

## Limited Informational Brochure

April 30, 2018

Cara Portfolio Management Limited  
Suite 205A Saffrey Square  
Bay Street at Bank Lane  
Nassau, Bahamas  
[www.billcara.com](http://www.billcara.com)

This brochure provides information about the qualifications and business practices of Cara Portfolio Management Limited. If you have any questions about the content of this brochure, please contact us at [admin@caratrading.com](mailto:admin@caratrading.com).

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any other state securities authority.

Additional information about Cara Portfolio Management Limited is available at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

Being a “registered investment adviser” does not imply a certain level of skill or training.

### Table of Contents

- 01 Advisory Business
- 02 Fees and Compensation
- 03 Performance Based Fees and Side-By-Side Management
- 04 Types of Clients
- 05 Methods of Analysis, Investment Strategies and Risk of Loss
- 06 Disciplinary Information
- 07 Other Financial Industry Activities and Affiliations
- 08 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading
- 09 Business Practices
- 10 Review of Accounts
- 11 Client Referrals and Other Compensation
- 12 Custody
- 13 Investment Discretion

14 Voting Client Securities

15 Financial Information

16 Personal History of Bill Cara

## **1. Advisory Business**

Cara Portfolio Management Limited (“the Firm”) is an Investment Advisor whose primary business is providing Asset Management Services to individuals, families and trusts. The Firm was incorporated February 19, 2007 and is owned by Bill Cara. As of April 30, 2018, the total Assets under Management was \$660,000, which is a substantial reduction from prior years in that the company has been merging operations with Williams Market Analytics, LLC and has not taken on new clients for several years.

A new brochure is under construction.

On an interim basis, Cara Portfolio Management Limited continues to provide Asset Management Services to clients based on the individual needs and objectives of each client. The Firm uses a diversified approach to clients' personal investment goals and objectives. We directly assist clients in trading equities, exchange traded funds and options using three different strategies depending on each client's personal needs, objectives and risk tolerance level.

The Firm provides ongoing monitoring of performance of client accounts and trading activities. Custody of client assets is maintained by a non-affiliated independent broker which at this time is Interactive Brokers.

Cara Portfolio Management Limited provides investment supervisory services for a fee. Fees are either a percentage of assets under management or a performance-based fee.

The type of clients that Cara Portfolio Management provides investment advice include: individuals, families and trusts.

The type of investments that we trade for our clients are exchange listed equity securities. We employ various methods of analysis, sources of information and investment strategies including: charting, fundamental, technical and cyclical analysis.

Our main sources of information regarding securities purchased are financial websites, research materials prepared by others, annual reports, prospectuses and any other information source that we believe would benefit our clients.

The investment strategies used to implement any investment advice given to clients include both short and long-term purchases and sales. Our primary focus is on growing client assets for the long term. However; if a short-term purchase and sale of a security will benefit our clients in the long term, we will make that transaction.

This is our primary business and we do not generate income from any business activity that is counter to our clients' best interest. At any time, we may be involved in business activities outside of trading securities for our clients, but we never take a position opposite of a position that we take for our clients in order to benefit Cara Portfolio Management Limited. We may buy or sell securities that we recommend to clients, but we will always be on the same side as our clients.

It is at the full discretion of Cara Portfolio Management as to which securities are bought and sold. We do not receive any compensation or economic benefit including commissions, equipment or any non-research services based on our choice of broker dealer used. Our focus is on our client and the growth of their accounts under our management. Therefore, we seek to facilitate trades at a broker dealer with the best blend of; commission rates, access to products and access to liquidity. We use Interactive Brokers for our broker dealer because, in our opinion, they address our client needs better than any other broker dealer available.

Asset Management Fees are generally charged to the client based on the ending market value of the assets in the account for the preceding day. Fees are deducted from the account assets held at the broker on a daily basis. The Client authorizes Adviser to deduct fees directly from the account through the Custodian.

Dependent on strategy, fees range from 0% to 25% of the yearly positive performance of the account after adjusting for deposits and withdrawals. This agreement may be terminated at any time and upon termination of the agreement, fees will be assessed on a percentage basis based on a fraction of the month of termination.

For non-qualifying US Citizens, fees will be charged on a Percentage of Assets basis.

## **2. Fees and Compensation**

### **Performance Based Fee:**

Qualifying Clients are charged a Performance Based Fee. To be eligible for the performance-based fee, the Client must have a minimum account size of \$1,000,000 and a minimum net worth of at least \$2 million USD.

The performance-based fee is calculated on a monthly basis in arrears based on the Total Portfolio Value of the previous month-end. The Performance Based Fee is calculated based on a percentage of the net profits of the Total Portfolio Value of the account at the end of each month (adjusted for cash flows in and out of account). Depending on the strategy chosen by the Client, fees are typically between 15% and 25% of the allocable share of net profits above the previous “high watermark” set for the account.

For Example:

Assume a performance fee of 25%.

Assume a total starting Account value of \$1,000,000.

Assume that at the end of the first month that the Account has grown to \$1,100,000. This equates to a net profit of \$100,000. The fee is calculated at 25% of that net profit or \$25,000. The Account now has a “high water mark” of \$1,075,000. Assume that at the end of the second month that the Account value has remained at \$1,075,000. Because the Account has not exceeded the “high water mark” of \$1,075,000, no fee is assessed. THE BASIS, OR HIGH-WATER MARK REMAINS AT \$1,075,000. NO FEES WILL EVER BE ASSESSED UNTIL THE ACCOUNT EXCEEDS THE HIGH-WATER MARK OF \$1,075,000. ONCE A NEW HIGH-WATER MARK IS ESTABLISHED, ANOTHER LESSER HIGH-WATER MARK CANNOT BE ESTABLISHED. WE DON'T GET PAID UNLESS WE ARE GROWING THE ACCOUNT.

Asset Based Fee:

The Percentage of Assets Fee is applicable to Clients that are not qualified for the Performance Based Fee. The Percentage of Assets Fee is calculated based on a daily calculation of assets. This calculation is performed by Interactive Brokers. The Percentage of Assets Fee is calculated at 3.00% of account value annually, billed on a daily basis.

Please note that other advisors may provide similar services at lower rates. If we believe that market risk has risen to the point where cash is a beneficial asset, each account may have cash levels rise as a way to avoid market risk. However, when the market trend is up, we make our best efforts to keep client portfolios invested in rising assets.

### **3. Performance Based Fees and Side-By-Side Management**

Regardless of how each client fee is charged, every client gets the same exact trades for that strategy.

Every account for each strategy is placed in that specific account grouping and traded on a percentage of account value basis.

Accounts are grouped together and traded together. So, for example, when the Growth Strategy buys stock ABC for 5% of account value, a \$100,000 account gets roughly \$5000 (5%) worth of ABC stock while a \$200,000 account in the same Growth grouping will receive roughly \$10,000 (5%) of ABC stock. Both accounts now own the amount of shares that equal 5% of account value.

While trades occur together, fees are calculated on an individual account by account basis.

### **4. Types of Clients**

The type of clients that Cara Portfolio Management provides investment advice include: individuals, families and trusts.

The Firm has a single account strategy:

Natural Resources Strategy: \$50,000 minimum

### **5. Methods of Analysis and Risk of Loss**

All investment strategies offered by Cara Portfolio Management have substantial risk of loss that clients must be prepared to bear. Investments are subject to many risks beyond our control including, but not limited to; economic, currency, geopolitical, business and technological risks.

We employ various methods of analysis, sources of information and investment strategies including: charting, fundamental, technical and cyclical analysis.

Our main sources of information regarding securities purchased are financial websites, research materials prepared by others, annual reports, prospectuses and any other information source that would benefit our clients.

The investment strategies used to implement any investment advice given to clients include both short and long-term purchases and sales. Our primary focus is on growing client assets

for the long term. However; if a short-term purchase and sale of a security will benefit our clients in the long term, we will make that transaction.

## **6. Disciplinary Information**

There are no legal or disciplinary events to be disclosed.

## **7. Other Financial Industry Activities and Affiliations**

There are no other financial industry activities or affiliations to be disclosed.

## **8. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

The Adviser Act imposes a fiduciary duty on all investment advisers, including Cara Portfolio Management. As fiduciary, CPM has a duty to act solely in the best interests of each client. Clients entrust the firm to prudently manage their assets. This responsibility places a high standard on the conduct of supervised persons and compels all to act with the utmost integrity in all dealings. We will provide our Code of Ethics on request.

This is our primary business and we do not generate income from any business activity that is counter to our clients' best interest. At any time, we may be involved in business activities outside of trading securities for our clients, but we never take a position opposite of a position that we take for our clients in order to benefit Cara Portfolio Management. We may buy or sell securities that we recommend to clients, but we will always be on the same side as our clients.

## **9. Brokerage Practices**

It is at the full discretion of Cara Portfolio Management as to which securities are bought and sold. We do not receive any compensation or economic benefit including commissions, equipment or any non-research services based on our choice of broker dealer used. Our focus is on our client and the growth of their accounts under our management. Therefore, we seek to facilitate trades at a broker dealer with the best blend of; commission rates, access to products and access to liquidity. We use Interactive Brokers for our broker dealer because, in our opinion, they address our client needs better than any other broker dealer available.

## **10. Review of Accounts**

Cara Portfolio Management regularly monitors and reviews accounts with the objective of ensuring client investment objectives and restrictions are met.

## **11. Client Referrals and Other Compensation**

The Firm does not pay any person or business entity for client referrals.

## **12. Custody**

Cara Portfolio Management does not have custody over client assets. All client assets are held at in the clients name at Interactive Brokers and the Firm does not access to client assets other than having trading privileges and the ability to deduct management fees.

## **13. Investment Discretion**

Cara Portfolio Management actively trades client accounts with full discretionary authority. Clients do not trade accounts and do not have access to trading. However, should a client have a legal restriction from trading a certain security, the Firm will place a restriction on trading said security.

## **14. Voting Client Securities**

We do not vote client securities because we are not the owner of said security. Clients can obtain a copy of our proxy voting policy on request.

## **15. Financial Information**

We do not require of solicit prepayment of fees for any clients.

### **Bill Cara Personal History:**

William J. Cara was born on July 21, 1942

Qualifications:

45+ years professional, managerial and entrepreneurial experience:

- Capital Markets Trading - Domestic and International
- Computer Models/Decision Science
- Contributing Editor
- Corporate Finance Head
- Financial Information Systems Architecture
- International Venture Capital
- Management Consulting (Major Applications Problem Solving)
- Offshore Financial Services
- Portfolio Management
- Professional Accounting and Audit

- Public Speaking
- Retail & Institutional Equity Sales
- Securities Analysis (Fundamental, Quantitative and Technical)
- Team Leadership (as Founder, Co-Founder, Executive Chairman and CEO)

#### Financial Services Industry Experience:

- Owner and President, Registered Securities Investment Advisor - Cara Portfolio Management Limited, incorporated February 19, 2007, Nassau, Bahamas, licensed 2008
- Book Author, "Lessons From the Trader Wizard" [March 2008, had been available at Amazon.com]
- Blogger, "BillCara.com, formerly CaraCommunity.com," [April 2004 to present]
- Caracommunity.com was a top-rated trading blog, including being Forbes Favorite almost from inception.
- Retired Businessman, November 2000 to February 2007, Toronto Canada and Nassau, Bahamas.
- Co-Founder and CEO, Canadian Investment Dealer - July 1999 to October 2000, Qtrade Investor Inc, Member, Investment Dealers Association, Vancouver, BC
- Owner and President, Offshore Financial Services Company, 1993 - 1999, Security Traders International Limited (trading and corporate finance), Toronto, ON and Nassau, Bahamas
- Owner and President, Registered Limited Market Dealer - 1988 - 1993 William Cara Investment Bancorp Limited (corporate finance Limited Market Dealer registered by the Ontario Securities Commission), Toronto, ON
- Vice President (Canada), Branch Manager and the CEO for Eastern Canada Operations of International Brokerage Firm - 1986 - 1988 Canarim/Canaccord Capital (member of Investment Dealers Association of Canada), Toronto, ON
- Senior Financial Consultant - 1983 - 1986 Dean Witter Canada (member of Investment Dealers Association of Canada), Toronto, ON
- Executive Vice President and Branch Manager - 1983 - 1983 Housser & Co (member of Investment Dealers Association of Canada), Toronto, ON (acquired by larger broker-dealer)
- Senior Financial Consultant and Portfolio Manager - 1981 - 1983 Dominion Securities (member of Investment Dealers Association of Canada), Dominion Securities Investment Management, Toronto, ON (now RBC Dominion Securities)
- Principal and Co-Founder - 1972 - 1980 Health Care Management Systems Inc (a consulting firm), Toronto, ON
- Senior Auditor - 1969 - 1972 McDonald, Currie, Coopers & Lybrand (PriceWaterhouseCoopers), Toronto, ON (graduate chartered accountant and certified management accountant)

- Junior Auditor - 1967 - 1969 Thorne, Gunn, Helliwell & Christenson (KPMG), Toronto, ON
- Education, Honors, Professional: Waterloo Lutheran University, 1964 - 1967 (now Wilfred Laurier University).
- BBA (Honours), (Cum Laude), Waterloo, ON. Major: Finance and Accounting Award: Wall St. Journal Student Achievement Medal (top student in Business School finance and accounting)
- Activities: Captain, New College hockey, University of Toronto (before transfer to WLU) McMaster University, 1968 - 1971
- MBA, Hamilton, ON (night school) Major: Investment Finance
- Chartered Accountant (CA), Member, Canadian Institute of Chartered Accountants, 1972 - 1983
- Activities: President, Toronto CA Hockey League for three years
- Registered Industrial Accountant / Certified Management Accountant (CMA), Member, Society of Management Accountants of Canada, 1972 - 1983

**Personal:**

- Excellent Health - Married since 1969 to Pat Cara, former Exec. Assistant to President, Greater Toronto Hotel Assoc. - Father to Will Cara (1979), Businessman in Toronto, and to Stefanie Knox (Cara) (1981), Chamber of Commerce, Victoria BC.

**Achievements in Finance and Investment (1999-2000):**

- Planned, organized and developed Qtrade Investor Inc, of Vancouver BC Canada, ([www.qtrade.ca](http://www.qtrade.ca)) a nationally-registered investment dealer, from initial concept July 1999
- Consulting/Problem Solving/Team Leadership/Executive Management (1980's and 1990's)
- Founder and Chief Officer for Eastern Canada of Canarim/Canaccord Capital, Vancouver BC Canada ([www.canaccord.com](http://www.canaccord.com)), Canada's largest independent (non-bank owned) broker-dealer member of the Toronto Stock Exchange.
- Other Businesses: Greenfield Capital Inc; Bill Cara - President

**Contact: [BillCara@caratrading.com](mailto:BillCara@caratrading.com) and mobile 647-868-6013.**