

**Part 2A of Form ADV: Firm Brochure**

Item 1 Cover Page

**FORM ADV PART 2A**

**Firm Brochure  
For  
B&P Advisors LLC**

**10205 Collins Avenue, Apartment 602  
Bal Harbour, Florida 33154**

**April 15, 2015**

**Contact:**

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*This brochure provides information about the qualifications and business practices of B&P Advisors LLC. If you have any questions about the contents of this Brochure, please contact us at 305-331-6710 or [flavio.paparella@bandpadvisors.com](mailto:flavio.paparella@bandpadvisors.com).*

*The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority. Please note that while B&P Advisors LLC is a "registered investment adviser," being "registered" should not be interpreted as having any official or required level of training or skill.*

*Additional information about B&P Advisors LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).*

Item 2 Material Changes

This is the first FORM ADV PART 2A brochure for B&P Advisors LLC (the “Firm”). In the future, this Item will reference any material changes [amendments] to the brochure.

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#### Item 4 Advisory Business

- A. Description of the Firm. B&P Advisors LLC (the "Firm"), a Florida limited liability company, was formed in January 2015 and its only office is located in Bal Harbour, FL. The Firm is wholly owned by Flavio Paparella, the Firm's Chief Executive Officer and Chief Compliance Officer. Other than registration with the SEC as an investment adviser, the Firm is not registered with any states or other regulators and is not a member of any self-regulatory organization.

B&P Advisors LLC provides personalized investment advice to individual and institutional investors (see Item 7). The Firm does not act as a custodian of client assets. These assets are held by banks, broker-dealers, or other qualified custodians, selected by the clients. The Firm manages clients' discretionary investment accounts under a limited power of attorney (see Item 15).

- B. Types of Services. The firm will provide investment advice relating to: (a) equity securities (exchange listed or otherwise); (b) warrants; (c) corporate debt; (d) commercial paper; (e) CDs; (f) municipal bonds; (g) mutual fund shares; (h) closed-end fund shares; (i) exchange-traded funds (ETFs); (j) options; (k) government securities; (l) mortgage-backed and other asset-backed securities; and (j) alternative investments such as hedge funds, private equity funds, and venture capital funds.

The Firm or its affiliates may engage in business activities beyond investment advisory services such as offering advice and management services related to real estate, infrastructure, retail and restaurant businesses, telecommunications, media and other investment opportunities.

- C. Client Tailored Services and Client Tailored Restrictions. The Firm customizes portfolios and services to the needs and goals of its clients. Each client may place reasonable restrictions on the types of investments that will be made on the client's behalf. Additionally, as discussed in Item 12A, clients may direct the Firm to use particular broker-dealers for execution of transactions in their portfolios.

Services to institutions and businesses include portfolio and balance sheet structuring to enable liquidity, asset allocation, research, due diligence, and evaluation of custodians and securities platforms. The Firm may enter into sub-advisor or consulting agreements for these services.

Agreements may not be assigned without client consent.

- D. Wrap Fee Programs. The Firm does not participate in any *wrap fee programs*.
- E. Assets under Management. The Firm provides investment advisory services on a discretionary and non discretionary basis. As of April, 2015, the Firm does not have any assets under management. However, the Firm expects to receive upwards of \$100

million of assets under management from clients shortly after the filing of this brochure  
(See Item 7 for more information about clientele).

Item 5 Fees and Compensation

A. Management Fees/Transaction Fees.

1. Management Fees. Fees will be individually negotiated with each client depending on the services desired. Generally, the Firm's fees will be *fixed, variable, or a combination* of the two. In the case of a fixed fee, the Firm will not charge more than 2% of the assets under management (AUM). Variable fees will typically be performance-based and may range in percentage from 1% to 30% depending on the type of investment and its time horizon. As an example of fees, for an alternative investment a client might pay an annual 2% AUM fee and a 20% performance fee based on agreed-upon benchmarks. For more information about performance based fees, please see Item 6A.

2. Transaction Fees. The Firm does not benefit from or share in the transactional fees broker-dealers or banks may charge for executing orders.

B. Payment of Fees. Fees are billed monthly or quarterly, in *arrears*, meaning that the Firm will invoice you *after* the one-month billing period has *ended*. Payment in full is expected upon presentation of the invoice. Fees are usually deducted from a designated client account to facilitate billing. The client must consent *in advance* to direct debiting of their account.

Each client's advisory contract will state the form and schedule of payments the Firm will collect for its services on their behalf.

C. Other Fees and Expenses. Mutual funds, closed end funds, ETFs and alternative investments charge distribution, expense, and/or management fees. The Firm takes no part in and derives no benefit from such charges. Clients should be aware of these fees and take care to examine the fees associated with a given fund in addition to those described in their advisory contracts.

D. Prepayment of Fees. The firm does not accept prepayment of any fees.

E. Transaction-Based Compensation. Neither the Firm nor any of its *supervised persons* accept compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds or other products, such as hedge funds.

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

- A. Performance Based Fees. The Firm may negotiate *performance based fees* with certain clients. *Performance based fees* are based on a share of capital gains or capital appreciation of a client's account. The Advisers Act restricts this kind of fee to "qualified clients" with at least \$1 million of assets under management with the Firm or at least \$2 million of net worth (these thresholds are adjusted for inflation every year by the SEC). [these have already bumped up so check and put in current numbers]
- B. Side-by-Side Management. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. As described in Item 5 – Fees and Compensation, the Firm accepts both performance and fixed fees.

There is an inherent conflict of interest when assessing certain accounts a fixed fee, while other accounts are assessed a performance fee. The Firm will aggregate orders with respect to the same security purchased for all clients *regardless of the assessed fee* (fixed or performance) to the account. When orders are aggregated, each participating account receives the average share price for the transaction and bears the transaction costs based upon each account's participation in the transaction, subject to the Adviser's discretion depending on factual or market conditions. Clients participating in block trading may include proprietary or related accounts. Such accounts will be treated as client accounts and will be given neither preferential nor inferior treatment versus other client accounts. Allocations of orders among client accounts will be made in a fair and equitable manner.

The Firm will provide fair treatment to the client regardless of the fee (fixed or performance) assessed to the account.

#### Item 7 Types of Clients

The Firm generally provides investment advice to high net worth individuals, families, offices, and family offices. In addition, the Firm provides advisory services to entities such as: small regional banks, foundations, small businesses, broker-dealers, investment advisors and other financial services firms. The client base is located in a variety of foreign countries including, but not limited to, Argentina, Brazil, Chile, Ecuador, Italy, Peru, Spain, Switzerland, and Uruguay. The scope of each client relationship may vary in length of service and scope, but the Firm generally requires at least \$100,000 of assets under management in order to open and maintain an advisory account. Separate accounts within a family or enterprise will be aggregated for purposes of reaching the minimum. In its discretion, the Firm may waive account minimums for clients.



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

By developing relationships with private equity firms and/or real estate developers, the Firm seeks to analyze and evaluate each opportunity in order to achieve best execution and added value to its clients. [move this further down in the discussion, maybe as “D” or delete it completely. I am inclined to delete.]

A. Firm may use different methods of analysis when providing investment advice to clients, including:

- Chart Analysis – the gathering and processing of price and volume data for a particular security or index. The results of mathematical computations are plotted graphically on charts which are then studied in an effort to anticipate future price movements based on patterns and trends.
- Technical Analysis – the study of historical price patterns and trends of securities or indices to anticipate future price movement.
- Macro-Economic Analysis – the study of trends that impact the aggregate economy, including changes in employment, gross domestic product, interest rates, inflation, etc. Once these trends are identified, the Firm uses the data in an attempt to their future secondary effects on the value of the securities in a client’s portfolio.
- Fundamental Analysis – the study of the real economy based on public research and statistics available in the market, considering everything that can affect the security’s value, including macroeconomic factors (like the overall economy and industry conditions) and company-specific factors (like its financial condition, management, and competitive advantages).

*All investments involve different degrees of risk, charges, and expenses. Because all products sold are subject to these inherent risks, the Firm advises each client to be aware of these risks and consider their individual financial capacity to tolerate market risks that could result in the total loss of their investment. To stay informed, clients should carefully read all transaction confirmations and monthly and year-end statements, and any and all prospectuses. Furthermore, the Firm urges clients to periodically review their investment objectives, risk tolerance, and investment strategies and consult with us about making any changes consistent with their current financial circumstances.*

B. Every investment strategy has certain inherent strengths and weaknesses based on its individual theories and assumptions. As a result, there is always some risk of loss.

*Chart and Technical Analysis* are usually associated as conceptual tools most suited for *trading* as opposed to *investing* in securities. This method is mostly concerned with an analysis of the *market prices* of securities, while tending to largely ignore the fundamentals of any given issuer (such as a company’s balance sheets, cash flow statements, etc.). As a result, the *Chart and Technical Analysis* methods are not necessarily good indicators of the *long term value* of an investment, although they may be able to reveal *short term profit* opportunities. Taking advantage of those opportunities may require frequent securities trading, which may give rise to

increased brokerage or transactions fees (as well as having adverse tax consequences).

Conversely, *Macro-economic* and *Fundamental Analysis*, while more suited for *long term investment* as opposed to *short term trading*, may not be able to produce value to a client without a significant time investment. Additionally, while the price of a given security can be reliably determined through exchanges, indices, etc., *Macro-economic* and *Fundamental Analysis* relies heavily on statistical data that may be influenced by information gathering methods, estimations, or national participation in government surveys. Unemployment information, economic growth predictions, census data, gross domestic product (GDP), etc. are all subject to margins of error, later revision, or even redefinition. Any of these factors could significantly change the expected long term value of an investment well after funds have been committed.

C. The Firm will work with clients to create individual investment portfolios suited to their particular risk tolerance and investment objectives.

Item 9 Disciplinary Information

Neither the Firm nor any of its Associated Persons have any disciplinary information to disclose as of April 2015.

Item 10 Other Financial Industry Activities and Affiliations

- A. Registration as a Broker-Dealer. The Firm is not registered as a broker-dealer.
- B. Commodities and Futures Registration. The Firm is not registered as a futures commission merchant, commodity pool operator, or commodity trading advisor. No supervised person is registered with another firm in the commodities or futures business.
- C. Material Relationships. Other than as noted below, the Firm does not have any relationship or arrangement with any of the following that is material to its advisory business.
1. Broker-dealer, municipal securities dealer, or government securities dealer or broker.  
None.
  2. Investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund).  
None.
  3. Other investment adviser or financial planner.  
None.
  4. Futures commission merchant, commodity pool operator, or commodity trading adviser .  
None.
  5. Banking or thrift institution.  
None.
  6. Accountant or accounting firm.  
None.
  7. Lawyer or law firm.  
None.
  8. Insurance company or agency.  
None.
  9. Pension consultant.  
None.
  10. Real estate broker or dealer.  
None.
  11. Sponsor or syndicator of limited partnerships.  
None.

- D. Business Relationships with Other Investment Advisers. See Item 14.A.

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

- A. Code of Ethics. The Firm has adopted a Code of Ethics under Rule 204A-1 of the Advisers Act that covers all employees. The Code establishes standards of ethical and professional business conduct for employees. The Firm has appointed Flavio Paparella as its Chief Compliance Officer (the “CCO”) to administer the Code and the Firm’s other compliance policies and procedures. A copy of the Code is available on request by contacting Mr. Paparella at the Firm’s principal office address.
- B. Recommendation/Purchase/Sale for Client Account Securities in which the Firm or a Related Person has a Material Financial Interest. None.
- C. Purchases or Sales of Securities by the Firm or a Related Person in Securities Purchased or Sold for Client Accounts.

The Firm and/or its supervised persons may buy or sell securities identical to or different from those purchased or sold for client accounts and may have an interest or position in one or more of those securities. Because situations described above present a conflict of interest, the Firm’s Code of Ethics stresses that no person employed by the Firm may put his/her own interests before those of advisory clients, and prohibits the use of material non-public information. The Firm requires that each supervised person with access to advisory recommendations, client holdings or other specified information provide annual securities holdings reports and quarterly transaction reports of all reportable transactions to the Firm’s CCO. These reports are reviewed on a regular basis by the Firm’s CCO.

- D. Purchases or Sales of Securities by the Firm or a Related Person in Securities being Purchased or Sold for Client Accounts at the Same Time. See Item 11.C, above.

Item 12 Brokerage Practices

- A. Brokerage Practices/Best Execution. The Firm will use various third party broker-dealer and clearing firms for client transactions.

“Soft Dollar Benefits.” The research products and services that the Firm might receive from brokers/custodians may include: financial publications, information about particular companies and industries, research software, and other products or services that provide lawful and appropriate assistance to the Firm in the performance of its investment decision-making responsibilities to its clients. Such research products and services are provided to all investment advisers who utilize the services of such brokers/custodians, and are not considered to be paid for with *soft dollars*. However, costs for particular transactions might be greater than costs associated with other brokers/custodians not providing the Firm with research services or products. While, as part of its fiduciary duties, the Firm endeavors at all times to put the interests of its clients first, clients should be aware that receipt of such products and services creates a potential conflict of interest.

Directed Brokerage. When undertaking an advisory relationship with the Firm, some clients may have a pre-established relationship with a broker-dealer that is independent of the Firm. Clients may direct that the Firm use the broker of their choice. Under these circumstances, the Firm may not have authority to negotiate commissions or obtain volume discounts, and best execution may not be achieved. In addition, a disparity in commission charges may exist between the commissions charged to that client and those charged to other clients.

Even absent a specific relationship, clients may request that brokerage transactions be directed to a particular broker or dealer. However, if the Firm believes that the use of that broker-dealer would hinder it in meeting its supervisory obligations, the Firm will not accept the account. In addition, the Firm reserves the right to decline acceptance of any client account for which the client directs the use of a broker-dealer if the Firm believes that this choice would hinder it in the performance of its fiduciary duty to the client and/or its ability to service the account.

- B. Trade Aggregation. The Firm may aggregate trades for its clients and may include trades for its supervised persons with client trades only when it is consistent with the Firm’s duty to seek best execution (which includes the duty to seek best price under prevailing conditions) for its clients and is consistent with the terms of the Firm’s Investment Advisory Agreement with each client.

Item 13 Review of Accounts

- A. Periodic Review of Accounts. While the underlying securities within client accounts are continuously monitored, these accounts are reviewed regularly by the client's investment manager. Additionally, Flavio Paparella, the Firm's Chief Executive Officer, will perform an annual review of clients' accounts to ensure they are within each client's stated investment objectives and guidelines.
- B. More Frequent Review of Accounts. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.
- C. Reports to Clients. The custodian for client accounts will provide monthly or quarterly account statements. The Firm will review the custodial statements for each client. Flavio Paparella (CEO and CCO) will be available at all times to consult with clients regarding their accounts. Customized reports may be provided, depending on the nature of the relationship. The Firm will provide client accounts with more frequent reports at the request of a client.

Item 14 Client Referrals and Other Compensation

- A. Client Referrals. The Firm may pay a fee to third party solicitors for the introduction of new clients, consistent with the requirements of \_\_\_\_ under the Investment Advisers Act. Fees paid for such introduction will be paid *solely* from the Firm's investment management fee and *shall not result in any additional charge to the client*. The investment advisor representative shall provide each prospective client with a written copy of this disclosure brochure.

Apart from its role as an investment adviser, the Firm or its Associated Persons may receive a fixed or hourly fee from banks, broker-dealers or others as compensation for acting as a consultant. Such fees, if any, will not be transaction-based compensation requiring broker-dealer registration. To the extent such fees are related to transactions in client accounts, clients will be informed of the fees.

Other Compensation. The Firm does not have other compensation arrangements.



#### Item 15 Custody

With the client's consent, the Firm directly debits the client's account(s) for the payment of its advisory fees. This ability to deduct advisory fees from client accounts causes the firm to exercise only *limited custody* over your funds or securities. The Firm will not have physical custody of client funds and/or securities. Those funds and securities will be held with a bank, broker-dealer, or other independent, qualified custodian. Clients will receive account statements from the independent, qualified custodian(s) holding their funds and securities at least quarterly. The account statements from the custodian(s) will indicate the amount of advisory fees deducted from each client's account(s) each billing period. Clients should carefully review account statements for accuracy. The Firm will also provide client invoices reflecting the amount of advisory fees deducted from each client account.

*Clients should compare the Firm's invoices with the statements from their account custodian(s) to confirm the information reflected on each statement.* Any client with questions regarding their account statement or who did not receive a statement from their custodian, is urged to please contact Flavio Paparella, CEO and CCO, at (305) 331-6710 or [flavio.paparella@bandpadvisors.com](mailto:flavio.paparella@bandpadvisors.com).

#### Item 16 Investment Discretion

Discretionary Authority: The Firm manages client accounts on both discretionary and non-discretionary bases. For discretionary accounts, the Firm will have a limited power of attorney authorizing it to invest the capital within a client's account. Once executed, the power of attorney grants the Firm sole discretion regarding the timing, allocation, and extent of each investment for the duration of the advisory contract. This discretion has no effect on the custody of the client's assets, which may be with another entity or the client themselves.

#### Item 17 Voting Client Securities

As a matter of policy and practice, the Firm does not vote proxies on behalf of advisory clients. Clients, or in some instances, another advisor or a custodian, retain the responsibility for receiving and voting proxies for securities maintained in their portfolios.

Item 18 Financial Information

- A. Pre-Payment of Fees. The Firm does not accept prepaid fees.
- B. Discretionary Authority. The Firm will have discretionary authority over certain of its client accounts. The Firm has no financial condition that is reasonably likely to impair its ability to meet its contractual commitments to its clients.
- C. Bankruptcy. Neither the Firm nor any of its related persons have ever been the subject of a bankruptcy petition.

Item 19 Requirements for State-Registered Advisers

The firm is not registered or registering with any state at this time.