

Part 2A of Form ADV: *Firm Brochure*

Libretto LLC



Personalized advice at scale.

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This brochure provides information about the qualifications and business practices of Libretto LLC. If you have any questions about the contents of this brochure, please contact us at (424) 290-1308 or info@libretto.io. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Additional information about Libretto also is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 292052.

Item 2 Material Changes

This brochure, dated March 05, 2024, is an amended document prepared by Libretto LLC (“Libretto”) according to the SEC’s requirements and rules relating to the Form ADV. This Item will be used to provide our clients with a summary of new and/or updated material information. This brochure contains the following material changes from our previous brochure dated March 08, 2023:

- Item 14 - Client Referrals and Other Compensation: updated the description of our policies on solicitors, testimonials and endorsements to better align with the language and requirements of the 2022 Marketing Rule.

Libretto’s previous version of Form ADV Part 2A was dated March 08, 2023.

Prospective clients are strongly encouraged to read this brochure in its entirety prior to engaging the firm for any advisory services.

Consistent with regulatory requirements, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary.

Item 3 Table of Contents

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

Item 4 Advisory Business

Libretto LLC (“Libretto” or the “Firm”) is a software as a service (“SAAS”) company focused on delivering digital advice systems and resources to aid other third-party advisors (each an “Advisor,” and collectively, “Advisors”) in managing complex wealth. Libretto does not provide services directly to retail clients. Rather, it provides a suite of services including planning, investment advice and wealth management, among other services, directly to Advisors, who in turn utilize Libretto’s platform to service their clients.

Libretto provides its investment advice exclusively through its proprietary interactive website.

Libretto is currently registered with the U.S. Securities and Exchange Commission as an internet investment adviser with its principal place of business located in Los Angeles, California. Libretto began conducting its business in 2015 and became a registered investment advisor in 2018. Libretto is controlled by its majority owner and Chief Executive Officer, Jeffery Coyle. Trevor Coyle serves as Chief Compliance Officer of the firm.

Financial Strategy System

Libretto system

Libretto provides advice tools via its website. The scope of these software tools includes financial planning, portfolio construction and wealth management.

Financial Planning

The Libretto Financial Planning system employs a priorities-driven planning methodology that informs both portfolio construction and wealth management directives. Given a set of client priorities (annual spending, travel budget, second home, college funding for children, etc.) and financial resources (social security & pensions, liquid assets, semi-liquid assets, illiquid assets, etc.), the Financial Planning system provides illustrative calculations comparing estimated needs with resources. On this basis, the Financial Planning system provides context to the Advisor that can be used to evaluate the sufficiency of financial resources in meeting stated client priorities and objectives.

The financial plans are presented by the Advisors to their end clients. Financial Planning recommendations from Libretto’s Financial Planning system are not limited to any specific product or service offered by a registered investment adviser, broker-dealer or insurance company.

Portfolio Construction

Libretto’s portfolio construction process is comprised of a household-level Asset Allocation system and account-level Trading tools.

The Libretto Asset Allocation system is a liabilities-driven methodology that maps priorities to asset allocation targets. Advisors may customize asset allocation targets to tailor recommendations to clients.

The Libretto Trading system provides Advisors with tools that enable them to set account-level asset allocation targets, which ultimately may be used to inform potential trades. The Libretto Trading system does not offer any recommendations with respect to the buying and selling of specific financial products; rather, it provides tools that allow Advisors to fully customize targets to reflect the needs of their clients. As detailed in Item 5 Fees and Compensation, the Trading system is available under certain packages but not others.

Wealth Management

Libretto's Financial Planning system establishes an initial draft set of wealth management directives that may be suitable to enhance the client's overall financial strategy. These directives may include estate, tax, insurance and other non-financial products or services such as health care advocacy or trustee services. The directives serve as an initial draft to enable Advisors to tailor a final set of wealth management products and services to the unique needs and circumstances of each end client.

Complementary systems

Certain technology solutions are outside of the scope of Libretto's tools but relate to the ultimate implementation of Libretto solutions. Systems that provide such services are complementary to Libretto's delivery. They include, but are not limited to, data aggregation, portfolio accounting and portfolio rebalancing.

Data Aggregation and Portfolio Accounting

Advisor firms manage client data within their respective systems and may input data into the Libretto system manually or through established feeds with third party providers. Libretto's system imports client-level portfolio data from Advisors' data systems and/or custodial feeds. Advisors are responsible for the integrity and reconciliation of client data. This data is captured and organized within Libretto's system to inform planning, portfolio construction, reporting and support trading.

Portfolio Rebalancing

Advisor firms may choose to use systems that assist in performing portfolio monitoring, rebalancing and trade execution. While Libretto does not provide portfolio rebalancing services, Libretto's portfolio construction outputs may be used to inform solutions that are ultimately implemented in external portfolio rebalancing systems. Advisors are responsible for operating and maintaining their respective portfolio rebalancing systems.

Delivery Augmentation

In addition to software tools, Libretto provides delivery augmentation services that are intended to enhance Advisors' client deliveries. Libretto's delivery augmentation includes webinar series, white label materials and other value-add resources, such as templates and diagnostics. These materials cover topics related to financial structure, portfolio methods and wealth management. The depth of materials available will differ across the various delivery packages referenced under Item 5 Fees and Compensation.

Professional Development

To streamline adoption, Libretto provides professional training resources intended to expand the sophistication of a firm's full advisory team. These resources include:

Training sessions – Libretto hosts training sessions on core Libretto methodology and system use. These sessions are delivered periodically, and they accelerate the learning process for new users while refreshing knowledge for more experienced users.

Online training resources – Libretto delivers online training resources to promote ongoing learning and enable quick access to detailed answers on methodology and system implementation. These resources include videos, an on-demand encyclopedia and intuitive guides, among others.

Implementation Support

To complement its software delivery, Libretto provides system implementation support. During a new firm's onboarding process, Libretto helps refine Libretto-related data management processes, which typically includes instruction on configuring an integration or defining best practices for uploads. Libretto also assists a new firm's advisory team in creating a few initial client case studies. Libretto's client service team is available on an ongoing basis to answer questions related to Libretto's software tools.

Change Management Consulting

Libretto may be engaged, as part of existing SAAS agreement or on a standalone basis, to provide consulting on business processes, wealth strategy design and implementation of Libretto's methodology and software platform. This service is designed to help Advisors ensure a smooth implementation process, and it includes business planning, discovery and research. We work together with the client to outline an implementation plan that covers all business and client delivery goals.

These change management consulting services extend beyond Libretto's standard Delivery Augmentation, Implementation Support and Professional Development deliverables in that they are tailored to a firm's specific needs. Consulting areas may include:

Firm augmentation – Sessions and materials delivered to a firm's leaders focused on enhancing business value.

CIO augmentation – Sessions and materials delivered to a firm's CIO and investment team focused on enhancing the firm's investment delivery.

Team augmentation – Training sessions tailored to the needs of a firm's advisory team.

Operational Projects – Projects related to a firm's technology, data management and operational workflows.

Additional System Perspectives

Libretto does not provide regular and continuous management of assets, and all advice is generated using software-based models or applications on a non-discretionary basis. Portfolios are based on the inputs of the Advisors in the application of planning, asset allocation, asset location, product fulfillment and investment policy. Libretto's systems will assist Advisors in managing portfolios based on the end client's individual objectives, time horizons, risk tolerance and liquidity needs. As appropriate, Advisors may also review and discuss their client's prior investment history, as well as family composition and background.

Libretto enables management of the Advisor's advisory accounts on a non-discretionary basis. Account supervision is guided by the client's stated objectives and liquidity needs, as well as tax considerations.

Advisors may impose reasonable restrictions on investing in certain securities, types of securities or industry sectors through the Libretto system.

Once the Advisor's client's portfolios have been established, the Advisor may conduct periodic portfolio and financial plan reviews with the client and rebalance the portfolio as conditions warrant based on the client's individual needs.

Libretto will make initial illustrative investment suggestions which are not limited to any specific product or service offered by an asset manager, broker-dealer or insurance company. However, the Advisor may override or select its own investment recommendations.

All investments involve some risk, and some types of investments involve certain additional degrees of risk. Implementation of recommendations generated by Libretto's system should only be implemented by Advisors when consistent with the Advisor's end

client's stated investment objectives, tolerance for risk, liquidity and suitability, all as determined by the Advisor.

Libretto's system supports Advisors' efforts to continuously iterate the financial plan and portfolio to reflect changes in their end clients' objectives, assets, suitability and preferences. The system enhances the ability of Advisors to successfully communicate with their own clients and reflect their wishes in their strategy.

Wrap Fee Programs

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

Assets Under Management

Libretto does not manage client assets directly, but rather supports the efforts of Advisors. Therefore, it has no regulatory assets under management.

Item 5 Fees and Compensation

Libretto offers three delivery packages: Core, Comprehensive and Enterprise.

Core Libretto

Core Libretto is intended for Advisors that leverage Libretto primarily for its value as a financial planning and wealth management technology system. As such, it includes the full extent of Libretto's financial planning and wealth management system as well as Libretto's Professional Development services.

The package does not include Trading tools, which are a subset of Libretto's portfolio construction system. Additionally, the package offers only limited access to Delivery Augmentation services until a minimum fee is met, at which point augmentation materials related to financial structure and wealth management become available. Augmentation related to portfolio methods is not included in the package.

Core Libretto's pricing is charged on a per-seat basis, with a "Base Fee" applied to each user. The Base Fee shall be increased or decreased, at Libretto's discretion, based on the relative complexity of Advisor's business and extent of its use of the Libretto IP, including, but not limited to, the number of users and offices, average account size, number of accounts, and advisory rate fees (the "Complexity Adjustment," and with the Base Fee, the "Total Fee"). Any applicable Complexity Adjustment shall be set forth in the written license agreement between Libretto and Advisor.

Comprehensive Libretto

Comprehensive Libretto is intended for Advisors that integrate Libretto's value proposition throughout their full businesses and leverage Libretto's expertise on portfolio methods and related portfolio tools. It includes the full extent of Libretto's Financial Strategy

System, Delivery Augmentation, Professional Development and Implementation Support. Libretto's technology tools are available to the whole team, and there is no per-seat fee.

Instead, Libretto charges basis point fees on the Advisor's total regulatory assets under management ("RAUM") or equivalent metric in non-RIA circumstances. The term RAUM, as defined by the SEC in the instructions to Form ADV, will be used at the time the Advisor enters into an agreement with Libretto and updated annually in conjunction with the Advisor's Annual Updating Amendment. Libretto will determine its fees using the following two-step process:

1. **Base Fee.** The "**Base Fee**" shall be determined by the following basis point fee schedule based on Advisor's total regulatory assets under management (RAUM), or equivalent, as of the Effective Date and updated annually thereafter during the Term:

Libretto Fee Schedule	Fee Detail	
	AUM Tiers	Base Fee
First	100,000,000	0.0400%
Next	100,000,000	0.0250%
Next	100,000,000	0.0200%
Next	100,000,000	0.0180%
Next	100,000,000	0.0160%
Next	500,000,000	0.0140%
Next	4,000,000,000	0.0100%
Above	5,000,000,000	0.0075%

2. **Complexity Adjustment.** The Base Fee shall be increased or decreased, at Libretto's discretion, based on the relative complexity of Advisor's business and extent of its use of the Libretto IP, including, but not limited to, the number of users and offices, average account size, number of accounts, and advisory rate fees (the "Complexity Adjustment," and with the Base Fee, the "Total Fee"). Any applicable Complexity Adjustment shall be set forth in the written license agreement between Libretto and an Advisor.

Enterprise Libretto

Enterprise Libretto is intended for Advisors with large teams. It includes all the features available in the Comprehensive Libretto package. Enterprise Libretto's pricing is represented by a negotiated fee. The fee may be based on either a per-seat or AUM pricing framework.

Change Management Consulting Fees

Fees for Change Management Consulting are negotiated and based on the complexity of implementation and degree of customized deliverables. These fees may be reflected as part of a standalone agreement or incorporated into the license agreement.

General Fee Information

In limited cases at the discretion of Libretto, the Total Fee will be staged-in during the implementation process. A portion of the Total Fee will be charged prior to completing onboarding onto the digital wealth management system and during the initial implementation stage when knowledge resources and training are being applied. The remainder of the Total Fee will then be applied as the comprehensive system becomes fully operational.

All fees are negotiable and subject to the term and conditions of the license agreement. Once the annual fee has been determined, the fee is divided into four equal quarterly payments and billed in advance.

Libretto believes its fees are reasonable in light of the type of services to be provided and given the experience and expertise of Libretto's personnel. However, lower fees for comparable services may be available from other sources.

Termination of the Advisory Relationship: Each client license agreement is subject to a specified term or commitment. The license agreement may only be terminated as set forth in the terms and conditions within each agreement.

Additional Fees and Expenses: Libretto does not restrict an Advisor from charging their clients separate fees in connection with the services provided through Libretto's systems. In addition to the fees described above, an Advisor will also incur certain charges or fees imposed by third-parties other than Libretto. The Advisor and its clients are responsible for all fees and expenses charged by the Advisor's custodians and imposed by the Advisor's broker-dealers, including, but not limited to, any transaction charges imposed by a broker-dealer with which an Advisor effects transactions. Furthermore, fees and expenses related to any investment product or service delivered in conjunction with Libretto's systems are the sole responsibility of the Advisor (and/or its clients). Each Advisor must disclose such fees, as appropriate, on its own Form ADV Part 2.

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

Libretto does not charge performance-based fees (i.e. fees calculated based on a share of capital gains upon or capital appreciation of client assets).

Libretto does not engage in side-by-side management of accounts that are charged a performance-based fee with accounts that are charged another type of fee (such as assets under management).

Item 7 Types of Clients

Libretto currently provides its services to Registered Investment Advisors and other Professional Advisors, and does not provide services directly to individual clients.

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

Methods of Analysis

Libretto uses the following methods of analysis in formulating its investment advice:

Factor-Based Liabilities-Driven Investing: Factor-based liability-driven investing asks the question: what compensated risks are appropriate for a certain individual to take? By intelligently assembling a portfolio of assets that perform well when essential end client objectives are most at risk, factor-based liability-driven investing can work to minimize risk to priorities that are central to end client well-being. With key risks addressed, an individual may opt to pursue higher expected returns. There are multiple sources of compensated risks, and central to the portfolio construction process is identifying risks that are appropriate for a given individual to take in the context of his or her holistic financial structure. The core system is comprised of six components: financial planning, asset allocation, expected returns, asset location, product fulfillment and wealth management directives. The intention of the system is for the six components to work together to improve the client's likelihood of achieving stated life priorities.

Financial Planning: The Libretto Financial Planning system takes a holistic approach to eliciting risk structure by understanding the key risks associated with life objectives and assets. It aims to identify the extent to which a current financial structure is appropriate in the context of stated life objectives.

- **Financial Structure:** An end client's financial structure reflects the current value of assets and liabilities as well as the present value of future resources. The financial structure is organized by asset allocation, liquidity and entity structure, and life objectives are expressed as priorities.
- **Planning System:** The Libretto Financial Planning system is driven by a priorities-based planning methodology. Each priority represents a set of expected future financial liabilities, such as the annual payments associated with funding a child's college tuition.

Asset Allocation: In the context of an end client's risk and financial structure, the liability-driven Libretto Asset Allocation system assists the Advisor in determining appropriate asset types for a given client's portfolio. A successful investment portfolio will reflect appropriate asset allocation targets and sufficient liquidity within the context of an end client's holistic asset and liability structure. Advisors are free to modify illustrative asset allocation targets set by the Libretto Asset Allocation system.

Expected Returns: The purpose of the expected returns methodology is to provide an illustration of potential outcomes associated with a target investment strategy and provide information used to assist the advisor in evaluating the extent to which an end client's current resources are expected to be sufficient to achieve his or her life objectives. End clients may expect to receive a return for exposing their capital to risk. While Libretto seeks to understand each of these risks, the future is ultimately unknowable. End clients should have an expectation that there will be times when their portfolios produce better and worse returns than planned. Such deviation is expected and is addressed by adapting one's life and portfolio to the realized results. This process of iteration is foundational to increasing the likelihood of success within the financial plan. Libretto's system is designed to enable clients to make well-informed tradeoffs when adapting to realized results. Ultimately, expected returns are inputs within the Libretto system and will be decided upon by Advisors.

Wealth Management Directives: Wealth management directives identify additional products and services that may be valuable in increasing the likelihood of the financial plan's success. Such directives may include insurance, estate, tax and other applications.

Multi-Layered Risk Management: While we may enhance understanding by analyzing the past, the future is ultimately unknowable and often highly unpredictable. This lack of predictability introduces risk to portfolios, financial plans and life objectives. Libretto's system recognizes the limited ability to predict future events and seeks to manage risk by improving the suitability of each application. The Financial Planning system helps identify the sufficiency of assets as related to funding clients' priorities. The liability-driven Asset Allocation system matches suitable assets to the unique character of each financial liability. The Wealth Management Directives system recognizes that it requires a comprehensive set of solutions to improve the likelihood of a financial plan's success, including planning, investment, tax, estate, insurance and other applications. Uncertainty around the future always exists, but Libretto's systematic process of addressing risk seeks to improve the likelihood of success. Finally, the iterative nature of the Libretto system is designed to enable clients to make well-informed tradeoffs in response to realized results and thus adapt their lives to the reality of the markets and their financial structure.

Risk Considerations

Prior to using the Libretto system, Advisors should consider all risks related to leveraging an investment software platform, including but not limited to the below key risks:

Risk of Loss: Securities investments are not guaranteed and may lose value. Further, Libretto's systems require that each Advisor work closely with their clients to understand each client's tolerance and suitability for risk.

Market Risk: All investments are characterized by a variety of risks, many of which are common to several asset classes. Equities are subject to shocks to economic conditions, liquidity conditions, financial distress, growth expectations and investor sentiment, among other risks. Fixed income instruments are subject to shocks to interest rates, realized and expected inflation, liquidity conditions, credit conditions and prepayments, among other

risks. Inflation-indexed securities may be subject to additional liquidity and tax risk, and they may behave differently than nominal instruments during times of distress. International investments are additionally subject to currency risk with the potential for greater exposure to political instability. Real assets may share many risks with equities and fixed income assets while additionally being subject to fluctuations in commodity prices or real estate specific risks. Alternative assets are subject to a variety of risks specific to the investment strategy of each fund. While the above provides a sample of investment risks, all securities are subject to additional risks, and each Advisor is responsible for determining the suitability of risk-taking for each client.

Tax Risk: Investment strategies may be affected by changes in legislative environment, including modifications to the tax code. Further, the Libretto expected returns system makes simplifying tax assumptions that may prove inaccurate, particularly if legislation results in material changes to the tax code. Libretto does not engage in tax planning nor does it offer tax advice, and clients should seek the advice of a certified tax professional in considering tax-related decisions. All tax inputs and assumptions may be customized by Advisors, who retain ultimate responsibility for their accuracy.

Input Risk: The quality of Libretto outputs relies on accurate and timely inputs from Advisors, both in terms of those relating to portfolio and other financial resources and those relating to clients' priorities. Inputs related to expected returns, taxes, asset allocation settings and fulfillment settings will be determined by Advisors. Libretto provides perspectives that assist advisory firms in tailoring the system to reflect their preferences and views. Due to the subjectivity of inputs and parameters used in the system, outputs may prove incorrect. There is a risk that inaccurate system inputs, data and assumptions could result in outputs or illustrative recommendations that are misaligned with client goals. Further, information omitted from the system by the client or advisor may result in outputs that are less useful than those that would result from including such information.

Model Risk: The Libretto framework for expected returns relies on various assumptions regarding the potential behavior of asset prices. Specifically, it incorporates advisor assumptions within the frameworks of economic models that make strict simplifying assumptions regarding the process of returns. Simplifying assumptions include, but are not limited to, those relating to taxes, expenses, the behavior of asset class returns and the characteristics of asset classes not modeled by the expected returns system, among others. Models are subject to estimation uncertainty, uncertainty about the true process of returns and uncertainty about changes in expected returns over time, among other sources of uncertainty. Models that appear useful for analyzing past performance may not be useful for characterizing future performance. Illustrations of the potential distribution of outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. Actual results may vary significantly from expected results. Further, expected return calculations are based on hypothetical portfolios with asset allocation targets that shift over time. To the extent Advisors opt to execute investment strategies that deviate from the Libretto system targets, the information provided by the expected returns system may be less meaningful.

Algorithm Risk: Certain functionalities of the Libretto system are informed by algorithms. Algorithms make simplifying assumptions and may not always capture the full complexity of a client's situation. Further, certain types of algorithms may be highly sensitive to changes in Advisor inputs. The interpretation of algorithm results should take into account inherent limitations, and the incorporation of algorithm outputs within a client's strategy is ultimately up to the discretion of the Advisor.

Cybersecurity Risk: Use of an internet-based software platform may expose clients to potential risks linked to cybersecurity breaches. Cybersecurity breaches may allow an unauthorized party to gain access to personal information, client data or assets. Additionally, breaches may result in data corruption or a loss of system functionality. By using an internet-based software platform, clients may be impacted by such cybersecurity breaches. Libretto maintains high standards of cybersecurity practices, including, but not limited to, cybersecurity risk assessments (analysis of internal systems and vendors, penetration testing, etc.), user security and access controls (multifactor authentication, least privilege access, secure devices, etc.), information protection (encryption, system monitoring, intrusion detection and response, runtime defense, etc.), threat and vulnerability management (continuous analysis and monitoring, defect management, etc.) and cybersecurity incident response and recovery (backups, response and recovery plans, etc.).

Availability Risk: The Libretto system is supported by cloud infrastructure that enables the delivery of key Libretto system functionality. Infrastructure failure may result in data loss or a loss of system functionality, and in such cases, Advisors may be unable to access the data or tools used to inform end-client strategies. To minimize the impact of infrastructure failures, Libretto implements timely backups and leverages high-availability systems with hardware and data redundancies. In addition to cloud automated backups, Libretto manages internal tools and processes to orchestrate additive automated backups. These backups are distributed across multiple locations and multiple cloud providers. Further, Libretto maintains and periodically tests a disaster recovery plan outlining response procedures to failures related to core cloud providers. Libretto implements multiple layers of monitoring, including health checks and error tracking, to enable rapid detection of infrastructure failures and immediate launch of a response.

Software Risk: The Libretto system is delivered through the channel of software as a service. Libretto software is developed with the highest standards of rigor, and all code is subject to multiple layers of testing, including unit testing of individual functions, quality assurance auditing and quality engineering automation. In addition to rigorous testing, Libretto maintains best practices for oversight including access control, segregation of environments, processes for changes and periodic monitoring. Nonetheless, it is possible that such software may not perform exactly as disclosed on the website, whitepapers, blogs or other disclosure documents, particularly in unique circumstances with unusual combinations. Libretto continuously tests and monitors code performance and strives to immediately address any circumstances in which software does not perform precisely as disclosed. Libretto may periodically modify software, including algorithms, models or assumptions in ways that have unintended consequences.

Item 9 Disciplinary Information

Registered investment advisors, such as Libretto, are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Libretto and its management personnel have no reportable disciplinary events to disclose.

Item 10 Other Financial Industry Activities and Affiliations

Neither Libretto nor any of its management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, futures commission merchant, commodity pool operator, a commodity trading adviser or an associated person of the foregoing entities.

Libretto does not recommend or select other investment advisors for clients in exchange for compensation from those advisors.

Jeffery Coyle owns a non-controlling, less than ten percent (10%) interest in Monograph Wealth Advisors, LLC (Monograph) CRD No. 173949, a separately formed and registered investment adviser that provides wealth management advice to ultra-affluent clients. While Mr. Coyle is an owner of both Libretto and Monograph, he is not an investment adviser representative or employee of Monograph, and does not provide services to Monograph. In addition, certain owners of Monograph own de minimis (i.e. less than 5%) interests in Libretto.

The advisory services offered by Monograph are separate and distinct from those provided by Libretto. Monograph's advisory services are not recommended to Libretto's clients. Libretto's system is utilized by Monograph within its client delivery, and Monograph pays a license fee to Libretto. There are no referral fee arrangements between Libretto and Monograph. No Libretto client is obligated to use the advisory services of Monograph.

Potential conflicts of interest could exist due to Mr. Coyle's ownership interest in Monograph from which he receives indirect compensation in the form of profits. This potential conflict is mitigated by disclosure to Libretto clients at the time of entering into an advisory agreement mainly through the delivery of this Disclosure Brochure (ADV Part 2A) and Mr. Coyle's Form ADV Part 2B Supplement Brochure. In addition, Libretto does not recommend the services of Monograph to Libretto clients.

As required, any affiliated investment advisors are specifically disclosed in Section 7.A. on Schedule D of Form ADV, Part 1. (Part 1 of our Form ADV can be accessed by following the directions provided on the Cover Page of this Firm Brochure.)

Libretto endeavors at all times to address conflicts of interests in a fair and equitable manner and by disclosing such conflicts when identified.

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

Libretto has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws. Libretto and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but also to the general principles that guide the Code.

The Code of Ethics includes policies and procedures requiring Libretto to maintain a list of all reportable securities holdings for anyone associated with Libretto that has access to advisory recommendations ("access person"). Our Chief Compliance Officer regularly reviews access persons' personal securities transactions. Such reviews include the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the access person. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. The Code also provides for oversight, enforcement and recordkeeping provisions.

The Code of Ethics also includes the Firm's policy prohibiting the use of material nonpublic information. While we do not believe that we have any particular access to nonpublic information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to info@libretto.io or by calling us at (424) 290-1308.

Participation or Interest in Client Transactions

Libretto and our associated persons are prohibited from engaging in principal trading. Libretto does not buy or sell securities for the firm or its associated persons from or to our advisory clients. Libretto and individuals associated with the firm are also prohibited from engaging in agency cross transactions. Agency cross transactions occur where a person acts as an investment adviser in relation to a transaction in which the adviser, or an affiliate of the adviser, acts as broker for both the advisory client and for another person on the other side of the transaction.

Personal Trading

On occasion, it is possible that officers or employees of Libretto may buy or sell securities or other instruments that Advisors recommend to clients via the Libretto system, and may engage in transactions for their own account in a manner that is inconsistent with recommendations to a client. Personal securities transactions by employees may raise potential conflicts of interest when such persons trade in a reportable security that is owned by, or considered for purchase or sale for, a client.

In order to mitigate this conflict of interest and to comply with all applicable laws and regulations, Libretto's Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

It is the expressed policy of Libretto that no person employed by the firm may knowingly purchase or sell any reportable security prior to a transaction(s) being implemented for a client's advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of client accounts. Further, no principal or employee of Libretto may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.

All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices. Libretto requires delivery and acknowledgement of the Code of Ethics by each supervised person of the Firm. Libretto has established policies requiring the reporting of Code of Ethics violations to our senior management. Any individual who violates any of the above restrictions may be subject to sanctions including termination.

Item 12 Brokerage Practices

Brokerage

Libretto does not have and will not accept any authority to select or recommend broker-dealers for Advisor client transactions. Each Advisor that utilizes Libretto's systems will be responsible for considerations and/or selection of broker-dealers for their clients' transactions.

Research and Other Soft Dollar Benefits

Libretto does not have any soft-dollar arrangements and does not receive any soft-dollar benefits.

Brokerage for Client Referrals

Libretto does not seek or receive client referrals for recommending broker-dealers.

Directed Brokerage

The Libretto system does not implement any advisory recommendation and does not interface directly with any broker-dealers. Libretto does not have the discretionary authority to determine the broker-dealer to be used or the commission rates to be paid by Advisors or their clients. Each Advisor is responsible for implementing the recommendations generated by the Libretto system. Libretto will have no responsibility in seeking best execution for any recommended trade.

Aggregation of Client Trades

As previously disclosed, Libretto systems will result in outputs and information that can be used to generate a set of potential trades for each considered account. The Advisor must confirm or refine each trade and submit to a broker-dealer for execution through their own trading systems. Therefore, Libretto will not have any responsibility to aggregate trades on behalf of the Advisors or its clients.

Item 13 Review of Accounts

Libretto does not review client accounts but provides tools to assist each Advisor in reviewing client accounts. Each Advisor is responsible for the review and management of accounts through the Libretto system.

Item 14 Client Referrals and Other Compensation

Libretto may engage related or non-related persons to provide testimonials and endorsements which may be paid or unpaid. Any such testimonials and endorsements will comply with the SEC's marketing rules. Our policies related to testimonials and endorsements include appropriate disclosures, oversight and written agreements as applicable. Libretto does not compensate ineligible persons in relation to a testimonial or endorsement.

While Libretto may engage related or non-related persons to provide testimonials and endorsements, Libretto strictly adheres to a policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

Item 15 Custody

Our Firm does not have actual or constructive custody of client accounts.

Item 16 Investment Discretion

As previously disclosed in Item 4 of this brochure, our Firm does not manage assets directly. Libretto provides recommendations on a non-discretionary basis only directly to Advisors through the Libretto system. Therefore, investment recommendations are provided to the Advisor for approval and the Advisor is responsible for executing transactions in the client's account. The Advisor will be responsible for obtaining investment discretion from their clients or seeking permission and approval for each transaction and executing trades accordingly.

Item 17 Voting Client Securities

Libretto does not vote proxies for any Advisor or their clients' accounts. Therefore, each Advisor and/or their clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets.

Item 18 Financial Information

As an advisory firm, we are also required to disclose any financial condition that is reasonably likely to impair our ability to meet our contractual obligations. Libretto has no such financial circumstances to report.

Under no circumstances do we require or solicit payment of fees in excess of \$1,200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

Libretto has not been the subject of a bankruptcy petition at any time during the past ten years.