

Item 1: Cover Sheet

**FORM ADV PART 2A
INFORMATIONAL BROCHURE**



C O R D A T U S

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This brochure provides information about the qualifications and business practices of Cordatus Wealth Management LLC if you have any questions about the contents of this brochure, please contact us at (215) 579-5981 or via email at jbass@cordatuswealth.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Our registration does not imply a certain level of skill or training.

Additional information about Cordatus Wealth Management LLC (CRD# 282871) is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: Statement of Material Changes

Cordatus Wealth Management LLC (“Cordatus” or “the Firm”) is required to note any material changes to its Form ADV. There are no material changes to report.

Item 3: Table of Contents

TABLE OF CONTENTS

Item 1: Cover Sheet.....	1
Item 2: Statement of Material Changes.....	2
Item 3: Table of Contents.....	3
Item 4: Advisory Business	4
Item 5: Fees and Compensation	6
Item 6: Performance-Based Fees.....	8
Item 7: Types of Clients	8
Item 8: Methods of Analysis, Investment Strategies and Risk of Loss.....	9
Item 9: Disciplinary Information.....	12
Item 10: Other Financial Industry Activities and Affiliations.....	13
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	14
Item 12: Brokerage Practices	14
Item 13: Review of Accounts.....	16
Item 14: Client Referrals and Other Compensation	16
Item 15: Custody	16
Item 16: Investment Discretion	17
Item 17: Voting Client Securities.....	17
Item 18: Financial Information	17

INFORMATIONAL BROCHURE
CORDATUS WEALTH MANAGEMENT LLC

Item 4: Advisory Business

Cordatus Wealth Management LLC (“Cordatus”) has been in business since May 2016. Together, its principals, Walter Meranze, Kenneth B. Dysart and Sean Gogola have been in the securities industry for over 95 years, and working together for over 22 years.

Cordatus provides wealth planning and management services as well as corporate services. Cordatus does not limit the types of clients with whom it works, but most clients are individuals, their affiliated trusts, charitable organizations and businesses.

Wealth Planning and Accumulation

Financial Planning

Cordatus’ goal is to act as a client’s guide to meeting their financial and, ultimately, life goals. To accomplish this, Cordatus draws upon experience with a variety of planning issues and investments, as well as a sense of each client’s own thoughts and perspectives toward their financial goals. These perspectives can only be determined through regular communication with each client.

For planning, that communication begins with a series of meetings, which are conducted in person when possible. The initial meeting serves as a due diligence meeting to determine the current facts and circumstances in which the client finds themselves. Cordatus will then evaluate the client’s needs and goals, and determine a plan of action to set the client on a path to achieve those goals.

Asset Management

Each client who engages Cordatus for asset management services are strongly encouraged to complete a financial plan. Clients without financial plans may still work with Cordatus, but the asset management evaluation process may not be as efficient as it would have been with a financial plan in place. In the absence of a financial plan, client’s investment objectives are determined a number of factors, including risk tolerance, liquidity needs, current investments, time horizon, income needs, tax consideration and purpose of the funds.

When we perform asset management services, we prefer to do so on a discretionary basis. This means that while we will continue an ongoing relationship with each client, being involved in various stages of their lives and decisions to be made, we will not seek specific approval of changes to client accounts. Clients can always make deposits or withdrawals in their accounts at any time. Because we take discretion when managing accounts, clients engaging us will be asked to execute a Limited Power of Attorney (granting us the discretionary authority over the client accounts) as well as an Investment Management Agreement that outlines the responsibilities of both the client and Cordatus.

In some instances, Cordatus provides investment management services on a non-discretionary basis, which means we will manage the clients’ accounts as we do for our discretionary clients, except we will consult with the client prior to implementing any investment recommendation. Clients should

be aware that some recommendations may be time-sensitive, and, as such, their performance may or may not be affected if Cordatus is unable to reach them on a timely basis.

Use of Independent Managers

Cordatus may select certain Independent Managers to actively manage a portion of its clients' assets. The specific terms and conditions under which a client engages an Independent Manager may be set forth in a separate written agreement with the designated Independent Manager. In addition to this brochure, clients may also receive the written disclosure documents of the respective Independent Managers engaged to manage their assets. Cordatus evaluates a variety of information about Independent Managers, which may include the Independent Managers' public disclosure documents, materials supplied by the Independent Managers themselves and other third-party analyses it believes are reputable. To the extent possible, the Firm seeks to assess the Independent Managers' investment strategies, past performance and risk results in relation to its clients' individual portfolio allocations and risk exposure. Cordatus also takes into consideration each Independent Manager's management style, returns, reputation, financial strength, reporting, pricing and research capabilities, among other factors. Cordatus continues to provide services relative to the discretionary selection of the Independent Managers. On an ongoing basis, the Firm monitors the performance of those accounts being managed by Independent Managers. Cordatus seeks to ensure the Independent Managers' strategies and target allocations remain aligned with its clients' investment objectives and overall best interests.

Services for Executives

Executives can have financial issues beyond personal planning and asset management. For corporate executives Cordatus can provide assistance with the monitoring and management of stock options and restricted stock sales. The goal in managing these opportunities is to maximize the executive client's compensation while minimizing the tax implications. Because different types of stock option have different tax rules, monitoring these options in conjunction with a qualified accountant can have significant effects on the executive client's overall financial position. Similarly, the rules surrounding the sale of restricted stock can appear complicated, and the paperwork to complete the sales arduous. Cordatus helps our executive clients evaluate their restricted holdings, monitor for lockup expiration and applicable limitations on sales, complete the required paperwork, and otherwise ensure that the executive does not lose out on the opportunity.

Retirement Plan Consulting

For a business owner or charitable organization director, navigating the landscape of pension issues can be overwhelming. Multiple services providers and varied requirements combined with a desire to meet employee needs can create a complicated matrix of data sources and conflicting information. Cordatus provides these leaders with a single point of contact, thus relieving the business owner or organization director of this burden. Rather than call many providers, Cordatus acts as an organizing intermediary, where interested parties can speak to a Cordatus representative, and not a series of automatic voice responses. By acting as this single point of contact, Cordatus can be in a position to provide added value in the form of providing educated advice on the selection and monitoring of investments in a self-directed plan, assisting trustees in understanding and managing their fiduciary responsibilities, assisting in compliance reporting and other documentation, and assisting or in some cases leading the search for other providers, such as administrators. Our retirement sponsor clients can have Cordatus provide as much or as little guidance as they desire, which will be defined in a separate agreement between the plan sponsor and Cordatus.

Assets Under Management

As of August 20, 2016, Cordatus has approximately \$125,703,650 in assets under management, in 295 accounts. Of that total, approximately \$117,200,000 in 288 accounts are managed on a discretionary basis.

Item 5: Fees and Compensation

A. Fees Charged

All investment management clients will be required to execute an Investment Management Agreement that will describe the type of management services to be provided and the fees, among other items. Clients are advised that they may pay fees that are higher or lower than fees they may pay another advisor for the same services, and may in fact pay lower fees for comparable services from other sources. Clients are under no obligation at any time to engage or to continue to engage Cordatus for investment services. If you do not receive a copy of this brochure at least 48 hours prior to the execution of an Agreement, you may terminate the agreement within the first five (5) business days without penalty.

Asset Management

Generally, fees vary from 0.00% to 1.50% per annum of the gross market value of a client's equity assets managed by Cordatus. The portion of a client's account invested in bonds will not be charged a fee. The fee range stated is a guide. Fees are negotiable, and may be higher or lower than this range, based on the nature of the account. Factors affecting fee percentages include the size of the account, complexity of asset structures, and other factors.

Financial Planning

For clients whose assets are managed by Cordatus, the financial planning fee will vary, but is generally expected to be a fixed fee of between \$500 and \$1,000 per plan. However, these fees are guidelines, subject to change according to the complexity of the plan and the specific client's circumstances.

In the discretion of Cordatus, financial planning fees received may be credited towards a client's asset management fees incurred during the first year of the client engagement.

Services for Executives

Please see response to Item 5E, where we discuss the commissions paid to representatives of Cordatus who are also registered representatives of a broker-dealer. Cordatus does not charge fees for executive services, as such representatives are compensated in their individual capacities.

Retirement Plan Consulting and Corporate Services

Fees vary from 0.10% to 1.00% per annum of the market value of the plan's assets under the direction of Cordatus. These are the only fees, either direct or indirect, that Cordatus reasonably expects to receive from the plan. Fees are negotiable and will be determined by the scope and nature of the services provided, the size of the account, the complexity of the plan document and other factors. Services may also be performed on an hourly basis in limited circumstances.

B. Fee Payment

Asset Management & Corporate Services:

For clients whose assets are managed by the firm, investment advisory fees will be debited directly from each client's account. The advisory fee is paid quarterly, in advance, based upon the market value of the assets being managed by Cordatus on the last day of the previous billing period as valued by the custodian of your assets. For example, if your annual fee is 1.00%, each quarter we will multiply the value of your account on the last day of the previous billing period by 1.00%, then divide by the number of days in that calendar year and multiply that number by days in the quarter to calculate our fee. To the extent there is cash in your account, it will be included in the value for the purpose of calculating fees only if the cash is part of an investment strategy. Once the calculation is made, we will instruct your account custodian to deduct the fee from your account and remit it to Cordatus. While almost all of our clients choose to have their fee debited from their account, we will invoice clients upon request.

If assets in excess of \$10,000 are deposited into or withdrawn from an account after the inception of a billing period, the fee payable with respect to such assets is adjusted to reflect the interim change in portfolio value. For the initial period of an engagement, the fee is calculated on a *pro rata* basis. In the event the advisory agreement is terminated, the fee for the final billing period is prorated through the effective date of the termination and the outstanding or unearned portion of the fee is charged or refunded to the client, as appropriate.

Clients whose fees are directly debited will provide written authorization to debit advisory fees from their accounts held by a qualified custodian chosen by the client. Each quarter, clients will receive a statement from their account custodian showing all transactions in their account, including the fee. Upon specific request, clients will receive a bill itemizing the fees to be debited, including the formula used to calculate the fee, the amount of assets upon which the fee is based, and the time period covered by the fee. The invoice will also state that the fee was calculated by Cordatus and not independently calculated by the custodian.

Financial Planning: Financial planning fees will be due upon receipt of invoice from Cordatus. In many cases, clients will be asked to put forth a retainer at the onset of the engagement which may be for up to 50% of the expected final cost.

C. Other Fees

There are a number of other fees that can be associated with holding and investing in securities. In addition to the advisory fees paid to Cordatus, clients may also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks and other financial institutions (collectively "Financial Institutions"). These additional charges may include securities brokerage commissions, transaction fees, custodial fees, fees charged by the Independent Managers, margin costs, charges imposed directly by a mutual fund or ETF in a client's account, as disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. For complete discussion of expenses related to each mutual fund, you should read a copy of the prospectus issued by that fund. Cordatus can provide or direct you to a copy of the prospectus for any fund that we recommend to you.

Please make sure to read Item 12 of this informational brochure, where we discuss broker-dealer, custodial issues, and brokerage practices.

D. *Pro-rata Fees*

If you become a client during a quarter, you will pay a management fee for the number of days left in that quarter. If you terminate our relationship during a quarter, you will be entitled to a refund of any management fees for the remainder of the quarter. Once your notice of termination is received, we will assess pro-rated fees for the number of days between the end of the prior billing period and the date of termination to be paid in whatever way you direct (check, wire).

E. *Compensation for the Sale of Securities.*

Certain employees of Cordatus are registered representatives of Prospera Financial Services, Inc. ("Prospera"). Cordatus is not affiliated with Prospera other than as a registered representative. Prospera is a registered broker-dealer and a FINRA member. In their separate capacity as registered representatives and principals of Prospera, Cordatus employees' will receive commissions for the implementation of recommendations for commissionable transactions.

Depending on the needs and preferences of each Client, Cordatus may recommend investment implementation directly through the fee-based offerings of Cordatus or through Prospera's brokerage (commission-based) platform. Cordatus may also offer certain qualified clients trading services which gives Cordatus the ability to execute trades through Prospera of client assets custodied at First Clearing, LLC.

Clients are not obligated to implement any recommendation provided by Cordatus. The Advisor will not earn investment advisory fees in connection with any services implemented by Cordatus where commissions are earned by an associated person of Cordatus in their capacity as a registered representative of Prospera.

Investment advisory fees charged for ongoing investment management do not offset financial planning fees paid to Cordatus. The receipt of additional fees is a conflict of interest, and clients should be aware of this conflict when considering whether to engage the Advisor or utilize Cordatus to implement any investment recommendations. The Advisor attempts to mitigate the conflict of interest by requiring employees to acknowledge in the firm's Code of Ethics, their individual fiduciary duty to the clients of the Advisor, which requires that employees put the interests of clients ahead of their own.

Item 6: Performance-Based Fees

Cordatus will not charge performance based fees.

Item 7: Types of Clients

Clients advised may include individuals, families, trusts, charitable organizations and foundations, pensions and corporations. Cordatus does not require any particular minimum amount of assets to be placed with Cordatus.

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

It is important for you to know and remember that all investments carry risks. **Investing in securities involves risk of loss that clients should be prepared to bear.**

Investment Allocations & Investment Programs

Each client's portfolio will be invested according to that client's investment objectives, which for clients who have a financial plan, are ascertained through the financial planning process or through a review of the existing plan. For clients without a plan in place, Cordatus will review with the client their circumstances, needs and goals to determine investment objectives for each account. Once we ascertain your objectives for each account, we will recommend that assets be allocated to ETFs, mutual funds, individual equities, bonds or bond funds, or we may place the assets in one or more of our five investment programs, . Each program is unique in its approach, and is not simply a pre-set asset allocation split between equities and bonds. Rather, each is managed according to time horizon and investor preferences. Some considerations in managing each program include economic expectations, asset classes, specific investment opportunities, diversification, mitigating cost, and creating tax efficiency.

While managed as a group, the investment programs are not investment products. Clients may have different needs than others within the same investment program. Accordingly, not all clients in each investment program will have the exact same portfolios. We analyze the investments in the various programs using different analytical approaches. One approach we may use is fundamental analysis (evaluating the price of the security in the market against what Cordatus believes is the actual value based on the underlying issuer's financial reports and characteristics). Another is trend analysis (attempting to determine the possible future price of a security based on its past movements).

The investment programs that we recommend are based on the needs of the client as compared with Cordatus' expectations for each program in the near, mid and long term, the client's current financial situation (including assets that may be managed by another advisor), financial goals, liquidity needs, restrictions and the timeline to meet those goals. Because we use the investment programs to develop each client's portfolio taking into consideration that client's needs, one client's portfolio may differ from another who on the surface appears to be similar in terms of needs and goals. To ensure that each household is being managed as efficiently as possible, Cordatus has developed portfolios that are can work in tandem with one another, rather than as product-like programs.

We may periodically recommend changes to the investment programs and client portfolios to meet the individual client's objectives. It is important to remember that because market conditions can vary greatly, and each portfolio is created from the investment programs based on each individual client's needs, clients must keep Cordatus informed of any changes to their circumstances, however small those changes may appear to be. Cordatus is better able to serve clients if we are well informed.

The investment programs utilized include:

Index: This program is our more passive approach to investing. The program utilizes indices as its investment options. What specific indices that are included will vary, based on Cordatus' determination as to what asset classes and sectors are likely to perform best given economic conditions.

Dividend: This program is designed to maximize total returns with an emphasis on dividends. Cordatus begins with a macroeconomic analysis to determine the sectors which they believe will have the strongest performance in the month and quarter to come. Using those top ranked sectors as the stock universe, Cordatus then overlays its trend analysis to select the equities that will comprise the portfolio.

Large Cap Momentum: This investment program begins with the S&P 500 as its universe from which investments can be selected. By analyzing trends in the security's price behavior, Cordatus formulates a selection of securities designed to follow the momentum of the most positively trending securities. This program includes the top ten positions according to Cordatus' trend analysis, but also incorporates a risk mitigation component where each individual security is reviewed for replacement at any time it has a negative return of 10%.

MidCap Momentum: This investment program begins with the S&P Mid-Cap 400 as its universe from which investments can be selected. On a monthly basis, Cordatus evaluates the individual equities that comprise this index based on an analysis of the trends for each security. This program automatically includes the top ten positions according to Cordatus' trend analysis, but also incorporates a risk mitigation component where each individual security is reviewed for replacement at any time it has a negative return of 10%.

Green: This program invests in companies that have been noted to have positive environmental, social and governance characteristics (known as "ESG"). Cordatus uses their proprietary ranking system to determine the strongest equities within the universe and rebalances the holdings on a monthly basis.

All of the above programs can be viewed as being highly concentrated, as some investment programs may be limited to 5-20 individual securities. However, in certain cases the individual securities selected will be ETFs based on indices, thus mitigating, but not eliminating, concentration risk.

Third Party Managers

For some accounts, Cordatus can utilize other managers to assist in the management of client assets. These managers are selected by Cordatus after a process whereby Cordatus evaluates each manager's investment performance, operations, and offerings to determine if the manager would be a fit for Cordatus clients. This process continues on an ongoing basis, throughout the time the client works with the third party manager. It is important to note that these managers will charge a separate, and additional fee, for their services. Cordatus will consider these fees in its decision to recommend the use of a third party manager.

Risk of Loss

There are always risks to investing. **Clients should be aware that all investments carry various types of risk including the potential loss of principal that clients should be prepared to bear.** It is impossible to name all possible types of risks. Among the risks are the following:

- **Political Risks.** Most investments have a global component, even domestic stocks. Political events anywhere in the world may have unforeseen consequences to markets around the world.
- **General Market Risks.** Markets can, as a whole, go up or down on various news releases or for no understandable reason at all. This sometimes means that the price of specific securities could go up or down without real reason, and may take some time to recover any lost value. Adding additional securities does not help to minimize this risk since all securities may be affected by

market fluctuations.

- **Currency Risk.** When investing in another country using another currency, the changes in the value of the currency can change the value of your security value in your portfolio.
- **Regulatory Risk.** Changes in laws and regulations from any government can change the value of a given company and its accompanying securities. Certain industries are more susceptible to government regulation. Changes in zoning, tax structure or laws impact the return on these investments.
- **Tax Risks Related to Short Term Trading:** Clients should note that Cordatus may engage in short-term trading transactions. These transactions may result in short term gains or losses for federal and state tax purposes, which may be taxed at a higher rate than long term strategies. Cordatus endeavors to invest client assets in a tax efficient manner, but all clients are advised to consult with their tax professionals regarding the transactions in client accounts.
- **Purchasing Power Risk.** Purchasing power risk is the risk that your investment's value will decline as the price of goods rises (inflation). The investment's value itself does not decline, but its relative value does, which is the same thing. Inflation can happen for a variety of complex reasons, including a growing economy and a rising money supply.
- **Business Risk.** This can be thought of as certainty or uncertainty of income. Management comes under business risk. Cyclical companies (like automobile companies) have more business risk because of the less steady income stream. On the other hand, fast food chains tend to have steadier income streams and therefore, less business risk.
- **Financial Risk.** The amount of debt or leverage determines the financial risk of a company.
- **Default Risk.** This risk pertains to the ability of a company to service their debt. Ratings provided by several rating services help to identify those companies with more risk. Obligations of the U.S. government are said to be free of default risk.
- **Margin Risk.** "Margin" is a tool used to maximize returns on a given investment by using securities in a client account as collateral for a loan from the custodian to the client. The proceeds of that loan are then used to buy more securities. In a positive result, the additional securities provide additional return on the same initial investment. In a negative result, the additional securities provide additional losses. Margin therefore carries a higher degree of risk than investing without margin. Any client account that will use margin will do so in accordance with Regulation T. Cordatus may utilize margin on a limited basis for clients with higher risk tolerances.
- **Short Sales.** "Short sales" are a way to implement a trade in a security Cordatus feels is overvalued. In a "long" trade, the investor is hoping the security increases in price. Thus in a long trade, the amount of the investor's loss (without margin) is the amount paid for the security. In a short sale, the investor is hoping the security decreases in price. However, unlike a long trade where the price of the security can only go from the purchase price to zero, in a short sale, the price of the security can go infinitely upwards. Thus in a short sale, the potential for loss is unlimited and unknown, where the potential for loss in a long trade is limited and knowable. Cordatus utilizes short sales only when the client's risk tolerances permit.
- **Risks specific to private placements, sub-advisors and other managers.** If we invest some of your assets with another advisor, including a private placement, there are additional risks. These include risks that the other manager is not as qualified as we believe them to be, that the investments they use are not as liquid as we would normally use in your portfolio, or that their risk management guidelines are more liberal than we would normally employ.
- **Information Risk.** All investment professionals rely on research in order to make conclusions about investment options. This research is always a mix of both internal (proprietary) and external (provided by third parties) data and analyses. Even an adviser who says they rely solely on proprietary research must still collect data from third parties. This data, or outside research is chosen for its perceived reliability, but there is no guarantee that the data or research will be completely accurate. Failure in data accuracy or research will translate to a compromised ability by the adviser

to reach satisfactory investment conclusions.

- **Small Companies.** Some investment opportunities in the marketplace involve smaller issuers. These companies may be starting up, or are historically small. While these companies sometimes have potential for outsized returns, they also have the potential for losses because the reasons the company is small are also risks to the company's future. For example, a company's management may lack experience, or the company's capital for growth may be restricted. These small companies also tend to trade less frequently than larger companies, which can add to the risks associated with their securities because the ability to sell them at an appropriate price may be limited as compared to the markets as a whole. Not only do these companies have investment risk, if a client is invested in such small companies and requests immediate or short term liquidity, these securities may require a significant discount to value in order to be sold in a shorter time frame.

- **Concentration Risk.** Some of Cordatus' strategy decisions will involve the use of concentrated portfolios that may hold a limited number of securities. While mutual funds are by definition diversified within their own portfolios, the limited number of them in a client portfolio may still be concentrated. This means that a client's equity portfolio may be concentrated in a specific sector, geography, or sub-sector (among other types of potential concentrations), so that if an unexpected event occurs that affects that specific sector or geography, for example, the client's equity portfolio may be affected negatively, including significant losses.

- **Transition risk.** As assets are transitioned from a client's prior advisers to Cordatus there may be securities and other investments that do not fit within the asset allocation strategy selected for the client. Accordingly, these investments will need to be sold in order to reposition the portfolio into the asset allocation strategy selected by Cordatus. However, this transition process may take some time to accomplish. Some investments may not be unwound for a lengthy period of time for a variety of reasons that may include unwarranted low share prices, restrictions on trading, contractual restrictions on liquidity, or market-related liquidity concerns. In some cases, there may be securities or investments that are never able to be sold. The inability to transition a client's holdings into recommendations of Cordatus may adversely affect the client's account values, as Cordatus' recommendations may not be able to be fully implemented.

- **Restriction Risk.** Clients may at all times place reasonable restrictions on the management of their accounts. However, placing these restrictions may make managing the accounts more difficult, thus lowering the potential for returns.

- **Risks Related to Investment Term & Liquidity.** Securities do not follow a straight line up in value. All securities will have periods of time when the current price of the security is not an accurate measure of its value. If you require us to liquidate your portfolio during one of these periods, you will not realize as much value as you would have had the investment had the opportunity to regain its value. Further, some investments are made with the intention of the investment appreciating over an extended period of time. Liquidating these investments prior to their intended time horizon may result in losses.

Item 9: Disciplinary Information

We are required to disclose any disciplinary information related to the firm or any of its related persons. In October 2015, one of the firm's principals, Kenneth B. Dysart, while affiliated with his prior broker-dealer, accepted a consent order related to findings that he failed to provide notice to his member firm that he had referred customers to a private securities offering. The total offering was \$100,000, and Mr. Dysart received no compensation. Mr. Dysart neither admitted nor denied the findings as part of the consent order. Any violations of the private placement rules were inadvertent and not intentional.

Item 10: Other Financial Industry Activities and Affiliations

A. Broker-dealer

Please see response to Item 5E with regards to Prospera Financial Services, Inc.

B. Futures Commission Merchant/Commodity Trading Advisor

Neither the principal of Cordatus, nor any related persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

C. Relationship with Related Persons

Certain professionals of Cordatus are separately licensed as independent insurance agents. As such, these professionals may conduct insurance product transactions for Cordatus clients, in their capacity as licensed insurance agents, and will receive customary commissions for these transactions in addition to any compensation received in his capacity as employees of Cordatus. Commissions from the sale of insurance products will not be used to offset or as a credit against advisory fees. These professionals therefore have incentive to recommend insurance products based on the compensation to be received, rather than on a client's needs. The receipt of additional fees for insurance commissions is therefore a conflict of interest, and clients should be aware of this conflict when considering whether to engage Cordatus or utilize these professionals to implement any insurance recommendations. Cordatus attempts to mitigate this conflict of interest by disclosing the conflict to clients, and informing the clients that they are always free to purchase insurance products through other agents that are not affiliated with Cordatus, or to determine not to purchase the insurance product at all. Cordatus also attempts to mitigate the conflict of interest by requiring employees to acknowledge in the firm's Code of Ethics, their individual fiduciary duty to the clients of Cordatus, which requires that employees put the interests of clients ahead of their own.

D. Recommendations of other Advisers

As discussed in Item 8, Cordatus may recommend the use of one or more third party managers. In some instances, these managers may collect their fee, and remit a portion to Cordatus, rather than Cordatus deducting its fee separately. This arrangement, while intended to be an operational convenience and not a referral fee, makes Cordatus a "solicitor" within the meaning of Rule 206(4)-3 of the Advisers Act. Accordingly, clients whose assets are placed with a third party manager may be required to execute a disclosure statement acknowledging that Cordatus will be paid a portion of the fees collected by the third party manager.

In addition, clients should be aware that this arrangement may present a conflict of interest for Cordatus, in that Cordatus will have an economic incentive to recommend managers who will have fee rates favorable to Cordatus' share of fees, as opposed to fee rates most beneficial to the client. Cordatus attempts to mitigate this risk through a thorough review of each manager, including the value for the fees to be paid, as well as requiring every Cordatus associated person to acknowledge their fiduciary responsibility to clients.

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

- A. A copy of our Code of Ethics is available upon request. Our Code of Ethics includes discussions of our fiduciary duty to clients, political contributions, gifts, entertainment, and trading guidelines.
- B. Not applicable. Cordatus does not recommend to clients that they invest in any security in which Cordatus or any principal thereof has any financial interest.
- C. On occasion, an employee of Cordatus may purchase for his or her own account securities which are also recommended for clients. Our Code of Ethics details rules for employees regarding personal trading and avoiding conflicts of interest related to trading in one's own account. To avoid placing a trade before a client (in the case of a purchase) or after a client (in the case of a sale), all employee trades are reviewed by the Compliance Officer. All employee trades must either take place in the same block as a client trade or sufficiently apart in time from the client trade so the employee receives no added benefit. Employee statements are reviewed to confirm compliance with the trading procedures.
- D. On occasion, an employee of Cordatus may purchase for his or her own account securities which are also recommended for clients at the same time the clients purchase the securities. Our Code of Ethics details rules for employees regarding personal trading and avoiding conflicts of interest related to trading in one's own account. To avoid placing a trade before a client (in the case of a purchase) or after a client (in the case of a sale), all employee trades are reviewed by the Compliance Officer. All employee trades must either take place in the same block as a client trade or sufficiently apart in time from the client trade so the employee receives no added benefit. Employee statements are reviewed to confirm compliance with the trading procedures.

Item 12: Brokerage Practices

- A. Recommendation of Broker-Dealer

Cordatus does not maintain custody of client assets, though Cordatus may be deemed to have custody if a client grants Cordatus authority to debit fees directly from their account (see Item 15 below). Assets will be held with a qualified custodian, which is typically a bank or broker-dealer. Cordatus is independently owned and operated and not affiliated with either Prospera Financial Services, Inc. ("Prospera") or First Clearing, LLC ("First Clearing"). First Clearing is a non-banking affiliate of Wells Fargo & Company. Although we do not receive client referrals nor have we entered into any written soft-dollar agreements with Prospera and First Clearing, our requirement that clients use both Prospera and First Clearing is based on our determination to use the services of Prospera and First Clearing in order to administer and implement our advisory programs. Further, the relationship with both Prospera and First Clearing permits us to have access to the advisory programs sponsored by Wells Fargo Advisors (i.e. DMA, Masters, Compass). Not all investment advisors require the use of a particular broker/dealer arrangement or platform. Some investment advisors allow their clients to pick which broker/dealer the client uses. However, in order to provide efficient services and based on our arrangement with Prospera, we require the use of Prospera and First Clearing when opening an account through our Firm's programs. Prospera has its own policies and procedures limiting or restricting the broker/dealer or custodial platforms permitted for use by its registered representatives that are also independently licensed due to its duty to supervise the transactions implemented by these individuals. Clients who establish an account with Cordatus or

implement investment advice from associated persons in their capacity as registered representatives must consent to utilizing Prospera as introducing broker/ dealer and First Clearing for custody and clearing services.

The primary factor in selecting Prospera and First Clearing is the quality of services and that their services are provided in a cost-effective manner. Best execution of client transactions is an obligation we take seriously and is a catalyst in the decision of selecting a broker/dealer. While quality of execution at the best price is an important determinant, best execution does not necessarily mean lowest price and it is not the sole consideration. The trading process of any broker/ dealer recommended by Cordatus must be efficient, seamless, and straight-forward. Prospera and First Clearing also make available other products and services that benefit our Firm and the third-party investment advisors we select to manage your assets, but may not directly benefit all client accounts. Some of these other products and services assist our Firm in managing and administering client accounts. These include software and other technology that provide access to client account data (such as trade confirmation and account statements); facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts); provide research, pricing information and other market data; facilitate payment of our fees from accounts; and assist with back-office functions; recordkeeping and client reporting. Many of these services will be used to service all or a substantial number of our managed accounts.

Prospera and First Clearing also make available other services intended to help us manage and further develop our business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance and marketing. These services are not provided through “soft-dollar” agreements, but are provided as a result of our advisor representatives’ affiliation as Prospera registered representatives. In addition, Prospera and First Clearing may make available, arrange and/or pay for these types of services rendered to Cordatus by independent third parties providing these services to Cordatus.

Prospera has provided a loan to Cordatus to assist its business operations, and the loan is guaranteed by Kenneth Dysart, principal of Cordatus. The terms of the loan require that fees and commissions to Cordatus be paid to an account at Prospera for deduction of interest and principal payments on the loan before Cordatus may access such management fees. Upon the occurrence and during the continuance of an event of default under the loan agreement, Prospera may terminate and/or accelerate the loan, which may have a material adverse effect on the Cordatus’ ability to perform services for you. Due to the existence of the loan, and Cordatus’ requirement that clients maintain assets with Prospera, clients should be aware that this arrangement may present a conflict of interest for Cordatus, in that it causes Cordatus to want to place more client accounts with Prospera as opposed to other broker/dealers, solely because of these added benefits. Cordatus attempts to mitigate this conflict of interest by conducting an annual review of best execution, disclosing the conflict to clients, and requiring employees to acknowledge in the firm’s Code of Ethics, including their individual fiduciary duty to the clients of Cordatus which requires that employees put the interests of clients ahead of their own.

While as a fiduciary, Cordatus endeavors to act in our clients’ best interests, our requirement that clients maintain their assets in accounts at Prospera and First Clearing is based in part on the benefits we receive, including the loan noted above, from some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by Prospera and First Clearing, which may create a potential conflict of interest.

We do not consider whether First Clearing, Prospera, or any other broker-dealer/custodian, refers clients to Cordatus as part of our evaluation of these broker-dealers.

B. Aggregating Trades

Commission costs per client may be lower on a particular trade if all clients in whose accounts the trade is to be made are executed at the same time. This is called aggregating trades. Instead of placing a number of trades for the same security for each account, we will, when appropriate, executed one trade for all accounts and then allocate the trades to each account after execution. If an aggregate trade is not fully executed, the securities will be allocated to client accounts on a *pro rata* basis, except where doing so would create an unintended adverse consequence (For example, if a *pro rata* division would result in a client receiving a fraction of a share, or a position in the account of less than 1%.)

Item 13: Review of Accounts

All accounts and corresponding financial plans will be managed on an ongoing basis, with formal reviews with the client by a member of senior management on at least an annual basis. However, it is expected that market conditions, changes in a particular client's account, or changes to a client's circumstances will trigger a review of accounts.

The annual report in writing provided by Cordatus is intended to review asset allocation. All clients will receive statements and confirmations of trades directly from their account custodian. Additionally, all clients will receive quarterly itemized bills from Cordatus. Please refer to Item 15 regarding Custody.

Item 14: Client Referrals and Other Compensation

A. Economic Benefit Provided by Third Parties for Advice Rendered to Client.

Please refer to Item 12, where we discuss recommendation of Broker-Dealers.

B. Compensation to Non-Advisory Personnel for Client Referrals.

Clients may be introduced to Cordatus via other third parties. If a client is introduced to Cordatus by either an unaffiliated or an affiliated solicitor, Cordatus may pay that solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, and any corresponding state securities law requirements. Any such referral fee shall be paid solely from Cordatus' investment management fee, and shall not result in any additional charge to the client. If the client is introduced to Cordatus by an unaffiliated third party, that third party will disclose to the client the referral arrangement with Cordatus, including the compensation for the referral, and provide the client a copy of Cordatus' ADV Part 2A and 2B. The referral source will also provide a written disclosure to the client regarding the relationship between Cordatus and the referral source, including the fact that referral fees will be paid.

Item 15: Custody

Cordatus deducts fees from client accounts, but would not have custody of client funds otherwise. Clients will receive statements directly from their account custodian, as well as copies of all trade confirmations directly from their account custodian.

Clients whose fees are directly debited will provide written authorization to debit advisory fees from their accounts held by a qualified custodian chosen by the client. Each quarter, clients will receive a statement from their account custodian showing all transactions in their account, including the fee. Upon specific request, clients will receive a bill itemizing the fees to be debited, including the formula used to calculate the fee, the amount of assets the fee is based, and the time period covered by the fee. The invoice will also state that the fee was not independently calculated by the custodian.

We encourage clients to carefully review the statements and confirmations sent to them by their custodian, and to compare the information on your quarterly report prepared by Cordatus against the information in the statements provided directly from their account custodian. Please alert us of any discrepancies.

Item 16: Investment Discretion

When Cordatus is engaged to provide asset management services on a discretionary basis, we will monitor your accounts to ensure that they are meeting your asset allocation requirements. If any changes are needed to your investments, we will make the changes. These changes may involve selling a security or group of investments and buying others or keeping the proceeds in cash. You may at any time place restrictions on the types of investments we may use on your behalf, or on the allocations to each security type. You may receive at your request written or electronic confirmations from your account custodian after any changes are made to your account. You will also receive monthly statements from your account custodian. Clients engaging us on a discretionary basis will be asked to execute a Limited Power of Attorney (granting us the discretionary authority over the client accounts) as well as an Investment Management Agreement that outlines the responsibilities of both the client and Cordatus.

Item 17: Voting Client Securities

Copies of our Proxy Voting Policies are available upon request.

From time to time, shareholders of stocks, mutual funds, exchange traded funds or other securities may be permitted to vote on various types of corporate actions. Examples of these actions include mergers, tender offers, or board elections. Clients are required to vote proxies related to their investments, or to choose not to vote their proxies. Cordatus will not accept authority to vote client securities. Clients will receive their proxies directly from the custodian for the client account. Cordatus will not give clients advice on how to vote proxies.

Item 18: Financial Information

Cordatus does not require the prepayment of fees more than six (6) months or more in advance and therefore has not provided a balance sheet with this brochure.

There are no material financial circumstances or conditions that would reasonably be expected to impair our ability to meet our contractual obligations to our clients.