



**Registered Investment Advisor Brochure (Form – Part 2A/2B) - Updated: October 2017**

201 Milwaukee Street, Suite 200  
Denver, CO 80206  
Email: [info@lgadvisors.com](mailto:info@lgadvisors.com)  
Website: [www.lgadvisors.com](http://www.lgadvisors.com)  
Contact Person: Raphael Martorello  
Phone: 720.593.9861  
Fax: 815.572.0556

**Investment Advisor Brochure**  
(Form ADV – Part 2A/2B) – Firm CRD # 143379

Updated: October 20, 2017

Required Disclaimer: This brochure provides information about the qualifications and business practices of LotusGroup Advisors, LLC. If you have questions about the contents of this brochure, please contact us at the phone number/email listed above. The information in this brochure has not been approved or verified by the U.S. Securities and Exchange Commission or by any state securities authority. Furthermore, being a “Registered” Investment Advisor does not imply a certain level of skill or training.

Additional information about LotusGroup Advisors, LLC also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)



**Registered Investment Advisor Brochure (Form – Part 2A/2B) - Updated: October 2017**

**Item 2: Material Changes**

The only material changes between our last amendment and our current amendment are:

1. The addition of a new IAR: Stephanie Schlemeyer
2. LGA has transitioned to registration with the United States Securities and Exchange Commission from its prior registration at the state level.



## Registered Investment Advisor Brochure (Form – Part 2A/2B) - Updated: October 2017

### Table of Contents

Item 1: Cover Page and Disclosure	p. 1
Item 2: Material Changes to this Document	p. 2
Item 3: Table of Contents	p. 3
Item 4: Description of Advisory Business	p. 4-5
Item 5: Fees and Compensation	p. 6
Item 6: Performance-Based Fees and Side-by-side Management (N/A)	p. 7
Item 7: Types of Clients	p. 8
Item 8: Methods of Analysis, Investment Strategies, and Risk of Loss	p. 9-10
Item 9: Disciplinary Information (N/A)	p. 11
Item 10: Other Financial Industry Activities and Affiliations	p. 12
Item 11: Code of Ethics, Participation or Interest in Client Transactions And Personal Trading	p. 13-14
Item 12: Brokerage Practices	p. 15-18
Item 13: Review of Accounts	p. 19-20
Item 14: Client Referrals and Other Compensation	p. 21
Item 15: Custody	p. 22
Item 16: Investment Discretion	p. 23
Item 17: Voting Client Securities	p. 24
Item 18: Financial Information	p. 25
Form ADV – Part 2B (Brochure Supplement – Team Bio's)	p. 26-37



**Registered Investment Advisor Brochure (Form – Part 2A/2B) - Updated: October 2017**

**Item 4: Description of Advisory Business**

LotusGroup Advisors, LLC (“LGA”) is a privately-held Registered Investment Advisor company that has been in business since January 2007, and is principally owned by Raphael A. Martorello (90%) and Andy Seth (10%). LGA is authorized to do business in any state, but has specific registrations in the state of Colorado, California, Texas, and New York.

LotusGroup Advisors provides investment advisory and portfolio management services for private clients, solicited clients, and companies (all collectively called “clients” going forward in this document) through a Full Trading Authorization and / or a Limited Power of Attorney. LotusGroup Advisor’s minimum asset requirement for new clients is \$250,000. LotusGroup Advisors may make an exception to the above minimum asset requirement at its sole discretion. There are no ongoing contribution requirements although this practice is highly recommended for ongoing savings, asset allocation, and tax efficiency purposes.

Clients undergo an introductory interview to outline their financial situation and to help LotusGroup Advisors set risk tolerance and investment objectives. Clients are then categorized into a portfolio strategy based on their risk profile, investor behavior profile, and the amount of assets that LotusGroup Advisors will be managing on behalf of the client. Clients are assigned to one of six risk profiles: aggressive, moderate-aggressive, moderate, conservative-moderate, conservative, and ultra-conservative and select one of six portfolio strategies based on behavior profile and assets: emerging, global index, global rotation, tactical active, tactical absolute, and multi-strategy.

LotusGroup Advisors meets with clients periodically to review their financial situation, answer questions, and determine if any adjustments need to be made relative to their financial objectives, risk tolerance, and time horizon. For individual clients who have expressed interest, we offer a complimentary financial scenario analysis and goal tracking service to help clients make major life decisions (e.g. moving to a different state, changes in jobs, retirement projections, cash flow analysis, college planning, etc.), and to track how they are doing against their goals on an ongoing basis.

LotusGroup Advisors does not participate in wrap fee programs by providing portfolio management services and therefore receives no portion of a wrap fee for our services. LotusGroup Advisors pays referral fees to solicitors in exchange for client referrals.

LotusGroup Advisors provides the above services, managing \$115,640,628.00 in client assets, \$108,049,683.00 on a discretionary basis, and \$7,590,945.00 on a non-discretionary basis as of 10/20/2017. LotusGroup Advisors performs daily management activities within the guidelines of an Investment Policy Statement (“IPS”), without day-to-day client consultation (known as “discretionary” management of assets). All funds are held in a client’s own account at an independent brokerage firm(s), and each client authorizes invoices to be paid from their account(s).

Specifically, LotusGroup Advisors provides:

1. Account setup and transfers to a selected Broker / Custodian.



**Registered Investment Advisor Brochure (Form – Part 2A/2B) - Updated: October 2017**

2. Development of a Client Investment Policy Statement (“IPS”), along with a personalized savings & investment program
3. Discretionary selection of specific investments within the program.\*
4. Periodic adjustment of the asset allocation model within the stated client’s category grouping and risk profile.
5. Weekly administration of portfolio rebalancing as assets move outside of a specified target range.
6. Production and distribution of individual quarterly performance reports.
7. Production and distribution of client newsletters every 45 days.
8. Ongoing reviews and updates of client goal-trackers.
9. Personalized advice and analysis to help make good decisions.
10. Sourcing, negotiation, and presentment of private investment opportunities for clients to select which they would like to participate in, how much they would like to invest, and out of which account they would like to invest (this is our “non-discretionary” investment management business, as each client gets to choose for themselves, while LGA provides access, advice, and ongoing updates). These services are only available for clients that are self-determined as “Accredited” investors.

*Notes: \* Clients may request, and LotusGroup Advisors may agree to, restrictions on investing or selling certain securities or types of securities*



## **Registered Investment Advisor Brochure (Form – Part 2A/2B) - Updated: October 2017**

### **Item 5: Fees & Compensation**

LotusGroup Advisors management fee is solely based on client assets under management. LotusGroup Advisors does not utilize alternative compensation schemes such as mutual fund kick-backs, commissions, performance pay, etc. so that we align client and advisor interests while minimizing conflicts of interest.

LotusGroup Advisors management fees range from 0.75% to 2.5% per annum depending on assets under management and investment strategy selected, and are clearly articulated in Client Agreements. Solicited clients also have a specific fee schedule based on assets under management and investment strategy selected, with financial planning fees broken out separately, all of which is clearly articulated in the Solicited Client Agreement. LotusGroup Advisors retains the discretion to negotiate fees. Clients may be able to find competing advisory services at lower prices, and LGA retains the discretion to negotiate fees, and has a small subset of clients with reduced or free fee schedules – for example direct family, original beta clients, etc.

Pro-rated fees are calculated and billed at the beginning of each calendar quarter, based on the current assets under management prior to the market open on the first day of the quarter, including cash held in accounts. Fees are deducted mid-quarter, on the 45<sup>th</sup> day of the quarter. For the first quarter, the billing statement is prorated based on the client start date. Client start date is the date the contract is signed by both parties. However, management fees are not calculated or charged until the first day when funds arrive in the client's account(s). Upon account closure (at-will by either party), prorated fees will either be collected from or returned to the client based on the day funds are withdrawn from Advisor's supervision by terminating the Client Agreement in writing.

Advisory Fees are automatically deducted by LotusGroup Advisors from the Client's account. In all cases, the Client receives an invoice from LotusGroup Advisors prior to the withdrawal and withdrawals are authorized by the client through a signed Customer Agreement, and through written authorization with the Custodian. Invoices are sent to clients at the beginning of each quarter along with their quarterly reporting packet. The Custodian also sends monthly account statements to the Client with the management fee transaction displayed in the month it is withdrawn. LotusGroup Advisors sends the invoices to the custodian for withdrawal of fees on the 45<sup>th</sup> day of the quarter.

Clients incur portfolio expenses arising from brokerage transaction fees and underlying mutual fund expenses. LotusGroup Advisors has taken numerous steps to minimize these investment costs by selecting a lower cost brokerage for clients to access, utilizing a number of free or no-transaction-fee funds, and selecting lower cost ETF funds for the predominant portion of client portfolios. Please refer to Item 12 of this brochure for more information regarding brokerage practices.



**Registered Investment Advisor Brochure (Form – Part 2A/2B) - Updated: October 2017**

**Item 6: Performance-Based Fees & Side-By-Side Management (N/A)**

LotusGroup Advisors management fee is solely based on client assets under management. LotusGroup Advisors does not utilize alternative compensation schemes such as mutual fund kick-backs, commissions, performance pay, etc. in an attempt to align client and advisor interests.



**Registered Investment Advisor Brochure (Form – Part 2A/2B) - Updated: October 2017**

**Item 7: Types of Clients**

LotusGroup Advisors services a number of different types of clients and solicited clients, including the following:

- Private individuals (taxable accounts, retirement accounts, educational accounts)
- High-net-worth individuals
- Trusts (personal and business accounts)
- Companies that have excess cash that they would like to have invested conservatively

Minimum asset requirement for new clients is \$250,000. LotusGroup Advisors may make an exception to the minimum asset requirement at its sole discretion.





## Registered Investment Advisor Brochure (Form – Part 2A/2B) - Updated: October 2017

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

LotusGroup Advisors maintains a list of investable asset classes and our preferred investment product(s) within these asset classes. This list is continually refined as market conditions change and new products are introduced. For example, during the recent 2007-2009 market downturn, market conditions proved that many asset classes performed similarly and consequently offered little in terms of diversification benefits. Consequently, we undertook a research project to identify new asset classes that would have been uncorrelated, providing a diversification benefit. Our research helped to identify new asset classes and products that we have since added to our investable asset/product list for potential selection to client portfolios (e.g. Long-Short funds, managed futures, currency funds, merger-arbitrage funds). This list is continually refined through a combination of independent analysis and purchased research, but always in an independent manner with the goal to find the lowest cost, best performing options for our clients (we do not receive a single penny of outside compensation for selecting Fund A versus Fund B, in order to maintain our independence, act in the best interests of clients, and avoid conflicts of interest).

LotusGroup Advisors then provides clients with the following investment services within their stated client grouping and risk profile, referencing the investable asset / product list described above:

- **Strategic Asset Allocation:** The Global Index portfolio aligns with the efficient market theory and is invested in a diversified portfolio where the assets are held and rebalanced periodically to keep allocations aligned with their strategy. The Global Rotation portfolio uses a similar approach in that the portfolio is diversified and fully invested, but use quantitative analysis, certain asset classes can be over / underweight relative to the Index model.
- **Tactical Asset Allocation:** Quantitative analysis using LotusGroup Advisors proprietary 5-forces methodology (Fuel, Valuation, Sentiment, Technicals, Currency Effects) to develop investment targets for the various asset classes in each client's portfolio (e.g. x% of a client's portfolio to be invested in US-Large Cap Equity for Q2/2011). Investments that have historically exhibited higher returns along with higher volatility will have larger targets in more aggressive portfolios, while lower returning / lower volatility investments will have larger targets in more conservative portfolios. Additionally, client portfolios must be adjusted for the products available within their brokerage accounts (e.g. if x% is dedicated to Long-Short funds, and they do not exist in a client's limited 401K account, then this asset class is over-weighted in their unrestricted brokerage account(s)). As opposed to managers who develop their targets one time, LotusGroup Advisors conducts this analysis and makes investable changes quarterly (semi-annually for emerging clients).
- **Active Trading Services:** Utilization of various LotusGroup Advisors proprietary trading strategies in an attempt to lock-in profits and reduce or hedge against downturns. Active trading strategies include:
  - Technical value stops
  - Technical trailing stops
  - Valuation Ratio Swaps (e.g. oil v natural gas, gold v gold miners, etc.)



## Registered Investment Advisor Brochure (Form – Part 2A/2B) - Updated: October 2017

- VXX short-term hedging model
  - NAV premium or discount model
- Rebalancing: Buying of investments that have declined below their % targets by a defined variance, and selling investments that have risen above their % targets by a defined variance, in order to rebalance the portfolio to its targeted levels, effectively buying low and selling high in a systematic manner.

Typical investments include ETFs, closed-end funds, open-ended funds, and individual company stocks across a broad base of different asset classes: US stocks, US bonds, Foreign stock, Foreign bonds, Emerging Markets, Raw Materials, Energy, Precious Metals, REITs, Currencies, Managed Futures, Long-Short Strategies, Absolute Return Strategies, Merger Arbitrage Strategies, etc. Both fundamental and technical analyses are used to select individual positions, while volatility-determined price targets are used to help determine entry and exit prices to lock in profits and attempt to minimize losses. Fundamental analysis includes quantitative and qualitative analysis of economic, valuation, sentiment, and currency variables, while technical analysis predominantly includes the use of charting techniques to identify patterns, and key price points for decision making. Money management principles are then applied to limit the exposure of a client's portfolio to the effects of any single investment. For example, an investment rule for the LotusGroup Advisors team is to ensure that no single stock of a company will ever represent more than 5% of a client's total portfolio, unless a client specifically requires LotusGroup Advisors to do so.

While LotusGroup Advisors works hard to maximize client returns within an acceptable level of volatility for each client, investing involves risk of loss that clients should be prepared to bear. Additionally, considering our more active approach to investment management, there is the potential or additional drag on performance due to increased transaction costs and taxes. We attempt to minimize such additional drag through the use of commission-free and low-cost ETFs where possible, as well as intelligent placement of more actively traded investments within non-taxable retirement accounts.



**Registered Investment Advisor Brochure (Form – Part 2A/2B) - Updated: October 2017**

**Item 9: Disciplinary Information**

LotusGroup Advisors, and all Investment Advisor Representatives that work at LotusGroup Advisors, have a clean legal and disciplinary record (including no criminal actions, civil actions, administrative proceedings before the SEC or any state regulatory agency, or proceedings before a self-regulatory organization).



**Registered Investment Advisor Brochure (Form – Part 2A/2B) - Updated: October 2017**

**Item 10: Other Financial Industry Activities and Affiliations**

LotusGroup Advisors utilizes 3<sup>rd</sup> party resources to help run its business and provide services to Clients, the majority of which are back-office related. The major 3<sup>rd</sup> party resource used is Interactive Advisory Services (IAS), which provides daily custodial data downloading and reconciliation services on client accounts.

While LotusGroup Advisors has developed a network of professionals to help support client needs (e.g. accountants, lawyers, and insurance businesses), LotusGroup Advisors and its advisors never receive any compensation in return for such referrals. In doing so, LotusGroup Advisors sources these professionals with a focus on finding the highest value-add, lowest cost providers to service its clients, acting in a client's best interest with a fiduciary responsibility.



**Registered Investment Advisor Brochure (Form – Part 2A/2B) - Updated: October 2017**

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

LotusGroup Advisors has a comprehensive, fourteen page Policies, Procedures, and Code of Ethics document that is signed by all employees, and is tracked quarterly by our Chief Compliance Officer. For each of the following topics, LotusGroup Advisors code of ethics spells out the policy, the purpose, and the procedure for daily implementation:

- Material, Non-Public Information and Insider Trading
- Disaster Recovery, Contingency Planning, and Internal Controls
- Privacy Policy
- Valuation of Securities in Client's Accounts
- Portfolio Management & Records Management Processes
- Personal Securities Trading
- Trading – Best Execution
- Proxy Voting
- Senior Advisor Responsibilities
- Selection & Supervision of Solicitors
- Code of Ethics

In the event that LotusGroup Advisors makes a profit and/or a gain from a trading error, the handling of such credits in the Error Account shall be distributed to the non-profit organization, Minds Matter of Denver. Address: PO Box 48162, Denver, CO 80204. Tax ID: 20-1449487

The LotusGroup Advisors Investment Team currently consists of Raphael Martorello, and Stephanie Schlemeyer. Mr. Martorello actively makes investments / trades in securities on behalf of his personal portfolios, which may be similar to those made on behalf of LotusGroup Advisors clients. The Investment Team believes in their approach and, thus, employs those same strategies in their own investments, slotting the majority of their public investments into the appropriate client category and risk profile as described in Item 4 earlier in this document. All rules are followed for client portfolios as well as Mr. Martorello's personal portfolio in order to mitigate the conflict of interest of Mr. Martorello benefiting from combining his trade(s) in some unfair way with client trades. All capable orders are grouped into block trades along with clients in order to receive the exact same execution price, with the exception of independent orders made during our weekly rebalancing. When clients are rebalanced weekly, they are completed in alphabetical order of last name, which neither intentionally benefits or harms any particular client as it is impossible ahead of time to predict whether a purchase or sale decision will improve or worsen over the course of the time it takes to fulfill all the client rebalances in any given day.

Occasionally, Mr. Martorello takes small personal positions in more risky investments such as individual micro-



## **Registered Investment Advisor Brochure (Form – Part 2A/2B) - Updated: October 2017**

cap stocks, options, and private investment opportunities (e.g. real estate projects, oil exploration interests, etc.), which tend to be inappropriate for client portfolios or investment objectives. Additionally, Mr. Martorello periodically tests new trading strategies with small amounts of money in his personal accounts, in order to understand the real-life impact of new investment or trading models. These early stage research activities are inappropriate for LotusGroup Advisors clients and are limited to Mr. Martorello's personal account. As new strategies are validated, they may be incorporated into client portfolios if deemed appropriate for helping to achieve their personal investment objectives.

Client trades and interests are always placed ahead of those of Mr. Martorello, and we never commingle a client sell with a personal buy and vice versa. Additionally, a preferred Broker / Custodian is utilized with each client, and this party has the responsibility for effective execution of trades placed. Further details of how we mitigate conflicts of interest in personal investing / trading can be found in our comprehensive Policies, Procedures, and Code of Ethics document described earlier in this section (specifically within our policies on Personal Securities Trading, and Trading - Best Execution).

On a quarterly basis, LGA performs a compliance review. In this review, every trade made by the firm is evaluated against each individual on the LGA investment team, to ensure full compliance to trade policies and procedures, and that no conflicts have occurred. The LGA process is to immediately alert our Chief Compliance Officer if a conflict occurred, who is responsible for dealing with such situations. To date, there have never been any conflicts uncovered in LGA's entire history of existence.



## Registered Investment Advisor Brochure (Form – Part 2A/2B) - Updated: October 2017

### **Item 12: Brokerage Practices**

LotusGroup Advisors suggests that clients use a LotusGroup Advisors-preferred Broker-Dealer for maintaining funds under management with LotusGroup Advisors. Both retirement and non-retirement accounts are set up and maintained for customers with the Broker-Dealer. LotusGroup Advisors strives to maintain a consistent trading, reporting, and investment operation that is facilitated through the usage of a single Broker-Dealer.

The preferred Broker-Dealer was selected using the following criteria:

- Competitive trading commissions costs
- Customer service levels
- Reporting tools, including cost basis and 1099 reports to facilitate tax management strategies
- Personal money management tools
  - Electronic fund transfer capabilities
  - Dividend reinvestment programs
  - Electronic communication delivery capabilities
- Financial stability to insure individual accounts, including primary and back-up account insurance

In addition to the above criteria, the preferred Broker-Dealer provides additional products and services, as well as payment support for investment research. This is known as paying for those services or products with "soft dollars" or credits. Because these products and services provide a benefit to the firm, and because the "soft dollars" used to acquire them are generated from clients transactions fees, the firm has a conflict of interest in allocating client brokerage business: it receives valuable benefits from the broker or dealer to execute client transactions and the transaction compensation charged by that broker or dealer might not be the lowest compensation the firm might otherwise be able to negotiate. There are only 3-4 possible custodians that meet LGA's sourcing criteria for providing a strong and satisfactory custodial platform for LGA clients. All of these custodians / broker-dealers offer similar soft dollar programs, leveling the playing field, and as such, we mitigate the conflict of interest by not considering this factor in our selection of an appropriate custodian / broker-dealer. In addition, the firm could have an incentive to cause clients to engage in more securities transactions than would otherwise be optimal in order to generate brokerage compensation with which to acquire products and services. We eliminate this conflict by having a quantitative investment process that only creates trades when the investment model signals the appropriateness of the trade, and do not make any extra trades. Furthermore, the Client also receives benefits from the Advisor receiving greater access to advanced research and advanced portfolio management tools that improve the service offered to clients.

LotusGroup Advisors has chosen TD Ameritrade Institutional as its preferred-broker dealer, and participates in the TD Ameritrade Institutional program. TD Ameritrade Institutional is a division of TD Ameritrade, Inc. ("TD Ameritrade") member FINRA/SIPC/NFA. TD Ameritrade is an independent and unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers independent investment advisors services



## **Registered Investment Advisor Brochure (Form – Part 2A/2B) - Updated: October 2017**

which include custody of securities, trade execution, clearance and settlement of transactions.

There is no direct link between LotusGroup Advisors' participation in the program and the investment advice it gives to clients, although LotusGroup Advisors receives economic benefits through its participation in the program that are typically not available to TD Ameritrade's retail investors. The benefits include various trading and portfolio management technologies from our preferred brokerage firm (TD Ameritrade Institutional) and their related third-party technology and service provider partners, without cost or at a discount. These technologies and services facilitate the management of client accounts, trading, compliance, investment research, customer relationship management, and tax reporting. Furthermore, some of the products and services made available by TD Ameritrade may solely benefit LotusGroup Advisors in managing its overall portfolio of client accounts, and not benefit the client. These technologies and services may not be commercially available for retail clients to use, and are critical for LotusGroup Advisors to provide the services contracted for with clients.

LotusGroup Advisors receives some benefits from TD Ameritrade through its participation in the program. These benefits received by LotusGroup Advisors from TD Ameritrade do not depend on the amount of brokerage transactions directed to TD Ameritrade. Additionally, LotusGroup Advisors endeavors at all times to put the interests of its clients first, in compliance with its fiduciary duties as a Registered Investment Advisor. However, while no financial compensation is provided, the use of these technologies and services qualifies as the receipt of an economic benefit, and clients should be aware that the receipt of these benefits creates a conflict of interest in influencing the choice of TD Ameritrade for custody and brokerage services. Again, for the 3-4 possible broker-dealer options in the marketplace, they all offer similar technologies and services to an adviser versus a retail investor, leveling the playing field, and not impacting our choice of TD Ameritrade versus another broker-dealer. From LGA's perspective, these technologies and services represent the minimum that a qualified broker-dealer must bring to the table in order for the Adviser to service its Clients. As such, we only evaluate other factors in determining which broker-dealer to select as indicated earlier in this section, and we negotiate Client fees despite these broker-dealer offerings.

LotusGroup Advisors also receives from TD Ameritrade certain additional economic benefits ("Additional Services") that may or may not be offered to other independent investment advisors participating in the program. Specifically, the Additional Services include assistance for a portion of LotusGroup Advisor's costs associated with 3<sup>rd</sup> party portfolio management and reporting software that TD Ameritrade does not currently provide directly: Interactive Advisory Software, Inc. (IAS). TD Ameritrade provides the Additional Services in its sole discretion and at its own expense, and LotusGroup Advisors does not pay any fees to TD Ameritrade for the Additional Services. LotusGroup Advisors and TD Ameritrade have entered into a separate agreement ("Additional Services Addendum") to govern the terms of the provision of the Additional Services. LotusGroup Advisors has negotiated the Additional Services agreement with TD Ameritrade following a benchmarking study that uncovered some short-comings in TD Ameritrade's technology offering. Rather than building the technology in-house at TD Ameritrade, it was deemed more appropriate and beneficial to LotusGroup Advisor's clients for TD Ameritrade to help defray the cost of this 3<sup>rd</sup> party software.

In providing Additional Services to LotusGroup Advisors, TD Ameritrade most likely considers the amount and profitability to TD Ameritrade of the assets in, and trades placed for, LotusGroup Advisors's client





## **Registered Investment Advisor Brochure (Form – Part 2A/2B) - Updated: October 2017**

accounts maintained with TD Ameritrade. Consequently, LotusGroup Advisors receipt of Additional Services raises potential conflicts of interest. TD Ameritrade has the right to terminate the Additional Services Addendum with LotusGroup Advisors, at its sole discretion, provided certain conditions are met. Consequently, in order to continue to obtain the Additional Services from TD Ameritrade, LotusGroup Advisors may have an incentive to recommend to its clients that the assets under management by LotusGroup Advisors be held in custody with TD Ameritrade and to place transactions for client accounts with TD Ameritrade. Notwithstanding the previous sentence, there are no written commitments to recommend clients to TD Ameritrade as a broker-dealer, and the agreement is at-will for LotusGroup Advisors. Additionally, this arrangement provides LotusGroup Advisors clients with significant benefits, as the larger collective buying leverage that LotusGroup Advisors clients have allows LotusGroup Advisors management to negotiate for research, services, and tools that enhance client experiences / results, and would not be available to clients acting individually or on a retail basis. LotusGroup Advisor's receipt of Additional Services does not diminish its duty to act in the best interests of its clients, including seeking best execution of trades for client accounts. The Additional Services agreement was negotiated to include no price increase to LotusGroup Advisors clients on TD Ameritrade's already competitive transaction fees.

As referenced above, LotusGroup Advisors use of soft dollars with TD Ameritrade is intended to comply with the Securities Exchange Act of 1934. Section 28(e) provides a "safe harbor" for investment managers who use commissions or transaction fees paid by their advised accounts to obtain investment research services that provide lawful and appropriate assistance to the manager in performing investment decision-making responsibilities. As required by Section 28(e), the firm will make a good faith determination that the amount of commission or other fees paid is reasonable in relation to the value of the brokerage and research services provided. That is, before placing orders with a particular broker, we generally determine, considering all the factors described below, that the compensation to be paid to TD Ameritrade is reasonable in relation to the value of all the brokerage and research products and services provided by TD Ameritrade, as compared to its competitors in the marketplace. In making this determination, we typically consider not only the particular transaction, and not only the value of brokerage and research services and products to a particular client, but also the value of those services and products in our performance of overall responsibilities to all of our clients. In some cases, the commissions or other transaction fees charged by a particular broker-dealer for a particular transaction or set of transactions may be greater than the amounts another broker-dealer who did not provide research services or products might charge. However, these low-cost broker-dealers may not offer an institutional trading platform along with the services provided by TD Ameritrade.

Notwithstanding the above disclosures, LotusGroup Advisors acts with a fiduciary responsibility to its clients as a Registered Investment Advisor. LotusGroup Advisors participates in the TD Ameritrade program, as described above, with the aim of providing better research decisions, tools, technologies, and services to its clients, oftentimes tools and services that are required to deliver the exceptional value promised and provided to clients, and which are not available to a retail client on their own. As an example, these products or services assist LotusGroup Advisors in managing and administering client accounts not maintained at TD Ameritrade (e.g. 401Ks, 529s, Annuities, etc.) that are often ignored by other investment advisors, to the detriment of full client financial planning. Consequently, these technologies and services are critical for LotusGroup Advisors to provide the services contracted for with clients. Furthermore, despite our required disclosures above, we have evaluated industry-wide brokerage services and fees and believe that TD Ameritrade offers an exceptional



## **Registered Investment Advisor Brochure (Form – Part 2A/2B) - Updated: October 2017**

total value for the commission charged on each transaction relative to the services it provides, as compared to its peers. The soft dollar agreement was also negotiated to include no price increase to LotusGroup Advisor's clients on TD Ameritrade's already competitive transaction fees. Once again, LotusGroup Advisors believes that the client benefits negotiated within the soft-dollar program are a reflection of the leverage gained by LotusGroup Advisors clients acting in concert rather than individually.

For 401K, 403B, 457, and 529 accounts under management, LotusGroup Advisors client accounts remain with their company- or state-sponsored plan (e.g. Fidelity, Franklin, etc.), but the data is incorporated daily into the overall asset allocation model through our portfolio management tool, and is also included in the client's quarterly performance report.

LotusGroup Advisors aggregates client orders (purchases or sales of securities) whenever possible to ensure the same pricing and fairness for all clients. The only time we may choose to not aggregate orders is if we have a full rebalance to complete for a client that includes a trade that all other clients are participating in as well. For example, if we are buying security x for all clients, and at the same time a new client starts on the same day that requires all securities to be purchased, we may choose to use our portfolio management system to create all the required trades for this new client separately from the block trade for all our other clients. However, as soon as this new client is balanced and in the system, all new client orders going forward will have this client aggregated with others in block trades.



## **Registered Investment Advisor Brochure (Form – Part 2A/2B) - Updated: October 2017**

### **Item 13: Review of Accounts**

LotusGroup Advisors reviews and adjusts client accounts on a regimented schedule. We review client financial plans annually and this is done by our Managing Partner, Senior Advisor, and Private Client Advisors. LotusGroup Advisor's largest reviews and adjustments occur quarterly or semi-annually for major asset allocation changes (described in Item 8). Intra-quarter, LotusGroup Advisors reviews accounts on a weekly or monthly schedule for rebalancing purposes. Frequency of reviews is dictated by the products in a client's portfolio as well as the average size of each trade. For example, LotusGroup Advisors uses no-transaction-fee mutual funds for smaller clients, since their average trade size is small, and a regular \$9.99 ETF trade would hurt their performance. However, these mutual funds tend to have 30-day holding rules for buying and selling, so LotusGroup Advisors cannot review them more often than monthly. Larger clients use low-cost ETFs and can be reviewed more frequently, so LotusGroup Advisors reviews them on a weekly basis or even daily if the market is highly turbulent and an opportunity arises to take a quick profit or buy back in at a low-cost.

LotusGroup Advisors also tracks client's individual positions daily to evaluate if they are getting overheated or are breaking down. LotusGroup Advisors investment team charts all client positions monthly, and establishes upside (overheating) and downside (breaking down) price targets. LotusGroup Advisors then downloads data on a daily basis in order to compare the current price to the price targets. As price targets are realized, the LotusGroup Advisors investment team makes decisions on the affected products, and decides whether or not to take action on clients that hold this position.

#### **Investment Review & Portfolio Adjustment Summary**

- Quarterly/Semi-Annually: Major Asset Allocation Adjustments
- Weekly/Monthly: Rebalancing
- Monthly: Client account review to confirm appropriate client grouping (described in Item 4)
- Daily: Individual Position Monitoring for Upside and Downside Price Targets

Our advisors offer to conduct a minimum of one client review per year, to go over client objectives, results from the previous year and since inception, risk profiles, new considerations for the upcoming year, and any other relevant factors. In addition, clients are encouraged to contact our advisors at will, if there are any material items to be discussed prior to the more formal annual review. Many clients have specific requests of LotusGroup Advisors to take into account, for which our advisors schedule reminders for clients throughout the year (e.g. quarterly gain/loss reports for business owners, savings reminders, etc.). Finally, some clients request specific analysis from our advisors in order to help them with financial planning, goal-tracking, scenario analysis, college savings, diversification, insurance reviews, private investment opinions, etc. These requests are handled ad-hoc, and oftentimes are then put into a calendar to track on an ongoing basis (e.g. client agrees to sit down bi-annually to review savings plan and goal-tracker with our advisor). Where possible, our advisors are proactive with identifying when a client will have a particular need (e.g. when a client family has a first child, it triggers a request from our advisor to discuss financial planning, goal-tracking, college savings, and term life



### **Registered Investment Advisor Brochure (Form – Part 2A/2B) - Updated: October 2017**

insurance considerations). There is no additional charge for these client reviews and analysis, as they are considered part of providing an exceptional service to the client.

Clients receive the following reports:

- LotusGroup Advisors preferred broker-dealer TD Ameritrade provides monthly account statements, trade confirmations, investor notifications, and year-end tax reports
- LotusGroup Advisors provides quarterly performance reports with since-inception, quarter-to-date and year-to-date statistics (all reported net of fees). These reports are generated automatically from our Portfolio Management System.
- LotusGroup Advisors provides clients with newsletters every 45 days



**Registered Investment Advisor Brochure (Form – Part 2A/2B) - Updated: October 2017**

**Item 14: Client Referrals and Other Compensation**

LotusGroup Advisors restricts the practice of kickbacks or payment from third-parties to LotusGroup Advisors for utilization of their investment products or advice with clients. While others may practice this endeavor, we believe it creates an insurmountable conflict of interest in providing advice and service to clients. LotusGroup Advisors does not accept compensation for using a 3<sup>rd</sup> party investment product with our clients, and are proud to remain 100% independent and aligned with our client's best interest, consistently searching for the best investments at the lowest costs.

LotusGroup Advisors has engaged in a Solicitor's Agreement with Solicitors to pay fees for client referrals. Solicitors serve as a consultant and independent contractor and not as an employee of LotusGroup Advisors. Solicitors solicit and refer as clients to LotusGroup Advisors those individuals or entities which are suitable and appropriate for the investment advisory services provided by LotusGroup Advisors.

Solicitor does not have any authority to accept any client(s) on behalf of LotusGroup Advisors, and LotusGroup Advisors does not have any responsibility to accept any prospective client referred by Solicitor. The solicitation services may also include impersonal advisory services which includes: (i) written materials or oral statements which do not purport to meet the objectives or needs of the specific client, (ii) statistical information containing no expressions of opinions as to the investment merits of particular securities, and (iii) periodic contact, if requested or appropriate, to assist the Solicited Client in understanding the advisory services of LotusGroup Advisors and/or obtaining or updating client information on behalf of LotusGroup Advisors. Any specific client advice will be delivered to Solicited Client by LotusGroup Advisors, and any formal financial planning for Solicited Client shall be delivered by LotusGroup Advisors.

Solicitor Payout comes out of Client Fee, it is not in addition to Client Fee, and as such clients do not pay a higher fee than if they had contracted directly with LotusGroup Advisors. Solicitor payouts range from 0 – 30% of collected client fees.



**Registered Investment Advisor Brochure (Form – Part 2A/2B) - Updated: October 2017**

**Item 15: Custody**

Per the Colorado Division of Securities Rule 51-4.10(IA).A.1, LotusGroup Advisors does not have custody of client accounts. The majority of client accounts are held at TD Ameritrade. Clients receive monthly account statements from TD Ameritrade and should carefully review those statements, and compare those statements to the quarterly performance reports that LotusGroup Advisors send to clients.

As per an SEC Q&A guidance issued on May 20, 2010 and the Colorado Division of Securities Rule 51-4.10(IA).A.1, LotusGroup Advisors does not have custody of non-TD Ameritrade accounts (e.g. 401Ks, 529s, 403Bs, annuities) because a) fees are not directly deducted from these accounts, b) it has not inadvertently received physical securities, c) there are no employees who serve as trustee to a client, d) we cannot withdraw funds or securities based on advisor's instructions and e) we cannot transfer funds or securities into an un-like named account or unqualified custodian. Similar to accounts at TD Ameritrade, we encourage clients to compare monthly/quarterly statements from the broker-dealers on these accounts to LotusGroup Advisors quarterly reports, ensuring accurate account balance, beneficiary, and address information.

LotusGroup Advisors accepts third party checks from TD Ameritrade client accounts only when prior written approval is received from the client by TD Ameritrade. Any third party checks received by LotusGroup Advisors are logged appropriately and sent to the third party within 24 hours of receiving checks.



## **Registered Investment Advisor Brochure (Form – Part 2A/2B) - Updated: October 2017**

### **Item 16: Investment Discretion**

LotusGroup Advisor's clients sign a full trading authorization agreement through the preferred broker / dealer. LotusGroup Advisor's clients also sign a limited power of attorney for 401K, 403B, 457, and 529 accounts that are held at an alternative broker chosen by their plan sponsor. LotusGroup Advisors has the discretion to select, buy, sell, and determine the quantities of the individual positions for each client account. LotusGroup Advisors is only required to maintain or solicit the consent of customers for trades made on positions that were specifically discussed during the introductory interview (e.g. inherited stock that the client would like to hold on to for sentimental reasons, etc.).

If a client objects to any particular investment decision, he / she may discuss this with LotusGroup Advisors and a mutually agreed upon decision will be made and documented if necessary. It is always preferred that the client and LotusGroup Advisors engage in a discussion to resolve any potential differences in opinion. However, if the client repeatedly acts in a manner inconsistent with the mutually agreed upon investment objectives, LotusGroup Advisors reserves the right to cancel the customer agreement after providing written counsel to the customer. Similarly, the customer reserves the right to cancel their contract with LotusGroup Advisors at any time if they so desire.



**Registered Investment Advisor Brochure (Form – Part 2A/2B) - Updated: October 2017**

**Item 17: Voting Client Securities**

LotusGroup Advisors does not participate in proxy voting on a regular basis, and where required, chooses to vote along with board decisions of the underlying security. Clients have the option in their new account setup forms with TD Ameritrade to determine whether they would like LotusGroup Advisors to vote proxies on their behalf or not.

LotusGroup Advisors uses a tactical asset allocation model that trades frequently and typically invests greater than 90% of assets in ETFs or mutual funds (less than 10% in individual securities). As such, it is a very rare occasion when a material item arises on a proxy for which LotusGroup Advisors continues to hold the investment position for the client. Consequently, LotusGroup Advisors rarely ever votes proxies, instead focusing on asset selection and allocation amounts on an ongoing basis. If LotusGroup Advisors strongly disagrees with the management of a certain investment, LotusGroup Advisors more often than not sells the position rather than sticking around and voting the proxy. On the rare occasion where LotusGroup Advisors is solicited through a phone conversation by a voting proxy company, LotusGroup Advisors tends to either abstain, or vote along with the board of directors. Again, LotusGroup Advisors decides to sell as the tool of choice if there is disagreement with the fund or management decisions / operations.

If a client requests a track record for proxy voting, LotusGroup Advisors is happy to provide him / her with our policy and procedures, and provide them with their record as needed. However (again), LotusGroup Advisors has rarely voted proxies and where LotusGroup Advisors does, LotusGroup Advisors has always voted along with the board. This also eliminates conflicts of interest in our decision making process. If a client is solicited for their proxy vote, they can direct their vote as per the request of the solicitor and directly to the party indicated by the solicitor.





**Registered Investment Advisor Brochure (Form – Part 2A/2B) - Updated: October 2017**

**Item 18: Financial Information**

Since inception in early 2007, LotusGroup Advisors has been, and continues to be on, solid financial grounds, and has no current condition that would impair our abilities to meet commitments to clients. LotusGroup Advisors is 100% self-funded with no debts or outside funding.

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



**Registered Investment Advisor Brochure (Form – Part 2A/2B) - Updated: October 2017**

**Brochure Supplement (Team Bios)**

**Karsten Gucinski (CRD# 6520132)  
LotusGroup Advisors, LLC.  
201 Milwaukee Street, Ste. 200, Denver CO 80206  
Work Phone: 720.285.2235**

Form ADV – Part 2B  
Updated: February 2016

**Required Disclaimer:** This brochure supplement provides information about Karsten Gucinski that supplements the LotusGroup Advisors, LLC. brochure. Please contact Raphael Martorello if you have any questions about the contents of this supplement.

Additional information about Karsten Gucinski is available on the SEC's website: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).



**Registered Investment Advisor Brochure (Form – Part 2A/2B) - Updated: October 2017**

Name: Karsten Gucinski (Investment Advisor Representative)

DOB: 1992

Degree: B.S./B.A. Finance, University of Denver, 2014

Business:

Advisor, LotusGroup Advisors: 2015 – Present

- Registered as an Investment Advisor Representative

Account Executive, Trulia Inc: 2014-2015

- Member of Inside Sales Team for Online Advertising
- Managed a list of 250 prospects

Disciplinary Information: None (100% clean record)

Other Business Activities: None

Additional Compensation: None (Not Applicable)

Supervision: Karsten is a Private Client Advisor and provides advice directly to clients. However, he does not trade or make investment decisions and therefore does not require supervision for those activities. Raphael Martorello is the direct supervisor for Karsten Gucinski, and monitors his work on a weekly basis, working together to serve and advise clients at LotusGroup Advisors.



**Registered Investment Advisor Brochure (Form – Part 2A/2B) - Updated: October 2017**

**Brochure Supplement (Team Bios)**

**Raphael Martorello (CRD#4768833)  
LotusGroup Advisors, LLC.  
201 Milwaukee Street, Ste. 200, Denver CO 80206  
Work Phone: 415.793.8014**

Form ADV – Part 2B  
Updated: August 2017

**Required Disclaimer:** This brochure supplement provides information about Raphael Martorello that supplements the LotusGroup Advisors, LLC. brochure. Please contact Raphael Martorello if you have any questions about the contents of this supplement.

Additional information about Raphael Martorello is available on the SEC's website: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).



**Registered Investment Advisor Brochure (Form – Part 2A/2B) - Updated: October 2017**

Name: Raphael Martorello (Investment Advisor Representative)

DOB: 1974

Degree: B.S. Mechanical Engineering / Minor in Economics University of Virginia, 1997

Business:

Partner / Advisor, Chief Compliance Officer, LotusGroup Advisors: 2007 – Present

Partner / Advisor, Martorello Money Management: 2004 - Present

- 12 years of commercial investment experience
- 18 years of total investment experience and systems development
- 19 years of client service experience
- 19 years of operations experience
- 15 years of management experience
- Registered as an Investment Advisor Representative

Director, ICG Commerce: 2000 – 2004

- Practice responsibility for all West Coast Clients
- Management oversight for 20 employees
- Business Process Outsourcing

Associate, A.T. Kearney: 1997 – 2000

- Management / Business Consultant

Disciplinary Information: None (100% clean record)

Other Business Activities: Raphael Martorello passively invests in other private businesses, including: golf courses, oil exploration, real estate, co-working offices. In some cases he sits on an advisory committee to help provide advice / guidance and improving and growing these various businesses.

Supervision: Raphael Martorello is self-supervised as it pertains to client service and investment strategy development and execution. Raphael Martorello is audited by the Chief Compliance Officer of LotusGroup Advisors on a quarterly basis through our Access Person Review in order to make sure all personal trades have not benefited at the expense of client trades.



**Registered Investment Advisor Brochure (Form – Part 2A/2B) - Updated: October 2017**

**Brochure Supplement (Team Bios)**

**Cole Newcomer (CRD# 5948339)  
LotusGroup Advisors, LLC.  
201 Milwaukee Street, Ste. 200, Denver CO 80206  
Work Phone: 815.541.2409**

Form ADV – Part 2B  
Updated: February 2016

Required Disclaimer: This brochure supplement provides information about Cole Newcomer that supplements the LotusGroup Advisors, LLC. brochure. Please contact Raphael Martorello if you have any questions about the contents of this supplement.

Additional information about Cole Newcomer is available on the SEC's website: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).



**Registered Investment Advisor Brochure (Form – Part 2A/2B) - Updated: October 2017**

Name: Cole Newcomer (Investment Advisor Representative)

DOB: 1985

Degree: B.S. Marketing and Professional Sales, Illinois State University, 2009

Business:

Advisor, LotusGroup Advisors: 2015 – Present

- 4 years of client management experience
- Registered as an Investment Advisor Representative

Advisor, Merrill Lynch: 2011 – 2015

- Registered as an Investment Advisor Representative

Sales Manager, US Cellular: 2008 – 2011

- Retail Sales, Management.

Disciplinary Information: None (100% clean record)

Other Business Activities: None

Additional Compensation: None (Not Applicable)

Supervision: Cole is a Private Client Advisor and provides advice directly to clients. However, he does not trade or make investment decisions and therefore does not require supervision for those activities. Raphael Martorello is the direct supervisor for Cole Newcomer, and monitors his work on a weekly basis, working together to serve and advise clients at LotusGroup Advisors.



**Registered Investment Advisor Brochure (Form – Part 2A/2B) - Updated: October 2017**

**Brochure Supplement (Team Bios)**

**Nicholas Pirnack (CRD #5717464)  
LotusGroup Advisors, LLC.  
201 Milwaukee Street, Ste. 200, Denver CO 80206  
Work Phone: 720.325.2327**

Form ADV – Part 2B  
Updated: February 2016

Required Disclaimer: This brochure supplement provides information about Nicholas Pirnack that supplements the LotusGroup Advisors, LLC. brochure. Please contact Raphael Martorello if you have any questions about the contents of this supplement.

Additional information about Nicholas Pirnack is available on the SEC's website: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).





**Registered Investment Advisor Brochure (Form – Part 2A/2B) - Updated: October 2017**

Name: Nicholas “Nick” Pimack (Investment Advisor Representative)

DOB: 1985

Degree: B.A. Economics / Minor in Business Colorado State University, 2009

Business:

Advisor, LotusGroup Advisors: 2011 – Present

- 6 years of client management experience
- Registered as an Investment Advisor Representative
- CFP Candidate

Investment Advisor Representative, CORE Financial/Transamerica/ Intersecurities: 2009 – 2011

- Registered as an Investment Advisor Representative
- Client relationship management
- Oversight of 2 advisors

Disciplinary Information: None (100% clean record)

Other Business Activities: None

Additional Compensation: None (Not Applicable)

Supervision: Nick is a Private Client Advisor and provides advice directly to clients. However, he does not trade or make investment decisions and therefore does not require supervision for those activities. Raphael Martorello is the direct supervisor for Nick Pimack, and monitors his work on a weekly basis, working together to serve and advise clients at LotusGroup Advisors.



**Registered Investment Advisor Brochure (Form – Part 2A/2B) - Updated: October 2017**

**Brochure Supplement (Team Bios)**

**Andleib Seth (CRD #5296525)  
LotusGroup Advisors, LLC.  
201 Milwaukee Street, Ste. 200, Denver CO 80206  
Work Phone: 720.325.2423**

Form ADV – Part 2B  
Updated: February 2016

Required Disclaimer: This brochure supplement provides information about Andleib (Andy) Seth that supplements the LotusGroup Advisors, LLC. brochure. Please contact Raphael Martorello if you have any questions about the contents of this supplement.

Additional information about Andy Seth is available on the SEC's website: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).



**Registered Investment Advisor Brochure (Form – Part 2A/2B) - Updated: October 2017**

Name: Andleib “Any” Seth (Investment Advisor Representative)

DOB: 1978

Degree: B.A. Economics and B.A in Spanish, Boston College, 2000

Business:

Partner / Advisor, LotusGroup Advisors: 2007 – Present

- Founded in January 2007
- 15 years of Client Services experience
- 15 years of Operations experience
- Registered as an Investment Advisor Representative

Manager, ICG Commerce 2001 – 2007

- Client responsibility for US and foreign clients
- Management oversight for 20 employees
- Business Process Outsourcing

Consultant, Accenture: 2000 – 2001

- Management / Business Consultant

Disciplinary Information: None (100% clean record)

Other Business Activities: None

Additional Compensation: None (Not Applicable)

Supervision: Andy is a partner at LotusGroup and provides self-supervised advice directly to clients. However, he does not trade or make investment decisions and therefore does not require supervision for those activities.



**Registered Investment Advisor Brochure (Form – Part 2A/2B) - Updated: October 2017**

**Brochure Supplement (Team Bios)**

**Louis Camacho Frank (CRD #6603018)  
LotusGroup Advisors, LLC.  
201 Milwaukee Street, Ste. 200, Denver CO 80206  
Work Phone: 720.744.0958**

Form ADV – Part 2B  
Updated: February 2016

Required Disclaimer: This brochure supplement provides information about Louis Frank that supplements the LotusGroup Advisors, LLC. brochure. Please contact Raphael Martorello if you have any questions about the contents of this supplement.

Additional information about Louis Frank is available on the SEC's website: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).



**Registered Investment Advisor Brochure (Form – Part 2A/2B) - Updated: October 2017**

Name: Louis Frank (Investment Advisor Representative)

DOB: 1993

Degree: Bachelor of Science in Business Administration Finance , University of Arkansas - 2016

Business:

Advisor, LotusGroup Advisors: 07/2017– Present  
○ Registered as an Investment Advisor Representative

Portfolio Analyst, LotusGroup Advisors: 07/2017 - Present

Analyst, Fortis Asset Management: 06/2016 – 05/2017

Disciplinary Information: None (100% clean record)

Other Business Activities: Louis is the managing partner of Magnolia Holdings, LLC, a holding company that currently holds 0 assets. He would receive 50% of all profits based through the business if any capital was deployed.

Additional Compensation: None (Not Applicable)

Supervision: As a representative of LotusGroup Advisors, LLC, Louis Camacho Frank is supervised by Stephanie Schlemeyer, the firm's Chief Compliance Officer. Stephanie Schlemeyer is responsible for ensuring that Louis Camacho Frank adheres to all required regulations regarding the activities of an Investment Adviser Representative, as well as all policies and procedures outlined in the firm's Code of Ethics and compliance manual. The phone number for Stephanie Schlemeyer is (978) 870-6933.