

**Item 1: Cover Page for Part 2A of Form
ADV: Firm Brochure
November 2015**



Doing Business As:

4 Element Advisors
2300 Contra Costa Blvd., Suite 220
(925) 685-2911

Firm Contact:
Mark Shone, Chief Compliance Officer

Firm Website Address:
www.shoneassetmgmt.com

This brochure provides information about the qualifications and business practices of Shone Asset Management dba 4 Element Advisors. If you have any questions about the contents of this brochure, please contact us by telephone at (925) 472-0874 or email mshone@shoneassetmgmt.com. 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.

Additional information about Shone Asset Management dba 4 Element Advisors also is available on the SEC's website at www.adviserinfo.sec.gov.

Please note that the use of the term "registered investment adviser" and description of 4 Element Advisors and/or our associates as "registered" does not imply a certain level of skill or training. You are encouraged to review this Brochure and Brochure Supplements for our firm's associates who advise you for more information on the qualifications of our firm and our employees.

Item 2: Material Changes to Our Part 2A of Form ADV: Firm Brochure

4 Element Advisors is required to advise you of any material changes to our Firm Brochure ("Brochure") from our last annual update, identify those changes on the cover page of our Brochure or on the page immediately following the cover page, or in a separate communication accompanying our Brochure. We must state clearly that we are discussing only material changes since the last annual update of our Brochure, and we must provide the date of the last annual update of our Brochure. Please note that we do not have to provide this information to a client or prospective client who has not received a previous version of our brochure.

Since our last annual update filed on 3/22/2014, we have the following material changes to disclose:

- We have switched from state to SEC registration.
- Our firm's advisory fees have changed. Specific details on the Firm's fees are disclosed in Item 4.

Item 3: Table of Contents

<u>Section:</u>	<u>Page(s):</u>
Item 1: Cover Page for Part 2A of Form ADV: Firm Brochure.....	1
Item 2: Material Changes to Our Part 2A of Form ADV: Firm Brochure	2
Item 3: Table of Contents	3
Item 4: Advisory Business.....	4
Item 5: Fees & Compensation.....	7
Item 6: Performance-Based Fees & Side-By-Side Management.....	7
Item 7: Types of Clients.....	8
Item 8: Methods of Analysis, Investment Strategies & Risk of Loss	8
Item 9: Disciplinary Information.....	8
Item 10: Other Financial Industry Activities & Affiliations.....	8
Item 11: Code of Ethics, Participation or Interest in Client Transactions & Personal Trading	9
Item 12: Brokerage Practices	9
Item 13: Review of Accounts or Financial Plans.....	12
Item 14: Client Referrals & Other Compensation.....	12
Item 15: Custody	12
Item 16: Investment Discretion.....	12
Item 17: Voting Client Securities.....	13
Item 18: Financial Information.....	13

Item 4: Advisory Business

4 Element Advisors is a state-registered investment adviser with its principal place of business in California. We began conducting business in May 2005 with Mark Shone as the sole direct owner. The Firm provides investment advice and supervisory services to its Clients by advising on equities, options, debt instruments, governmental securities and/or mutual fund shares in or for its Clients accounts which will provide proper diversification and help meet the Client's stated investment objectives. 4 Element Advisors provides discretionary and non-discretionary investment supervisory services to its Clients. The specific investment style chosen per Client is based upon the goals, objectives, and individual needs of the Client.

4 Element Advisors manages Client assets on both a discretionary and non-discretionary basis. As of December 31, 2014, the Firm had \$88,538,708 total assets under management with \$85,730,717 managed on a discretionary basis and \$2,807,991 managed on a non-discretionary basis.

Mission Statement

- ❖ Provide Clients with objective financial and investment advice and act as their financial advocate.
- ❖ Utilize an investment management process designed for wealth preservation and growth.
- ❖ Offer and communicate perspective and expertise on the financial marketplace.

Advisory Services for Individuals

I. Investment Account Management

Investment account management is an *investment supervisory service*, provided to individuals. Individuals receive investment account management after financial planning or investment asset allocation planning has been completed and accepted. For all Clients, supervisory services involve assisting the Clients on a discretionary or non-discretionary basis in maintaining an investment portfolio structured and diversified to meet the account holder's needs and objectives. This service includes monitoring and adjusting portfolio allocations and researching the selection of investments.

The fee for individuals is a percentage of assets under the following schedule:

Maximum Fee Schedule for Managed Accounts

First \$1,000,000	1.00 %
Next \$1,000,000 - \$2,000,000	0.75 %
Next \$2,000,000 - \$5,000,000	0.60 %
Next \$5,000,000 - \$7,500,000	0.40 %
Greater than \$7,500,000	0.30 %

*Minimum annual fee of \$2,500 per year, payable quarterly.

The Client pays 4 Element Advisors for its investment management services based upon the Client's assets under management. The advisory fees payable to 4 Element Advisors is based on the above fee schedule. Advisory fees are negotiable. Fees are calculated by multiplying the assets under management by the relevant percentage and dividing such product by four. Accounts opened in mid-quarter will be assessed at a pro-rated management fee. Fees are payable quarterly in arrears and such fees may be deducted from Client's account(s) quarterly within 30 days following the end of the quarter for which said fees will be incurred. As part of this process, you understand and acknowledge the following:

- a) Your independent custodian sends statements at least quarterly to you showing the market values for each security included in the Assets and all disbursements in your account including the amount of the advisory fees paid to us;
- b) You provide authorization permitting us to be directly paid by these terms. We send our invoice directly to the custodian; and
- c) If we send a copy of our invoice to you, it will include a legend urging you to compare information provided in our statement with those from the qualified custodian.

II. General Financial Planning and Consulting

4 Element Advisors may assist its Clients in numerous activities it terms "general financial consulting." These include, but are not limited to, review of existing plans (second opinion service), comprehensive financial planning, retirement projections, insurance review, college funding, and estate planning strategies.

4 Element Advisors may charge an hourly fee (maximum of \$300 per hour) or a fixed fee (From \$200 to \$10,000) based on the nature of the Client, the level of service requested and other specific facts. The fee charged to Client may be more or less than other fee payment options. A separate Financial Consulting Agreement is executed with each Client using this service. The fee is due upon completion of the services. A Client may terminate the agreement without penalty within five business days of signing the Agreement. Client will be entitled to a refund of any prepaid planning fees less a charge for any time spent on preparing or reviewing the plan up to the point of termination. After the five business day period, hourly Clients will owe for any time spent on preparing the plan up to the point of termination based on the hourly rate agreed upon in the Financial Planning Agreement. All fees are negotiable and confirmed in writing by Agreement.

Advisory Services for Business and Non Profit Organizations

I. Investment Policy Statement Development

This service includes several meetings with the organization to review five steps in the investment management process. A detailed investment policy is written after developing an asset allocation study and performing a structured money manager search process. The fee for developing an investment policy is determined using a rate of \$300 per hour with a 10-hour minimum. The fee range for this service is \$2,100 to \$3,000.

II. Investment Account Management

Investment account management is an *investment supervisory service*, provided to organizations. Organizations receive investment account management after the development of

an investment policy or when an investment asset allocation plan has been completed and accepted. For all Clients, supervisory services involve assisting the Clients on a discretionary or non-discretionary basis in maintaining an investment portfolio structured and diversified to meet the account holder's needs and objectives. This service includes monitoring and adjusting portfolio allocations and researching the selection of investments.

The fee for organizations is based upon a percentage of assets under the following schedule:

Maximum Fee Schedule for Managed Accounts

First \$1,000,000	1.00 %
Next \$1,000,000 - \$2,000,000	0.75 %
Next \$2,000,000 - \$5,000,000	0.60 %
Next \$5,000,000 - \$7,500,000	0.40 %
Greater than \$7,500,000	0.30 %

*Minimum annual fee of \$2,500 per year, payable quarterly.

The Client pays 4 Element Advisors for its investment management services based upon the Client's assets under management. The advisory fees payable to 4 Element Advisors is based on the above fee schedule. Advisory fees are negotiable. Fees are calculated by multiplying the assets under management by the relevant percentage and dividing such product by four. Accounts opened in mid-quarter will be assessed at a pro-rated management fee. Fees are payable quarterly in arrears and such fees may be deducted from Client's account(s) quarterly within 30 days following the end of the quarter for which said fees will be incurred. As part of this process, you understand and acknowledge the following:

- a) Your independent custodian sends statements at least quarterly to you showing the market values for each security included in the Assets and all disbursements in your account including the amount of the advisory fees paid to us;
- b) You provide authorization permitting us to be directly paid by these terms. We send our invoice directly to the custodian; and
- c) If we send a copy of our invoice to you, it will include a legend urging you to compare information provided in our statement with those from the qualified custodian.

III. General Financial Planning and Consulting

4 Element Advisors may assist its Clients in numerous activities it terms "general financial consulting." These include, but are not limited to, review of existing plans (second opinion service), Investment Policy Statements, and retirement plan design.

4 Element Advisors may charge an hourly fee (maximum of \$300 per hour) or a fixed fee (From \$300 to \$10,000) based on the nature of the Client, the level of service requested and other specific facts. The fee charged to Client may be more or less than other fee payment options. A separate Financial Consulting Agreement is executed with each Client using this service. The fee is due upon completion of the services. A Client may terminate the agreement without penalty within five (5) business days of signing the Agreement. Client will be entitled to a refund of any prepaid planning fees less a charge for any time spent on preparing or reviewing the plan up to the point of termination. After the five (5) business day period, hourly Clients will owe for any time spent on preparing the plan up to the point of termination based on the hourly rate agreed

upon in the Financial Planning Agreement. All fees are negotiable and confirmed in writing by Agreement.

Item 5: Fees & Compensation

Advisory Fees

Client pays 4 Element Advisors for its investment management services based upon either the Client's assets under management or a fixed or hourly fee. Specific details on the Firm's fees are disclosed in Item 4 above.

Fees in General

Fees are calculated on an incremental basis and are subject to change with (thirty) 30 days written notice. Notwithstanding the above, certain Clients of 4 Element Advisors with pre-existing relationships may initially be charged fees which are less than those set out above.

4 Element Advisors maintains a Power of Attorney for all discretionary accounts for the purposes of directing and/or otherwise effecting investments on behalf of the managed account. Further, the Power of Attorney extends on all discretionary and non-discretionary accounts for the direct payment of 4 Element Advisors' fees and/or the payment of any commissions, custodial fees and/or other charges incurred by the account(s).

Additional Fees and Expenses

To the extent mutual funds are selected by 4 Element Advisors to fill components of the overall investment strategy, the annual advisory fee does not include the customary fees and expenses associated with investing in mutual funds or other costs of establishing and maintaining an account with mutual funds including Rule 12b-1 fees and expenses. Client is advised that, in addition to the annual advisory fee, some mutual funds in which assets are invested may incur separate other related expenses.

Termination of the Advisory Relationship

The relationship between the parties may be terminated by either party upon thirty (30) days written notice. Notwithstanding the above, if the appropriate disclosure statement was not delivered to the Client at least 48 hours prior to the Client entering into any written or oral advisory contract with this investment adviser, then the Client has the right to terminate the contract, without a penalty, within five (5) business days after entering into the contract.

Item 6: Performance-Based Fees & Side-By-Side Management

4 Element Advisors does not charge any performance-based fees based on a share of capital gains or capital appreciation of the assets of a Client.

Item 7: Types of Clients

4 Element Advisors provides investment advisory services to individuals, high net worth individuals, trusts, estates or charitable organizations, corporate pension and profit-sharing plans, and corporations, limited liability companies and/or other business types.

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

After analysis of a client's goals, objectives and risk profile, a portfolio is developed using a strategic asset allocation process which employs the Modern Portfolio Theory approach. Portfolios are implemented with products that keep in mind both expenses and tax efficiency (when used in a taxable account). Portfolios are considered for rebalancing when securities move outside of bands set in the investment policy statement for each client. Exchange traded funds, mutual funds and individual bonds are the primary investment vehicles used in client portfolios. Clients should be aware that investing in securities involves risk of loss that they should be prepared to bear.

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 Clients' evaluations of 4 Element Advisors or the integrity of the Firm's management. 4 Element Advisors and its management have no information to disclose for this Item.

Item 10: Other Financial Industry Activities & Affiliations

The Firm does not perform any other financial industry activities other than investment advisory services. However, representatives of our firm are Certified Public Accountants and Enrolled Agents. In such capacity, they may also provide income tax preparation or accounting services.

These aforementioned services are independent of our financial planning and investment advisory services and are governed under separate engagement agreements. The client has the option of engaging these individuals for tax preparation or accounting services but is under no obligation to utilize these services. Clients will not be actively solicited to utilize these services.

Mr. Shone is also an investment advisor representative of Lombard Street Partners, LLC (CRD# 140248). In such capacity, he may offer advisory services and receive normal and customary fees, which are fully disclosed in Lombard Street Partners, LLC's Form ADV, which is available by searching the CRD# through the Investment Advisor Public Disclosure website, www.adviserinfo.sec.gov and upon request. Since distinct services are offered through both RIAs, no conflict of interests exists.

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

No security may be bought or sold by a principal or employee of 4 Element Advisors before Firm's Clients' accounts have had the opportunity to make such transactions as appropriate. All 4 Element Advisors principal and employee trades will be reviewed by the compliance officer. Principals and employees will not receive a more favorable execution price on a particular day than those received by 4 Element Advisors' investment advisory Clients.

To prevent conflicts of interest, all employees of 4 Element Advisors must comply with the Firm's Written Supervisory Procedures and Code of Ethics, which impose restrictions on the purchase or sale of securities for their own accounts and the accounts of certain affiliated persons. Purchase and sale of specific securities by employees of 4 Element Advisors are prohibited when there are Client programs active in those securities. Executions for Clients will always receive priority. The officers and employees of 4 Element Advisors report transactions monthly.

The Supervisory Procedures and Code of Ethics require that all trades made by employees or related persons of 4 Element Advisors, who make recommendations or participate in the determination of which recommendation shall be made, will require approval for all securities trades (except transactions in investment company securities and/or other exempt transactions) and will be reviewed by the designated person responsible. 4 Element Advisors will also maintain quarterly reports on all personal securities transactions, except transactions in investment company securities and/or other exempt transactions. Further, such Supervisory Procedures and Code of Ethics impose certain policies and procedures concerning the misuse of material non-public information that are designed to prevent insider trading by any officer, partner, or associated person of 4 Element Advisors.

Item 12: Brokerage Practices

4 Element Advisors will supervise and direct the investments of the Client accounts subject to such limitations as the Client may impose in writing. If the Client grants 4 Element Advisors discretionary authority, 4 Element Advisors, as agent and attorney-in-fact with respect to the Client's account, without prior consultation with the Client, may, (a) direct the purchase, sale, exchange, conversion, and otherwise trade in stocks, bonds and other securities including money market instruments, (b) direct the amount of securities purchased, sold, exchanged, and otherwise traded; (c) place orders for the execution of such securities transactions with broker/dealers and (d) determine the commission rates paid. 4 Element Advisors will allocate brokerage transactions in a manner it believes to be fair and responsible to its Clients, and consistent with Client objectives. Adhering to a strict formula will not be practicable given the variation in Client objectives and guidelines.

Unless Client instructs 4 Element Advisors otherwise, the Firm may place orders for the execution of transactions with or through a broker/dealer as 4 Element Advisors may select, and complying with Section 28(e) of the Securities Exchange Act of 1934, may pay a commission on transactions in excess of the amount of commission another broker or dealer would have charged. 4 Element Advisors will select such brokers that can effect transactions at the best price and execution under the prevailing circumstances.

In managing investment portfolios, 4 Element Advisors acts in a manner in keeping with what it understands and believes to be the best interests of the Client. Individual securities are selected to provide diversification among economic sectors and industries which are chosen to achieve the desired balance between expected risk and expected return. Transactions of an unusual nature are discussed with Clients before execution.

Adviser participates in the TD AMERITRADE Institutional customer program and 4 Element Advisors may recommend TD AMERITRADE to Clients. TD AMERITRADE Institutional is a division of TD AMERITRADE, Inc. ("TD AMERITRADE") member FINRA/SIPC/NFA. TD AMERITRADE is an unaffiliated SEC-registered broker-dealer and FINRA member. TD AMERITRADE offers to independent investment advisers, services which include custody of securities, trade execution, clearance and settlement of transactions. Adviser receives some benefits from TD AMERITRADE through its participation in the program. There is no direct link between 4 Element Advisors' participation in the program and the investment advice it gives to its Clients, although 4 Element Advisors receives economic benefits through its participation in the program that are typically not available to TD AMERITRADE retail investors. These benefits include the following products and services provided without cost: receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving 4 Element Advisors participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to 4 Element Advisors by third party vendors. TD AMERITRADE may also have paid for business consulting and professional services received by 4 Element Advisors' related persons and may also pay or reimburse expenses (including travel, lodging, meal expenses for 4 Element Advisors' personnel to attend conferences or meetings relating to the program or to TD AMERITRADE's adviser custody and brokerage services generally. Some of the products and services made available by TD AMERITRADE through the program may benefit 4 Element Advisors but may not benefit its Client accounts. These products or services may assist 4 Element Advisors in managing and administering Client accounts, including accounts not maintained at TD AMERITRADE. Other services made available by TD AMERITRADE are intended to help 4 Element Advisors manage and further develop its business enterprise. The benefits received by 4 Element Advisors or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD AMERITRADE. As part of its fiduciary duties to Clients, the Firm endeavors at all times to put the interests of its Clients first. Clients should be aware, however, that the receipt of economic benefits by 4 Element Advisors or its related persons in and of itself creates a potential conflict of interest and may indirectly influence 4 Element Advisors' choice of TD AMERITRADE for custody and brokerage services.

4 Element Advisors considers a number of factors in selecting and/or recommending brokers and custodians for its Clients' accounts, including, but not limited to, execution capability, experience and financial stability, reputation and the quality of services provided. In selecting TD AMERITRADE, Inc. as the broker and custodian for certain of its current and future Client accounts, 4 Element Advisors also considers its agreement with TD AMERITRADE, Inc.'s affiliate, Amerivest Investment Management, LLC, ("Amerivest") an investment adviser registered with the SEC, dated April 12, 2008 (the "Agreement").

Under the Agreement, Amerivest provides an internet asset allocation service ("Service") as a sub-advisor to 4 Element Advisors. 4 Element Advisors uses the Service as a tool in making investment

decisions for its Clients that have established TD AMERITRADE ASA Accounts ("ASA Accounts"). The Service provides asset allocation recommendations, generally in the form of Exchange Traded Funds ("ETFs") that are based upon the application of Amerivest's computer-based models to specific categories of information that 4 Element Advisors provides to Amerivest regarding the Client. This information may not include all of the Client's individual financial circumstances that 4 Element Advisors considers when making investment decisions for the Client and the Service recommendations may not be consistent with the Client's financial situation or goals, including those which may have been provided to TD AMERITRADE, Inc. with respect to its accounts at TD AMERITRADE, Inc. 4 Element Advisors makes the final investment decisions and suitability determinations with respect to investments for its Clients' accounts and neither Amerivest nor TD AMERITRADE, Inc. assumes any responsibility for 4 Element Advisors' investment decisions or the suitability of the investments for 4 Element Advisors' Clients. TD AMERITRADE, Inc. will not charge commissions on transactions in ETFs in 4 Element Advisors' Client's ASA Accounts, including transactions to liquidate positions transferred into such accounts.

4 Element Advisors pays Amerivest an annual sub-advisory fee, payable quarterly, for this Service. The fee is based on the amount of Client assets that 4 Element Advisors places or commits to place in the Service, net of withdrawals. Client assets that are "plan assets" of plans subject to Title I of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), or of a plan as defined in Section 4975 of the Internal Revenue Code will be excluded from the determination of the level of Client assets in the Service for the purpose of the fee computation.

The basic fee to Adviser for the Service is 30 basis points per year for each Client account. There is a \$2,000 minimum asset requirement per Client account. The basic fees are reduced when Adviser places or commits to place more Client assets in the Service. The basic fee is reduced for all Client accounts when Adviser places or commits to place \$1 million or more of Client assets in the Service and is reduced further when Adviser places or commits to place \$5 million or more of Client assets in the Service. If Adviser places or commits to place \$1 million to \$4,999,999.99 of Client assets in the Service, Adviser will have the annual fee reduced to 25 basis points. If Adviser commits to place such amount but in fact does not within 90 days, Adviser will be charged at the basic rate. Similarly, if Adviser places or commits to place \$5 million or more of Client assets in the Service, Adviser will have the annual fee reduced to 20 basis points. If Adviser commits to place such amount but in fact does not within 90 days, Adviser will be charged at the rate applicable to \$1 million or more if that level is reached or, if not, at the basic rate. The actual amount Adviser pays will be based on the market value of Client assets in the Service on the last day of each calendar quarter multiplied by one fourth of the applicable fees.

4 Element Advisors determines the amount of the investment management fees it charges to Clients. 4 Element Advisors may include the amount of fees it pays to Amerivest for the Service in the fees it charges and may or may not pass on to Clients any fee reduction 4 Element Advisors receives in connection with the Service. Although 4 Element Advisors currently believes that the TD AMERITRADE, Inc. custody and brokerage services and the Amerivest sub-advisory Service are competitive in the marketplace for similar services offered by other broker-dealers, custodians and advisers, the Agreement with Amerivest and the fee structure for it as described herein for the Amerivest Service may effect 4 Element Advisors' independent judgment in selecting or maintaining TD AMERITRADE, Inc. as the broker or custodian for Client accounts and Amerivest as sub-advisor.

Item 13: Review of Accounts or Financial Plans

All accounts under supervision are reviewed monthly by the applicant. Investments that are held in accounts of Clients are monitored weekly and could cause a review of a Client account, given a significant change and affect on an account. A dramatic change in the market environment would trigger a review of the accounts and holdings for all Clients. Client reviews are performed to check the progress of accounts and attainment of the stated Client goals. These reviews are agreed upon by the Client and Adviser. The frequency can be from monthly to annually.

Clients will receive performance reports on their accounts and holdings on a predetermined basis which may be monthly, but normally quarterly. Performance reports benchmark the investments in the account to determine the actual performance vs. the stated objective of the account. Clients also receive general market commentary via periodic newsletters. The Clients also receive brokerage transaction confirmations and monthly statements from the custodian of the account.

Item 14: Client Referrals & Other Compensation

Our firm pays referral fees (non-commission based) to independent solicitors (non-registered representatives) for the referral of their clients to our firm in accordance with Rule 206 (4)-3 of the Investment Advisers Act of 1940. Such referral fee represents a share of our investment advisory fee charged to our clients. This arrangement will not result in higher costs to the referred client. In this regard, our firm maintains Solicitors Agreements in compliance with Rule 206 (4)-3 of the Investment Advisers Act of 1940 and applicable state and federal laws. All clients referred by Solicitors to our firm will be given full written disclosure describing the terms and fee arrangements between our firm and Solicitor(s). In cases where state law requires licensure of solicitors, our firm ensures that no solicitation fees are paid unless the solicitor is registered as an investment adviser representative of our firm. If our firm is paying solicitation fees to another registered investment adviser, the licensure of individuals is the other firm's responsibility.

Item 15: Custody

Clients should receive at least quarterly statements from the broker-dealer, bank or other qualified custodian that holds and maintains Clients' investment assets. 4 Element Advisors urges you to carefully review such statements and compare such official custodial records to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16: Investment Discretion

4 Element Advisors manages client accounts on a discretionary or non-discretionary basis, pursuant to an executed investment advisory client agreement. By granting investment discretion, we are authorized to execute securities transactions, which securities are bought and sold, the total amount to be bought and sold, and the costs at which the transactions will be effected. Limitations may be imposed by the client in the form of specific constraints on any of these areas of discretion with our firm's written acknowledgement.

4 Element Advisors will allocate brokerage transactions in a manner it believes to be fair and responsible to its Clients, and consistent with Client objectives. Adhering to a strict formula will not be practicable given the variation in Client objectives and guidelines.

Item 17: Voting Client Securities

4 Element Advisors shall not accept proxy authority with respect to the voting of proxies solicited by, or with respect to, the issuers of any securities held in the Accounts. In the event that proxies are sent to our firm, we will forward them to you and ask the party who sent them to mail them directly to you in the future. Clients may call, write or email us to discuss questions they may have about particular proxy votes or other solicitations.

Item 18: Financial Information

4 Element Advisors is required in this Item to provide its Clients with certain financial information or disclosures about 4 Element Advisors' financial condition. 4 Element Advisors is well capitalized, has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients and has not been the subject of a bankruptcy proceeding.