

Form ADV Part 2A – Firm Brochure



stockflare

Stockflare USA, Inc.
2711 Centerville Road, Suite 400,
Wilmington DE 19808

Effective: 24th March 2016

This Brochure provides information about the qualifications and business practices of Stockflare USA, Inc. ("Stockflare USA"). If you have any questions about the contents of this Brochure, please contact us via our website at stockflare.com.

Stockflare USA is a Registered Investment Advisor with the U.S. Securities and Exchange Commission ("SEC"). The information in this Disclosure Brochure has not been approved or verified by the SEC or by any state securities authority. Registration of an investment advisor does not imply any specific level of skill or training. This Disclosure Brochure provides information through Stockflare USA to assist you in determining whether to retain the Advisor.

Additional information about Stockflare USA and its advisory persons are available on the SEC's website at www.adviserinfo.sec.gov. To review the firm information for Stockflare USA, you may search by our business name or by our CRD # 242787.

Item 2: Material Change

Initial Filing

Stockflare USA is a new Registered Investment Advisor. This is the initial filing of the Disclosure Brochure.

Future Changes

From time to time, we may amend this Disclosure Brochure to reflect changes in our business practices, changes in regulations and routine annual updates as required by the securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to each Client annually and when a material change occurs in the business practices of Stockflare USA.

Item 3: Table of Contents

Item 2: Material Change	2
Initial Filing	2
Future Changes	2
Item 3: Table of Contents.....	3
Item 4: Advisory Services	4
A. Firm Information	4
B. Advisory Services Offered	4
<i>Investment Management Services</i>	<i>4</i>
<i>Limited Access to Advisor.....</i>	<i>5</i>
<i>Consulting Services</i>	<i>5</i>
C. Client Account Management.....	5
D. Wrap Fee Programs	6
E. Assets Under Management	6
Item 5: Fees and Compensation	7
A. Fees for Advisory Services	7
<i>Investment Management Services</i>	<i>7</i>
B. Fee Billing.....	7
<i>Investment Management Services</i>	<i>7</i>
<i>Payment methods.....</i>	<i>7</i>
C. Other Fees and Expenses	8
D. Advanced Payment of Fees and Termination.....	9
<i>Investment Management Services</i>	<i>9</i>
E. Compensation for Sales of Securities	9
Item 6: Performance-Based Fees and Side-by-Side Management	10
Item 7: Types of Clients.....	10
Item 8: Methods of Analysis, Investment Strategies and Risk of Loss	10
A. Methods of Analysis	10
B. Risk of Loss	10
Item 9: Disciplinary Information	11
Item 10: Other Financial Industry Activities and Affiliations	11
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	11
Item 12: Brokerage Practices	12
A. Recommendation of Custodian.....	12
B. Aggregating and Allocating Trades	13
Item 13: Review of Accounts.....	13
Item 14: Client Referrals and Other Compensation	13
Item 15: Custody	14
Item 16: Investment Discretion.....	14
Item 17: Voting Client Securities	14
Item 18: Financial Information.....	14

Item 4: Advisory Services

A. Firm Information

Stockflare USA, Inc. (“Stockflare USA” or the “Advisor”) is a Registered Investment Advisor with the U.S. Securities and Exchange Commission (“SEC”) conducting business as an “Internet-only” advisor pursuant to Section 203A-2(e) of the Investment Advisers Act of 1940, as amended (the “Advisers Act”).

Stockflare USA is organized as a Corporation under the laws of the State of Delaware. Stockflare USA was founded on 17th February 2016 as a wholly-owned subsidiary of Stockflare Limited, a limited liability company registered in England, UK. Further details on Stockflare Limited can be viewed at any time at the UK’s Companies House website at companieshouse.gov.uk.

This Disclosure Brochure provides information regarding the qualifications, business practices, and the advisory services provided by Stockflare USA.

B. Advisory Services Offered

Stockflare USA provides a service to individuals at its website at stockflare.com and via its applications. Visitors of the website and applications (herein “Users”) have access to market data on listed equities in the United States and globally, online financial tools, alerts and educational materials.

Users may also opt to become investment advisory clients of Stockflare USA by entering into an investment advisory agreement. Users that opt into this subscription service for investment advisory services are each herein referred to as a “Client”.

Stockflare USA restricts its investment advisory services to listed-equities. The Advisor does not provide any services related to mutual funds, bonds, real estate, commodities, derivatives, hedge funds, private equity, futures, options, currencies or any other investments. Stockflare USA’s exclusive focus is listed-equities.

Investment Management Services

Stockflare USA offers computer software-based algorithms that provides Clients with investment advice on the quality of their investments in listed equities, the relative allocations of their equity portfolio across sectors, the concentration of their equity portfolio in any single equity, information alerts on their invests, all based on personalized information that each Client enters through the website or application.

In addition to entering their data manually, Clients have the option to connect and synchronize their existing or new broker-deal account(s) to Stockflare USA, to facilitate the automated entering and updating of their personalized

information. Stockflare USA's investment advice is limited to the personalized information provided by the Client.

Stockflare USA's algorithms are designed to provide investment recommendations and personal investment related data to Clients based on such Client's trading patterns, existing and historic individual equity portfolio investments, their stated financial goals and risk profile.

Stockflare USA's service allows Clients to:

- Synchronize equity portfolio data from brokerage accounts and review it in an easily accessible interface;
- Track and analyze equity holdings;
- Receive analysis and/or recommendations on their equity holdings;
- Calculate equity portfolio performance and other analytics;
- Create and edit mock equity portfolios and watchlists;
- Receive analysis and/or recommendations on their trading style and trading behaviors.

Limited Access to Advisor

The Advisor serves as an "Internet-Only" investment advisor pursuant to Section 203A-2(e) of the Advisers Act. Under this registration the Advisor provides its investment advisory solely through its website and applications. The Advisor is not available to Clients for telephone conversations or communications through other means such as U.S. mail, courier or email (other than operational emails). The Advisor does not meet with Client's at its offices. All advice, support and inquiries are delivered through the Advisor's website and applications.

The Advisor may, for a limited number of Clients annually, provide customized services, subject to the limitations set forth in Section 203A-2(e) of the Advisers Act.

Consulting Services

The Advisor generally does not offer formal financial planning services.

In connection with its advisory services, Stockflare USA may provide a variety of financial consulting services to Clients, on an "as needed basis", through its website and applications. Services are offered in several areas of a Client's financial situation, depending on their goals, objectives and financial situation.

C. Client Account Management

Prior to engaging Stockflare USA to provide investment advisory services, each Client is required to enter into an investment advisory agreement with the Advisor that defines the terms, conditions, authority and responsibilities of the Advisor and the Client. These services may include:

- Establishing an Investment Policy – Stockflare USA will provide the Client with interactive tools to assist the Client in defining their own investment goals and objectives themselves.
- Asset Allocation – Stockflare USA’s tool will help the Client develop their own strategic asset allocation themselves that is targeted to meet the investment objectives, time horizon, financial situation and tolerance for risk for each Client.
- Portfolio Construction – Stockflare USA’s tool will help the Client develop their own portfolio themselves that is intended to meet the stated goals and objectives of the Client.
- Investment Management and Supervision – Stockflare USA’s algorithms will provide ongoing investment oversight of the Client’s portfolio.

D. Wrap Fee Programs

Stockflare USA does not manage or place Client assets into a wrap fee program.

E. Assets Under Management

Stockflare USA is a newly established advisor.

Today there are no assets under management. Clients may request more current information at any time by contacting the Advisor.

Item 5: Fees and Compensation

The following paragraphs detail the fee structure and compensation methodology for services provided by the Advisor. Each Client shall enter into an investment advisory agreement that details the responsibilities of Stockflare USA and the Client.

A. Fees for Advisory Services

Investment Management Services

Investment advisory fees may be billed directly by Stockflare USA as outlined in the terms of the investment advisory agreement. Fees are typically billed monthly, at the end of each month. The investment advisory fee is \$5 a month. The Client will be charged for the total fee, plus all applicable taxes.

Investment advisory fees in the first month of service are prorated from the inception date of the account to the end of the first month.

The Client's fees do not take into consideration the aggregate assets under management with Advisor. All Clients are served equally regardless of their assets.

B. Fee Billing

Investment Management Services

The Advisor makes information regarding the Client's account and fees available to the Client via our website and applications.

Investment advisory fees will be charged to the Client's preferred payment method. The Advisor shall send an invoice to the Client indicating the amount of the fees to be charged to the Client for the respective billing period.

Payment methods

Clients are required to remit payment for the Advisor's services by using a valid credit or debit card (the "Payment Card"). The Client is solely responsible for any and all fees charged to the Client's Payment Card by the issuer, bank or financial institution including, but not limited to, membership, overdraft, and insufficient funds and over-the-credit limit fees.

If the Client's Payment Card for any reason will not accept charges for any fee, the Client has a period of nine days from the date that the Client's Payment Card was declined to make the Client's Payment Card information valid by either rectifying the issue with the Payment Card issuer or providing new Payment Card information at stockflare.com. If the Advisor is able to charge the Client's Payment Card (existing or new if the Client has provided new Payment Card information) during the fifteen-day period, then the Services will continue

uninterrupted. If the Advisor is unable to charge the Client's Payment Card, within the fifteen-day period, then the Services will be indefinitely suspended beginning on the sixteenth day from the date the Client's Payment Card was initially declined.

The Client authorizes the Advisor and/or its authorized agent to transact payments on the Client's behalf for the payment of an advisory fee. In addition, if the Client authorizes the Advisor to do so, we will retain the Client's credit card information in its database to facilitate the Client's checkout process for future premium content transactions.

If the Client fraudulently reports the Client's Payment Card as stolen, or the Client fraudulently reports that an authorized charge by the Advisor and/or its authorized agent is unauthorized, the Advisor may, in its sole discretion, pursue any available rights or remedies at law or in equity, including, without limitation, the right to terminate the Client's Investment Advisory Agreement and the Client's ability to use the Services.

The Advisor will accept only the following credit and debit cards for purchases of Services: MasterCard, Visa, Discover and American Express. The Advisor reserves the right to change the Payment Methods accepted at any time, at its sole discretion, without prior notice.

C. Other Fees and Expenses

Clients may incur certain fees or charges imposed by third parties, other than Stockflare USA.

The Client is responsible for all custodial and securities execution fees charged by their own executing broker-dealer. The investment advisory fee charged by Stockflare USA is separate and distinct from these custody and execution fees. Accordingly, the Client should review both the fees charged by their executing broker-dealer and the fees charged by Stockflare USA to fully understand the total fees to be paid.

In addition, all fees paid to Stockflare USA for investment advisory services are separate and distinct from the expenses charged by mutual funds and exchange-traded funds ("ETFs") to their shareholders, should the Client invest in mutual funds or ETFs. A Client could invest in these products directly, without the services of Stockflare USA, but would not receive the services provided by Stockflare USA. Accordingly, the Client should review both the fees charged by the funds and the fees charged by Stockflare USA to fully understand the total fees to be paid.

D. Advanced Payment of Fees and Termination

Investment Management Services

Stockflare USA is typically not compensated for its services in advance. A Client's Payment Card is charged at the end of each month.

Clients may terminate their investment advisory agreement with Stockflare USA, in whole or in part, by providing notice at stockflare.com. The Client shall be responsible for investment advisory fees up to and including the effective date of termination.

The Client's investment advisory agreement with the Advisor is non-transferable without the Client's written approval.

E. Compensation for Sales of Securities

Stockflare USA does not buy or sell securities and does not receive any compensation for securities transactions.

Item 6: Performance-Based Fees and Side-by-Side Management

Stockflare USA does not charge performance-based fees for its investment advisory services.

Stockflare USA does not manage any proprietary investment funds or limited partnerships (for example, a mutual fund or a hedge fund) and has no financial incentive to recommend any particular investment options to its Clients.

Item 7: Types of Clients

Stockflare USA offers investment advisory and related services to individuals through our website and applications. The relative percentage of each type of Client is available on Stockflare USA's Form ADV Part 1. These percentages will change over time.

Stockflare USA does not impose a minimum account size or assets per Client for establishing a relationship.

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

A. Methods of Analysis

Stockflare USA generally recommends a long-term investment strategy for its Clients. Among the analytical methods Stockflare USA uses in formulating investment advice are charting, technical, behavioral, fundamental and cyclical analyses.

Clients receiving advice from Stockflare USA may employ any investment strategy including, but not limited to long-term purchases, short-term purchases, short-term trading, short sales, margin transactions and options trading. However, Stockflare USA generally recommends a long-term investment strategy over all other investments strategies.

B. Risk of Loss

Past performance is not a guarantee of future returns. Investing in equity securities involves certain investment risks. Equity securities may fluctuate in value or lose value.

Stockflare USA's algorithms assist Clients in their determining an appropriate strategy themselves based on their tolerance for risk and other factors.

However, there is no guarantee that a Client will meet their investment goals. Investing in equity securities involve a risk of loss that each Client should understand and be willing to bear.

Item 9: Disciplinary Information

There are no legal, regulatory or disciplinary events involving Stockflare USA or any of its employees. There are no legal, regulatory or disciplinary events involving Stockflare Limited or any of its employees.

As we advise all Clients, we encourage you to perform the requisite due diligence on any advisor or service provider with whom you partner. Our backgrounds are on the Investment Adviser Public Disclosure website at adviserinfo.sec.gov.

To review the firm information contained in Form ADV Part 1, select the option for “Investment Adviser Search”, then selecting “Firm” and enter **242787** in the field labeled “Firm Name or CRD# or SEC#”. This will provide access to Form ADV Parts 1 and 2. Item 11 of the Form ADV Part 1 lists legal and disciplinary disclosure questions.

Item 10: Other Financial Industry Activities and Affiliations

The sole business of Stockflare USA is to provide investment advisory services to its Clients.

However Stockflare USA’s parent, Stockflare Limited provides a website and applications globally, with market data on listed equities in the United States and globally, educational tools and other content.

Advisory persons of Stockflare USA are also involved in the non-advisory business of Stockflare Limited.

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

Stockflare USA has implemented a Code of Ethics that defines our fiduciary commitment to each Client. This Code of Ethics applies to all persons associated with Stockflare USA. The Code of Ethics was developed to provide general ethical guidelines and specific instructions regarding our duties to you, our Client. Stockflare USA and its personnel owe a duty of loyalty, fairness and good faith towards each Client. It is the obligation of Stockflare USA associates to adhere not only to the specific provisions of the Code, but also to the general principles that guide the Code. The Code of Ethics covers a range of topics that address employee ethics and conflicts of interest. To request a copy of our Code of Ethics, please contact us via our website at stockflare.com.

Stockflare USA allows our employees to purchase or sell the same securities that may be included in Client accounts. Stockflare USA does not act as principal in any transactions.

The Advisor does not act as the general partner of a fund, or advise an investment company. Stockflare USA does not have a material interest in any securities traded in Client accounts.

When trading for personal accounts, employees of Stockflare USA may have a conflict of interest if trading in the same securities. The fiduciary duty to act in the best interest of its Clients can potentially be violated if personal trades are made with more advantageous terms than Client trades, or by trading based on material non-public information. This risk is mitigated by Stockflare USA requiring reporting of personal securities trades by its employees for review by the employee's supervisor or the Chief Compliance Officer.

While Stockflare USA allows our employees to purchase or sell the same securities as a Client's, Stockflare USA's employees do not have advance notice of the securities to be purchased or sold. At no time will Stockflare USA, or any associated person of Stockflare USA, transact in any security to the detriment of any Client.

We have also adopted written policies and procedures to detect the misuse of material, non-public information. In addition the Code of Ethics governs Gifts and Entertainment given by and provided to the Advisor, outside employment activities of employees, employee reporting, sanctions for violations of the Code of Ethics, and records retention requirements for various aspects of the Code of Ethics.

Item 12: Brokerage Practices

A. Recommendation of Custodian

Stockflare USA does not have discretionary authority to select the custodian for custodial and execution services. The Client selects their broker-dealer / custodian themselves. Further, Stockflare USA does not have the discretionary authority to negotiate commissions on behalf of our Clients on a trade-by-trade basis.

Where a client does not have a broker-dealer/ custodian or seeks a new custodial and execution service, Stockflare USA may recommend a custodian to Clients for execution and/or custodial services. Clients are not obligated to use the recommended custodian. Stockflare USA may recommend a custodian based on criteria such as, but not limited to, reasonableness of commissions charged to the Client, services made available to the Client, and location of the custodian's offices. Stockflare USA does not receive research services, other products, or compensation as a result of recommending a particular broker-dealer/ custodian.

Following are additional details regarding the brokerage practices of Stockflare USA:

- **Soft Dollars** - Soft dollars are revenue programs offered by broker-dealers whereby an advisor enters into an agreement to place security trades with the broker in exchange for research and other services. Stockflare USA does not participate in soft dollar programs sponsored or offered by any broker-dealer.
- **Brokerage Referrals** – Stockflare USA does not receive any compensation from any third party in connection with the recommendation for establishing a brokerage account.
- **Directed Brokerage** – Brokerage transactions are determined through separate agreement between the Client and their broker-dealers/ custodians. Stockflare USA is not a party to these agreements.

B. Aggregating and Allocating Trades

Not applicable. Stockflare USA does not manage the underlying securities in Client accounts.

Item 13: Review of Accounts

Reviews are generally conducted at least quarterly.

Securities in Client accounts are monitored on a regular and continuous basis by our algorithms. Clients receive notifications of the results of these automated reviews by visiting our website and applications, via online alerts or via email.

The Client will also have access to their account via our website and applications. Automated reviews may be conducted by the Client more or less frequently at our website and applications.

Accounts may be reviewed as a result of major changes in economic conditions, known changes in the Client's financial situation, and/or large deposits or withdrawals in the Client's account.

Item 14: Client Referrals and Other Compensation

Stockflare USA is a subscription fee only advisory firm, who, in all circumstances, is compensated solely by the Client. Stockflare USA does not receive commissions or other compensation from product sponsors, broker-dealers or any unrelated third party.

Stockflare USA may refer Clients to various third parties to provide certain financial services necessary to meet the goals of its Clients. Likewise, Stockflare USA may receive referrals of new Clients from a third-party. Stockflare USA does not engage paid solicitors for Client referrals.

Item 15: Custody

Stockflare USA does not accept or maintain custody of any Client accounts. All Clients must place their assets with a qualified custodian.

Clients are required to select the custodian to retain their funds and securities and utilize the custodian for the Client's security transactions. Stockflare USA encourages Clients to review statements provided by the account custodian.

Item 16: Investment Discretion

Stockflare USA does not assume discretion to implement investments on behalf of its Clients.

Item 17: Voting Client Securities

Stockflare USA does not accept proxy-voting responsibility for any Client. Clients will receive proxy statements directly from their custodian.

Item 18: Financial Information

Neither Stockflare USA, nor its management, have any adverse financial situations that would reasonably impair the ability of Stockflare USA to meet all obligations to its Clients.

Neither Stockflare USA, nor any of its advisory persons, has been subject to a bankruptcy or financial compromise.

Stockflare USA is not required to deliver a balance sheet along with this Disclosure Brochure, as the Advisor does not collect fees of \$1,200 or more for services to be performed six months or more in advance.

Corporate information including financial data for our parent, Stockflare Limited is available at our website and at companieshouse.gov.uk.