

# Kings Path Partners LLC

## Firm Brochure - Form ADV Part 2A

*This brochure provides information about the qualifications and business practices of Kings Path Partners LLC. If you have any questions about the contents of this brochure, please contact us at (832) 500-3101 or by email at: [info@kingspathpartners.com](mailto:info@kingspathpartners.com). When we use the words "you", "your" and "client" we are referring to you as our client or our prospective client.*

*Kings Path Partners LLC is a registered investment adviser. The registration of an investment adviser does not imply any level of skill or training. The oral and written communications made to you by Kings Path Partners LLC, including the information contained in this brochure, should provide you with information to determine whether to hire or retain us as your adviser. 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.*

*Additional information about Kings Path Partners LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Kings Path Partners LLC's CRD number is: 269876.*

206 Brooks Street  
Sugar Land, TX, 77478  
(832) 500-3101  
[info@kingspathpartners.com](mailto:info@kingspathpartners.com)

April 4, 2017

## **Item 2: Material Changes**

Please note that there have been no “material changes” made to this brochure since our last delivery or posting of our brochure on the SEC’s public disclosure website (“IAPD”) located on the internet at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Notwithstanding the above, additional changes reflected in this version of this brochure include a number of minor editorial changes and the updated information on our assets under management.

Currently, our Brochure may be requested, free of charge, by contacting Michael Mulcahy, at (832) 500-3101. Our Brochure is also available on our web site located at [www.kingspathpartners.com](http://www.kingspathpartners.com).

### Item 3: Table of Contents

Item 1: Cover Page	
Item 2: Material Changes	i
Item 3: Table of Contents	ii
Item 4: Advisory Business	2
A. Description of the Advisory Firm	2
B. Types of Advisory Services	2
C. Client Tailored Services and Client Imposed Restrictions	3
D. Wrap Fee Programs	3
E. Assets Under Management	3
Item 5: Fees and Compensation	3
A. Fee Schedule	3
B. Payment of Fees	5
C. Client Responsibility for Third Party Fees	5
D. Prepayment of Fees	5
E. Outside Compensation for the Sale of Securities to Clients	6
Item 6: Performance-Based Fees and Side-By-Side Management	6
Item 7: Types of Clients	6
Item 8: Methods of Analysis, Investment Strategies, and Risk of Loss	6
A. Methods of Analysis and Investment Strategies	6
B. Material Risks Involved	7
C. Risks of Specific Securities Utilized	8
Item 9: Disciplinary Information	9
A. Criminal or Civil Actions	9
B. Administrative Proceedings	9
C. Self-regulatory Organization (SRO) Proceedings	9
Item 10: Other Financial Industry Activities and Affiliations	9
A. Registration as a Broker/Dealer or Broker/Dealer Representative	9
B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Adviser	10
C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests	10
D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections	10
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	10
A. Code of Ethics	10
B. Recommendations Involving Material Financial Interests	11
C. Investing Personal Money in the Same Securities as Clients	11
D. Trading Securities At/ Around the Same Time as Clients' Securities	11

Item 12: Brokerage Practices.....	11
A.    Factors Used to Select Custodians and/or Broker/Dealers .....	11
1.    Research and Other Soft-Dollar Benefits .....	12
2.    Brokerage for Client Referrals.....	12
3.    Clients Directing Which Broker/Dealer/Custodian to Use.....	12
B.    Aggregating (Block) Trading for Multiple Client Accounts .....	13
Item 13: Reviews of Accounts .....	13
A.    Frequency and Nature of Periodic Reviews and Who Makes Those Reviews .....	13
B.    Factors That Will Trigger a Non-Periodic Review of Client Accounts.....	13
C.    Content and Frequency of Regular Reports Provided to Clients.....	13
Item 14: Client Referrals and Other Compensation.....	14
A.    Economic Benefits Provided by Third Parties for Advice Rendered to Clients).....	14
B.    Compensation to Non – Advisory Personnel for Client Referrals.....	14
Item 15: Custody .....	14
Item 16: Investment Discretion .....	14
Item 17: Voting Client Securities (Proxy Voting).....	14
Item 18: Financial Information.....	15

## **Item 4: Advisory Business**

### ***A. Description of the Advisory Firm***

Kings Path Partners LLC (hereinafter “KPP”, “Firm”, “we” or “our”) is a Limited Liability Company organized in the State of Texas.

The firm was formed in May 2015, and the principal owner is Michael Mulcahy.

### ***B. Types of Advisory Services***

#### **Investment Management Services**

KPP offers ongoing investment management services based on such inputs as the goals, objectives, time horizon, tax situation, restrictions, and risk tolerance of each client. KPP creates an Investment Strategy for each client, which outlines the client’s current situation (including such items as income, tax levels, restrictions, charitable objectives, and risk tolerance levels). Investment management services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Investment policy
- Asset and manager selection
- Regular portfolio monitoring and reporting

KPP evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. KPP will request discretionary authority from clients in order to select investments and execute transactions without permission from the client prior to each transaction. Risk tolerance levels are documented in the Investment Strategy, which is developed with and given to each client.

KPP seeks to provide investment decisions that are made in accordance with the fiduciary duties owed to its accounts and without consideration of KPP’s economic, investment or other financial interests. To meet our fiduciary obligations, KPP attempts to avoid, among other things, investment or trading practices that systematically advantage or disadvantage certain client portfolios, and accordingly, KPP’s policy is to seek fair and equitable allocation of investment opportunities/transactions among its clients to avoid favoring one client over another over time. It is KPP’s policy to allocate investment opportunities and transactions it identifies as being appropriate and prudent among its clients on a fair and equitable basis over time.

## Investment Planning and Oversight Services

KPP provides holistic investment planning and oversight for clients. This service generally entails the coordination and management of a client's entire investment services and include such activities as:

- Developing and implementing a total investment strategy which considers all investments including but not limited to publicly-traded securities, private investments (e.g. hedge funds, venture funds), retirement accounts, life insurance, real estate and commodities.
- Managing and implementing discretionary and non-discretionary investment management services
- Reviewing and maintaining critical contracts, documents and records.
- Coordination and managing external financial commitments.
- Reviewing performance of third party managers and investments
- Developing and maintaining a Family Continuity Plan.

## Selection of Other Advisers

KPP may direct clients to third-party investment advisers. Before selecting other advisers for clients, KPP will always ensure those other advisers are properly licensed or registered as investment advisers.

## Pension Consulting Services

KPP offers ongoing consulting services to pension or other employee benefit plans (including but not limited to 401(k) plans) based on the demographics, goals, objectives, time horizon, and/or risk tolerance of the plan's participants. Pension consulting services are provided on a discretionary or non-discretionary basis, as determined by the client. Where such services are provided on a non-discretionary basis, KPP does not perform trades as part of its pension consulting services.

## Consulting Services and Family Office Services

KPP provides outsourced chief financial officer and consulting services for individuals, families, businesses and foundations. These services may include such things as: Investment Committee coordination; Family Office administration, budgeting and planning; Estate and Tax coordination with client's CPAs and attorneys; and philanthropic planning and execution.

## Services Limited to Specific Types of Investments

KPP generally limits its investment advice to mutual funds, ETFs, treasury inflation protected/inflation linked bonds, fixed income, and private investments such as venture

capital, real estate, private equity and hedge funds. KPP may use other securities and investable assets as well to help diversify a portfolio when applicable.

### ***C. Client Tailored Services and Client Imposed Restrictions***

With the exception of consulting and family office services, KPP offers the same suite of services to all of its clients. With respect to consulting and family services, KPP generally only offers those services to high net worth clients, pension plans and foundations. However, specific client investment strategies and their implementation are dependent upon the client's Investment Strategy, which outlines each client's current situation (income, tax levels, and risk tolerance levels). Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent KPP from properly servicing the client account, or if the restrictions would require KPP to deviate from its standard suite of services, KPP reserves the right to end the relationship.

### ***D. Wrap Fee Programs***

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and other administrative fees. KPP does not participate in any wrap fee programs. KPP has the following assets under management:

### ***E. Assets Under Management***

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$94,787,415	\$417,738,159	March 2017

## **Item 5: Fees and Compensation**

### ***A. Fee Schedule***

#### **Asset-Based Fees for Investment Management**

Total Assets Under Management	Annual Fee
\$0 - \$2,500,000	0.95%
\$2,500,001 - \$5,000,000	0.75%
\$5,000,001 - \$10,000,000	0.60%

\$10,000,001 - \$20,000,000	0.50%
\$20,000,001 - \$50,000,000	0.40%
\$50,000,001 and over	Negotiable

These fees are generally negotiable, based upon a number of factors, including the size of the portfolio, services requested, and portfolio assets; however, the final fee schedule is attached as an Exhibit to the Investment Advisory Contract. Clients may terminate the agreement without penalty for a full refund of KPP's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract generally with 30 days' written notice. There is no penalty imposed on the client in connection with the termination of the Investment Advisory Contract.

We generally bill our fees on a monthly basis, in arrears; however, some clients may opt for other billing methods, such as quarterly. In any event, the specific methodology in which the fees are charged will be described in the Investment Advisory Contract. KPP uses the value of the account as of the last business day of the billing period (as reflected account statements generated by the custodian), after generally taking into account deposits and withdrawals, for purposes of determining the market value of the assets upon which the advisory fee is based. For each billing period (e.g. monthly), the annual fee rate is divided by the number of calendar days in the year, then multiplied by the number of calendar days in the period (e.g. month) to determine the period rate. The period rate is then multiplied by the value of the Account on the last calendar day of the billing period to determine fees.

#### Selection and Management of Other Advisers Fees

KPP may assist clients in the hiring and management of third-party investment advisers. KPP will not be compensated via a fee share or any other structure from the advisers to which it directs those clients. KPP provides these services at rates described under both "Asset-Based Fees for Portfolio Management" (described above) or for hourly or retainer fees described in Consulting Fees and Family Office Services Fees (described below).

#### Investment Planning, Oversight Services and Pension Consulting Fees

KPP offers Investment Planning, Investment Oversight and Pension Consulting services for high-net worth clients as well as foundations and pensions. Fees for these services are highly variable depending on the range of services provided, and may be included in Asset-Based Fees for Investment Management (as described above.) Otherwise, these fees are generally fixed monthly rates, but may be hourly or per event for one-time events and special projects. These fees are generally negotiable; however, the final fee schedule is attached as an Exhibit to the Investment Advisory Contract. Additionally, there is a minimum fee of \$25,000 per year for these services.



## Consulting and Family Office Services Fees

### Hourly and Flat Fees

The hourly fee for these services generally ranges between \$150 and \$400, depending on the consultant(s) assigned provide these services. These fees are negotiable. Some clients may opt for a monthly or quarterly billing, which may be adjusted periodically for hours of services actually provided. Each contract will describe the fees and services.

### ***B. Payment of Fees***

#### Payment of Investment Management Fees

Investment management fees generally are withdrawn directly from the client's accounts with client's written authorization on a monthly basis. Fees are paid in arrears. If a client's custodial relationship does not provide for direct payment or if desired by client, then client will be invoiced.

Some clients may opt for invoicing or quarterly billing. These methods will be addressed in each client's Investment Advisory Agreement.

#### Payment of Investment Planning and Oversight Services

Fees for these services are generally invoiced and payable monthly, in arrears.

#### Payment of Consulting and Family Office Services Fees

Hourly and or flat fees for Consulting and Family Office Services are generally invoiced and payable monthly, in arrears.

### ***C. Client Responsibility for Third-Party Fees***

Clients are responsible for the payment of all third-party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by KPP. Please see Item 12 of this brochure regarding broker-dealer/custodian.

### ***D. Prepayment of Fees***

KPP collects its fees in arrears. It does not collect fees in advance.

The timing, frequency, and method of paying fees for selection of third-party managers will depend on the specific third-party adviser selected and will be disclosed to the client

prior to entering into a relationship with the third-party adviser.

### ***E. Outside Compensation for the Sale of Securities to Clients***

Neither KPP, nor its supervised persons, accept any compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

## **Item 6: Performance-Based Fees and Side-By-Side Management**

KPP does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client, nor do we engage in side-by-side management.

## **Item 7: Types of Clients**

KPP generally provides advisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Charitable Organizations
- ❖ Trusts
- ❖ Retirement Trusts
- ❖ Corporations or Business Entities

### **Minimum Account Size**

The minimum account size for KPP's Investment Management services is \$1 million.

The minimum account size for KPP's Investment Planning and Oversight Services is \$5 million.

The minimum account size for KPP's Consulting and Family Office Services is \$10 million.

These minimums may be waived by KPP, in its sole discretion, for accounts which are affiliated with larger account relationships and or have growth expectations.

### **Methods of Analysis**

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

### ***A. Methods of Analysis and Investment Strategies***

KPP's method of analysis is generally quantitative in nature driven by academic research, statistics and modern portfolio theory.

**Quantitative analysis** deals with measurable factors generally defined by academic research and assessed with statistical models that analyze the returns, risk and correlation of various asset classes and factors across different market cycles as distinguished from qualitative considerations such as the character of management or the state of employee morale.

For taxable clients, KPP seeks to pursue effective tax management strategies through the implementation of strategies such as tax lot management, avoiding short-term trading, avoiding buying dividends, and the offsetting of gains with losses when possible and in the best interests of the client.

For all clients, KPP maintains a diligent watch on overall costs related to the funds and strategies utilized. KPP makes use of ETFs, low-cost mutual funds, and indexes when possible to achieve the overall Investment Plan or Investment Policy Statement objectives.

### Investment Strategies

KPP generally takes long positions in mutual funds, ETFs, various fixed income instruments as well as private investment vehicles. Some of these investment instruments may implement leverage, shorting, options or other derivative investments to execute their strategy.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## B. Material Risks Involved

### *Methods of Analysis*

**Quantitative Model Risk:** Investment strategies using quantitative models may perform differently than expected as a result of, among other things, the factors used in the models, the weight placed on each factor or asset class, changes from the factors' or asset class's historical trends, and technical issues in the construction and implementation of the models.

### Investment Strategies

**Long term trading** is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

Investment Manager risk is the risk that the manager of any utilized investment product such as mutual fund or ETF may not perform according to expectations. KPP monitors the performance of the underlying funds and their managers versus expectations; however, there is no guarantee that such change or deviation in strategy by manager will or can be detected in advance.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### ***C. Risks of Specific Securities Utilized***

Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) are not guaranteed or insured by the FDIC or any other government agency.

**Mutual Funds:** Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond “fixed income” nature (lower risk) or stock “equity” nature.

**Exchange Traded Funds (ETFs):** An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance.

**Real Estate funds** (including REITs) face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; and the impact of present or future environmental legislation and compliance with environmental laws.

**Hedge Funds** often engage in leveraging and other speculative investment practices that may increase the risk of investment loss; can be highly illiquid; are not required to provide periodic pricing or valuation information to investors; may involve complex tax structures and delays in distributing important tax information; are not subject to the same regulatory requirements as mutual funds; and often charge high fees. In addition, hedge funds may invest in risky securities and engage in risky strategies.

**Private Equity Funds:** In addition to the risks associated with hedge funds, there are risks specifically associated with investing in private equity. Capital calls will be made on short notice, and the failure to meet capital calls can result in significant adverse consequences, including but not limited to a total loss of investment.

**Venture Capital Funds** invest in start-up companies at an early stage of development in the interest of generating a return through an eventual realization event; the risk is high as a result of the uncertainty involved at that stage of development.

**Private Placements** carry a substantial risk as they are subject to less regulation than publicly offered securities, the market to resell these assets under applicable securities laws may be illiquid, due to restrictions, and liquidation may be taken at a substantial discount to the underlying value or result in the entire loss of the value of such assets.

**Past performance is not indicative of future results. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **Item 9: Disciplinary Information**

### ***A. Criminal or Civil Actions***

Neither KPP, nor our advisory representatives, have any criminal or civil actions to report.

### ***B. Administrative Proceedings***

Neither KPP, nor our advisory representatives, have any administrative proceedings to report.

### ***C. Self-regulatory Organization (SRO) Proceedings***

Neither KPP, nor our advisory representatives, have any self-regulatory organization proceedings to report.

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

### ***A. Registration as a Broker/Dealer or Broker/Dealer Representative***

Neither KPP, nor its advisory representatives, are registered as, or have pending applications to become, a broker/dealer or a representative of a broker/dealer.

***B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor***

Neither KPP, nor its advisory representatives, are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

***C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests***

There are no other registration relationships that are material to our advisory business.

***D. Selection of Other Advisers or Managers and Compensation for Those Selections***

KPP may utilize third-party investment advisers for certain investments such as separately managed accounts or fund of fund products. KPP receives no compensation from such managers.

These investments are still deemed managed by KPP management.

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

***A. Code of Ethics***

KPP has adopted a written Code of Ethics to ensure that securities transactions by our employees are consistent with our fiduciary duty to our clients, and to ensure compliance with both the legal requirements and our standards of business conduct. To that end, the Code of Ethics specifically addresses the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. KPP's Code of Ethics is available at no cost, upon request by any client or prospective client.

***B. Recommendations Involving Material Financial Interests***

KPP does not recommend that clients buy or sell any security in which a person or entity related to KPP or KPP has a material financial interest.

### ***C. Investing Personal Money in the Same Securities as Clients***

From time to time, representatives of KPP may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of KPP to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. KPP will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

### ***D. Trading Securities At/Around the Same Time as Clients' Securities***

From time to time, representatives of KPP may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of KPP to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, KPP will never engage in trading that operates to the client's disadvantage if representatives of KPP buy or sell securities at or around the same time as clients.

## **Item 12: Brokerage Practices**

### ***A. Factors Used to Select Custodians and/or Broker/Dealers***

KPP generally recommends either National Financial ("Fidelity"), TD Ameritrade, Inc. ("TD") or Charles Schwab & Co., Inc. ("Schwab") as qualified custodians for our clients. Each is registered with the SEC, a member of the Financial Industry Regulatory Authority and a member SIPC. KPP is independently owned and operated and not affiliated with Fidelity, TD, or Schwab.

Fidelity, TD and Schwab were selected by KPP as recommended qualified custodians for our clients based upon a wide range of factors, including, among others, the following:

- combination of transaction execution services along with asset custody services (generally without a separate fee for custody);
- capability to execute, clear and settle trades (buy and sell securities for client account);
- capabilities to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.);

- breadth of investment products made available (stocks, bonds, mutual funds, exchange traded funds (ETFs), etc.);
- quality of services;
- competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate them; and,
- reputation, financial strength and stability of the provider.

While the Adviser recommends that client use either Fidelity, TD, or Schwab as custodian/broker, client will decide whether to do so and open a client account with Fidelity, TD or Schwab by entering into an account agreement directly with them. Fidelity, TD or Schwab will custody client assets in a brokerage account, and will buy and sell securities when instructed by the Adviser. Clients will not necessarily pay the lowest commission or commission equivalent.

KPP will never charge a premium or commission on transactions, beyond the actual cost imposed by the broker-dealer/custodian.

#### Research and Other Soft-Dollar Benefits

KPP receives no research, product, or services other than execution from broker-dealers or custodians in connection with client securities transactions ("soft dollar benefits").

#### Brokerage for Client Referrals

KPP receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

#### Clients Directing Which Broker/Dealer/Custodian to Use

KPP may permit clients to direct it to execute all or a portion of transactions through a specified broker-dealer. If a client directs brokerage, then the client will be required to acknowledge in writing that the client's direction with respect to the use of brokers supersedes any authority granted to KPP to select brokers and negotiate transaction fees for the client account. When a client directs us to use a specific broker can pay higher or lower fees such as commissions, commission equivalents, mark-ups, mark-downs, dealer spreads, credits or otherwise, and can receive less or more favorable execution services than if the client did not direct transactions to a particular broker. Not all investment advisers allow their clients to direct brokerage.

### ***B. Aggregating (Block) Trading for Multiple Client Accounts***

KPP does not aggregate or bunch the securities to be purchased or sold for multiple clients. This may result in less favorable prices, particularly for illiquid securities or during volatile market conditions.



## **Item 13: Reviews of Accounts**

### ***A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews***

All client accounts for KPP's advisory services provided on an ongoing basis are reviewed at least monthly by Michael Mulcahy, President, or his designee with regard to clients' respective investment policies and risk tolerance levels. All accounts at KPP are assigned to this reviewer.

### ***B. Factors That Will Trigger a Non-Periodic Review of Client Accounts***

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

### ***C. Content and Frequency of Regular Reports Provided to Clients***

KPP clients should receive statements from the qualified custodian that holds and maintains client's investment assets, at least quarterly. Those statements detail the client's account, including assets held, asset value, and calculation of fees. KPP will also provide, at least quarterly, a separate written report to the client. Clients are urged to carefully review such statements and compare such official custodial records to the account statements that we or your money manager provide to you. Our statements vary from custodial statements based on accounting procedures, reporting dates, valuation methodologies of certain securities and reporting formats.

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

### ***A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients***

KPP does not receive any economic benefit, directly or indirectly from any third party for advice rendered to KPP's clients.

### ***B. Compensation to Non – Advisory Personnel for Client Referrals***

KPP does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

## **Item 15: Custody**

KPP does not maintain custody of client securities, as we do not receive delivery of any client securities in its advisory capacity; however, when advisory fees are deducted directly from client accounts at client's custodian, KPP will be deemed to have limited custody of client's assets. This custody is due solely to your written authorization to the Custodian that allows us to directly withdraw our advisory fees from your account; however, this limited custody does not entail all of the same legal and regulatory requirements as an investment adviser with full custody of clients' funds and securities. Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy.

## **Item 16: Investment Discretion**

KPP provides discretionary and non-discretionary investment advisory services to clients. The Investment Advisory Contract established with each client sets forth the discretionary authority for trading. Where investment discretion has been granted, KPP generally manages the client's account and makes investment decisions without consultation with the client as to when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, what securities to buy or sell, or the price per share.

## **Item 17: Voting Client Securities (Proxy Voting)**

As a matter of firm policy and practice, KPP does not have any authority to, and we do not, vote proxies on behalf of our advisory clients. You retain the responsibility for

receiving and voting proxies for any and all securities maintained in your portfolios. You will receive proxies and other solicitations directly from the custodian or transfer agent for your investments and may contact them related to any inquiries.

#### **Item 18: Financial Information**

KPP is required to provide you with certain financial information or disclosures about any financial condition which would impede our ability to provide the advisory services described herein. As KPP has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding, and we do not require or solicit prepayment of more than \$1200 in fees per client, six months or more in advance, we have no additional material additional financial disclosures.