

# Adi Dassler Family Office

Adi Dassler Family Office LLC  
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## Brochure

March 29, 2019

*This Brochure provides information about the qualifications and business practices of Adi Dassler Family Office LLC (“ADIFO” or the “Firm”). If you have any questions about the contents of this Brochure, please contact Mr. David Wasitowski, Chief Compliance Officer, by phone (646) 809-3600 or e-mail [dwasitowski@adifo.net](mailto:dwasitowski@adifo.net). The information in this brochure has not been approved or verified by the U. S. Securities and Exchange Commission (“SEC”) or by any state securities authority. ADIFO is an investment adviser registered with the SEC. Registration of an investment adviser does not imply a certain level of skill or training.*

*Additional information about Adi Dassler Family Office LLC is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).*

## **Item 2 – Material Changes**

Form ADV Part 2A (the “Brochure”) which is dated March 29, 2019 is a new document prepared in accordance with a new investment adviser registration with the Securities and Exchange Commission (“SEC”). In the future, this section will disclose only specific material changes that are made to the Brochure, and provides clients with a summary of such changes. It will also reference the date of the Firm’s last annual update to this Brochure. Presently, there are no material updates to disclose.

Pursuant to applicable SEC investment adviser rules and regulations, we will ensure that each client receives a summary of any material changes to this Brochure, and subsequent Brochures within 120 days of the close of the Firm’s fiscal year end. We will further provide you with a new Brochure as necessary based upon material changes, without charge.

At any time, you may view the current Brochure online at the SEC’s Investment Adviser Public Disclosure website at: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with our Firm’s name. You may also request and receive additional copies of this Brochure by contacting our Firm’s Chief Compliance Officer, Mr. David Wasitowski, by telephone 646-809-3600 or by email at [dwasitowski@adifo.net](mailto:dwasitowski@adifo.net).

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## **Item 4 – Advisory Business**

Adi Dassler Family Office LLC (“ADIFO” or the “Firm”) is a newly formed investment adviser, purchasing the assets, and leasing the trademarks and other rights of the former Adi Dassler International Family Office USA Limited Partnership (“predecessor”) through a succession. Until the Securities and Exchange Commission (“SEC”) grant an effective date for the Firm’s investment adviser registration, ADIFO will be relying on its predecessor’s registration with a Central Registration Depository number of 288134.

The Firm was organized as a Delaware limited liability company in January of 2019, and is registered with the SEC as an investment adviser. Union Capital Group USA, LLC (“UCG”) owns 90% of ADIFO. UCG is wholly owned by Mr. Lawrence D. Howell. Adi Dassler Legacy Ltd owns the remaining 10% of ADIFO.

ADIFO provides discretionary and non-discretionary portfolio management, which may be managed directly by the Firm, or via an unaffiliated sub-adviser. In addition, the Firm offers investment consulting, and financial planning services.

### **Discretionary Portfolio Management and the Use of Unaffiliated Sub-Advisers**

The Firm may recommend that clients authorize active discretionary management, engage ADIFO as sub-advisers, or permit the Firm to allocate of all or a portion of their assets among sub-advisers. ADIFO may recommend that a portion or all of client assets may be allocated amongst one or more sub-advisers. The terms and conditions under which the client engages the sub-adviser are set forth in a separate written agreement between ADIFO or the client and the sub-adviser or advisers recommended. The Firm provides the service of selecting or recommending the sub-adviser.

### **Investment Consulting**

Clients may engage ADIFO to manage all or a portion of their assets to provide investment advice on consulting basis. The Firm and its investment adviser representatives (“IARs”) provide advice that is tailored to the individual needs of the client based on the financial information and the investment objective(s) communicated by the client. Clients may impose restrictions on investing in certain securities or groups of securities by notifying the firm or representative in writing, including on the ADIFO Account Application.

## **Financial Planning Services**

The Firm may provide financial planning to clients. The scope of the financial plan will be communicated with to the client and will be memorized into advisory agreement. Financial plans may encompass one or more of the following areas:

- Cash Flow Management and Budgeting;
- Home Purchase or other significant purchase
- Education Planning;
- Retirement Planning;
- Estate Planning

The IAR obtains appropriate information from the client through personal interviews, including one or more discussions of a client's current financial status, future goals and risk tolerance. A written financial plan may be created and provided to the client. The implementation of financial planning recommendations is solely at the discretion of each client. Implementation of a financial plan is not limited in any way to products or services offered by a particular service provider or providers.

## **Item 5 – Fees and Compensation**

### **A. Fees for Advisory Services**

#### **Investment Advisory Services**

Investment advisory fees are generally paid quarterly, in advance of each calendar quarter, pursuant to the terms of the investment advisory agreement. Fees are based on the total market value of assets under management as of the last business day at the end of the prior calendar quarter. Typically, a flat fee of 1.25% is charged annually and may be negotiable, depending on the scope and complexity of the services to be provided, the level of assets to be managed and the overall relationship with the client. The investment advisory fee in the first quarter of service is prorated from the inception date of the client's account(s) to the end of the first quarter. Fees may be negotiable at the sole discretion of the adviser. The client's fees will take into consideration the aggregate assets under management with the adviser. All securities held in accounts managed by ADIFO will be independently valued by the custodian (as discussed in Item 12). The Firm will not have the authority or responsibility to value portfolio securities.

Clients may make additions to and withdrawals from their account(s) at any time, subject to ADIFO's right to terminate an account. Additions may be in cash or securities provided that ADIFO reserves the right to liquidate any transferred securities or decline to accept particular securities into a client's account(s). Clients may withdraw account assets on notice to ADIFO, subject to the usual customary securities settlement procedures. However, ADIFO designs its portfolio's as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. ADIFO may consult with its clients about the options and

ramifications or transferring securities. However, clients are advised that when transferred securities are liquidated, they are subject to transaction fees, fees assessed at the mutual fund level and/or tax ramifications.

### **Use of Unaffiliated Sub-Advisors**

For client accounts implemented through a sub-adviser, the client's overall fees will often include ADIFO's investment advisory fee, plus advisory fees and/or platform fees charged by the sub-adviser, if applicable. Fee discounts may be available for accounts with substantial assets managed by the Firm. The independent manager may assume responsibility for calculating the client's fees and deduct all fees from the client's account(s). In such instances, ADIFO will not charge its fees separately on those assets.

### **Investment Consulting and Financial Planning Services**

ADIFO offers financial planning and consulting services on either an hourly basis or a fixed engagement. Hourly engagements are billed at the rate of up to \$500 per hour, based on the complexity of the services to be provided and the experience of the individual providing services. Fixed fee engagements are negotiated based on the expected number of hours to complete the engagement at the adviser's hourly rate. Fees may be negotiable at the sole discretion of the adviser, depending on the nature and complexity of services provided. An estimate for total hours and/or costs will be provided to the client prior to engaging for these services. The adviser's fee is exclusive of, and in addition to, brokerage fees, transaction fees, and other related costs and expenses, which may be incurred by the client. However, the adviser shall not receive any portion of these commissions, fees, and costs. For certain clients, financial planning services are included in the investment advisory fee.

## **B. Fee Billing**

### **Investment Advisory Services**

Investment advisory fees are calculated by the adviser or its delegate and deducted from the client's account(s) at the custodian. The amount due is calculated by applying the quarterly rate (annual rate divided by 4) to the total assets under management with ADIFO at the end of the prior quarter. Clients will be provided with a statement, at least quarterly, from the custodian reflecting the deduction of the investment advisory fee. Clients provide written authorization permitting the Firm to be paid directly from their accounts held by the custodian as part of the investment advisory agreement and separate account forms provided by the custodian.

### **Use of Unaffiliated Sub-Advisors**

Client account(s) implemented through sub-advisers will be billed in accordance with the separate agreement(s) with the respective parties. These parties will typically add ADIFO's investment advisory fee and deduct the overall fee from the client account(s).

## **Financial Planning and Family Office Consulting Services**

Fees for hourly and fixed fee financial planning or consulting engagements may be invoiced up to 50% upon execution of the financial planning agreement with the balance due upon completion of the engagement deliverable(s). Certain clients may have their planning fees included with their overall investment advisory fees.

### **C. Other Fees and Expenses**

Clients may incur certain fees or charges imposed by third parties in connection with investments made on behalf of the client's account(s).

The Client shall be responsible for all securities transaction fees for trading in the client's account(s) at the custodian. The custodian may charge the client additional fees, such as wire fees, trade-away fees or other costs. The adviser does not share in any of these fees. In addition, all fees paid to the Firm for investment advisory services are separate and distinct from the expenses charged by mutual funds and exchange-traded funds to their shareholders. These fees and expenses are described in each fund's prospectus. These fees and expenses will generally be used to pay management fees for the funds, other fund expenses, account administration, and a possible distribution fee. The client should review both the fees charged by the fund(s) and the fees charged by ADIFO to fully understand the total fees paid.

### **D. Advance Payment of Fees and Termination**

#### **Investment Advisory Services**

The Firm is compensated for its investment advisory services in advance of the quarter in which investment advisory services are rendered. Either party may terminate the investment advisory agreement at any time by providing advance written notice to the other party. Upon termination, the client shall be responsible for investment advisory fees up to and including the effective date of termination. The adviser will refund any unearned, prepaid fees from the effective date of termination to the end of the quarter. The client's investment advisory agreement with the adviser is non-transferable without the client's prior consent.

#### **Use of Unaffiliated Sub-Advisers**

In the event that a client should wish to terminate their relationship with a sub-adviser, the terms for termination will be set forth in the respective agreements between the client and the sub-adviser. ADIFO will assist the client with the termination and transition as appropriate.

#### **Financial Planning Consulting Services**

The Firm may be partially compensated for its financial planning consulting services in advance of the engagement. Either party may terminate the financial planning agreement, at any time, by providing advance written notice to the other party. Upon termination, the client shall be responsible for planning fees based on the hours incurred or in the event of a fixed fee, the percentage of the engagement completed, determined by the adviser. Upon termination, the

adviser will refund any unearned, prepaid fees. The client's financial planning agreement with the adviser is non-transferable without the client's prior consent.

## **E. Compensation for Sales of Securities**

ADIFO does not buy or sell securities and does not receive any compensation execution of securities transactions or implementation of financial plans through the execution of securities transactions. However, the Firm's Chief Executive Officer ("CEO") and Chief Compliance Officer ("CCO") are also the CEO and CCO of the Firm's affiliated broker-dealer, UCAP Securities LLC ("UCAP"). UCAP is a registered broker-dealer, and member of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investor Protection Corporation ("SIPC"). Securities transactions executed, or financial plans implemented through UCAP Securities will either directly or indirectly benefit the CEO and/or CCO. Please see Item 12 – Brokerage Practices for additional information on this topic.

## **Item 6 – Performance-Based Fees and Side-By-Side Management**

The Firm does not charge or performance-based fees or enter into performance-based arrangements of any kind.

## **Item 7 – Types of Clients**

ADIFO offers its advisory services to individuals, high net worth individuals, institutions, and other corporations. The Firm generally seeks a minimum portfolio size of \$100,000 for individuals and \$1 million for institutional clients.

At its sole discretion, the Firm may accept clients with smaller portfolios. ADIFO may also aggregate the portfolios of related clients to meet its minimum portfolio size. In addition, the Firm may raise, waive or modify its account requirements to accommodate sub-advisers it is recommending.

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

### **A. Methods of Analysis**

ADIFO primarily employs fundamental and other analysis methods in developing investment strategies for its Clients. Research and analysis from ADIFO is derived from numerous sources, including financial media companies, third-party research materials, Internet sources, and review of company activities, including annual reports, prospectuses, press releases and research prepared by others.

As noted above, ADIFO generally employs a long-term investment strategy for its Clients, as consistent with their financial goals. ADIFO will typically hold all or a portion of a security for more than a year but may hold for shorter periods for the purpose of rebalancing a portfolio or meeting the cash needs of Clients. At times, ADIFO may also buy and sell positions that are more short-term in nature, depending on the goals of the Client and/or the fundamentals of the security, sector or asset class.



## **B. Risk of Loss**

Investing in securities involves certain investment risks. Securities may fluctuate in value or lose value. Clients should be prepared to bear the potential risk of loss. ADIFO will assist Clients in determining an appropriate strategy based on their tolerance for risk and other factors noted above. However, there is no guarantee that a Client will meet their investment goals.

Fundamental analysis utilizes economic and business indicators as investment selection criteria. These criteria are generally ratios and trends that may indicate the overall strength and financial viability of the entity being analyzed. Assets are deemed suitable if they meet certain criteria to indicate that they are a strong investment with a value discounted by the market. While this type of analysis helps the Advisor in evaluating a potential investment, it does not guarantee that the investment will increase in value. Assets meeting the investment criteria utilized in the fundamental analysis may lose value and may have negative investment performance. The Advisor monitors these economic indicators to determine if adjustments to strategic allocations are appropriate.

More details on the Advisor's review process are included below in "Item 13 – Review of Accounts".

Each Client engagement will entail a review of the Client's investment goals, financial situation, time horizon, tolerance for risk and other factors to develop an appropriate strategy for managing a Client's account. Client participation in this process, including full and accurate disclosure of requested information, is essential for the analysis of a Client's account. The Advisor shall rely on the financial and other information provided by the Client or their designees without the duty or obligation to validate the accuracy and completeness of the provided information. It is the responsibility of the Client to inform the Advisor of any changes in financial condition, goals or other factors that may affect this analysis.

The risks associated with a particular strategy are provided to each Client in advance of investing Client accounts. The Advisor will work with each Client to determine their tolerance for risk as part of the portfolio construction process. Below are some additional risks that Clients should understand.

## **Item 9 – Disciplinary Information**

As a registered investment adviser, ADIFO is required to disclose all material facts regarding any legal or disciplinary events that would be relevant to your evaluation of the Firm or the integrity of ADIFO's management team. The Firm no disciplinary information to disclose.

## **Item 10 – Other Financial Industry Activities and Affiliations**

Union Capital Group USA, LLC ("UCG") owns 90% of ADIFO. UCG is wholly owned by Mr. Lawrence D. Howell. Adi Dassler Legacy Ltd owns the remaining 10% of ADIFO.

In addition to ownership of ADIFO, UCG also owns UCAP Securities LLC ("UCAP Securities") and UCAP Asset Management LLC ("UCAP Asset Management"). UCAP Securities is registered broker-dealer and member of FINRA/SIPC. UCAP Asset Management is an investment adviser registered with the Securities and Exchange Commission.

ADIFO's IAR's may also be registered representatives ("RR") of UCAP Securities. When an IAR is acting in the capacity of a RR of a broker-dealer, they may receive commissions, sales charges, or other forms of securities-based compensation. Clients are not obligated to use UCAP Securities to execute securities transactions or implement a financial plan through the purchase of securities.

## **Item 11 – Code of Ethics**

ADIFO has adopted a Code of Ethics ("COE") pursuant to SEC rules. The Firm's COE is an integral part of the Firm's compliance program. It describes the high standard of business conduct we expect from our supervised persons, and the fiduciary duty we each owe our clients. The COE includes provisions relating to the confidentiality of client information, prohibition on insider trading, prohibition on rumormongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, amongst other inherent or potential conflicts of interest. All supervised persons at ADIFO must attest to the COE on an annual basis and as or when amended.

The Firm and its related persons may recommend to clients, or buy or sell for client accounts, securities in which the firm or its related persons have a material financial interest. Under certain circumstances, this may present a conflict of interest; ADIFO's COE addresses this conflict. Subject to the COE, supervised persons of the Firm and its affiliates may trade for their own accounts in securities which are recommended to and or purchased for ADIFO's clients. The COE is designed to assure that personal securities transactions, activities and interests of the supervised will not interfere with (i) making decisions in the best interest of clients and (ii) implementation of such decisions, and at the same time, allowing supervised persons to make investments for in their personal accounts. Pursuant to the COE, certain classes of securities have been designated as exempt transactions, based upon a determination that these transactions would not materially interfere with the best interests of clients. Furthermore, the COE requires pre-clearance of certain transactions, and imposes certain restrictions in close proximity to client trading activity. Nevertheless, in certain circumstances the COE permits supervised persons to

invest in the same securities as clients, there is a possibility that supervised persons may benefit from client market. The Firm regularly monitors trading by supervised persons to mitigate or attempt to mitigate these risks.

Certain affiliated accounts may trade in the same securities alongside client accounts on an aggregated basis, when and if consistent with the Firm's best execution obligation. Under these circumstances, affiliated accounts and client accounts will share commissions equally and receive the average price. ADIFO will retain records of transactions/allocation. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be disclosed on the order.

You may request a copy of ADIFO's Code of Ethics contacting the Firm's Chief Compliance Officer at the contact address provided on the cover page.

## **Item 12 – Brokerage Practices**

### **Recommended Custodian and Executing Broker-Dealer**

ADIFO recommends that clients open a separately managed account ("SMA") with Charles Schwab & Co., Inc. ("Schwab"), INTL FCStone ("FC Stone"), or another custodian of their choice.

Both Schwab and FC Stone serve independent investment advisors and includes custody, trading and support services. ADIFO is not owned by, affiliated with or supervised by Schwab or FC Stone. Schwab and FC Stone are both registered broker-dealers and Members of FINRA/SIPC. Schwab and FC Stone are also "Qualified Custodians" which are defined under the SEC's Custody Rule, 206(4)-2 pursuant to the Investment Advisers Act.

Clients engage Schwab or FC Stone to safeguard client assets, and authorize ADIFO to direct trades as agreed upon in the investment advisory agreement. ADIFO does not have the ability to negotiate commissions on behalf of its clients on a trade-by-trade basis. In limited circumstances, client may authorize its IAR to direct securities transactions to executing broker-dealers other than Schwab or FC Stone.

ADIFO has considered many factors before recommending Schwab or FC Stone as its custodian/executing broker-dealer. These factors include, but are not limited to financial strength, reputation, execution quality, execution capabilities, cost, research services, and overall quality of services. ADIFO maintains an institutional relationship with both Schwab, and FC Stone ("companies"), whereby Firm receives economic benefits from these companies. These companies offer a broad array of products and services, allowing the Firm to select from a wide range of mutual funds and exchange-traded funds without transaction fees, and other products and services at nominal costs. However, commissions, sales charges, and other transaction fees may be higher than transaction fees charged by other broker-dealers and custodians.

## **Soft-Dollar Arrangements**

### **Soft Dollar Arrangements**

The SEC has defined soft dollar benefits as “*arrangements under which products or services other than execution of securities transactions are obtained by an adviser from or through a broker-dealer in exchange for the direction by the adviser of client brokerage transactions to the broker-dealer.*”

In the near future, ADFO may engage in soft dollar arrangements with Schwab, FC Stone, or any other custodian and its executing broker-dealer (collectively, “custodians”). While many aspects of soft dollar arrangements benefit clients directly and indirectly, in the sections that follow, the Firm has divided its soft dollar arrangements into *Services That May Not Directly Benefit Clients*, and *Services That Generally Benefit Only ADFO*.

### **Services that Generally Benefit Clients**

Custodian’s services include a broad array of products and services that generally have direct benefits to clients. These benefits include, but are not limited to execution capabilities for securities transactions, custody of client funds and securities, access to specific investment products and that clients would may not be able to obtain via other sources. Furthermore, clients may have the ability to invest in specific mutual funds, and other investment products at lower minimum investments due to Schwab’s large vendor distribution network.

### **Services That May Not Directly Benefit Clients**

Custodian’s services that are available to ADFO may not benefit the clients directly. These products and services assist the Firm in managing and administering its client accounts. These products and services include investment research, software and other technologies. These technologies include, but are not limited to the following: access to client account data, such as duplicate trade confirmations and account statements, facilitation of trade execution and allocation of aggregated trade orders for multiple client accounts, pricing information and other market data, facilitation of payment of client fees charged by ADFO, and assistance with back office functions; including recordkeeping, and client reporting.

### **Services That Generally Benefit Only ADFO**

Custodian’s services that generally only benefit ADFO include, but are not limited to: educational conferences and events, technology consulting, compliance/legal support, and practice management support.

## **Item 13 – Review of Accounts**

Clients’ portfolios are subject to regular reviews on at least a quarterly basis. Additionally, each client is offered at least an annual account review by its IAR. Interim reviews be requested by a client, material market conditions, economic or political events, or by change in a client’s financial condition, investment objectives, or goals.

Reviews are based on parameters established by the IAR and client in concert. This is generally memorialized via investment advisory agreement and/or the investment policy statement or client questionnaire.

#### **Item 14 – Client Referrals and Other Compensation**

The Firm does not receive any compensation for client referrals, or compensation that has not already been disclosed.

#### **Item 15 – Custody**

ADIFO does not maintain physical custody of client securities or funds. However, the Firm receives authorization to deduct fees from client accounts at one of the Firm's recommended custodians, Charles Schwab & Co., Inc. ("Schwab"), or INTL FCStone ("FC Stone"); or the qualified custodian of the client's choice. Authorized fee deductions from client accounts is a form of limited custody. In addition to authorization to deduct fees from client accounts, qualified custodians maintain physical custody of client securities and funds. The Firm urges clients to review their custody statements carefully. Custody statements are sent on at least a quarterly basis.

#### **Item 16 – Investment Discretion**

ADIFO generally maintains investment discretion over client accounts. After clients have granted the Firm discretionary authority over their accounts, prior consent or approval is not needed for execution of transactions. However, all purchases and sales are subject to the client investment objectives, risk tolerances, client restrictions, and other parameters agreed upon. Granting of discretionary authority is evidenced by the client's execution of an investment advisory agreement.

#### **Item 17 – Voting Client Securities**

As a matter of Firm policy, ADIFO does not vote client securities. Clients will receive proxy voting statements directly from their custodian, Charles Schwab & Co., Inc. ("Schwab"). If a client directs the Schwab to deliver proxy statements to ADIFO, these proxies will not be voted or reviewed by the Firm. However, ADIFO will assist in answering questions relating to the voting securities, however, all clients retain full responsibility for proxy decisions.

#### **Item 18 – Financial Information**

The Firm does not have any financial condition or hardship that would reasonably impair its ability to meet its contractual obligations to clients. ADIFO does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance