

Part 2A of Form ADV: Firm Brochure

Item 1 Cover Page

VIRTUE OF SELFISH INVESTING, LLC

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This Brochure provides information about the qualifications and business practices of Virtue of Selfish Investing, LLC (the “**Adviser**” or “**we**”). If you have any questions about the contents of this Brochure, please contact us by telephone at 310-237-5832 or by email at info@mokainvestors.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “**SEC**”) or by any state securities authority.

Additional information about Virtue of Selfish Investing, LLC also is available on the SEC’s website at www.adviserinfo.sec.gov.

Registration as an investment adviser with the SEC or with any state securities authority does not imply any level of skill or training.

Item 2 Material Changes

Not applicable.

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Item 4 Advisory Business

A. General Description of Advisory Firm

Virtue of Selfish Investing, LLC (the “**Adviser**”) was formed on June 8, 2011 as a limited liability company under the laws of the State of Delaware. Our principal place of business is in Playa del Rey, California. The Adviser is a wholly-owned subsidiary of MoKa Investors, LLC (a Delaware limited liability company). MoKa Investors, LLC is wholly-owned by Gilbert J. Morales and Christian D. Kacher, each of whom currently is a principal executive officer and management person of Moka Investors, LLC and the Adviser.

B. Description of Advisory Services (including any specializations)

1. Newsletters

The Adviser issues newsletters to paid subscribers. These newsletters include (a) investment advice tailored to subscribers’ various investment situations, and (b) buy and sell directions with respect to specific securities. Certain archived newsletters are available at www.VirtueofSelfishInvesting.com.

2. Webinars

The Adviser hosts interactive webinars for paid subscribers. The Adviser discusses current market conditions in these webinars, and specifically addresses investment concerns and/or answers investment questions that are posed by webinar participants.

3. Managed Account Program

The Adviser provides discretionary advisory services to both individual investors and institutional investors through its managed account program. Currently, the Adviser tailors its advisory services by adhering to its own unique and specific investment methodologies. Any type of account with a net equity of \$100,000 or more may be eligible to participate in the managed account program. Under certain circumstances, the Adviser may agree to tailor advisory services to the individual needs of its managed account clients.

C. Wrap Fees

Virtue of Selfish Investing, LLC currently does not participate in any wrap fee programs.

D. Client Assets Under Management

The Adviser is a new registrant, and as such, does not yet have client assets under management.

Item 5 Fees and Compensation

A. Advisory Fees and Compensation

1. Newsletters and Webinars

The Adviser issues newsletters to paid subscribers, and hosts interactive webinars for paid subscribers. Subscription fees are currently as follows:

	Monthly Fee	Quarterly Fee
Newsletters	\$59.95	\$149.95
Webinars	\$69.95	\$175.95
Newsletters and Webinars (discounted bundled price)	\$99.95	\$249.95

Subscription rates are subject to change at the discretion of Adviser. Subscription fees must be paid in advance either monthly or quarterly. A subscription may be terminated at any time. Subscribers who cancel a new subscription within the first two weeks will obtain a full refund of the initial subscription fee upon request.

2. Managed Account Program

Asset-Based Compensation

The Adviser charges each managed account client an investment management fee (the “**Management Fee**”) based on the value of the client’s assets under management, in accordance with the following schedule:

Account Value	Annual Management Fee Rate
No limit	2.5%

Management Fees are charged each quarter in advance based on the total market value of the assets in the client account (including net unrealized appreciation or depreciation of investments and cash, cash equivalents and accrued interest) on the first day of the quarter. If a new client account is established during a quarter or a client makes an addition to its account during a quarter the Management Fee will be charged as of the effective date of the investment management agreement or the date of the additional contribution based on the value of the assets as of the applicable date and will be prorated for the number of days remaining in the quarter. Upon the termination of a client account during a quarter, the Management Fee will be prorated for the days remaining in that quarter and any prepaid, unearned fees will be refunded to the client. Management Fees are negotiable in the sole and absolute discretion of the Adviser.

Performance-Based Compensation

The Adviser may also be paid a performance-based fee (a “**Performance Fee**”), which is compensation based up on a share of capital gains on or capital appreciation of the assets of a client. The Adviser will charge performance fees only to qualified clients as and when permitted under Section 205 of the Advisers Act and Rule 205-3 under the Advisers Act.

B. Payment of Fees

The Adviser deducts the Management Fee quarterly and the Performance Fee (if any, annually or on an earlier withdrawal of the client) from client accounts by instructing the client’s custodian.

C. Other Fees and Expenses

In addition to paying Management Fees, and if applicable, Performance Fees, managed accounts will also be subject to other investment expenses such as custodial charges, brokerage fees, commissions and related costs; interest expenses; taxes, duties and other governmental charges; transfer and registration fees or similar expenses; costs associated with foreign exchange transactions; other portfolio expenses; and costs, expenses and fees (including, investment advisory and other fees charged by investment advisers with, or funds in, which the client’s account invests) associated with products or services that may be necessary or incidental to such investments or accounts. Client assets may be invested in money market mutual funds, exchange traded funds (“**ETFs**”) or other registered investment companies. In these cases, the client will bear its *pro rata* share of the investment management fee and other fees of the fund, which are in addition to the investment Management Fee paid to the Adviser. Please refer to Item 12 for a discussion of the Adviser’s brokerage practices.

All fees paid to the Adviser for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and ETF to their shareholders. These fees and expenses are described in each mutual fund’s and ETF’s prospectus and may include a management fee, distribution fee (i.e., Rule 12b-1 fee), sales charge and other fund expenses. A client could invest in a mutual fund or an ETF directly, without the services of the Adviser. In that case, the client would not receive the services provided by the Adviser which are intended, among other things, to assist the client in determining which mutual fund(s) or ETF(s) are most appropriate to each client’s financial condition and objectives. Accordingly, each client should review both the fees charged by the mutual funds and the ETFs and the fees charged by the Adviser to fully understand the total amount of fees paid by the client and to thereby evaluate the advisory services being provided.

To the extent it invests a client in a mutual fund, the Adviser would not receive 12b-1 fees from that mutual fund. Clients should also understand that while the Adviser does not receive 12b-1 fees, a 12b-1 fee may still be paid to a mutual fund distributor. These 12b-1 fees could increase overall expenses to the client. Please refer to Item 12 in this brochure for a discussion of the Adviser’s brokerage practices, including factors that we consider when selecting brokers and dealers for client transactions.

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

The Adviser is a wholly-owned subsidiary of MoKa Investors, LLC (“**Affiliate**”). The Adviser and the Affiliate share management persons and certain investment personnel. Conflicts of interest may arise from the Adviser’s common economic interests with the Affiliate. Because of the affiliation between the Adviser and its Affiliate, the Adviser and its investment personnel have an incentive to act in ways that benefit its Affiliate, rather than in the best interests of its clients.

The Affiliate advises one or more pooled investment vehicles that pay it performance-based compensation. As noted in Item 5, above, Adviser also may be entitled to receive performance-based compensation from certain managed accounts. Performance-based compensation is compensation based on a share of capital gains upon, or the capital appreciation of, the assets or any portion of the assets of a client. In addition, the Affiliate’s investment personnel are typically, and the Adviser’s investment personnel may be, compensated on a basis that includes a performance-based component. The Adviser and its investment personnel, including investment personnel that share in performance-based compensation through their work with the Adviser and/or the Affiliate, manage both client accounts that are charged performance-based compensation and accounts that are charged an asset-based fee (which is a non-performance-based fee). In addition, certain client accounts may have higher asset-based fees or more favorable performance-based compensation arrangements than other accounts. When the Adviser, its Affiliate and the investment personnel manage more than one client account, a potential exists for one client account to be favored over another client account. The Adviser and its investment personnel have a greater incentive to favor client accounts that pay the Adviser or the Affiliate (and indirectly the investment personnel) performance-based compensation or higher fees.

The Adviser has adopted and implemented policies and procedures intended to address conflicts of interest relating to the management of multiple accounts, including accounts with multiple fee arrangements, and the allocation of investment opportunities. The Adviser reviews investment decisions for the purpose of ensuring that all accounts with substantially similar investment objectives are treated equitably. The performance of similarly managed accounts is also regularly compared to determine whether there are any unexplained significant discrepancies. In addition, the Adviser’s procedures relating to the allocation of investment opportunities require that similarly managed accounts participate in investment opportunities *pro rata* based on asset size and require that, to the extent orders are aggregated, the client orders are price-averaged. Finally, the Adviser’s procedures also require the objective allocation for limited opportunities (such as initial public offerings and private placements) to ensure fair and equitable allocation among accounts. These areas are monitored by the Adviser’s Chief Compliance Officer. Further, the Adviser, its investment personnel and its Affiliate endeavor to devote such time to each client as they deem appropriate under the circumstances to perform their duties and obligations to each such client in accordance with applicable law and its agreement with each such client.

Item 7 Types of Clients

The Adviser's clients consist of individuals and institutional investors. The Adviser generally requires a minimum of \$100,000 of assets under management for a managed account but may waive this minimum in its sole and absolute discretion. If the account size falls below the minimum requirement due to market fluctuations only, a client will not be required to invest additional funds with the Adviser to meet the minimum account size.

The Adviser may request clients to provide proof of authority, directed trading letters, qualified client or qualified purchaser status, accredited investor letters/certifications, and/or or other information to allow the Adviser to manage client assets.

The Adviser operates an investment website, www.VirtueofSelfishInvesting.com, which is a subscription-based service offering specific, personalized investment advice through newsletters to its "members" (subscribers). The Adviser also hosts interactive webinars for paid subscribers. These webinars provide the Adviser with an opportunity to specifically address investment concerns and/or answer investment questions that are posed by webinar participants.

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

The Adviser utilizes a variety of methods and strategies to make investment decisions and recommendations. These methods entail an evaluation of investment opportunities using fundamental, technical, quantitative and qualitative analyses to determine the potential for securities and other types of instruments to appreciate in value of securities and other types of instruments, as well as the general market direction.

The Adviser employs the following investment strategies:

Market Direction Model: The Adviser employs a market direction for the purpose of identifying the general market direction and purchasing or selling short appropriate Exchange Traded Funds (ETF) or similar vehicles for the purpose of exploiting an identifiable trend.

O'Neil Style Methodologies: When investing in equities, the Adviser utilizes methods based on William J. O'Neil's investment philosophies and methods. Gil Morales and Dr. Chris Kacher both served as internal Portfolio Managers for William O'Neil + Company, Inc. (WON) during or within the period of 1997-2005, and their methods are both based and derived from O'Neil methodologies used during that period. In addition, Both Mr. Morales and Dr. Kacher have, in tandem and separately, developed their own unique ancillary strategies and sub-systems that extend and refine the O'Neil-based methodologies they employed while managing money for WON from 1997-2005. These ancillary strategies and sub-systems are discussed in the book they co-authored together, "Trade Like An O'Neil Disciple: How We Made 18,000% in the Stock Market," but are not limited in the sense that Mr. Morales and Dr. Kacher are constantly seeking to improve existing ancillary strategies and sub-systems as well as to develop new ancillary strategies and sub-systems which enhance, refine, and extend their existing methods. Therefore, over time, their strategies and methods will evolve and potentially vary from those used at any particular point in time.

Leverage. The Adviser's investment program may utilize leverage which involves the borrowing of funds from brokerage firms, banks and other institutions in order to be able to increase the amount of capital available for marketable securities investments.

Short Selling. The Adviser engages in short selling strategies. In a short sale transaction, the Adviser sells a security it does not own in anticipation that the market price of that security will decline. The Adviser makes short sales (i) as a form of hedging to offset potential declines in long positions in similar securities, (ii) in order to maintain flexibility and, (iii) for profit. In general, but not always exclusively, the Adviser will seek to sell-short in a bear market environment. The general philosophy and methods utilized are discussed in the book that Mr. Morales co-authored with William J. O'Neil, "How to Make Money Selling Stocks Short," (Wiley 2004), as well as Chapter 6 of "Trade Like an O'Neil Disciple" referenced above. As with all of their strategies, Mr. Morales and Dr. Kacher are constantly refining and re-configuring in real-time and so such strategies are continually evolving.

These methods, strategies and investments involve risk of loss to clients and clients must be prepared to bear the loss of their entire investment.

B. Material Risks (Including Significant, or Unusual Risks) Relating to Investment Strategies

Issuer-Specific Changes. Changes in the financial condition of an issuer or counterparty, changes in specific economic or political conditions that affect a particular type of security or issuer, and changes in

general economic or political conditions can increase the risk of default by an issuer or counterparty, which can affect a security's or instrument's value. The value of securities of smaller, less well-known issuers can be more volatile than that of larger issuers. Smaller issuers can have more limited product lines, markets, or financial resources.

Short Selling Risk. The Adviser's investment program includes short selling, which at times may increase activity within the accounts or funds they manage. Short selling transactions expose an account to the risk of loss in an amount greater than the initial investment, and such losses can increase rapidly and without effective limit. There is the risk that the securities borrowed by the Adviser in connection with a short sale would need to be returned to the securities lender on short notice. If such request for return of securities occurs at a time when other short sellers of the subject security are receiving similar requests, a "short squeeze" can occur, wherein the Adviser might be compelled, at the most disadvantageous time, to replace the borrowed securities previously sold short with purchases on the open market, possibly at prices significantly in excess of the proceeds received earlier.

Relative Value Risk. In the event that the perceived mispricings underlying the Adviser's relative value trading positions were to fail to converge toward, or were to diverge further from, relationships expected by the Adviser, client accounts may incur a loss.

Lack of Diversification. Client accounts will not be diversified among a wide range of types of securities, countries, regions, securities, industries, or sectors, and client accounts, at times, may expect hold a relatively small number of securities positions, each representing a relatively large portion of the account's capital. Losses incurred in those positions could have a material adverse effect on a client account's overall financial condition. When investments are concentrated in several relatively large security positions or industries relative to the capital of a client account, a loss in any one position or a downturn in a sector in which such account is invested could materially reduce the account's performance.

Leverage. Performance may be more volatile if a client's account employs leverage.

Frequent Trading. The Adviser's primary strategy uses frequent trading which results in significantly higher commissions and charges to client accounts due to increased brokerage, which will offset client profits.

C. Risks Associated with Types of Securities that are Primarily Recommended

Equity Securities. The value of equity securities fluctuates in response to issuer, political, market, and economic developments. Fluctuations can be dramatic over the short as well as long term, and different parts of the market and different types of equity securities can react differently to these developments. For example, large cap stocks can react differently from small cap stocks, and "growth" stocks can react differently from "value" stocks. Issuer, political, or economic developments can affect a single issuer, issuers within an industry or economic sector or geographic region, or the market as a whole. Changes in the financial condition of a single issuer can impact the market as a whole. Terrorism and related geopolitical risks have led, and may in the future lead, to increased short-term market volatility and may have adverse long-term effects on world economies and markets generally.

Small Capitalization Companies. Micro-, small- and mid-cap companies in which the Adviser may invest are often more vulnerable than larger companies to adverse business or market developments, have limited markets and financial resources. These companies may lack experienced management, have a limited operating history, may be operating at a loss or with substantial variations in operating results from period to period and may require substantial additional capital to support expansion or to achieve or

maintain a competitive position. These investments may include venture capital, special situations and, to a limited extent, private investments. Although these investments may offer opportunities for significant gains, these investments generally involve a very high degree of business and financial risk and can result in substantial losses. The securities of small-cap companies tend to be less seasoned than, and more susceptible to volatility in valuation and performance, than larger and more seasoned companies. In addition, small- and medium-sized companies often are not as well known to the investing public, in part, because relatively few of them are followed by traditional Wall Street security analysts, and information about them may be more difficult to obtain and may be less reliable and more subjective than information about larger public companies.

Fixed-Income and Debt Securities. Investment in fixed-income and debt securities such as bonds, notes and asset-backed securities, subject a client's portfolios to the risk that the value of these securities overall will decline because of rising interest rates. Similarly, portfolios that hold such securities are subject to the risk that the portfolio's income will decline because of falling interest rates. Investments in these types of securities will also be subject to the credit risk created when a debt issuer fails to pay interest and principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of that debt to decline. Lastly, investments in debt securities will also subject the investments to the risk that the securities may fluctuate more in price, and are less liquid than higher-rated securities because issuers of such lower-rated debt securities are not as strong financially, and are more likely to encounter financial difficulties and be more vulnerable to adverse changes in the economy.

Exchange Traded Funds. Because ETFs are, by definition, portfolios of securities, the Adviser believes that the unsystematic risk associated with investments in ETFs is generally very low relative to investments in ordinary securities of individual issuers. However, there are events that can trigger sharp and sometimes adverse price movements in ETFs that are not related to movements of the market in general. Not limited to, but among these, are surprise dividends, changes to regular dividend amounts, announcements of rights offerings and possible surprise revisions to net asset values of the ETF. The Adviser may invest in small and/or unseasoned ETFs with small market capitalization. While smaller ETFs generally have potential for rapid growth, they often involve higher risks because they may lack the management experience, financial resources, product diversification, and competitive strength of larger ETFs. In addition, in many instances, the frequency and volume of their trading may be substantially less than is typical of larger ETFs. As a result, the securities of smaller ETFs may be subject to wider price fluctuations.

Security Futures and Options. In connection with the use of futures contracts and options, there may be an imperfect correlation between the change in market value of a security and the prices of the futures contracts and options in the client's account. In addition, the Adviser's investments in security futures and options may encounter a lack of a liquid secondary market for a futures contract and the resulting inability to close a futures position prior to its maturity date.

Item 9 Disciplinary Information

This Item is inapplicable.

Item 10 Other Financial Industry Activities and Affiliations

A. Material Relationships or Arrangements with Industry Participants

As noted previously, the Adviser is owned by MoKa Investors, LLC (the “**Affiliate**”), with which it shares management persons and investment personnel. The Affiliate is a California-registered investment adviser (note that such registration does not imply a certain level of skill or training).

The Adviser, its investment personnel, and the Affiliate will provide investment management services to multiple portfolios for multiple clients. When the Adviser, its investment personnel, and the Affiliate manage more than one client account, a potential exists for one client account to be favored over another client account. Investment personnel may also have conflicts in allocating their time and services among multiple clients. These conflicts are discussed in Item 6, above.

Note also that each pooled investment vehicle (“**Fund**”) for which the Affiliate or its related person serves as general partner or investment manager has and may in the future enter into agreements, or “side letters,” with certain prospective or existing limited partners or shareholders whereby such limited partners or shareholders may be subject to terms and conditions that are more advantageous than those set forth in the offering memorandum for the Fund. For example, such terms and conditions may provide for special rights to make future investments in the Fund; special redemption rights, relating to frequency or notice; a waiver or rebate in fees or redemption penalties to be paid by the limited partner or shareholder and/or other terms; rights to receive reports from the Fund on a more frequent basis or that include information not provided to other limited partners or shareholders (including, without limitation, more detailed information regarding portfolio positions) and such other rights as may be negotiated by the Fund and such limited partners or shareholders. The modifications are solely at the discretion of the Fund and may, among other things, be based on the size of the limited partner’s or shareholder’s investment in the Fund or affiliated investment entity, an agreement by a limited partner or shareholder to maintain such investment in the Fund for a significant period of time, or other similar commitment by a limited partner or shareholder to the Fund.

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

A. Code of Ethics

The Adviser has adopted a Code of Ethics (the “**Code**”) that obligates the Adviser and its related persons to put the interests of the Adviser’s clients before their own interests and to act honestly and fairly in all respects in their dealings with clients. All of the Adviser’s personnel are also required to comply with applicable federal securities laws. Clients or prospective clients may obtain a copy of the Code by contacting Gil Morales (Chief Compliance Officer) by telephone at 310-237-5832 or by email at info@mokainvestors.com. See below for further provisions of the Code as they relate to the pre-clearing and reporting of securities transactions by related persons.

The Adviser and/or its employees, in the course of its investment management and other activities (*e.g.*, board or creditor committee service), may come into possession of confidential or material nonpublic information about issuers, including issuers in which the Adviser or its related persons have invested or seek to invest on behalf of clients. The Adviser is prohibited from improperly disclosing or using such information for its own benefit or for the benefit of any other person, regardless of whether such other person is a client. The Adviser maintains and enforces written policies and procedures that prohibit the communication of such information to persons who do not have a legitimate need to know such information and to assure that the Adviser is meeting its obligations to clients and remains in compliance with applicable law. In certain circumstances, the Adviser may possess certain confidential or material, nonpublic information that, if disclosed, might be material to a decision to buy, sell or hold a security, but the Adviser will be prohibited from communicating such information to the client or using such information for the client’s benefit. In such circumstances, the Adviser will have no responsibility or liability to the client for not disclosing such information to the client (or the fact that the Adviser possesses such information), or not using such information for the client’s benefit, as a result of following the Adviser’s policies and procedures designed to provide reasonable assurances that it is complying with applicable law.

B. Investing in Securities Recommended to Clients

The Adviser recognizes that the personal investment transactions of members and employees of the Adviser demand the application of a high code of ethics and will require that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, the Adviser believes that if investment goals are similar for clients and for members and employees of the Adviser, it is logical that there be a common ownership of some securities. Therefore, in order to address conflicts of interest, the Adviser will adopt a set of procedures with respect to transactions effected by its officers and employees (hereafter, “**Employees**”) for their “personal accounts.” In order to monitor compliance with its personal trading policy, the Adviser has adopted a quarterly securities transaction reporting system for all of its Employees. (For purposes of the policy, an Employee’s “personal account” generally includes any account (a) in the name of the Employee, his/her spouse, his/her minor children or other dependents residing in the same household, (b) for which the Employee is a trustee or executor, or (c) which the Employee controls, including the Adviser’s client accounts which the Employee controls and in which the Employee or a member of his/her household has a direct or indirect beneficial interest.

From time to time, trading by the Adviser and its Employees (and certain of their relatives) in particular securities may be restricted in recognition of impending investment decisions on behalf of clients. If transaction orders for a client and the Adviser (and/or its Employees and certain of their relatives) are not aggregated, the transaction orders for the Adviser (and/or its Employees and relatives) will be the last

orders filled.

The Adviser and its Employees may purchase or sell specific securities for their own account based on personal investment considerations without regard to whether the purchase or sale of such securities is appropriate for clients. An Employee must adhere to certain procedures when buying or selling a security for a personal account. These procedures will include, among other things: (i) the Employee must confirm that he or she is not in receipt of inside information; (ii) the Employee must seek approval from the Chief Compliance Officer for all trades of securities made for a personal account; and (iii) the Employee must execute all approved trades on the day the approval for such trade is given. If the trade is not executed on such day, the Employee must seek new approval.

The Affiliate currently serves as the general partner and investment adviser to a Fund. The Adviser may make investments in that Fund available to qualified clients whose investment strategies are consistent with that of the Fund. The Adviser does not intend to advise clients as to the appropriateness of investing in the Fund or funds for which the Affiliate may serve as the managing member, general partner, and/or investment adviser in the future. The Adviser will not receive any compensation for investing its clients in such Funds, or for selling interests in such Funds. However, because of the Adviser's relationship to such Funds, should someone who is otherwise a client invest, the Adviser could be considered to have recommended that investment.

C. Conflicts of Interest Created by Contemporaneous Trading

See Item 11.C.

Item 12 Brokerage Practices

A. Factors Considered in Selecting or Recommending Broker-Dealers for Client Transactions

The Adviser considers a number of factors in selecting a broker-dealer to execute transactions (or series of transactions) and determining the reasonableness of the broker-dealer's compensation. Such factors include net price, reputation, financial strength and stability, efficiency of execution and error resolution, offering to the Adviser on-line access to computerized data regarding a client's accounts. In selecting a broker-dealer to execute transactions (or series of transactions) and determining the reasonableness of the broker-dealer's compensation, the Adviser need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. It is not the Adviser's practice to negotiate "execution only" commission rates, thus a client may be deemed to be paying for research, brokerage or other services provided by a broker-dealer which are included in the commission rate.

1. Research and Other Soft-Dollar Benefits

The Adviser receives research or other products or services other than execution from a broker-dealer and/or a third party in connection with client securities transactions. This is known as a "soft-dollar" relationship. The Adviser will limit the use of "soft-dollars" to obtain research and brokerage services to services that constitute research and brokerage within the meaning of Section 28(e) of the Securities Exchange Act of 1934, as amended ("**Section 28(e)**"). Research services within Section 28(e) may include, but are not limited to, research reports (including market research); certain financial newsletters and trade journals; software providing analysis of securities portfolios; corporate governance research and rating services; attendance at certain seminars and conferences; discussions with research analysts; meetings with corporate executives; consultants' advice on portfolio strategy; data services (including services providing market data, company financial data and economic data); advice from broker-dealers on order execution; and certain proxy services. Brokerage services within Section 28(e) may include, but not limited to, services related to the execution, clearing and settlement of securities transactions and functions incidental thereto (i.e., connectivity services between an adviser and a broker-dealer and other relevant parties such as custodians); trading software operated by a broker-dealer to route orders; software that provides trade analytics and trading strategies; software used to transmit orders; clearance and settlement in connection with a trade; electronic communication of allocation instructions; routing settlement instructions; post trade matching of trade information; and services required by the SEC or a self regulatory organization such as comparison services, electronic confirms or trade affirmations.

When the Adviser uses client commissions to obtain Section 28(e) eligible research and brokerage products and services, the Chief Compliance Officer will periodically review and evaluate the Adviser's soft-dollar practices and to determine in good faith whether, with respect to any research or other products or services received from a broker-dealer, the commissions used to obtain those products and services were reasonable in relation to the value of the brokerage, research or other products or services provided by the broker-dealer. This determination will be viewed in terms of either the specific transaction or the Adviser's overall responsibilities to the accounts or portfolios over which the Adviser exercises investment discretion.

The use of client commissions (or markups or markdowns) to obtain research and brokerage products and services raises conflicts of interest. For example, the Adviser will not have to pay for the products and services itself. This creates an incentive for the Adviser to select or recommend a broker-dealer based on its interest in receiving those products and services.

The Adviser may cause clients to pay commissions (or markups or markdowns) higher than those charged by other broker-dealers in return for soft-dollar benefits (known as paying-up), resulting in higher

transaction costs for clients.

Research and brokerage services obtained by the use of commissions arising from a client's portfolio transactions may be used by the Adviser in its other investment activities, including, for the benefit of other client accounts. The Adviser does not seek to allocate soft-dollar benefits to client accounts proportionately to the soft-dollar credits the accounts generate.

Since the Adviser is newly formed, the Adviser has not acquired any products and services with client brokerage commissions (or markups or markdowns) within the Adviser's last fiscal year.

The Adviser may participate in "client commission arrangements" pursuant to which the Adviser may execute transactions through a broker-dealer and request that the broker-dealer allocate a portion of the commissions or commission credits to another firm that provides research and other products to the Adviser. The Adviser excludes from use under these arrangements those products and services that are not eligible under Section 28(e) and applicable regulatory interpretations.

2. Brokerage for Client Referrals

In selecting or recommending broker-dealers, the Adviser may consider whether the Adviser or a related person receives client referrals from a broker-dealer or third party. The Adviser may have an incentive to select or recommend a broker-dealer based on its interests to receive client referrals rather than on the client's interests to receive most favorable execution. To address this conflict of interest, the Adviser will execute client trades through broker-dealers that refer clients to the Adviser only if it is determined by the Chief Compliance Officer that client trades with such broker-dealers are otherwise consistent with seeking best execution.

3. Directed Brokerage

Clients participating in the Adviser's managed account program will be required to open and maintain a brokerage account with a specific broker-dealer designated in the managed account program documents executed by the client (the "MAP Broker"). This MAP Broker will generally also serve as such client's custodian. With respect to advisory client accounts maintained at the MAP Broker, the client will instruct the Adviser, to the extent applicable, to direct all securities transactions effected for such accounts through the MAP Broker. Additionally, because of a prior relationship between a client and one or more brokers, or for other reasons, a client may instruct the Adviser to execute any or all securities transactions for their account with or through one or more brokers designated by the client.

Clients seeking to direct the use of a certain broker-dealer must do so in writing, either as part of the advisory contract or by separate instruction. In such cases, the client is responsible for negotiating the terms and conditions (including, but not limited to commission rates) relating to all services to be provided by such brokers and that the client is satisfied with such terms and conditions. The Adviser has no responsibility for obtaining the best prices or any particular commission rates for transactions with or through any such broker for such client's account.

Trades for a client that has directed use of a particular broker or dealer may be placed at the end of batched trading activity for a particular security. Accordingly, directed transactions may be subject to price movements, particularly in volatile markets, that may result in the client receiving a price that is less favorable than the price obtained for the batched order. Under these circumstances, the direction by a client of a particular broker or dealer to execute transactions may result in higher commissions, greater spreads, or less favorable net prices than might be the case if the Adviser were empowered to negotiate commission rates or spreads freely, or to select brokers or dealers based on best execution. When a client

directs the Adviser to use a specified broker-dealer to execute all or a portion of the client's securities transactions, the Adviser treats the client direction as a decision by the client to retain, to the extent of the direction, the discretion the Adviser would otherwise have in selecting broker-dealers to effect transactions and in negotiating commissions for the client's account. Although the Adviser attempts to effect such transactions in a manner consistent with its policy of seeking best execution, there may be occasions where it is unable to do so, in which case the Adviser will continue to comply with the client's instructions. Transactions in the same security for accounts that have directed the use of the same broker will be aggregated. When the directed broker-dealer is unable to execute a trade, the Adviser will select broker-dealers other than the directed broker-dealer to effect client securities transactions. A client who directs the Adviser to use a particular broker-dealer to effect transactions should consider whether such direction may result in certain costs or disadvantages to the client. Such costs may include higher brokerage commissions (because the Adviser may not be able to aggregate orders to reduce transaction costs), less favorable execution of transactions, and the potential of exclusion from the client's portfolio of certain foreign ordinary shares and/or small capitalization or illiquid securities due to the inability of the particular broker-dealer in question to provide adequate price and execution of all types of securities transactions. By permitting a client to direct the Adviser to execute the client's trades through a specified broker-dealer, the Adviser will make no attempt to negotiate commissions on behalf of the client and, as a result, in some transactions such clients may pay materially disparate commissions depending on their commission arrangement with the specified broker-dealer and upon other factors such as number of shares, round and odd lots and the market for the security. The commissions charged to clients that direct the Adviser to execute the client's trades through a specified broker-dealer may in some transactions be materially different than those of clients who do not direct the execution of their trades. Clients that direct the Adviser to execute the client's trades through a specified broker-dealer may also lose the ability to negotiate volume commission discounts on batched transactions that may otherwise be available to other clients of the Adviser. Not all advisers require clients to direct the Adviser to execute client trades with a specific broker-dealer.

If the Adviser believes, in its exclusive discretion, that it cannot satisfy its fiduciary duty of best execution by executing a transaction for a client account with a broker designated by the client, the Adviser may execute that transaction with a different broker-dealer. Any client providing instructions to the Adviser regarding direction of brokerage transactions must notify the Adviser in writing if the client desires to cease executing transactions with or through any broker-dealer.

B. Order Aggregation

The Adviser often purchases or sells the same security for many clients contemporaneously (or near the same time) and using the same executing broker. It is the Adviser's practice, where possible, to aggregate client orders for the purchase or sale of the same security submitted contemporaneously (or near the same time) for execution using the same executing broker. The Adviser will also aggregate in the same transaction, the same securities for accounts where the Adviser has brokerage discretion. Such aggregation may enable the Adviser to obtain for clients a more favorable price or a better commission rate based upon the volume of a particular transaction. However, in cases where the client has negotiated the commission rate directly with the broker, the Adviser will not be able to obtain more favorable commission rates based on an aggregated trade. In such cases, the client will be precluded from receiving the benefit of any possible commission discounts that might otherwise be available as a result of the aggregated trade. In cases where trading or investment restrictions are placed on a client's account, the Adviser may be precluded from aggregating that client's transaction with others. In such a case, the client may pay a higher commission rate and/or receive less favorable prices than clients who are able to participate in an aggregated order. When an aggregated order is completely filled, the Adviser allocates the securities purchased or proceeds of sale *pro rata* among the participating accounts, based on the purchase or sale order. Adjustments or changes may be made under certain circumstances, such as to

avoid odd lots or excessively small allocations. If the order at a particular broker is filled at several different prices, through multiple trades, generally all such participating accounts will receive the average price and pay the average commission, subject to odd lots, rounding, and market practice. If an aggregated order is only partially filled, the Adviser's procedures provide that the securities or proceeds are to be allocated in a manner deemed fair and equitable to clients. Depending on the investment strategy pursued and the type of security, this may result in a *pro rata* allocation to all participating clients. The Adviser or its related persons may also participate in an aggregate order. Such aggregation of orders also will not occur unless the funds or accounts in question are executing the same order based on the same rationale as a result of a similar methodology or technique used. For example, any fund or account may employ buy or sell signals for securities purchased or sold that are materially different from other funds or accounts managed by the Adviser based on any number of factors, including methodology, risk-management, or risk-tolerance, for example; hence orders for the same security could be entered into at different prices and at different times during the day depending on the intra-day behavior of the security being considered for purchase or sale and would not be executed as an aggregate order.

The Adviser, its related persons (including its Affiliate), and its Affiliate's clients may also participate in an aggregate order.

Item 13 Review of Accounts

A. Frequency and Nature of Review

Each client account is reviewed by William Griffith, Director of Trading and Operations, Gil Morales, Dr. Chris Kacher or their designee on a monthly basis to determine whether securities positions should be maintained in view of current market conditions. Matters reviewed include specific securities held, adherence to investment guidelines and the performance of each client account.

B. Factors Prompting a Non-Periodic Review of Accounts

Significant market events affecting the prices of one or more securities in client accounts, changes in the investment objectives or guidelines of a particular client, or specific arrangements with particular clients may trigger reviews of client accounts on other than a periodic basis.

C. Content and Frequency of Regular Account Report

Each client that is a managed account client will receive monthly statements and trade confirmations from the client's broker-dealer and will receive annual reports from the Adviser. The reports will include a summary of assets, realized and unrealized capital gains and losses, performance measured against an appropriate index, and anticipated and actual income generated by the portfolio. Such reports may be delivered electronically to the client in accordance with the client's agreement with the Adviser.

Item 14 Client Referrals and Other Compensation

A. Economic Benefits Received from Non-Clients for Providing Services to Clients

The Adviser receives certain research or other products or services from broker-dealers through “soft-dollar” arrangements. These “soft-dollar” arrangements create an incentive for the Adviser to select or recommend broker-dealers based on the Adviser’s interest in receiving the research or other products or services and may result in the selection of a broker-dealer on the basis of considerations that are not limited to the lowest commission rates and may result in higher transaction costs than would otherwise be obtainable by the Adviser on behalf of its clients. Please see Item 12 for further information on the Adviser’s “soft-dollar” practices, including the Adviser’s procedures for addressing conflicts of interest that arise from such practices.

B. Compensation to Non-Supervised Persons for Client Referrals

While the Adviser does not currently use solicitors in connection with its advisory business, the Adviser may in the future make cash payments to third-party solicitors for client referrals, provided that, to the extent required, each such solicitor has entered into a written agreement with the Adviser pursuant to which the solicitor will provide each prospective client with a copy of the Adviser’s Form ADV Part 2, and a disclosure document setting forth the terms of the solicitation arrangement, including the nature of the relationship between the solicitor and Adviser and any fees to be paid to the solicitor. Any cash payments for client solicitations will be structured to comply with the requirements of Rule 206(4)-3 under the Investment Advisers Act of 1940, as amended, and related SEC staff interpretations.

Item 15 Custody

The Adviser does not have “custody” of client assets for purposes of Rule 206(4)-2 under the Investment Advisers Act of 1940, as amended.

Item 16 Investment Discretion

The Adviser provides investment advisory services on a discretionary basis to clients. Please see [Item 4](#) for a description of any limitations clients may place on the Adviser's discretionary authority.

Prior to assuming full discretion in managing a client's assets, the Adviser enters into an investment management agreement or other agreement that sets forth the scope of the Adviser's discretion.

Unless otherwise instructed or directed by a discretionary client, the Adviser has the authority to determine (i) the securities to be purchased and sold for the client account (subject to restrictions on its activities set forth in the applicable investment management agreement and any written investment guidelines) and (ii) the amount of securities to be purchased or sold for the client account. Because of the differences in client investment objectives and strategies, risk tolerances, tax status and other criteria, there may be differences among clients in invested positions and securities held. The Adviser submits an allocation statement to the Adviser's trading desk describing the allocation of securities to (or from) client accounts for each trade/order submitted. The Adviser may consider the following factors, among others, in allocating securities among clients: (i) client investment objectives and strategies; (ii) client risk profiles; (iii) tax status and restrictions placed on a client's portfolio by the client or by applicable law; (iv) size of the client account; (v) nature and liquidity of the security to be allocated; (vi) size of available position; (vii) current market conditions; and (viii) account liquidity, account requirements for liquidity and timing of cash flows.

Although it is the Adviser's policy to allocate investment opportunities to eligible client accounts on a *pro rata* basis (based on the value of the assets of each participating account relative to value of the assets of all participating accounts), these factors may lead the Adviser to allocate securities to client accounts in varying amounts. Even client accounts that are typically managed on a *pari passu* basis may from time to time receive differing allocations of securities based on total assets of each account eligible to invest in the particular investment type (e.g., equities) divided by the total assets of all accounts eligible to invest in the particular investment.

Securities acquired by the Adviser for its clients through a limited offering will be allocated pursuant to the procedures set forth in the Adviser's allocation policy. The policy provides that the Adviser will determine the proposed allocation of limited offering securities after considering the factors described above with respect to general allocations of securities and determining those client accounts eligible to hold such securities. Eligibility will be based on the legal status of the clients and the client's investment objectives and strategies.

The Adviser may effect cross transactions between discretionary client accounts, except as otherwise noted below. Cross transactions enable the Adviser to affect a trade between two clients for the same security at a set price, thereby possibly avoiding an unfavorable price movement that may be created through entrance into the market and saving commission costs for both accounts. Cross transactions include rebalancing transactions that are undertaken so that, after withdrawals or contributions have occurred, the portfolio compositions of similarly managed accounts remain substantially similar. The Adviser has a potentially conflicting division of loyalties and responsibilities regarding both parties to cross transactions. Cross transactions between client accounts are not permitted if they would constitute principal trades or trades for which the Adviser or its affiliates are compensated as a broker unless client consent has been obtained based upon written disclosure to the client of the capacity in which the Adviser or its affiliates will act. In addition, cross transactions are not permitted for benefit plan or other similar accounts that are subject to ERISA.

If it appears that a trade error has occurred, the Adviser will review the relevant facts and circumstances to determine an appropriate course of action. To the extent that trade errors and breaches of investment guidelines and restrictions occur, the Adviser's error correction procedure is to ensure that clients are treated fairly and, following error correction, are in the same position they would have been if the error had not occurred. The Adviser has discretion to resolve a particular error in any appropriate manner that is consistent with the above stated policy. In the event that a client account incurs a trade error as a result of the Adviser's gross negligence, willful misconduct, or fraud, trade errors will be corrected by the Adviser as soon as practicable, in a manner such that the client incurs no loss. Trade errors that result other than by breach of the standard of care above are borne by the client account.

Item 17 Voting Client Securities

To the extent the Adviser has been delegated proxy voting authority on behalf of its clients, the Adviser complies with its proxy voting policies and procedures that are designed to ensure that in cases where the Adviser votes proxies with respect to client securities, such proxies are voted in the best interests of its clients. In voting proxies, the Adviser votes in favor of routine corporate housekeeping proposals, including election of directors (where no corporate governance issues are implicated), selection of auditors and increases in or reclassification in common stock. The Adviser will vote against proposals that make it more difficult to replace members of a board of directors. For all other proposals, the Adviser will determine whether a proposal is in the best interests of its clients and may take into account the following factors, among others: (i) whether the proposal was recommended by management and the Adviser's opinion of management; (ii) whether the proposal acts to entrench existing management; and (iii) whether the proposal fairly compensates management for past and future performance.

If a material conflict of interest between the Adviser and a client exists, the Adviser will determine whether voting in accordance with the guidelines set forth in the proxy voting policies and procedures is in the best interests of the client or take some other appropriate action. The Adviser does not make any qualitative judgment regarding its client's investments.

Clients may obtain a copy of the Adviser's proxy voting policies and procedures and information about how the Adviser voted a client's proxies by contacting Gil Morales (Chief Compliance Officer) by email at info@mokainvestors.com or by telephone at 310-237-5832.

Item 18 Financial Information

We have no financial commitment that impairs our ability to meet contractual commitments to clients, and have not been the subject of bankruptcy proceedings.

Item 19 Requirements for State-Registered Advisers

This Item is not applicable.