



Slavic Mutual Funds Management Corporation

FORM ADV FIRM BROCHURE

March 30, 2018

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This brochure provides information about the qualifications and business practices of Slavic Mutual Funds Management Corporation ("SMF"). If you have any questions about the contents of this brochure, please contact us at the phone number above. 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. SMF's description of itself in this brochure as a registered investment advisor does not imply a certain level of skill or training on the part of SMF or its representatives.

Additional information about SMF is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2. Material Changes

This section summarizes the material changes to the SMF Form ADV Firm Brochure since the last version of our Form ADV on March 30, 2017. For more details on any particular matter, please see the item in this ADV Brochure referred to in the summary below.

Item 4. Advisory Business

This section has been revised to include a description of Bespoke Automated Investment Allocation Service (“Bespoke”), a digital investment allocation model developed and utilized by Slavic Mutual Funds Management Corporation (“SMF”). Bespoke projects a financial plan based on the client’s specific financial data in which SMF may also act as a section 3(28) fiduciary. Bespoke utilizes prudent investment strategies and diversification with index funds, which are adjusted as a client ages and as the client updates its financial demographics online. SMF charges an asset fee for this service based on the size of the client’s account. SMF does not charge a management fees for Bespoke during the first twelve months of service.

At least annually, SMF will provide you with a copy of our updated ADV Brochure or a summary of material changes from that brochure previously provided to you. Please retain this document for your future references as it contains important information about our advisory services. SMF will not provide another copy of the ADV Brochure unless there are material changes from the ADV Brochure SMF previously provided to you. You may also obtain a copy of our current ADV Brochure at any time on the SEC’s website at www.sec.gov.

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Item 4. Advisory Business

A. Slavic Mutual Funds Management Corporation, Principal Owners

Slavic Mutual Funds Management Corporation (“SMF”) is a United States Securities and Exchange Commission (“SEC”) registered investment advisor and has been licensed as such since 1987. SMF is based in Boca Raton, Florida. As a SEC registered investment advisor, SMF has a fiduciary duty to act in the clients’ best interest using a professional standard of care, in order to achieve the targeted goals of its clients.

John J. Slavic founded SMF in 1986 and is the president and principal owner. Michael A. Sandler is also a principal owner of SMF.

B. Our Advisory Services

SMF recommends mutual funds as investment options primarily for retirement plans. The fund recommendations are subject to the approval of the plan sponsor’s investment committee. Slavic offers two investment products for retirement plans participants that do not wish to self-direct their accounts subject to approval of plans sponsors: (1) Pre-Allocated Portfolio and (2) Bespoke. SLAVIC also administers the Slavic Managed IRA Platform. The Managed IRA Platform provides a similar asset allocation approach to the Pre-Allocated Portfolio in an individual retirement account context.

Additional information on each service is provided below.

C. How We Tailor Our Advisory Services

One of SMF’s goals is to help create a retirement plan strategy that fits an individual’s needs. SMF only offers mutual funds as investment options to its clients. The mutual funds are selected based upon their diversification value, return potential, liquidity, and cost. SMF’s investment committee prioritizes low-cost, low-expense-ratio index funds in its review process.

The Managed IRA Platform consists of four optional pre-allocated portfolios: aggressive, moderate, conservative and ultra conservative. Participants are required to complete an investment questionnaire to assist in the determination of which portfolio(s) is most suitable for their investment goals.

The Pre-Allocated Portfolios are available to plan participants, in which participants can select between three managed portfolios: aggressive, moderate, or conservative. SMF, acting as an ERISA section 3(21) fiduciary, presents investment options to plan sponsors through its mutual fund selection process. SMF’s offerings are subject to the approval of the plan sponsor’s investment committee.

The Bespoke model is a proprietary algorithm exclusively available to SMF. Bespoke projects an investment plan based on an individual's specific financial data through analysis of clients' risk assessment, other financial assets, net worth, age, spousal income, and projected Social Security benefits. Bespoke relies on the completeness and accuracy of the participant's investment questionnaire(s). With this data, Bespoke will allocate a client's account with equity and fixed income positions, based on a modified "rule of 100", weighted according to current longevity tables and a point system that modifies the rule of 100 formula. Personal data entered into Bespoke can be updated on-line if there are changes, at which time the participant can choose to rebalance their account. Otherwise, Bespoke will prompt the participant to rebalance its account on or about their birthday each year. If engaged contractually by the plan sponsor, SMF acts as a 3(21), 3(38) Fiduciary for purposes of the Employee Retirement Income Security Act of 1974 or section 4975 of the Internal Revenue Code of 1986, as amended, in either the planning, execution or provision of this analysis.

Clients have the option to self-direct their account(s) as detailed in ERISA section 404c. Clients can choose any mutual fund offered in the fund lineup, which relieves plan sponsors of fiduciary liability under section 404c. The fund lineup is limited to the selections of the investment committee. However, if a participant does not make an investment election, their account and contributions are placed in a qualified default investment alternative (QDIA) as designated by the plan sponsor.

As agreed upon in the investment management agreement executed between SMF and the plan sponsor, or in the case of the Managed IRA Platform the participant, SMF has discretion and authority to purchase, sell, or exchange any and all shares of the various mutual funds within the parameters of the Managed IRA Platform, Pre-Allocated Portfolios and Bespoke. At any time, plan participants can limit this authority by electing to self-direct their account(s).

D. Portfolio Management Services to Wrap Fee Programs

SMF does not sponsor or offer a wrap fee program.

E. Assets Under Management

As of December 31, 2017, SMF's total assets under management were approximately \$3,811,056,553. SMF has discretionary investment authority over approximately \$1,149,275,671 of total assets under management.

Item 5. Fees and Compensation

A. *How We Are Paid*

I. *Retirement Plans*

The annual fee for the Pre-Allocated Portfolios is 0.25% - 0.35% of the value of the assets invested in the managed portfolio. The fee is computed and deducted from plan assets quarterly on the first month of each quarter (January, April, July and October).

II. *Managed IRA Platform*

The annual fee for the Managed IRA Platform is 0.60% of the value of the assets invested in the managed portfolio. The fee is computed and deducted from plan assets quarterly in the first month of each quarter (January, April, July and October). Below is a breakdown of the 60 basis points:

Breakdown of the 60 basis points (bps)

Investment Management Fees – Slavic Mutual Funds Management Corporation.....(50pbs)
Each portfolio offered through the Slavic Managed IRA platform is managed by investment professionals who buy and sell securities and oversee the portfolio's investments.

Trust, Custody & Clearing – Counsel Trust Company.....(4pbs)
Personal Retirement Accounts require a custodian to hold the funds and to ensure that the rules created by the Internal Revenue Service are adhered to. The custodian also takes care of documentation and tax reporting.

Administration – Slavic Integrated Administration.....(6pbs)
Administration fee covers the cost of providing services through Slavic Managed IRA website, customer service, the toll-free information line, as well as some of the Plan communications.

III. *Bespoke*

The annual fee for Bespoke is determined by the value of the assets invested in the managed portfolio. The fee is computed and deducted from plan assets quarterly in the first month of each quarter (January, April, July and October). SMF does not charge a fee in the first twelve months of service. Commencing on the thirteenth month, the annual fee shall be calculated as described below:

- 0.25% (0.25 of one percent) assessed quarterly for the first \$100,000 of the participant's balance, plus
- 0.15% (0.15 of one percent) assessed quarterly for the next \$150,000 of the participant's balance, plus

- 0.10% (0.10 of one percent) assessed quarterly for assets exceeding \$250,000 of the participant's balance.

Fees are not negotiated at the plan participant level, within the Managed IRA Platform, or for Bespoke.

B. Method of Payment of Fees

Fees are automatically deducted from plan assets through the automated trading system. Annual fees are deducted quarterly in arrears.

C. Additional Fees and Expenses

The fees above do not include the underlying fund expenses, which are described in the prospectus relating to each fund. The client bears such expenses as a shareholder of the funds. Presently, SMF clients designate Mid Atlantic Capital Corporation, National Financial Services, LLC, or Matrix Settlement and Clearing Services, LLC as custodian for their respective assets.

D. Payment of Fees in Advance

Clients do not pay fees to SMF in advance.

E. Compensation for the Sale of Securities

Except as disclosed in Item. 5 of this disclosure, SMF does not accept compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

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

SMF does not receive performance-based fees and does not engage in side-by-side management agreements.

Item 7. Our Clients

SMF provides investment advisory services to retirement plan sponsors and individuals. SMF do not have any requirements for opening or maintaining an account.

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

No financial plan has the ability to accurately predict the future, eliminate risk or guarantee investment results. Investment returns can, and often do, vary from year to year and vary from a long-term average.

All investments carry the risk of loss and there is no guarantee that any investment strategy will meet its objective. SMF attempts to minimize the risk of loss by using the modified “rule of 100” to formulate SMF’s investment options. In conjunction with the rule of 100, SMF relies on the information the client provides to us without independent verification. Thus, it is imperative for each client to provide accurate and complete information so that SMF may determine the investment allocation. Inaccurate information may result in additional loss.

SMF uses Fi360, a proprietary third-party mutual fund scoring software, to evaluate funds. The scoring criteria helps the investment committee determine which funds to offer in the fund lineup and as part of the portfolios. Criteria includes: the fund’s track record, value of assets in the fund, the stability of the organization, and the expense ratio and fees relative to peer funds.

Depending on the type of security, clients may face the following investment risks:

I. Market Risk:

The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events. This type of risk is caused by external factors independent of a security’s particular underlying circumstances. For example, political, economic and social conditions may trigger market events.

II. Interest Rate Risk:

Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.

III. Inflation Risk:

If any type of inflation is present, a dollar today will not buy as much as a dollar at the same subsequent time. By definition, purchasing power is eroded at the rate of inflation. Inflation tends to erode returns on investments, as well.

IV. Risk of Bespoke:

Technology-based experiences may not be as sensitive to a client’s risk tolerance as a human experience and may lead to misalignment in asset allocations. Unlike a traditional investment adviser, there may be no initial or subsequent conversation with a person to gather information about the client and their personal financial needs. The use of automated questionnaires may not account for behavioral biases. The SEC has provided further information for investors to consider when engaging digital advice services. The guidance can be found at <https://www.investor.gov/additional-resources/news-alerts/alerts-bulletins/investor-bulletin-robo-advisers>.

V. Mutual Funds Risk:

The risks associated with a mutual fund are largely determined by its underlying assets, which can go down in value. Dividends and interest payments may also change as market conditions shift.

VI. Rule of 100 Risk

The Rule of 100 takes into consideration the client's age and investment time horizon to help define their risk tolerance. As the client's age increases the allocation to equities declines. This rule may not coordinate with a client's financial goals.

The above list of risk factors does not purport to be a complete list or explanation of all the risks involved in an investment strategy or security. In addition, due to the dynamic nature of investments and markets, investment securities may be subject to additional and different risk factors not discussed above.

Item 9. Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to the evaluation of SMF or the integrity of SMF's management. As of the date of this brochure, SMF has no disciplinary information to disclose.

Item 10. Other Financial Industry Activities and Affiliations

SMF is affiliated with Slavic Integrated Administration ("SIA") and Slavic Investment Corporation ("SIC").

SIA serves as a third-party administrator to qualified retirement plans. SIA was founded in 1995 to concentrate on multiple employer plan administration and compliance. SIA offers recordkeeping and administrative services, including plan design, consultations, preparing plan documents, and conducting enrollment meetings.

SIC is a FINRA registered broker dealer and a member of the Securities Investor Protection Corporation. SIC focuses on providing mutual fund platforms to retirement plans. As an independent broker dealer, utilizing Fidelity, Matrix or Mid Atlantic clearing arrangements, SIC can offer any fund for trading, without being tied to one fund family or product.

SMF does not have any material relationships with other financial industry participants. SMF does not refer clients to other investment advisers, and it does not receive any compensation from other financial industry participants.

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

SMF has a code of ethics adopted pursuant to SEC Rule 204A-1 under the Investment Advisers Act of 1940 (the "Code of Ethics"). The Code of Ethics, which supplements SMF's compliance manual, is

provided to all SMF employees and each employee is responsible for acknowledging receipt and understanding.

The Code of Ethics reflects SMF's fiduciary responsibility to treat clients fairly and avoid actual or potential conflicts of interest. SMF and its employees have an obligation to act solely in the best interests of clients, and to make full and fair disclosure of all material facts, particularly where the client's interests may conflict with the interests of the firm or its employees. Employees are required to promptly report any suspected violation of the code. Violations of the Code of Ethics may result in discipline, up to and including termination.

SMF's policy is that the interest and privacy of clients always comes first and all employees will conduct themselves in accordance with the highest standards of integrity, honesty and fair dealing. SMF's Code of Ethics is available to upon request.

SMF employees must disclose all securities accounts owned or controlled at their date of hire.

SIA works as a third-party administrator in conjunction with SMF. The recording keeping services performed by SIA adhere to the guidelines contained in the American Institute of Certified Public Accountants (AICPA) Statement on Auditing Standards No. 70 entitled "Service Organizations" as amended by AICPA Statement on Auditing Standards No. 88 entitled "Service Organizations and Reporting on Consistency". SIA undergoes a Statement on Standards for Attestation Engagements No. 16 audit annually.

Item 12. Brokerage Practices

SMF does not select or recommend broker-dealers as a part of its services. SMF does not accept or use soft dollar benefits nor does SMF receive client referrals from brokers.

Item 13. Review of Accounts

SMF's senior management is responsible for periodically reviewing the investment results of the funds and portfolios to evaluate compliance with the terms of the investment guidelines and investment management agreements, as applicable. Advisors are available upon request to discuss investment related questions.

Item 14. Client Referrals and Other Compensation

Except as discussed herein, SMF does not pay or receive compensation or any other benefits for client referrals.

Item 15. Custody

SMF has custody of specific client funds as a result of processing client directed distributions. Clients will receive quarterly account statements from a third-party qualified custodian and clients should review those statements carefully.

Item 16. Investment Discretion

SMF exercises discretionary authority with respect to the Pre-Allocated Portfolios, the Managed IRA Platform and Bespoke. Participants enter into investment management agreements granting authority to SMF.

SMF does not exercise or accept any discretionary authority or control of plan assets other than those that relate to one of the managed portfolios and/or Bespoke. While SMF offers mutual funds as investment options for retirement plans, the fund selections are subject to the approval of the sponsor's investment committee.

Item 17. Voting Client Securities

SMF does not accept authority to vote clients' securities (i.e., proxy voting) as part of its services.

Item 18. Financial Information

SMF does not require or solicit prepayment of advisory fees and is therefore not required to include a balance sheet for its most recent fiscal year. SMF is not subject to any financial condition that is reasonably likely to impair its ability to meet contractual commitments to its clients. SMF has not been the subject of any bankruptcy petition at any time during the past 10 years.