liquidity events for their businesses. He performs these activities on a limited basis for select clients, based on a fixed retainer. This is not an investment-related activity. Any consulting services performed by Mr. Mirolla for clients of Prossimo will be pursuant to a separate written fee agreement and not related to the investment activities of Prossimo.

Katelyn Hunter, the Firm's Chief Compliance Officer, is an attorney licensed in California. Ms. Hunter practices law with Palmer Hunter & Hall. Therefore, Ms. Hunter may have an incentive to recommend various services outside the scope of this Brochure based on the compensation to be received, rather than on a client's needs. Any legal services performed by Ms. Hunter for clients of Prossimo will be pursuant to a separate written fee agreement and not related to the investment activities of Prossimo.

Mr. Mirolla and/or Ms. Hunter may at times refer Prossimo clients to Palmer Hunter & Hall or another law firm. Any such recommendation will be made based upon the client's specific legal need(s) and the recommended law firm's expertise, rates and staffing (among other factors).

Prossimo attempts to mitigate any potential conflicts of interest by disclosing the conflict to clients and informing clients that they are always free to obtain services through other professionals. Prossimo also attempts to mitigate potential conflicts of interest by requiring employees to acknowledge in the Firm's Code of Ethics their individual fiduciary duty to the clients of Prossimo, which requires Prossimo employees to put the interests of clients ahead of their own.

#### D. Recommendations of Other Advisors

As discussed in Item 8 above, when appropriate for the client, Prossimo will recommend unrelated, third-party investment managers or professionals who have a greater expertise in certain disciplines. Before doing so, Prossimo confirms that each recommended adviser is either registered as an investment adviser or properly licensed to provide advisory services. While each manager charges their own separate and additional fee, Prossimo does not receive any compensation, directly or indirectly, from the unrelated third-party investment managers or professionals for the referral of clients. Prossimo attempts to mitigate any potential conflict of interest by disclosing to its clients verbally and in this Brochure that they are under no obligation to engage any third-party manager recommended by Prossimo, and by reminding employees that the Firm's Code of Ethics requires employees to act in the best interest of Prossimo clients.

---

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

---

#### A. Code of Ethics

A copy of Prossimo's Code of Ethics is available upon request. Prossimo's Code of Ethics includes discussions of fiduciary duties to clients. Additionally, the Code of Ethics addresses:

- Standards of conduct.
- Compliance with laws, rules and regulations.
- Confidentiality.
- Insider trading.
- Personal securities trading.
- Gifts and entertainment.
- Certification, records and reporting.

B. Participation or Interest in Client Transactions

Prossimo does not recommend to clients that they invest in any security in which Prossimo or any principal thereof has any financial interest.

C. Personal Trading

On occasion, an employee of Prossimo may purchase for his or her own account securities which are also recommended for clients. Prossimo's Code of Ethics details rules for employees regarding personal trading and avoiding conflicts of interest related to trading in one's own account. To avoid placing a trade before a client (in the case of a purchase) or after a client (in the case of a sale), all employee trades are reviewed by the Firm's Chief Compliance Officer. All employee trades must either take place in the same block as a client trade or sufficiently apart in time from the client trade so the employee receives no added benefit. Employee statements are reviewed at least quarterly to confirm compliance with trading procedures.

---

## Item 12: Brokerage Practices

---

A. Recommendation of Broker-Dealer

Prossimo does not maintain custody of client assets. Assets are held with a qualified custodian, which is typically a bank or broker-dealer. Prossimo recommends that investment accounts be held in custody by Schwab Advisor Services™, a business line of Charles Schwab & Co., Inc. ("Schwab"), which is a qualified custodian. Prossimo is independently owned and operated and is not affiliated with Schwab or any other custodian(s). A client's chosen custodian will hold their assets in a brokerage account and buy and sell securities when Prossimo instructs them to, which Prossimo does in accordance with its agreement with the client. While Prossimo recommends that its clients use Schwab as a custodian/broker-dealer, the client will decide whether to do so and will open an account with Schwab or another custodian by entering an account agreement directly with them. Prossimo does not open the account for the client, although Prossimo will assist the client in doing so. Even though the client's account is maintained at one custodian, the client is still able to use other brokers to execute trades for the account as described below (See "Brokerage and Custody Costs").

Selection of Brokers/Custodians

Prossimo seeks to recommend a custodian/broker-dealer that will hold the client's assets and execute transactions on terms that are, overall, most advantageous when compared with other available providers and their services. Prossimo considers a wide range of factors, including both quantitative (for example, costs) and qualitative (for example, execution, reputation, and service)



factors. Prossimo does not consider whether Schwab or any other custodian/broker-dealer refers clients to Prossimo as part of its evaluation of these broker-dealers.

#### Brokerage and Custody Costs

For Prossimo's clients' accounts maintained by Schwab or another custodian, the custodian generally does not charge the client separately for custody services but is compensated by charging the client commissions or other fees on trades that it executes or that settle into the client's account. In addition to commissions, custodians charge the client a flat dollar amount as a "prime broker" or "trade away" fee for each trade that Prossimo has executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into the client's account. These fees are in addition to the commissions or other compensation the client pays the executing broker-dealer. Because of this, to minimize the client's trading costs, Prossimo has the client's preferred custodian execute most trades for the client's account. Prossimo has determined that having the client's custodian execute most trades is consistent with its duty to seek "best execution" of the client's trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (See "Selection of Brokers/Custodians").

#### Products and Services Available from Schwab

Schwab Advisor Services <sup>™</sup> (formerly called Schwab Institutional<sup>®</sup>) is Schwab's business serving independent investment advisory firms like Prossimo. Schwab provides Prossimo and its clients with access to its institutional brokerage services (trading, custody, reporting, and related services), many of which are not typically available to Schwab retail customers. Schwab also makes available to Prossimo various support services designed to help Prossimo manage or administer its clients' accounts, while other services help Prossimo manage and grow its business. Schwab's support services are generally available on an unsolicited basis (Prossimo does not have to request them) and at no charge to Prossimo. A more detailed description of Schwab's support services follows:

#### Services That Directly Benefit Clients

Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which Prossimo might not otherwise have access or that would require a significantly higher minimum initial investment by its clients. Schwab's services described in this paragraph generally benefit the client and the client's account.

#### Services That May Not Directly Benefit Clients

Schwab also makes available to Prossimo other products and services that benefit the Firm but may not directly benefit the client or the client's account. These products and services assist Prossimo in managing and administering its clients' accounts. They include investment research, both Schwab's own research and that of third parties. Prossimo may use this research to service all or a substantial

number of its clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- Provide access to client account data (such as duplicate trade confirmations and account statements).
- Facilitate trade execution and allocate aggregated trade orders for multiple client accounts.
- Provide pricing and other market data.
- Facilitate payment of Prossimo's fees from its clients' accounts.
- Assist with back-office functions, recordkeeping, and client reporting.

#### Services that Generally Benefit Only Prossimo

Schwab also offers other services intended to help Prossimo manage and further develop its business enterprise. These services include:

- Educational conferences and events.
- Consulting on technology, compliance, legal, and business needs.
- Publications and conferences on practice management and business succession.
- Access to employee benefits providers, human capital consultants, and insurance providers.

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to Prossimo. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide Prossimo with other benefits, such as occasional business entertainment of Prossimo's personnel.

#### Prossimo's Interest in Schwab's Services

The availability of these services from Schwab benefits Prossimo because Prossimo does not have to produce or purchase them. Prossimo does not have to pay for Schwab's services. These services are not contingent upon Prossimo committing any specific amount of business to Schwab in trading commissions or assets in custody. Prossimo may have an incentive to recommend that a client maintain an account with Schwab, based on Prossimo's interest in receiving Schwab's services that benefit its business rather than based on the client's interest in receiving the best value in custody services and the most favorable execution of transactions. This is a potential conflict of interest. Prossimo believes, however, that its selection of Schwab as custodian and broker is in the best interests of its clients. Prossimo's selection is primarily supported by the scope, quality, and price of Schwab's services (See "Selection of Brokers/Custodians") and not Schwab's services that benefit only Prossimo.

Prossimo does not consider whether Schwab or any other broker-dealer/custodian, refers clients to Prossimo as part of the evaluation of these broker-dealers/custodians.

Prossimo does not recommend, request or require that clients direct Prossimo to execute trades through a particular broker-dealer (directed brokerage arrangements). In such client-directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer. This means that the client, and not Prossimo, will be in the best position to seek and secure the best value for the costs of execution. As a result, the client may not pay the most cost-effective commission rates. Prossimo will not be able to aggregate orders under these circumstances, which may result in higher commission costs or transaction fees because the trading costs are not allocated among a group. Clients also may not benefit from commission rates Prossimo may be able to negotiate. Further, there may be some transactions in certain securities that must be placed first through Prossimo's recommended broker-dealer. In some circumstances, placing those trades first may mean that a client who directs brokerage may not only pay a higher commission cost; they may also pay a higher price for a given security. In general, clients may not receive value for the commission dollar spent, may spend more than is necessary for execution services, and may have reduced gains in their accounts as a result of directing brokerage.

#### B. Aggregating Trades

Commission costs per client may be lower on a particular trade if all clients in whose accounts the trade is to be made are executed at the same time. This is called aggregating trades. Instead of placing a number of trades for the same security for each account, Prossimo will, when appropriate, execute one trade for all accounts and then allocate the trades to each account after execution. If an aggregate trade is not fully executed, the securities will be allocated to client accounts on a *pro rata* basis, except where doing so would create an unintended adverse consequence (for example, if a *pro rata* division would result in a client receiving a fraction of a share, or a position in the account of less than 1%).

---

### Item 13: Review of Accounts

---

All client accounts are individually managed on an ongoing basis, with formal client reviews occurring on at least an annual basis. Prossimo prefers to conduct client account reviews on a semi-annual basis in person, if reasonably possible. It is expected that market conditions, material changes in a client's account, or changes to a client's circumstances will also trigger a review of the client's account(s). **Clients are encouraged to promptly advise Prossimo of any changes to their investment objectives, risk tolerances, financial positions, or other significant events impacting their financial objectives.**

Prossimo (in conjunction with one or more investment managers) provides its clients with an annual report, the intent of which is to review asset allocation. All clients will receive statements and confirmations of trades directly from their custodian. Please refer to Item 15 regarding Custody.

---

## Item 14: Client Referrals and Other Compensation

---

### A. Economic Benefit Provided by Third Parties for Advice Rendered to Client.

Prossimo receives an economic benefit from Schwab in the form of the support products and services it makes available to the Firm and other independent investment advisors whose clients maintain their accounts at Schwab. These products and services, how they benefit Prossimo, and the related conflicts of interest are described in Item 12 (See “Recommendation of Broker-Dealer”). Prossimo does not base particular investment advice on the availability of these products and services.

### B. Compensation to Non-Advisory Personnel for Client Referrals.

Prossimo does not directly or indirectly compensate any person who is not an employee or owner of Prossimo for client referrals.

---

## Item 15: Custody

---

Prossimo deducts fees from client accounts but does not otherwise have custody of client funds. Clients receive statements and copies of all trade confirmations directly from their custodian.

Clients whose fees are directly debited provide written authorization to debit advisory fees from their accounts held by a qualified custodian. Each quarter, Prossimo sends the custodian written notice of the amount of the fee to be deducted from the client’s account. Clients will receive an invoice from Prossimo itemizing the fees to be debited, including the formula used to calculate the fee, the value of the assets upon which the fee is based, and the time period covered by the fee. The client will also receive a statement from the account custodian showing all transactions in their account, including the specific fees debited by Prossimo.

Prossimo encourages clients to carefully review the statements and confirmations sent to them by their custodian, and to compare the information on invoices or reports prepared by Prossimo against the information on the statements provided directly from the custodian. Please alert Prossimo of any discrepancies at the phone number listed on this Brochure. Clients who do not receive a statement from their custodian at least quarterly should immediately notify Prossimo.

---

## Item 16: Investment Discretion

---

As described above (see Section 5), Prossimo’s asset management services may be provided on either a “discretionary” or “non-discretionary” basis. When Prossimo is engaged to provide asset management services on a discretionary basis, it monitors client accounts to ensure that they are meeting the client’s asset allocation requirements. If any changes are needed, Prossimo will make

the changes. These changes may involve buying or selling a security or group of investments, keeping the proceeds in cash, and hiring or firing third-party investment managers. The client may at any time place restrictions on the types of investments Prossimo may use on the client's behalf, or on the allocations to each security type. The client may receive at the client's request written or electronic confirmations from the client's account custodian after any changes are made to the client's account. The client will also receive monthly statements from the client's account custodian. Clients engaging Prossimo on a discretionary basis are asked to execute a Limited Power of Attorney (granting Prossimo discretionary authority over the client accounts) as well as an Investment Advisory Agreement that outlines the responsibilities of both the client and Prossimo.

Prossimo generally recommends that clients use Schwab as the broker-dealer/custodian for their accounts. However, the client may use another broker-dealer if the client wishes to do so. Prossimo will not, however, direct trades through another broker-dealer apart from Schwab for any sort of fee-sharing or commission-splitting.

---

## Item 17: Voting Client Securities

---

Copies of Prossimo's Proxy Voting Policies are available upon request.

From time to time, shareholders of stocks, mutual funds, exchange traded funds or other securities may be permitted to vote on various types of corporate actions. Examples of these actions include mergers, tender offers, or board elections. Clients are responsible for voting proxies related to their investments, or to choose not to vote their proxies. Prossimo will not accept authority to vote client proxies. Clients will receive their proxies directly from the custodian for the client account(s). Prossimo will not give clients advice on how to vote proxies.

---

## Item 18: Financial Information

---

Prossimo does not require the prepayment of fees more than six (6) months in advance and therefore has not provided a balance sheet with this brochure.

There are no material financial circumstances or conditions that could reasonably be expected to impair Prossimo's ability to meet its contractual obligations to its clients.

---

## Item 19: Requirements for State-Registered Advisers

---

### A. Principal Officer and Management Persons

Jerry Todd Miolla, the Firm's Managing Director, received a B.A. degree in Political Science from the University of Southern California in 1981 and his J.D. from the University of Southern California

Gould School of Law in 1984. Mr. Mirolla was previously a full-time attorney at Andre, Morris & Buttery, P.C. from 1984-2012. He is currently Of Counsel and practices law on an as-needed basis for Palmer Hunter & Hall, Attorneys at Law. Mr. Mirolla also served as the Chief Compliance Officer and Family Office Services Director for Domus Capital Group, LLC from November 2012 through January 2017.

Katelyn Hunter, the Firm's Chief Compliance Officer, received a B.A. degree in History from the University of California, Berkeley in 2008 and her J.D. from the University of California Los Angeles School of Law in 2011. Ms. Hunter was previously a full-time attorney at Palmer, Lombardi & Donohue, LLP from 2011 – 2018. She currently practices law on an as-needed basis with Palmer Hunter & Hall, Attorneys at Law.

#### B. Other Business

Jerry Todd Mirolla, the Firm's Managing Director, is an attorney licensed in California, and currently Of Counsel with Palmer Hunter & Hall, Attorneys at Law ("Palmer Hunter & Hall"). Therefore, Mr. Mirolla may have an incentive to recommend various services outside the scope of this Brochure based on the compensation to be received, rather than on a client's needs. Any legal services performed by Mr. Mirolla for clients of Prossimo will be pursuant to a separate written fee agreement and not related to the investment activities of Prossimo.

Mr. Mirolla is also the owner of a consulting firm, Consiliarius Consultants, which advises owners of closely-held companies on how to devise exit strategies and liquidity events for their businesses. He performs these activities on a limited basis for select clients, based on a fixed retainer. This is not an investment-related activity. Any consulting services performed by Mr. Mirolla for clients of Prossimo will be pursuant to a separate written fee agreement and not related to the investment activities of Prossimo.

Katelyn Hunter, the Firm's Chief Compliance Officer, is an attorney licensed in California. Ms. Hunter practices law with Palmer Hunter & Hall. Therefore, Ms. Hunter may have an incentive to recommend various services outside the scope of this Brochure based on the compensation to be received, rather than on a client's needs. Any legal services performed by Ms. Hunter for clients of Prossimo will be pursuant to a separate written fee agreement and not related to the investment activities of Prossimo.

Mr. Mirolla and/or Ms. Hunter may at times refer Prossimo clients to Palmer Hunter & Hall or another law firm. Any such recommendation will be made based upon the client's specific legal need(s) and the recommended law firm's expertise, rates and staffing (among other factors).

Prossimo attempts to mitigate any potential conflicts of interest by disclosing the conflict to clients and informing clients that they are always free to obtain services through other professionals. Prossimo also attempts to mitigate potential conflicts of interest by requiring employees to

acknowledge in the Firm's Code of Ethics their individual fiduciary duty to the clients of Prossimo, which requires Prossimo employees to put the interests of clients ahead of their own.

C. Performance-Based Fees

Prossimo does not collect performance-based fees.

D. Disclosure Events

No principal or management person of Prossimo has been involved in any disclosure events.

E. Relationships with Issuers of Securities

Neither Prossimo nor any of its principals or management persons have any relationship or arrangement with issuers of securities.



**FORM ADV PART 2A, APPENDIX 1**

**WRAP FEE PROGRAM BROCHURE**

## **PROSSIMO ADVISORS LLC**

1150 Osos Street, Suite 208  
San Luis Obispo, CA 93401

Phone: 805-548-2800  
Web: [www.prossimoadvisors.com](http://www.prossimoadvisors.com)

Updated: March 27, 2024

This wrap fee program brochure provides information about the qualifications and business practices of Prossimo Advisors LLC. If you have any questions about the contents of this brochure, please contact us at (805) 548-2800 or via email at [Admin@prossimoadvisors.com](mailto:Admin@prossimoadvisors.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. Our registration does not imply a certain level of skill or training and no inference to the contrary should be made.

Any reference to or use of the terms "registered investment adviser" or "registered" does not imply that Prossimo Advisors LLC or any person associated with Prossimo Advisors LLC has achieved a certain level of skill or training.

Additional information about Prossimo Advisors LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the firm name or CRD #289347.



---

## Item 2: Statement of Material Changes

---

The purpose of this Item 2 is to inform you of material changes since the previous version of this Brochure. If you are reading this Brochure for the first time, this section may not be relevant to you.

Since Prossimo Advisors LLC (“Prossimo” or the “Firm”) filed its ADV Part 2A Brochure, dated March 29, 2023, the following material changes occurred:

- None.

Prossimo encourages you to read the most current version of its ADV Part 2A Brochure. Pursuant to applicable regulations, Prossimo will ensure that you receive a summary of any material changes to this Brochure within 120 days of the close of the Firm’s fiscal year (December 31<sup>st</sup>). Additionally, as the Firm experiences material changes in the future, you will receive a summary of any such “Material Changes” under separate cover.

---

## Item 3: Table of Contents

---

### TABLE OF CONTENTS

Item 1: Cover Sheet .....	28
Item 2: Statement of Material Changes .....	29
Item 3: Table of Contents .....	30
Item 4: Advisory Business .....	31
Item 5: Account Requirement and Type of Clients.....	38
Item 6: Portfolio Manager Selection and Evaluation .....	38
Item 7: Client Information Provided to Portfolio Managers .....	45
Item 8: Client Contact with Portfolio Managers.....	45
Item 9: Additional Information.....	45
Item 10: Requirements for State-Registered Advisers.....	48

---

## Item 4: Advisory Business

---

The Prossimo Advisors LLC Wrap Fee Program (the “Program”) is a wrap fee program sponsored by Prossimo Advisors LLC. Prossimo Advisors LLC, a California limited liability company (“Prossimo” or the “Firm”), was formed in July 2017. Jerry Todd Mirolla is the firm’s Managing Director and co-owner. Mr. Mirolla’s extensive background as a business and corporate mergers and acquisitions attorney provides him with unique experience and qualifications to advise successful individuals, business owners and families with significant assets.

Katelyn Hunter is the firm’s Chief Compliance Officer and co-owner. Ms. Hunter’s prior career as a securities litigator facilitates her deep understanding of industry rules and regulations, as well as the nuances of individual financial products.

### A. Description of Advisory Services

Prossimo provides advisory services to a select group of high net-worth clients, most of whom are past or current business owners. These clients are focused on ensuring stewardship and planning for existing wealth through proper wealth management, including investment oversight, succession planning and liability protection. Current business owners may either be focused on proper succession planning or seeking assistance with exiting their business in a manner that maximizes their opportunities for a competitive liquidity event. Prossimo’s clients have services specifically tailored to their individual needs, along with the needs of their family and ongoing business(es), as applicable. These services include financial oversight and asset management, but not necessarily in the manner those concepts are most typically defined within the securities industry.

Prossimo and its clients agree on investment goals, guidelines and strategies after analyzing the client’s circumstances, assets and liabilities, income needs, risk tolerance, and other invested assets. Each client’s situation will be analyzed and evaluated, producing an individualized investment plan designed to address any client-imposed restrictions on types of securities, investment sectors or, in limited circumstances, the broker-dealer to engage for certain securities transactions.

Most Prossimo clients will have achieved financial success, but they are seeking a partner to help steward their wealth into the future. Typical clients are often “serial entrepreneurs” and are concerned with finding the time and ability to manage multiple professional relationships, including investment managers, attorneys, accountants and other professionals needed to ensure their wealth is maintained and ultimately transferred to the intended parties. In this sense, Prossimo’s role in advising clients is best described as a “multi-family office,” creating an organized and proactive approach to the complex financial and personal circumstances that surround a high net-worth family, while acting as the main contact point and advocate for each client. The process begins with a review of the totality of the client’s financial circumstances, to include current real estate holdings, trusts, investments, and other assets. At times, organizational structures can be very complex, with various trusts and family partnerships created to hold and manage a family’s wealth. Prossimo’s services

include streamlining these structures (with the goal of reducing complexity and expenses), assisting and managing tax advisors and other professionals to ensure complete and timely delivery of necessary services, and ultimately providing proactive management of each client's financial and personal needs.

If requested, Prossimo will assist clients with due diligence regarding business and investment opportunities, real estate investments, and generational planning, including managing the implementation of estate planning objectives. Prossimo's goal is to provide clients with a superior set of services and address the complete family office needs of successful individuals and their families.

Owners of privately-held companies encounter specific business issues, including the continuity of ownership, and the risks associated with an operating business being controlled by a small group of individuals. The company's best interests are served by maintaining a consistent approach to these issues, where each owner's individual circumstances are planned and documented, thereby limiting the risks to the company. Coordination of business oversight, change of control issues, tax concerns, and investments are critical for the operation and possible sale of any complex business. Clients can engage Prossimo to work with them to assist in the coordination and implementation of complex business plans.

Prossimo's investment advisory services are tailored to the specific needs of each client. Clients can place reasonable restrictions on the management of assets, including specific securities or types of securities. However, clients should understand that significant restrictions can decrease the ability of Prossimo to meet the client's goals, as well as increase the costs associated with managing the client's portfolio.

With respect to asset management, Prossimo will manage a client's assets, but Prossimo does not require a client to place assets directly with Prossimo. High net-worth individuals often have an assortment of existing investment managers, and in some cases, Prossimo will conclude these managers are appropriate choices for management of the individual's assets. Where Prossimo adds value in these circumstances is through the management of these investment managers, examining the manager's fee schedule, challenging the manager's thought processes, and identifying emerging managers larger firms may have overlooked. As an independent adviser, Prossimo can remain objective and proactively identify issues arising from the client's overall circumstances and investment portfolio. If Prossimo believes that a manager, or managers, are not performing their duties, or feels the client's needs can be better served elsewhere, Prossimo will typically advise changes be made. Prossimo's clients are free to accept or reject any recommendation from Prossimo.

Prossimo may recommend that a client place assets with a third-party investment adviser. The rationale and investment process associated with such recommendations are more fully described in Item 8 of Prossimo's Part 2A Brochure.

Prossimo manages client assets on a discretionary basis and in some cases on a non-discretionary basis. Discretionary management means that Prossimo will continue an ongoing relationship with each client, as they remain involved in investment plans, due diligence, performance reviews and informing Prossimo of changes in circumstances and risk tolerances. However, Prossimo will not seek specific prior approval of changes to the client's investment accounts if the client's assets are managed on a discretionary basis. Clients can always make deposits or withdrawals in their accounts at any time, or place restrictions on the types of investments in an account or portfolio. Where Prossimo takes discretion when managing accounts, clients engaging Prossimo will be asked to execute a Limited Power of Attorney (granting Prossimo discretionary authority over the client's accounts) and an Investment Advisory Agreement that outlines the responsibilities of both the client and Prossimo.

When a client engages Prossimo to provide services on a non-discretionary basis, Prossimo monitors the accounts in the same way it does accounts managed on a discretionary basis. The difference is that a change to a client's account will not be made until Prossimo has approval (either verbally or in writing) that Prossimo's proposed change is acceptable. Prossimo does not guarantee the future performance of a client's account, any specific level of performance, or the success of any investment recommendation or strategy made by Prossimo, as such advice is subject to various market, currency, economic, political and business risks.

If requested, Prossimo will recommend the services of other professionals for investment implementation and ongoing management, subject to oversight by Prossimo. Clients are under no obligation to engage the services of any such recommended professional. Clients retain absolute discretion over all such implementation decisions and are free to accept or reject any recommendation from Prossimo. If a client engages any professional recommended by Prossimo, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional.

If directed by a client, Prossimo may oversee certain of the client's accounts or assets held with third parties. Prossimo will not have discretionary authority over any such accounts or assets and Prossimo's investment management fee will not apply. Such accounts or assets may, however, be subject to a separate fee for due diligence and monitoring by Prossimo (see Item 5). Any instance in which accounts or assets are overseen by Prossimo but not subject to Prossimo's discretionary authority and investment management fee will be documented in the client's agreement with the Firm.

For those clients without tax advisors, Prossimo can recommend tax professionals in domestic and international tax specialties, and Prossimo will work with a client's tax advisors to address the client's particular circumstances. Prossimo does not give tax advice to its clients, but Prossimo will work with its clients to implement a wealth management strategy intended to be tax efficient.

## B. Wrap Fee Program

A “wrap fee program” exists when asset management fees and transaction costs related to the management of the same assets are included in one fee. Transaction costs and fees include transaction fees for the purchase or sale of securities, but do not include expenses related to the use of margin, wire transfer fees, the fees charged to shareholders of mutual funds or Exchange Traded Funds (“ETFs”), mark-ups and mark-downs, spreads, odd-lot differentials, fees charged by regulatory agencies, and any transaction fees for securities trades executed by a broker-dealer other than Schwab Advisor Services <sup>™</sup>, a division of Charles Schwab & Co., Inc. (“Schwab”). For clients who participate in the Program, some of these fees will be paid on the client’s behalf by Prossimo. Prossimo Advisors LLC is the sponsor of the Program.

Because of the nature of a wrap fee program, the Program client can pay more or less than if the client had compensated Prossimo outside of the Program. For example, if a client’s account is rarely traded, the transaction fees owed by the client are minimal, thus limiting the benefits of “wrapping” management fees and transaction fees.

Prossimo may not be the sole portfolio manager for the Program, which means that Prossimo receives a portion of the wrap fee for its services and other portions of the wrap fee are paid to one or more third-party portfolio managers. Transaction fees are paid to various broker-dealers, mutual funds and ETFs. The remainder of the wrap fee is the management fee payable to Prossimo. The amount payable to Prossimo varies depending upon the amount of trading in a client’s account. The more transactions in the account, the greater the amount of transaction fees, and therefore the less compensation to Prossimo. Accordingly, Prossimo has a financial incentive to avoid trading the account. This creates a conflict of interest between the Firm and its Program clients. Prossimo mitigates this conflict by requiring that the Firm’s employees acknowledge their fiduciary duty to place client interests ahead of their own and by periodically comparing Program client performance against any clients who do not participate in the Program.

Prossimo receives no additional compensation for offering the Program and manages wrap fee accounts no differently than non-wrap fee accounts.

For asset management clients who do not participate in Prossimo’s Program, transaction costs and fees, to include transaction fees for the purchase or sale of securities, will be separate and in addition to Prossimo’s asset management fee. Additionally, expenses related to the use of margin, wire transfer fees, the fees charged to shareholders of mutual funds or ETFs, mark-ups and mark-downs, spreads, odd-lot differentials, and fees charged by regulatory agencies, will also be separate and in addition to Prossimo’s asset management fee. Transaction costs and related expenses are paid to various broker-dealers, mutual funds and ETFs; they are not paid to Prossimo or any principal thereof.

Prossimo manages client assets on a continuous and regular basis. As of March 20, 2024, the total amount of discretionary client assets under Prossimo’s management is \$175,287,205. As of March

20, 2024, the total amount of non-discretionary client assets under Prossimo's advisement is \$52,252,712.

### C. Fees and Compensation

#### Fees Charged

All clients will be required to execute an Investment Advisory Agreement ("IAA") with Prossimo outlining the services to be performed, as well as the fees for those services.

Clients are advised that they may pay fees that are higher or lower than fees they may pay another advisor for the same services and might in fact pay lower fees for comparable services from other sources. Clients are under no obligation at any time to engage or to continue to engage Prossimo for investment services. If a client does not receive a copy of this Brochure at least forty-eight (48) hours prior to the execution of an IAA, the client may terminate the IAA within the first five (5) business days without penalty.

#### Asset Management

For clients whose assets are managed by Prossimo, asset management fees are based on a percentage of the assets managed. This fee varies from 0.95% to 0.70%, based on the amount and type of assets managed, and if the client is engaged under a wrap fee agreement or a non-wrap fee agreement. Prossimo's current asset management fee schedule is as follows:

Less than \$2 million:	0.95% (subject to minimum annual fee of \$10,000)
+\$2 million - \$5 million:	0.90%
+\$5 million - \$10 million:	0.85%
+\$10 million - \$18 million:	0.80%
+\$18 million - \$25 million:	0.75%
+\$25 million:	0.70%

These fees are guidelines, subject to change according to the complexity of the client's needs, including the range of family office services provided, the number of family accounts, and the need for business oversight services. Fees are paid quarterly in advance and are calculated using the client's quarter-end account balance as reflected on a custodial statement. As noted above, Prossimo reserves the right to charge an annual minimum fee of \$10,000 for any account below \$2,000,000.

In those instances where Prossimo is asked to perform due diligence, monitor and report to the client on assets or accounts managed by third parties not affiliated with Prossimo as an investment manager and for which Prossimo does not have discretionary authority, the Firm charges a fee of between 0.15% and 0.25% of the value of the assets or accounts under advisement. These fees are

paid quarterly in advance and are calculated using the client's account balance as reflected on the most recent third-party statement.

#### Family Office and Business Oversight Services

Fees for family office and business oversight services are generally fixed annual fee arrangements, paid in equal quarterly installments, in advance. Fees for family office and business oversight services begin at \$60,000 per year. The amount of the fee is subject to negotiation and may vary significantly given the complexity of each client's circumstances, the frequency of ongoing services, and/or any complicating factors that may or may not be identifiable until they arise.

In limited circumstances, Prossimo may bill clients on an hourly basis for family office and business oversight services performed, at a mutually agreed upon negotiated hourly rate based on the complexity of work. Hourly fees for family office services will be billed monthly, in arrears, with payment due within fifteen (15) days of the date of the invoice.

Clients for whom Prossimo provides investment advisory services may choose to pay fees for family office and business oversight based on a percentage of the client's assets under management. Because the typical Prossimo client is high net-worth and has complex financial circumstances, each client's case is truly unique, and therefore a simple fee tier for assets under management is not appropriate. In some cases, the asset management component of Prossimo's services is actually a smaller part of the work performed, as compared to the family office and business oversight services, the overall strategic advice, and investment monitoring services that Prossimo provides. It is important to note that at times, the amount of assets under direct management is not an appropriate proxy for the amount of work required for a given client.

Prossimo believes that its fees are reasonable based on the investment advisory and family office services the Firm provides to its clients. However, third parties may provide comparable services for lower fees.

#### D. Fee Payment

##### Asset Management:

For clients whose assets are managed by the Firm, investment advisory fees will be debited directly from each client's account. The advisory fee is paid quarterly in advance, and the value used for the fee calculation is the net value as of the last market day of the previous quarter. This means that if a client's annual fee is 0.80%, each quarter Prossimo will multiply the value of the account by 0.80%, divide by 365 days, and then multiply by the number of days in the upcoming quarter to calculate the fee. For assets deposited into or withdrawn from an account after the inception of a billing period, the fee payable is prorated based on the number of days remaining in the billing period. Any reduction in fees related to the withdrawal of assets in an account will be credited against the next



billing period's investment advisory fees. To the extent there is cash in a client's account, it will be included in the value for calculating fees only if the cash is part of an investment strategy. Once the calculation is made, Prossimo will instruct the account custodian to deduct the fee from the appropriate account and remit it to Prossimo. If requested, fees due Prossimo may be paid from an account managed by a third-party investment manager, as authorized by the client.

Clients whose fees are directly debited will provide written authorization to debit advisory fees from their accounts held by a qualified custodian chosen by the client. Each quarter, Prossimo sends the custodian written notice of the amount of the fee to be deducted from the client's account. Clients receive an invoice itemizing the fees to be debited, including the formula used to calculate the fee, the amount of assets upon which the fee is based, and the time period covered by the fee. The fee will not be independently calculated by the custodian. The client also receives a statement from their account custodian showing all transactions in their account, including the fees debited by Prossimo.

In summary, Prossimo provides each client details showing the amount of the advisory fee and the value of the assets on which the fee is based (including any proration) concurrently with the custodian's debiting of client accounts. It is the client's responsibility to verify the accuracy of the advisory fee calculation; the custodian will not do this on the client's behalf.

#### Family Office and Business Oversight Services:

Family office and business oversight services are generally based on a fixed annual fee, paid in equal quarterly installments, in advance. An annual fee will be mutually agreed upon at the end of each calendar year. The ongoing annual fee will be paid in a mutually agreeable manner between the client and Prossimo. Hourly fees are billed monthly in arrears and are payable within fifteen (15) days from the date of the invoice issued by Prossimo.

#### E. Other Fees

Additional fees are associated with holding and investing in securities. For clients participating in the Program, some or all of these fees will be paid by Prossimo on the client's behalf, such as transaction fees for the purchase or sale of a mutual fund or Exchange Traded Fund, commissions for the purchase or sale of a stock, or fees charged by independent managers, though these fees are not paid to Prossimo or any principal thereof. Expenses of a fund (mutual fund or Exchange Traded Fund, for example) will not be included in management fees, as they are deducted from the value of the shares by the mutual fund manager. For a complete discussion of expenses related to each mutual fund or Exchange Traded Fund, clients should read a copy of the prospectus issued by that fund. Prossimo can provide or direct clients to a copy of the prospectus for any recommended fund.

For clients not participating in the Program, transaction fees and costs are paid by the client from custodial accounts as incurred. The custodian will provide the client with a statement detailing all such transaction fees and costs.

Please make sure to read Item 12 of Prossimo's Part 2A Brochure where broker-dealer and custodial issues are discussed.

F. *Pro-rata Fees*

Those individuals who become asset management clients during a quarter will pay an investment advisory fee for the number of days remaining in that quarter. If the client terminates the relationship during a quarter, the client will be entitled to a refund of any investment advisory fees for the remainder of the quarter. Once notice of termination is received in writing, Prossimo will assess pro-rated fees for the number of days between the end of the prior billing period and the date of termination, to be paid in whatever way the client directs (check or wire). Prossimo will cease to perform services, including processing trades and distributions, upon notice of termination. Terminated accounts containing assets may be de-linked thirty (30) days after notice of termination, meaning they will no longer be visible to Prossimo and will become retail accounts with the custodian.

G. Compensation for the Sale of Securities.

This item is not applicable, as neither Prossimo nor any employee thereof receives any compensation for the sale of securities other than the investment advisory fees described elsewhere in Item 5 of Prossimo's Part 2A Brochure.

---

## Item 5: Account Requirements and Types of Clients

---

Clients advised by Prossimo include individuals, families, trusts, limited liability companies, corporations, charitable organizations, and pensions associated with closely-held companies. With some exceptions, the Program's minimum account size is generally \$2 million.

---

## Item 6: Portfolio Manager Selection and Evaluation

---

A. Manager Selection and Evaluation

Prossimo's focus is on the management of a client's overall financial conditions. In certain situations, Prossimo may recommend maintaining relationships with the client's current investment manager(s), organizing and overseeing those relationships to work for the client's best interests.

At the onset of the relationship, Prossimo will:

- 1) Meet with and conduct a review of the totality of a client's financial circumstances, which includes current business ventures, real estate holdings, trusts, investments, and other assets. Prossimo will take into account specific liquidity needs, tax budget(s) and any other constraints that may play a role in the client's investment parameters.
- 2) Create an Investment Policy Statement (sometimes in conjunction with one or more investment managers) which outlines an appropriate asset allocation, including the general types of securities that are appropriate to meet the client's needs.
- 3) If needed, prepare a transition plan for the client's current account(s) to accounts managed by Prossimo. Each client comes to Prossimo with a distinct history and unique securities holdings. Market conditions may make a short-term transition to Prossimo's asset allocation guidelines not advisable, which means certain securities may need to be purchased or sold over time in an attempt to limit any transaction-related losses or adverse tax consequences.

At times, Prossimo may recommend a new investment manager for one of its clients, which recommendation the client is free to accept or reject. Prior to referring any client to another manager, Prossimo will confirm that such manager is registered, or exempt from registration, as an investment adviser.

In selecting investment managers, Prossimo considers the specific expertise of the manager, the background and prior experience of each manager, the manager's regulatory history and filings, the experiences of other investors, the overall track record for various investment cycles, and how the manager's anticipated portfolio will fit into the client's overall financial circumstances and investment objectives. Once a manager is included in a client portfolio, Prossimo monitors that manager's performance and business operations with the goal of anticipating manager failures, sub-quality performance, or faulty risk management. Because Prossimo is an independent investment adviser, its ability to review third-party managers is enhanced as compared to firms with inherent conflicts of interest.

In some instances where a client has a significant ownership position with an employer, Prossimo will coordinate outside investments with these equity positions or other concentrated stock positions in an attempt to balance the client's overall investment allocations in line with the client's objectives.

Many Firm clients may have investments placed with third-party investment managers, as recommended by the Firm and approved by the client. For those investments managed directly by Prossimo, such investments will typically be in cash or cash-like instruments, mutual funds, individual equities, bonds, and Exchange Traded Funds ("ETFs") designed for maximum liquidity and lowest cost. Separately, directly managed accounts may be used, if appropriate for a given client. In directly managed accounts, Prossimo is looking for liquidity and potential return profile, balanced in coordination with other managers, not an independent asset allocation.

Additionally, part of Prossimo's client services may include, where appropriate, involving multiple generations to facilitate family financial planning. This can increase the financial education of the family's later generations and manage expectations. However, potential for conflicts of interest exist with the exchange of intergenerational information. Prossimo attempts to minimize these conflicts by sharing information across generations only with appropriate client consent.

The Firm does not give advice on how to vote proxies nor does it accept authority to vote client proxies. Accordingly, where applicable, clients are responsible for voting proxies related to their investments, or to choose not to vote on their proxies which are received directly from the custodian.

#### B. Potential Conflicts of Interest

Prossimo and its related persons act as portfolio manager to clients who participate in the Program described in Item 4. Because of the nature of a wrap fee program, the Program client may pay more or less than if the client had compensated Prossimo outside of the Program. For example, if a client's account is rarely traded, the transaction fees the client would have paid would be minimal, thus limiting the benefits of "wrapping" management fees and transaction fees.

The only fees covered under the Program are transaction fees associated with the purchase and sale of securities in an account managed by Prossimo. The Firm does not charge performance-based fees. All client accounts managed by Prossimo, including Program client accounts, are managed with similar processes, although account recommendations may differ.

Prossimo may not be the sole portfolio manager for the Program, which means that Prossimo receives a portion of the wrap fee for its services and other portions of the wrap fee are paid to third-party portfolio managers. Transaction fees are paid to various broker-dealers, mutual funds and exchange traded funds. The remainder of the wrap fee is the management fee payable to Prossimo. The amount payable to Prossimo varies depending upon the amount of trading in a client's account. The more transactions in the account, the greater the amount of transaction fees, and therefore the less compensation to Prossimo. Accordingly, Prossimo has a financial incentive to avoid trading the account. This creates a conflict of interest between the Firm and its Program clients. Prossimo mitigates this conflict by requiring that the Firm's employees acknowledge their fiduciary duty to place client interests ahead of their own and by periodically comparing Program client performance against any clients who do not participate in the Program.

#### C. Advisory Services and Investment Risks

For information concerning the scope of Prossimo's investment advisory services, see Item 4 above.

It is important for clients, regardless of their participation or lack of participation in the Program, to know and remember that all investments carry risks. **Investing in securities involves risk of loss clients should be prepared to bear. Client accounts may not achieve their investment objectives.**

**An investment strategy may not be successful, and investors may lose some or all their investment.**

Risks are varied and include, but are not limited to, the following:

**Security-Specific Material Risks**

**Equity (Stock) Risk**

Common stocks are susceptible to general stock market fluctuations and to increases or decreases in value as market confidence in and perceptions of their issuers change. If an investor holds common stock or common stock equivalents of any given issuer, they may be exposed to greater risk than if they held preferred stocks and debt obligations of the issuer.

**ETF/ETN and Mutual Fund Risks**

The risk of owning Exchange Traded Funds (“ETFs”)/Exchange Traded Notes (“ETNs”) and mutual funds reflects the risk(s) associated with their underlying securities (e.g., stocks, bonds, securities futures, etc.). These forms of securities typically carry additional operating expenses and brokerage fees, which may result in the potential duplication of certain fees. Prossimo does not recommend leveraged or inverse ETFs due to their inherent heightened risk.

**Fixed Income Risks**

Various forms of fixed income instruments, such as bonds, money market or bond funds may be affected by various forms of risk, including:

**Credit or “Default” Risk**

The potential risk that an issuer is unable to pay scheduled interest or repay principal at maturity, sometimes is referred to as “default risk.” Credit risk may also occur when an issuer’s ability to make payments of principal and interest when due is interrupted. This may result in a negative impact on all forms of debt instruments, as well as funds or ETF share values that hold these issues. Bondholders are creditors of an issuer and have priority to assets before equity holders (i.e., stockholders) when receiving a payout from liquidation or restructuring. When defaults occur due to bankruptcy, the type of bond held will determine seniority of payment.

**Duration Risk**

Duration is a measure of a bond’s volatility, expressed in years to be repaid by its internal cash flow (interest payments). Bonds with longer durations carry more risk and have higher price volatility than bonds with shorter durations.

**Interest Rate Risk**

The risk that the value of a fixed income holding will decrease because of an increase in interest rates.

**Liquidity Risk**

The inability to readily buy or sell an investment for a price close to the true underlying value of the asset due to a lack of buyers or sellers. While certain types of fixed income are generally liquid (i.e., bonds), there are risks which may occur such as when an issue trading in any given period does not readily support purchases and sales at an efficient price. Conversely, when trading volume is high, there is also a risk of not being able to purchase a particular issue at the desired price.

**Reinvestment Risk**

With declining interest rates, investors may have to re-invest interest income or principal at a lower rate.

**Index Investing**

Certain ETFs and indexed funds have the potential to be affected by “active risk” (or “tracking error risk”), which might be defined as a deviation from a stated benchmark.

**Additional Risks of Investing**

There are always risks to investing. **Clients should be aware that all investments carry various types of risk including the potential loss of all principal. These are risks clients should be prepared to bear.** It is impossible to name all possible types of risks. Among the additional possible risks are the following:

**Political Risks**

Most investments have a global component, even domestic stocks. Political events anywhere in the world may have unforeseen consequences to markets around the world, including domestic markets.

**General Market Risks**

Markets can go up or down on various news releases, global events, or for no understandable reason. This sometimes means that the price of specific securities go up or down without real reason and take some time to recover any lost value. Adding securities does not help to minimize this risk since all securities may be affected by market fluctuations.

**Currency Risk**

When investing in another country using another currency, changes in the value of the currency can change the value of the applicable securities in a client’s portfolio.

**Regulatory Risk**

Changes in laws and regulations from any government can change the value of a given company and its accompanying securities. Certain industries are more susceptible to government regulation. Changes in zoning, tax structure or laws impact the return on these investments.

**Tax Risks Related to Short-Term Trading**

Clients should note that Prossimo or third-party investment managers may engage in short-term trading transactions. These transactions may result in short-term gains or losses for federal and state tax purposes, which may be taxed at a higher rate than long-term strategies. Prossimo endeavors to invest client assets in a tax efficient manner, but all clients are advised to consult with tax professionals regarding the transactions in client accounts.

**Purchasing Power Risk**

Purchasing power risk is the risk that an investment's value will decline as the price of goods rises (inflation). The investment's value itself does not decline, but its relative value does, which is the same thing. Inflation can happen for a variety of complex reasons, including, for example, a growing economy and a rising money supply.

**Business Risk**

This can be thought of as certainty or uncertainty of income. Management falls under business risk. Cyclical companies (like holiday specialty companies) have more business risk because of a cyclical income stream. On the other hand, fast food chains tend to have steadier income streams and therefore, less business risk.

**Financial Risk**

The amount of debt or leverage determines the financial risk of a company.

**Default Risk**

This risk pertains to the ability of a company to service its debt. Ratings provided by several rating services help to identify those companies with more risk. Obligations of the U.S. government are said to be free of default risk.

**Margin Risk**

"Margin" is a tool used to maximize returns on a given investment by using securities in a client account as collateral for a loan from the custodian to the client. The proceeds of that loan are then used to buy more securities. In a positive result, the additional securities provide additional return on the same initial investment. In a negative result, the additional securities provide additional losses. Margin therefore carries a higher degree of risk than investing without margin. Any client account that will use margin will do so in accordance with Regulation T. Prossimo may recommend margin on a limited basis for clients with higher risk tolerances.

**Risks Specific to Private Placements, Sub-Advisors and Other Managers**

If Prossimo invests certain client assets with another investment manager recommended by Prossimo, including a private placement, there are additional risks. These include risks that the third-party manager is not as qualified as Prossimo believes them to be, that the investments they use are not as liquid as Prossimo would normally use in the client's portfolio, or that their risk management guidelines are more liberal than those Prossimo would normally employ.

**Information Risk**

All investment professionals rely on research to make conclusions about investment options. This research is always a mix of both internal (proprietary) and external (provided by third parties) data and analyses. Even an adviser who says they rely solely on proprietary research must still collect data from third parties. This data, or outside research, is chosen for its perceived reliability but there is no guarantee that the data or research will be completely accurate. Failure in data accuracy or research will translate to a compromised ability by the adviser to reach satisfactory investment conclusions.

**Small Companies**

Some investment opportunities in the marketplace involve smaller issuers. While these companies sometimes have potential for outsized returns, they also have the potential for increased losses. For example, a company's management may lack experience, or the company's growth capital may be restricted. These small companies also tend to trade less frequently than larger companies, which can add to the risks associated with their securities because the ability to sell them at an appropriate price may be limited as compared to the market as a whole. Not only do these companies have investment risk, if a client is invested in such small companies and requests immediate or short-term liquidity, these securities may require a significant discount to value in order to be sold in a shorter time frame.

**Concentration Risk**

While Prossimo selects individual securities, including mutual funds, for client portfolios based on an individualized assessment of each security, a client's equity portfolio may be concentrated in a specific sector, geography, or sub-sector (among other types of potential concentrations), so that if an unexpected event occurs that affects a specific sector or geography, for example, the client's equity portfolio may be affected negatively, and significant losses may be incurred.

**Transition Risk**

As assets are transitioned from a client's prior adviser(s) to Prossimo or third-party investment managers recommended by Prossimo, there may be securities and other investments that do not fit within the asset allocation strategy selected for the client. Accordingly, these investments will need to be sold to reposition the portfolio into the asset allocation strategy selected. This transition process may take some time to accomplish. Some investments may not be unwound for a lengthy period of time for a variety of reasons, including unwarranted low share prices, restrictions on trading, contractual restrictions on liquidity, or market-related liquidity concerns. In some cases, there may be securities or investments that are never able to be sold. The inability to transition a client's holdings into investment recommendations may adversely affect the client's account value, as recommendations may not be able to be fully implemented.



**Restriction Risk**

Clients may at all times place reasonable restrictions on the management of their accounts. However, placing these restrictions may make managing the accounts more difficult, thus lowering the potential for returns.

**Risks Related to Investment Term & Liquidity**

Securities do not follow a straight line up in value. All securities will have periods of time when the current price of the security is not an accurate measure of its value. If a client requires Prossimo to liquidate the client's portfolio during one of these periods, the client will not realize as much value as the client would have had the investment had the opportunity to regain its value. Further, some investments are made with the intention of the investment appreciating over an extended period. Liquidating these investments prior to their intended time horizon may result in losses.

**Risks Related to Business Continuity**

Clients may encounter risks related to unplanned interruptions including Prossimo's business activities and/or its personnel. Prossimo maintains a written Business Continuity Plan that addresses such issues as the loss of physical access to its office, a key person and/or a key vendor.

---

**Item 7: Client Information Provided to Portfolio Managers**

---

See response to Item 6 above.

---

**Item 8: Client Contact with Portfolio Managers**

---

Clients may contact Prossimo, or any third-party investment management firm retained by the client, at any time.

---

**Item 9: Additional Information**

---

**A. Disciplinary Information**

There are no disciplinary items to report.

**B. Other Financial Industry Activities and Affiliations****Broker-dealer**

Neither the Principals of Prossimo nor any related persons are registered, or have an application pending to register, as a broker-dealer or as an associated person of a broker-dealer.

#### Futures Commission Merchant/Commodity Trading Advisor

Neither the Principals of Prossimo nor any related persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

#### Relationship with Related Persons

Jerry Todd Mirolla, the Firm's Managing Director, is an attorney licensed in California, and currently Of Counsel with Palmer Hunter & Hall, Attorneys at Law ("Palmer Hunter & Hall"). Therefore, Mr. Mirolla may have an incentive to recommend various services outside the scope of this Brochure based on the compensation to be received, rather than on a client's needs. Any legal services performed by Mr. Mirolla for clients of Prossimo will be pursuant to a separate written fee agreement and not related to the investment activities of Prossimo.

Mr. Mirolla is also the owner of a consulting firm, Consiliarius Consultants, which advises owners of closely-held companies on how to devise exit strategies and liquidity events for their businesses. He performs these activities on a limited basis for select clients, based on a fixed retainer. This is not an investment-related activity. Any consulting services performed by Mr. Mirolla for clients of Prossimo will be pursuant to a separate written fee agreement and not related to the investment activities of Prossimo.

Katelyn Hunter, the Firm's Chief Compliance Officer, is an attorney licensed in California. Ms. Hunter practices law with Palmer Hunter & Hall. Therefore, Ms. Hunter may have an incentive to recommend various services outside the scope of this Brochure based on the compensation to be received, rather than on a client's needs. Any legal services performed by Ms. Hunter for clients of Prossimo will be pursuant to a separate written fee agreement and not related to the investment activities of Prossimo.

Mr. Mirolla and/or Ms. Hunter may at times refer Prossimo clients to Palmer Hunter & Hall or another law firm. Any such recommendation will be made based upon the client's specific legal need(s) and the recommended law firm's expertise, rates and staffing (among other factors).

Prossimo attempts to mitigate any potential conflicts of interest by disclosing the conflict to clients and informing clients that they are always free to obtain services through other professionals. Prossimo also attempts to mitigate these potential conflicts of interest by requiring employees to acknowledge in the Firm's Code of Ethics their individual fiduciary duty to the clients of Prossimo, which requires Prossimo employees to put the interests of clients ahead of their own.

#### Recommendations of Other Advisers

As discussed in Item 6 above, when appropriate for the client, Prossimo will recommend unrelated, third-party investment managers or professionals who have a greater expertise in certain disciplines.

Before doing so, Prossimo confirms that each recommended adviser is either registered as an investment adviser or properly licensed to provide advisory services. While each manager charges their own separate and additional fee, Prossimo does not receive any compensation, directly or indirectly, from the unrelated third-party investment managers or professionals for the referral of clients. Prossimo attempts to mitigate any potential conflict of interest by disclosing to its clients verbally and in this Brochure that they are under no obligation to engage any third-party manager recommended by Prossimo, and by reminding employees that the Firm's Code of Ethics requires employees to act in the best interest of Prossimo clients.

C. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Code of Ethics

A copy of Prossimo's Code of Ethics is available upon request. Prossimo's Code of Ethics includes discussions of fiduciary duties to clients. Additionally, the Code of Ethics addresses:

- Standards of conduct.
- Compliance with laws, rules and regulations.
- Confidentiality.
- Insider trading.
- Personal securities trading.
- Gifts and entertainment.
- Certification, records and reporting.

Participation or Interest in Client Transactions

Prossimo does not recommend to clients that they invest in any security in which Prossimo or any principal thereof has any financial interest.

Personal Trading

On occasion, an employee of Prossimo may purchase for his or her own account securities which are also recommended for clients. Prossimo's Code of Ethics details rules for employees regarding personal trading and avoiding conflicts of interest related to trading in one's own account. To avoid placing a trade before a client (in the case of a purchase) or after a client (in the case of a sale), all employee trades are reviewed by the Firm's Chief Compliance Officer. All employee trades must either take place in the same block as a client trade or sufficiently apart in time from the client trade so the employee receives no added benefit. Employee statements are reviewed at least quarterly to confirm compliance with trading procedures.

### Review of Accounts

All accounts are managed on an ongoing basis, with formal reviews with the client by a member of Prossimo senior management on at least an annual basis. However, it is expected that market conditions, changes in a client's account, or changes to a client's circumstances will also trigger a review of the client's account(s). **Clients are encouraged to promptly advise the Firm of any changes to their investment objectives, risk tolerances, financial positions, or other significant events impacting their financial objectives.**

Prossimo (in conjunction with one or more investment managers) provides its clients with an annual report, the intent of which is to review asset allocation. All clients will receive statements and confirmations of trades directly from their custodian. Additionally, upon request, clients will receive quarterly itemized account statements from Prossimo. For information concerning custody, please see Item 15 of Prossimo's Part 2A Brochure.

### Client Referrals and Other Compensation

Prossimo receives an economic benefit from Schwab in the form of the support products and services it makes available to the Firm and other independent investment advisors whose clients maintain their accounts at Schwab. These products and services, how they benefit Prossimo, and the related conflicts of interest are described in Item 12 of Prossimo's Part 2A Brochure. Prossimo does not base particular investment advice on the availability of these products and services.

Prossimo does not directly or indirectly compensate any person who is not an employee or owner of Prossimo for client referrals.

### Financial Information

Prossimo does not require the prepayment of fees more than six (6) months in advance and therefore has not provided a balance sheet with this Brochure.

There are no material financial circumstances or conditions that could reasonably be expected to impair Prossimo's ability to meet its contractual obligations to its clients.

---

## Item 10: Requirements for State-Registered Advisers

---

### A. Principal Officer and Management Persons

Jerry Todd Mirolla, the Firm's Managing Director, received a B.A. degree in Political Science from the University of Southern California in 1981 and his J.D. from the University of Southern California Gould School of Law in 1984. Mr. Mirolla was previously a full-time attorney at Andre, Morris &

Buttery, P.C. from 1984-2012. He is currently Of Counsel and practices law on an as-needed basis for Palmer Hunter & Hall, Attorneys at Law. Mr. Mirolla also served as the Chief Compliance Officer and Family Office Services Director for Domus Capital Group, LLC from November 2012 through January 2017.

Katelyn Hunter, the Firm's Chief Compliance Officer, received a B.A. degree in History from the University of California, Berkeley in 2008 and her J.D. from the University of California Los Angeles School of Law in 2011. Ms. Hunter was previously a full-time attorney at Lombardi & Donohue, LLC from 2011 – 2018. She currently practices law on an as-needed basis with Palmer Hunter & Hall, Attorneys at Law.

B. Other Business

For a description of other business conducted by Mr. Mirolla and Ms. Hunter, please see Item 9 ("Relationship with Related Persons") above.

C. Performance-Based Fees

Prossimo does not collect performance-based fees.

D. Disclosure Events

No principal or management person of Prossimo has been involved in any disclosure events.

E. Relationships with Issuers of Securities

Neither Prossimo nor any of its principals or management persons have any relationship or arrangement with issuers of securities.



**Form ADV Part 2B**

**Brochure Supplement**

**Jerry Todd Mirolla**

**PROSSIMO ADVISORS LLC**

1150 Osos Street, Suite 208  
San Luis Obispo, CA 93401

Phone: 805-548-2800

Web: [www.prossimoadvisors.com](http://www.prossimoadvisors.com)

Updated: March 27, 2024

This Brochure Supplement provides information about Jerry Todd Mirolla (CRD #6136304) that supplements the Prossimo Advisors LLC Brochure. You should have received a copy of that Brochure. Please contact Prossimo at (805) 548-2800 or via email at [admin@prossimoadvisors.com](mailto:admin@prossimoadvisors.com) if you did not receive the Prossimo Advisors LLC Brochure or if you have any questions about the contents of this supplement. Registration does not imply any certain level of skill or training.

Any reference to or use of the terms “registered investment adviser” or “registered” does not imply that Prossimo Advisors LLC or any person associated with Prossimo Advisors LLC has achieved a certain level of skill or training.

Additional information about Jerry Todd Mirolla is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

---

## Item 2: Educational Background and Business Experience

---

**Jerry Todd Miolla**

**Born: 1960**

**EDUCATION:**

University of Southern California, B.A., Political Science (Magna Cum Laude), 1981

University of Southern California Gould School of Law, J.D., 1984

**BUSINESS EXPERIENCE:**

Prossimo Advisors LLC – Founder and Managing Director, 7/2017 – Present

Consiliarius Consultants – Self-employed Consultant, 1/2013 – Present

Palmer Hunter & Hall, Attorneys at Law – Attorney (Of Counsel), 1/2022 – Present

Andre, Morris & Buttery, PC – Attorney (Of Counsel), 9/1984 – 12/2021

Premier Valley Bank – Member of the Board or Directors, 3/2017 – 1/2020

Domus Capital Group, LLC – Chief Compliance Officer and Family Office Services Director, 11/2012 – 1/2017

Founders Community Bank – Member of the Board of Directors, 5/2005-2/2017

**LICENSE/EXAMS:**

Series 65 (2017)

California Bar Exam (1984)

**PROFESSIONAL DESIGNATIONS:**

Juris Doctorate (JD): Mr. Miolla received his law degree in 1984 and remains a licensed attorney in the state of California.

---

## Item 3: Disciplinary Information

---

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item for Mr. Miolla.

---

## Item 4: Other Business Activities

---

*Consiliarius Consultants.* Mr. Miolla is the owner of a consulting firm that advises owners of closely-held companies on how to devise exit strategies and liquidity events for their businesses. He performs these activities on a limited basis for selected clients, based on a fixed retainer. This is not an investment related activity.

*Palmer Hunter & Hall, Attorneys at Law*, Attorney. Mr. Mirolla currently performs legal services for a limited number of clients on an as-needed basis. This is not an investment related activity.

The receipt of additional fees for Mr. Mirolla's outside business activities is a conflict of interest, and clients should be aware of this conflict when considering whether to engage Prossimo or whether to utilize Mr. Mirolla for the above-described services. Prossimo attempts to mitigate this conflict of interest by disclosing the conflict to clients and informing clients that they are always free to purchase similar services through other attorneys or non-attorneys that are not affiliated with Prossimo. Prossimo also attempts to mitigate the conflict of interest by requiring employees to acknowledge in the firm's Code of Ethics their individual fiduciary duty to the clients of Prossimo, which requires that employees put the interests of clients ahead of their own.

---

## Item 5: Additional Compensation

---

With the exception of gifts (valued at less than \$100 annually), an occasional meal or ticket to a sporting event, or reimbursement for educational events, training seminars, and marketing initiatives, Mr. Mirolla does not receive any economic benefits, sales awards, or other compensation in connection with providing advisory services to clients through Prossimo beyond his portion of the investment advisory fee paid by those clients.

---

## Item 6: Supervision

---

Jerry Todd Mirolla is Prossimo's Managing Director. He has no direct supervisor, however, all Prossimo employees, including Mr. Mirolla, are required to follow the supervisory guidelines and procedures manual which is designed to ensure compliance with securities laws for the SEC. Mr. Mirolla's contact information is on the cover page of this Brochure Supplement.

---

## Item 7: Requirements for State-Registered Advisors

---

A. Mr. Mirolla has **not** been involved in any of the events listed below.

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500 involving any of the following:
  - a) an investment or an investment-related business or activity;
  - b) fraud, false statement(s), or omissions;
  - c) theft, embezzlement, or other wrongful taking of property;
  - d) bribery, forgery, counterfeiting, or extortion; or
  - e) dishonest, unfair, or unethical practices.



2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:

- a) an investment or an investment-related business or activity;
- b) fraud, false statement(s), or omissions;
- c) theft, embezzlement, or other wrongful taking of property;
- d) bribery, forgery, counterfeiting, or extortion; or
- e) dishonest, unfair, or unethical practices.

B. Mr. Mirolla has not been the subject of a bankruptcy petition at any time.



**Form ADV Part 2B**

**Brochure Supplement**

**Katelyn B. Hunter**

**PROSSIMO ADVISORS LLC**

1150 Osos Street, Suite 208  
San Luis Obispo, CA 93401

Phone: 805-548-2800  
Web: [www.prossimoadvisors.com](http://www.prossimoadvisors.com)

Updated: March 27, 2024

This Brochure Supplement provides information about Katelyn B. Hunter (CRD #7117080) that supplements the Prossimo Advisors LLC Brochure. You should have received a copy of that Brochure. Please contact Prossimo at (805) 548-2800 or via email at [admin@prossimoadvisors.com](mailto:admin@prossimoadvisors.com) if you did not receive the Prossimo Advisors LLC Brochure or if you have any questions about the contents of this supplement. Registration does not imply any certain level of skill or training.

Any reference to or use of the terms “registered investment adviser” or “registered” does not imply that Prossimo Advisors LLC or any person associated with Prossimo Advisors LLC has achieved a certain level of skill or training.

Additional information about Katelyn B. Hunter is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

---

## Item 2: Educational Background and Business Experience

---

**Katelyn B. Hunter**

**Born: 1986**

**EDUCATION:**

University of California, Berkeley, B.A., History (Highest Distinction), 2008

University of California Los Angeles School of Law, J.D., 2011

**BUSINESS EXPERIENCE:**

Prossimo Advisors LLC – Chief Compliance Officer, 5/2019 – Present

Palmer Hunter & Hall, Attorneys at Law – Attorney, 5/2019 – Present

Palmer, Lombardi & Donohue LLP – Attorney, 9/2011 – 5/2018

**LICENSE/EXAMS:**

Series 65 (2019)

California Bar Exam (2011)

**PROFESSIONAL DESIGNATIONS:**

Juris Doctorate (JD): Ms. Hunter received her law degree in 2011 and remains a licensed attorney in the state of California.

---

## Item 3: Disciplinary Information

---

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item for Ms. Hunter.

---

## Item 4: Other Business Activities

---

*Palmer Hunter & Hall, Attorneys at Law.* Ms. Hunter is an attorney who practices with Palmer Hunter & Hall, Attorneys at Law. She performs legal services for the firm on an as-needed basis. This is not an investment-related activity.

The receipt of additional fees for Ms. Hunter's outside business activities is a conflict of interest, and clients should be aware of this conflict when considering whether to engage Prossimo or whether to utilize Ms. Hunter for the above-described services. Prossimo attempts to mitigate this conflict of interest by disclosing the conflict to clients, and informing clients that they are always free to purchase similar services through other attorneys or non-attorneys that are not affiliated with Prossimo. Prossimo also attempts to mitigate the conflict of interest by requiring employees to

acknowledge in Prossimo's Code of Ethics their individual fiduciary duty to the clients of Prossimo, which requires that employees put the interests of clients ahead of their own.

---

## Item 5: Additional Compensation

---

With the exception of gifts (valued at less than \$100 annually), an occasional meal or ticket to a sporting event, or reimbursement for educational events, training seminars, and marketing initiatives, Ms. Hunter does not receive any economic benefits, sales awards, or other compensation in connection with providing advisory services to clients through Prossimo beyond her portion of the investment advisory fee paid by those clients.

---

## Item 6: Supervision

---

Katelyn B. Hunter is a Senior Director and serves as the Chief Compliance Officer of Prossimo Advisors LLC. She is responsible for applying and monitoring applicable regulatory requirements, together with all policies and procedures outlined in the firm's Code of Ethics and Compliance Manual. Ms. Hunter's contact information is on the cover page of this Brochure Supplement.

Ms. Hunter's direct supervisor is Jerry Todd Mirolla, Prossimo's Managing Director. Mr. Mirolla can be reached at (805) 548-2800. All Prossimo employees are required to follow the supervisory guidelines and procedures manual which is designed to ensure compliance with securities laws for the SEC.

---

## Item 7: Requirements for State-Registered Advisors

---

A. Ms. Hunter has not been involved in any of the events listed below.

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
  - a) an investment or an investment-related business or activity;
  - b) fraud, false statement(s), or omissions;
  - c) theft, embezzlement, or other wrongful taking of property;
  - d) bribery, forgery, counterfeiting, or extortion; or
  - e) dishonest, unfair, or unethical practices.
2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
  - a) an investment or an investment-related business or activity;
  - b) fraud, false statement(s), or omissions;
  - c) theft, embezzlement, or other wrongful taking of property;

- d) bribery, forgery, counterfeiting, or extortion; or
- e) dishonest, unfair, or unethical practices.

B. Ms. Hunter has **not** been the subject of a bankruptcy petition at any time.



**Form ADV Part 2B**

**Brochure Supplement**

**Paul P. Bianchi, Jr.**

**PROSSIMO ADVISORS LLC**

1150 Osos Street, Suite 208  
San Luis Obispo, CA 93401

Phone: 805-548-2800  
Web: [www.prossimoadvisors.com](http://www.prossimoadvisors.com)

Updated: March 27, 2024

This Brochure Supplement provides information about Paul P. Bianchi, Jr. (CRD #2869570) that supplements the Prossimo Advisors LLC Brochure. You should have received a copy of that Brochure. Please contact us at (805) 548-2800 or via email at [admin@prossimoadvisors.com](mailto:admin@prossimoadvisors.com) if you did not receive the Prossimo Advisors LLC Brochure or if you have any questions about the contents of this supplement. Registration does not imply any certain level of skill or training.

Any reference to or use of the terms “registered investment adviser” or “registered” does not imply that Prossimo Advisors LLC or any person associated with Prossimo Advisors LLC has achieved a certain level of skill or training.

Additional information about Paul P. Bianchi, Jr. is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

---

## Item 2: Educational Background and Business Experience

---

**Paul P. Bianchi, Jr.**

**Born: 1950**

### **EDUCATION:**

University of California, Los Angeles (UCLA), Bachelor of Arts in Urban Development, 1972

University of California, Los Angeles (UCLA), Paralegal Certification, 1973

University of Washington, Pacific Coast Banking School, Banking Certification, 1985

### **BUSINESS EXPERIENCE:**

Prossimo Advisors LLC – Investment Advisor Representative, 8/2017 – Present

Bankwest Investment Services – Private Client Advisor, 8/2012 – 4/2017

Bank of the West – Senior Vice President and Wealth Management Market Leader, 3/2011 – 4/2017

Merrill Lynch/BOFA – Vice President and Wealth Advisor, 2/2010 – 11/2010

Primevest Financial Services, Inc. – Registered Representative, 6/2008 – 2/2010

Pacific Capital Bancorp (PCBC) – Executive Vice President  
and Director of Private Wealth Management, 7/2006 – 2/2010

Wells Fargo Investments, LLC – Regional Managing Director, 5/2001 – 6/2006

Wells Fargo Securities Inc. – Regional Manager, 3/1997 – 5/2001

Wells Fargo Bank, N.A. – Regional Manager, 7/1984 – 5/2001

---

## Item 3: Disciplinary Information

---

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item for Paul P. Bianchi, Jr.

---

## Item 4: Other Business Activities

---

None.

---

## Item 5: Additional Compensation

---

With the exception of gifts (valued at less than \$100 annually), an occasion meal or ticket to a sporting event, or reimbursement for educational events, training seminars, and marketing initiatives, Mr. Bianchi does not receive any economic benefits, sales awards, or other compensation in connection

with providing advisory services to clients through Prossimo beyond her portion of the investment advisory fee paid by those clients.

---

## Item 6: Supervision

---

Paul Bianchi is supervised by Prossimo's Chief Compliance Officer, Katelyn B. Hunter, who can be reached at (805) 548-2800. Additionally, all Prossimo employees are required to follow the supervisory guidelines and procedures manual which is designed to ensure compliance with securities laws for the SEC.

---

## Item 7: Requirements for State-Registered Advisors

---

A. Mr. Bianchi has not been involved in any of the events listed below.

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
  - a) an investment or an investment-related business or activity;
  - b) fraud, false statement(s), or omissions;
  - c) theft, embezzlement, or other wrongful taking of property;
  - d) bribery, forgery, counterfeiting, or extortion; or
  - e) dishonest, unfair, or unethical practices.
2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
  - a) an investment or an investment-related business or activity;
  - b) fraud, false statement(s), or omissions;
  - c) theft, embezzlement, or other wrongful taking of property;
  - d) bribery, forgery, counterfeiting, or extortion; or
  - e) dishonest, unfair, or unethical practices.

B. Mr. Bianchi has not been the subject of a bankruptcy petition at any time.