

Form ADV Part 2A Brochure

Item 1 – Cover Page

Wennco LLC

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This brochure provides you with information about the qualifications, business practices and nature of advisory services of Wennco LLC ("**Wennco**" or the "**Firm**"), all of which should be considered before becoming an advisory client of our Firm. If you have any questions about the contents of this brochure, please contact us at (917) 568-4009 or howard@wennco.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("**SEC**"), or by any state securities authority.

The Firm is registered as an Investment Adviser with the SEC . Registration does not imply a certain level of skill or training. Additional information about our Firm is available on the Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number known as a CRD number. Our Firm's CRD number is 293091.

Item 2 – Material Changes

This Form ADV Part 2A, also known as our **"Brochure,"** has 18 separate disclosure items that we must address, each of which must be presented in the order set forth in this Brochure. We will provide an updated Brochure or summary of material changes to our continuing clients at least annually. In the future, this Brochure section or a separate supplement will summarize any material changes from the disclosures in the Brochure previously delivered to you.

Full Brochure Available

A current Form ADV Part 2A is available to our existing and prospective clients at no charge 24 hours a day through the Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov or by contacting us at (917) 568-4009 or howard@wennco.com.

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Item 4 – Advisory Business

A. FIRM DESCRIPTION

Wennco LLC (“**Wennco**” or the “**Firm**”) is organized as a Georgia limited liability company that was founded in November 2017 and began managing assets in January 2018.

Wennco’s current business activities consist primarily of acting as a sub-adviser implementing conservative equity option overlay and hedging solutions for long-only portfolio managers. Wennco provides investment advisory services to clients (each a “**Client**” and collectively, “**Clients**”) through separate managed account (each an “**Account**” and collectively, the “**Accounts**”) sub-advisory arrangements, but may enter into direct Client agreements as appropriate.

Principal Owners: Christopher J. Wenner and J. Howard Kelly III are the Managing Members of the Firm and each owns 50% of the Firm. They are also the only Investment Adviser Representatives of the Firm.

B. TYPES OF ADVISORY SERVICES

Wennco provides fee-only investment management services through separately managed Accounts to Clients that may include high net worth individuals, government entities, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and other business entities, employee benefit plans, foundations, and trusts.

Wennco's investment approach is distinctive, focused, and disciplined. Wennco offers overlay possibilities for both active and passive allocations. Wennco may work with Clients on a direct basis or act as a sub-adviser to provide the ability to stay fully invested with downside protection. Customized solutions include covered call writing on existing equity and ETF portfolios, concentrated stock hedging including custom collars, and portfolio, sector, and tail risk hedging including purchasing of put contracts. Subject to any written guidelines, which the Client may provide in regard to an Account, the Firm will be granted discretion and authority to manage each Account.

Wennco requires that a written Client agreement (a “**Client Agreement**”) be signed by each Client prior to the provision of services by the Firm. Among other things, the Client Agreement outlines the services rendered by Wennco and the fees that the Client will be charged.

Accordingly, Wennco is authorized to perform various functions, at the Client’s expense, without further approval from Client. Such functions include the determination of securities and other investments to be purchased or sold and the amount of securities and other investments to be purchased or sold in the Account. Clients that invest through an Account may impose restrictions on investing in certain securities or types of securities. Once the portfolio for an Account is constructed, Wennco may provide

continuous monitoring and re-balancing of the portfolio as market conditions change and as Client circumstances may require.

Accounts under the Firm's investment management supervision are usually treated as discretionary relationships. The Firm typically has full discretion over the investment management, security selection, and execution of related trades for each Account and each Account. However, Clients may be permitted to direct the purchase or sale of certain securities within the portfolio of an Account.

C. TAILORED RELATIONSHIPS

Wennco initially engages in a comprehensive review of Client equity and ETF positions to determine candidates for increased income and downside protection. Working with the Client we determine enhanced investment objectives based upon time frame and risk/return guidelines. We focus on selling highly liquid option contracts, and have the ability to quickly adjust to market movements as needed, recalibrating positions by staggering expiration dates and strike prices.

Wennco offers equity option overlay solutions that are easy to implement, enhancing portfolio yield through upfront cash premiums. Our income generating solutions require no change to Clients' existing equity and ETF portfolios with the benefit of risk reduction and downside protection.

Wennco offers a variety of professionally-managed overlay programs that are low complexity and transparent solutions. We provide daily monitoring of option positions to minimize event risk and systematically capture option premiums. Wennco provides corresponding Overlay rebalancing based upon shifts in weighting of underlying assets.

We review goals on a monthly or quarterly basis as agreed upon at the outset of the relationship. Any restrictions are mutually acknowledged and adhered to throughout the course of the relationship (for example, the Client may want to keep certain stocks from being assigned due to low cost basis and Wennco will be responsible for keeping these names from being called away by rolling contracts up in price and further out on the calendar; regarding other equities the Firm may have a "soft hold" price target or may want to replace those names in the portfolio with other stocks, in which case a sharp rise in stock price through the strike is a non-event, as the investor does not care if the equities are called away.

D. WRAP FEE PROGRAMS

Wrap Fee Programs are arrangements between broker-dealers, investment advisers, banks, and other financial institutions and affiliated and unaffiliated investment advisers through which Clients of such firms receive discretionary investment advisory, execution, clearing, and custodial services in a "bundled" form. In exchange for these "bundled" services, Clients pay an all-inclusive (or "wrap") fee determined as a percentage of the assets held in the wrap account.

Wennco does not currently participate in and is not a sponsor of wrap fee programs.

E. ASSETS UNDER MANAGEMENT

When calculating regulatory assets under management, an Investment Adviser must include the value of any Accounts over which it exercises continuous and regular supervisory or management services. As noted above, Wennco is the investment adviser to various Accounts. As of March 23, 2018, Wennco managed approximately \$23,500,000 in assets, all on a discretionary basis.

Ira Rollover Considerations – Important Information

As part of our advisory services, we may provide the Client recommendations and advice concerning the Client's employer retirement plan or other qualified retirement account. Wennco's recommendations may include that the Client consider withdrawing the assets from their employer's retirement plan or other qualified retirement account and roll the assets over to an individual retirement account ("**IRA**") that we can manage together with other Client assets for compensation. If the Client elects to roll the assets to an IRA that is subject to Wennco's management, Wennco will charge the Client an asset-based fee as described below under Item 5. This practice presents a conflict of interest because we have an incentive to recommend a rollover to the Client to increase our fee revenue rather than solely based on the Client's needs. The Client is under no obligation, contractually or otherwise, to complete a rollover. Furthermore, if the Client does complete a rollover, the Client is under no obligation to have the assets in an IRA managed by us.

It is important for the Client to understand that many employers permit former employees to keep their retirement assets in their company plan. Also, current employees can sometimes move assets out of their company plan before they retire or change jobs. In determining whether to complete the rollover to an IRA, and to the extent the following options are available, the Client should consider the costs and benefits of each.

An employee will typically have four options:

1. Leave the funds in the Client's employer's (former employer's) plan.
2. Move the funds to a new employer's retirement plan.
3. Cash out and taking a taxable distribution from the plan.
4. Roll the funds into an IRA rollover account.

Each of these options has advantages and disadvantages and before making a change we encourage the Client to speak with their CPA and/or tax attorney.

If the Client is considering rolling over their retirement funds to an IRA for Wennco to manage, it is important the Client understand the following:

1. Determine whether the investment options in the Client's retirement plan address their needs or whether the Client might want to consider other types of investments.
 - a. Employer retirement plans generally have a more limited investment menu than IRAs.
 - b. Employer retirement plans may have unique investment options not available to the public such as employer securities, or previously closed funds.
2. The Client's current plan may have lower fees than our fees.
 - a. If the Client is interested in investing only in mutual funds, the Client should understand the cost structure of the share classes available in the Client's retirement plan and how the costs of those share classes compare with those available in an IRA.
 - b. The Client should understand the various products and services the Client might take advantage of at an IRA provider and the potential costs of those products and services.
 - c. It is likely the Client will not be charged a management fee and will not receive ongoing asset management services unless the Client elects to have such services. In the event the Client's plan offers asset management or model management, there may be a fee associated with the services that is more or less than Wennco's asset management fee.
3. Wennco's strategy may have higher risk than the option(s) provided in the Client's plan.
4. The current plan may offer financial advice, guidance, and/or model management or portfolio options at no additional cost.
5. If the Client keeps assets titled in a 401k or retirement account, the Client could potentially delay the required minimum distribution beyond age 70.5 (70 ½).
6. The Client's 401k may offer more liability protection than a rollover IRA; each state may vary. Generally, federal law protects assets in qualified plans from creditors. Since 2005, IRA assets have been generally protected from creditors in bankruptcies. However, there can be some exceptions to the general rules so the Client should consult an attorney if the Client is concerned about protecting the retirement plan assets from creditors.
7. The Client may be able to take out a loan on their 401k, but not from an IRA.

8. IRA assets can be accessed any time; however, distributions are subject to ordinary income tax and may also be subject to a 10% early distribution penalty unless they qualify for an exception such as disability, higher education expenses or the purchase of a home.
9. If the Client owns company stock in the plan, the Client may be able to liquidate those shares at a lower capital gains tax rate.
10. The Client's plan may allow the Client to hire Wennco as the manager and keep the assets titled in the plan name.

It is important that the Client understand the differences between these types of accounts and to decide whether a rollover is best for the Client. Prior to proceeding, if the Client has questions contact [Wennco](#) using the information on the cover page of this brochure.

Item 5 – Fees and Compensation

A. ADVISORY FEES AND BILLING

Wennco earns its fees and compensation by providing advice and investment management services to Accounts. Wennco's compensation is generally structured as management fees and/or performance-compensation. Equity Account management fees are 80 basis points on an annualized basis, paid quarterly or monthly, while ETF Account management fees are generally assessed at a 50 basis point annualized rate. Performance fees are provided as an option, with a lower management fee, generally 30 basis points management fee with a 15% annual performance fee for returns over a Client-specific hurdle.

Wennco can instruct the Client's qualified custodian to debit Wennco's fees from the Client's Account. All fees will be deducted directly from the account will be paid to Wennco from the amount on deposit in the Account. Client will be required to provided written authorization permitting the fees to be paid directly from the Account.

All open positions are valued at their then market value, which means the settlement price as determined by the exchange on which the transaction is effected, or the most recent appropriate quotation as supplied by the clearing broker or banks through which the transaction is effected. If there are no trades on the date of the calculation due to operation of the daily price fluctuation limits or due to a closing of the exchange on which the transaction is executed, the contract will be valued at fair value as of the close of the then most recent trading day. Interest, if any, shall accrue monthly.

Lower fees for comparable services may be available from other sources. These fees are negotiable.

B. OTHER FEES AND EXPENSES

Each Client shall be responsible for any and all other expenses related to investments made by Accounts according to Wennco recommendations, including investment, custodial, brokerage, administrative, legal, tax and accounting expenses.

C. REFUND POLICY

Because Wennco's fees are assessed in arrears, no fees or expenses will be refunded to an Account Investor or Client in the event of a withdrawal of capital.

D. OTHER COMPENSATION

Wennco does not receive any compensation other than the Management Fees and Performance Allocation described in this Firm Brochure and in the applicable Memoranda and Client Agreements.

All fees are subject to negotiation.

The specific manner in which fees are charged by Wennco is established in a Client's written agreement with the Firm. Wennco will generally bill its fees on a quarterly basis. Clients may elect to be billed in advance or arrears each calendar quarter. Clients may also elect to be billed directly for fees or to authorize Wennco to directly debit fees from Client accounts. Management fees shall [or shall not] be prorated for each capital contribution and withdrawal made during the applicable calendar quarter (with the exception of de minimis contributions and withdrawals). Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

Wennco's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the Client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, 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. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to the Firm's fee, and Wennco shall not receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that Wennco considers in selecting or recommending broker-dealers for *Client* transactions and determining the reasonableness of their compensation (*e.g.*, commissions).

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

A. PERFORMANCE-BASED FEES

Wennco does assess a performance-based fee in the form of the Performance Allocation described in Item 5 above.

Wennco will structure any performance or incentive fee arrangement subject to Section 205(a)(1) of the Investment Advisers Act of 1940 (the "**Advisers Act**") in accordance with the available exemptions thereunder, including the exemption set forth in Rule 205-3. In measuring clients' assets for the calculation of performance-based fees, Wennco shall include realized and unrealized capital gains and losses. Performance based fee arrangements may create an incentive for Wennco to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. Such fee arrangements also create an incentive to favor higher fee-paying accounts over other accounts in the allocation of investment opportunities. The Firm has procedures designed and implemented to ensure that all clients are treated fairly and equally, and to prevent this conflict from influencing the allocation of investment opportunities among clients.

Performance-based compensation may create an incentive for Wennco to recommend investments that carry a higher degree of risk to the Client.

B. SIDE-BY-SIDE MANAGEMENT

"Side-by-Side Management" refers to a situation in which the same adviser manages accounts that are billed based only on a percentage of assets under management and at the same time manages other accounts for which fees are performance-based. Wennco will manage Accounts on a side-by-side basis if a Client elects to pay performance fees.

Item 7 – Types of Clients

A. TYPES OF CLIENTS

Adviser generally makes its advisory services available to a wide variety of clients including, but not limited to, high net worth individuals, government entities, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and other business entities, employee benefit plans, foundations, and trusts. Advisor generally requires a client to meet a minimum account size and net worth threshold, which may be waived by Advisor at its discretion, and to be a qualified client (as defined under the Advisers Act).

Termination of an advisory agreement can occur upon written notice by either party to the other and becomes effective in 10 business days after the notice date.

B. CONDITIONS FOR ACCOUNT MANAGEMENT

In general, Accounts are subject to a minimum mandate amount of \$50,000. The Firm may, in its sole discretion, waive its minimum account size and/or minimum fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional contributions, dollar amounts of assets to be managed, related accounts, account composition, negotiations with clients, etc.).

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

A. METHODS OF ANALYSIS

Adviser specializes in hedged equity and ETF-based strategies with option income components that are designed to allow investors to possibly participate in the upward price movement of the invested equities (e.g. S&P 500 correlated ETFs), while reducing downside risk on those equities. Adviser manages client assets using a proprietary method that uses volatility signals to determine the trade construction parameters, timing, and ongoing risk management/monitoring for both call-writing and put buying. The Adviser utilizes a variety of methods and strategies to make investment decisions and recommendations. The methods of analysis include use of technical analytical tools and approaches as well as fundamental research.

The investment philosophy that underpins the Wennco Downshift is based upon the recognition that risk-adjusted excess returns from market timing, manager selection, and stock selection are extremely difficult to achieve consistently over time, and that the risk reduction benefits of asset allocation are often negatively correlated to volatility. The Wennco Overlay and Downshift strategies seek to limit the effect of equity market declines on an investor's core equity exposure, while seeking to reduce the cost of that insurance by engaging in option income-generating strategies. The goals include the following:

- a. Provide an improved return on an a risk-adjusted basis compared to a long only investor in a diversified equity fund (e.g. S&P 500),
- b. Provide greater downside protection that is positively correlated to volatility compared to a traditional diversified asset allocation strategy (e.g. mixture of stocks, fixed income securities and mixed asset classes),
- c. Provide positive returns in up, down, & flat markets,
- d. Provide a level of protection to client equity in large market downturns

Rebalancing

The adviser may rebalance equity and ETF portfolios quarterly to maintain weighting across the sectors.

Market Decline Profit-Taking

In the event of a sustained equity market decline, the adviser may hedge against sizeable market declines by purchasing long-dated S&P 500 put options. A portion of the cash generated by the sale of covered calls is used to purchase the put options and /or more shares of the core equity asset, while re-hedging the portfolio. This strategy allows the investor to accumulate a larger investment in the core equity position at more favorable prices.

Option Income Strategies:

Adjustments and Rolls

The Adviser actively monitors risk within its portfolio baskets and from time to time will make adjustments to existing positions based upon market conditions to manage returns.

Wennco Overlay and Downshift investment management follows a rules-driven strategy with processes and procedures that are designed and pre-approved by the Client or primary adviser. A primary adviser would provide additional guidance and oversight for all tactical investment management and trading decisions, allowing the tactical decisions and trading to be handled by the primary adviser. The tactical decisions relate to entry and exit points, expirations of option trades, trade adjustment points, trade execution, analysis of all income trades, accounting and reporting of gains and losses and risk management.

Idea generation is initiated by the investment sub-advisor and across the investment team and then researched to identify high probability target trades with entry and exit points. The final decision to adopt any new trading strategies will be made by the sub-advisor with support from the investment committee. The decision of individual trade execution will be made by the investment management team with supervision of the sub-advisor and investment committee.

For information regarding the Adviser's investment strategies, please refer to Item 4 above and the applicable Governing Documents, which must be reviewed carefully in connection herewith.

The Adviser employs the following investment methods and techniques:

Option Trading. The Adviser engages in various option trading investment strategies. Options are investments whose ultimate value is determined from the value of the underlying investment. The Adviser engages in the following types of option trading strategies: global equity and related indices.

B. INVESTMENT STRATEGIES

Below is an overview of the some of the rules employed by the Firm. While this doesn't cover all rules (and not all factors such as company-events, tech analysis, etc.), it provides general rules employed by Wennco. Many of these rules include "unless backtests prove otherwise," which is very much a part of the process.

1. Receive predetermined net spread yield of the underlying (preferably over 1.25%) per trade.
2. Hold options contracts within predetermined range (unless backtests prove otherwise).
3. Execute based on open interest and liquidity. If the number of calls we are trading is higher than our targeted level of total open interest our proprietary model direct trades toward contracts with higher open interest or greater liquidity.
4. Focus on implied volatility.
5. Leverage difference between implied and realized volatility based upon backtest-driven thresholds.
6. Diversify strike prices and expiration dates (unless backtests prove otherwise).
7. Adjust position sizing based upon option contract's' historical earnings-driven price movements.
8. Position exit/profit realization upon pre-determined appreciation parameters.
9. Conservative and consistent model to roll up and out of positions while minimizing potential for increased loss.

C. MATERIAL RISKS OF METHODS OF ANALYSIS AND INVESTMENT STRATEGIES

Because risks are inherent in all the investments in which Accounts engage, no assurances can be given that any Account will achieve its investment objective or avoid substantial losses. Notwithstanding the method of analysis or investment strategy employed by Wennco, the assets of the Accounts and each Account are subject to risk of devaluation or loss.

Wennco urges investors to review carefully the risk factors set forth in the Memoranda. The Memorandum contains important information concerning risk factors and other material aspects of the Account and must be read carefully before any Limited Partner decides to invest in the Account. The risk factors set forth in the Memorandum are those deemed by Wennco to be the most significant.

In addition to the risk factors listed in the Memorandum, a prospective Limited Partner should carefully consider the following risks prior to making an investment in the Account:

- *General Investment Risks:* An Account's success depends upon Wennco's ability to implement its investment strategy. Any factor that would make it more difficult to execute timely trades may also be detrimental to the Account's profitability.

- *Dependence on Key Personnel:* Wennco is dependent on the services of Mr. Wenner and Mr. Kelly and there can be no assurance that Wennco will be able to retain Mr. Wenner and Mr. Kelly, whose credentials are described in Wennco' Brochure Supplement (Part 2B of Form ADV). The departure or incapacity of either Mr. Wenner or Mr. Kelly could have a material adverse effect on Wennco management of the investment operations of the Account.
- *Investment and Trading Risks.* All investments involve the risk of a loss of capital. Wennco believes that the Account's investment program and its research and risk-management techniques moderate this risk through the careful selection of securities and other financial instruments. No guarantee or representation is made that the Account's investment program will be successful, and investment results may vary substantially over time.
- *Risks Relating to Markets.* The value of those securities in which the Account invests and that are traded on exchanges or over-the counter and the risks associated therewith vary in response to events that affect such markets and that are beyond the control of the Account and Wennco. Market disruptions such as those that occurred during October of 1987 and on September 11, 2001, and following the systemic loss of confidence during the recent financial crisis of 2008 and 2009, could have a material effect on general economic conditions, market volatility, and market liquidity which could result in substantial losses to the Account.
- *Equity Securities.* The value of the equity securities held by the Account are subject to market risk, including changes in economic conditions, growth rates, profits, interest rates and the market's perception of these securities. While offering greater potential for long-term growth, equity securities are more volatile and more risky than some other forms of investment.
- *Exchange Traded and Closed-End Accounts.* Accounts will typically be invested in a type of investment company called an exchange traded fund. ETFs are a type of investment security that can represent an interest in a passively managed portfolio of securities selected to replicate a securities index, such as the S&P 500 Index or the Dow Jones Industrial Average, or to represent exposure to a particular industry, sector or asset class, multiples of the foregoing or the inverse of any of the foregoing. Some ETF portfolios are actively managed. Unlike open-end mutual funds, the shares of ETFs and closed-end investment companies are not purchased and redeemed by investors directly with the fund, but instead are purchased and sold through broker-dealers in transactions on a stock exchange. Because ETF and closed-end fund shares are traded on an exchange, they may trade at a discount from or a premium to the net asset value per share of the underlying portfolio of securities. In addition to bearing the risks related to investments in equity securities and leveraged investments, investors in ETFs intended to replicate a securities index bear the risk that the ETFs performance may not correctly replicate the performance of the index. Investors in ETFs, closed-end funds and other investment companies bear a proportionate share of the expenses of those funds, including management fees, custodial and accounting costs, and other expenses.

Trading in ETF and closed-end fund shares also entails payment of brokerage commissions and other transaction costs.

- *Small- and Medium-Capitalization Stocks.* The Account may invest its assets in stocks of companies with smaller market capitalizations. Small- and medium-capitalization companies may be of a less seasoned nature or have securities that may be traded in the over-the-counter market. These “secondary” securities often involve significantly greater risks than the securities of larger, better-known companies. In addition to being subject to the general market risk that stock prices may decline over short or even extended periods, such companies may not be well-known to the investing public, may not have significant institutional ownership and may have cyclical, static or only moderate growth prospects. Additionally, stocks of such companies may be more volatile in price and have lower trading volumes than larger capitalized companies, which results in greater sensitivity of the market price to individual transactions. Accordingly, investors in the Account should have a long-term investment horizon.
- *Highly Volatile Instruments.* The prices of financial instruments in which the Account invests can be highly volatile. Price movements of the securities and option contracts in which the Account's assets may be invested are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. The Account is subject to the risk of failure of any of the exchanges on which its positions trade or of their clearinghouses.
- *OTC Transactions.* The Account may engage in transactions involving securities traded on “over the counter” (“OTC”) markets. In general, there is less governmental regulation and supervision in the OTC markets than of transactions entered into on an organized exchange. In addition, many of the protections afforded to participants on some organized exchanges, such as the performance guarantee of an exchange clearinghouse, will not be available in connection with OTC transactions. This exposes the Account to the risks that a counterparty will not settle a transaction because of a credit or liquidity problem or because of disputes over the terms of the contract. Therefore, to the extent that the Account engages in trading on OTC markets, the Account could be exposed to greater risk of loss through default than if it confined its trading to regulated exchanges.

While this information provides a synopsis of the events that may affect Client Accounts, this listing is not exhaustive. **ANY CLIENT MAY LOSE A SUBSTANTIAL AMOUNT OF ITS ACCOUNT VALUE.**

D. RECOMMENDATION OF SPECIFIC TYPES OF SECURITIES

Wennco recommends investments which are designed for investors who are able to bear the risk of such investments. Permissible investments for Accounts may include,

but are not limited to, equity securities, options, exchange-traded funds, futures, and other derivatives.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Wennco or the integrity of Wennco’s management. None of the Firm, its principals or its employees have been involved in any legal or disciplinary proceedings related to past or present investment advisory clients.

Item 10 – Other Financial Industry Activities and Affiliations

A. FINANCIAL INDUSTRY ACTIVITIES

Wennco is not a registered broker-dealer and does not have an application pending to register as a broker-dealer. Furthermore, none of Wennco management or supervised persons is a registered representative of a broker-dealer and no such person has an application pending to become a registered representative of a broker-dealer.

B. FINANCIAL INDUSTRY AFFILIATIONS

None of Wennco or its management persons is registered or has an application pending to register with the Commodity Futures Trading Commission (the “CFTC”) as a futures commission merchant, commodity pool operator, a commodity trading advisor or an associated person of the foregoing entities.

C. OTHER MATERIAL RELATIONSHIPS

Wennco does not have any arrangements with a related person who is a broker-dealer, investment company, other investment adviser, financial planning firm, commodity pool operator, commodity trading adviser, futures commission merchant, banking or thrift institution, accounting firm, law firm, insurance company or agency, pension consultant, real estate broker or dealer, or an entity that creates or packages limited partnerships.

D. OTHER INVESTMENT ADVISERS

Wennco does not have any material arrangements with other investment advisers that would be material to its advisory Clients.

Item 11 – Code of Ethics

A. CODE OF ETHICS

All employees of Wennco must act in an ethical and professional manner. In view of the foregoing and applicable provisions of relevant law, Wennco has determined to adopt a

Code of Ethics to specify and prohibit certain types of transactions deemed to create conflicts of interest (or at least the potential for or the appearance of such a conflict), and to establish reporting requirements and enforcement procedures relating to personal trading by Wennco personnel. Wennco's Code of Ethics, which specifically deals with professional standards, insider trading, personal trading, gifts and entertainment, and fiduciary duties, establishes standards for ethical conduct based upon fundamental principles of openness, integrity, honesty, and trust. Wennco will provide a copy of its Code of Ethics to any client or prospective client upon request.

B. PARTICIPATION OF INTEREST IN CLIENT TRANSACTIONS

None of the Firm or any related person recommends to Clients, or buys or sells for Client Accounts, securities in which it or a related person has a material financial interest

C. PROPRIETARY AND SIMULTANEOUS TRADING

Wennco personnel, including Mr. Wenner and Mr. Kelly, may buy and sell securities and other investments for their own personal accounts (and the accounts of family members and other affiliates) that Wennco has also recommended to Clients. Wennco has adopted a personal trading policy to mitigate the conflicts of interest inherent from such proprietary or simultaneous trading. Wennco will not intentionally favor a proprietary account over a Client Account or Account, nor will Wennco knowingly permit a proprietary account to trade ahead of a Client Account or Account unless the Client's investment strategy or objective is deemed to be "buy and hold". That is, if the Client's objective seeks to avoid raising cash at any given time (for tax purposes or otherwise) or the Client prefers not to sell particular investments, Wennco may consider such Account (or particular investments in such Account) differently for purposes of Wennco's personal trading policy. Wennco documents transactions where a conflict of interest is deemed to be present. Wennco strives to uphold its fiduciary duties to all Clients as it relates to issues present in proprietary or simultaneous trading.

Wennco has adopted a Code of Ethics for all supervised persons of the Firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Wennco must acknowledge the terms of the Code of Ethics annually, or as amended.

Wennco anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which the Firm has management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which Wennco, its affiliates and/or clients,

directly or indirectly, have a position or interest. Wennco's employees and persons associated with Wennco are required to follow the Firm's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Wennco and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for Wennco's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Wennco will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code certain classes of securities have been designated as exempt transactions, based on a determination that these would not materially interfere with the best interest of the Firm's clients. In addition, the Code requires pre-clearance of many transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between Wennco and its clients.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with Wennco's obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. Wennco will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the Order.

The Firm's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting at Howard Kelly at (917) 568-4009 or howard@wennco.com.

It is Wennco's policy that the firm will not effect any principal or agency cross securities transactions for client accounts. Wennco will also not cross trades between client accounts. Principal transactions are generally defined as transactions where the Firm, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where the Firm is dually registered as a broker-dealer or has an affiliated broker-dealer.

Item 12 – Brokerage Practices

A. SELECTION AND RECOMMENDATION

Wennco does not maintain custody of your assets. Your assets must be maintained in an account at a “qualified custodian,” generally a broker-dealer or bank that you or your primary adviser have chosen.

We are independently owned and operated and not affiliated with any broker dealer. We have the advantage of working with your preferred custodian to execute trades through executing broker-dealers such as UBS.

We do not currently recommend broker-dealers for client transactions unless a particular broker-dealer would not offer option trading capabilities or we would expect that the broker-dealer would not be able to provide competitive execution on trades from a pricing or cost perspective. Wennco does receive sell side research from some executing brokers, but this has not been a factor in any recommendations with respect to Client custodians.

B. SOFT DOLLAR BENEFITS

Wennco may receive “soft dollar” benefits with respect to trades executed for Accounts in compliance with the safe harbor of Section 28(e) of the Securities Exchange Act of 1934, as amended. Wennco does not maintain an explicit “soft dollar” arrangement pursuant to which a brokerage firm provides or pays the costs of services, equipment, or other items for the benefit of the Accounts, Wennco or one or more of their affiliates in consideration of the allocation to the firm of brokerage transactions (with resulting commission income) made on behalf of the Accounts. The Firm does receive research products from executing brokers and would consider brokerage services such as special execution capabilities, clearance, settlement, net pricing, online pricing, block trading and block positioning capabilities, willingness to execute related or unrelated difficult transactions in the future, performance measurement data, consultations, financial strength and stability, efficiency of execution and error resolution and option trading capabilities in evaluating potential broker-dealers. These soft dollar benefits may benefit Wennco, by reducing expenses, the amount of the Management Fees and Performance Allocations payable to Wennco would not be reduced.

Because such services could be considered to benefit Wennco and its affiliates, and the “soft dollars” used to acquire them are the assets of the Accounts, Wennco could have a conflict of interest in allocating brokerage business on behalf of an Account. Nonetheless, Wennco believes that to the extent it makes allocations to brokerage business with soft dollar arrangements, this would generally enhance the ability to obtain research, optimal execution, and other benefits on behalf of Accounts. Products or services that might be provided to Wennco for “soft dollars” would not necessarily benefit all Accounts that generate the benefits. Wennco may also derive substantial benefits from these services, particularly to the extent that Wennco uses “soft dollars” to pay for expenses it would otherwise be required to pay itself. Furthermore, because the extent of products and services provided by these brokers would be based largely

on the volume of commissions generated by the trading activities of Accounts, “soft dollar” arrangements could create an incentive for Wennco to increase the trading volume for the Accounts or Accounts.

As of the date of this Brochure, Wennco has not entered into any explicit “soft dollar” arrangements nor has Wennco received any explicit “soft dollar” benefits relating to the any Account. Soft dollar benefits are not limited to those Clients who may have generated a particular benefit although certain soft dollar allocations are connected to particular clients or groups of Clients.

C. BROKERAGE FOR CLIENT REFERRALS

Wennco currently does not receive client referrals from third parties for recommending the use of specific broker-dealer brokerage services. If Wennco determines to enter into such a referral arrangement, the Firm will amend its Part 1 of Form ADV and this Firm Brochure.

D. DIRECTED BROKERAGE

Directed brokerage relates to a situation when a Client or primary adviser is responsible for selecting a broker for investment transactions and negotiating commission rates. Wennco may recommend that Clients utilize a particular broker in the future but has not previously done so. When a Client or primary adviser designated a broker-dealer, Wennco will not have responsibility for assessing the broker's execution capabilities or quality.

E. ORDER AGGREGATION

Wennco may aggregate purchase and sale orders for Accounts to obtain the best pricing, minimize trading costs, or otherwise achieve operational efficiency when acting for Accounts it sub-advises for a particular primary adviser or when otherwise possible. This practice is reasonably likely to result in administrative convenience or an overall economic benefit to Clients. Clients also generally benefit from better execution prices, lower commission expenses, beneficial timing of transactions, or a combination of these and other factors. The Firm's policies and procedures permit order aggregation. Aggregated orders will be allocated to Client Accounts in a systematic, non-preferential manner, according to Wennco's trade allocation policy.

Item 13 – Review of Accounts

A. PERIODIC REVIEWS

Wennco reviews the investment activity and positioning of Client Accounts not less frequently than quarterly, to determine conformity with investment objectives and strategies. Such reviews are conducted by Mr. Wenner and Mr. Kelly.

B. INTERMITTENT REVIEW FACTORS

Intermittent reviews may be triggered by substantial market fluctuation, economic or political events, or by changes in your financial status (such as retirement, termination of employment, relocation, or inheritance).

Clients are advised to notify Wennco promptly if there are any material changes in their financial situation or investment objectives.

C. CLIENT REPORTS

Clients will receive reports at least quarterly from the Account custodian detailing the Account performance and holdings. Wennco will not necessarily send any additional reports regarding Client Accounts.

Item 14 – Client Referrals and Other Compensation

A. ECONOMIC BENEFITS FROM OTHERS

The Firm does not receive and does not have any arrangement with any third-party to receive any economic benefit (such as sales awards or other prizes) for providing investment advice or other advisory services to its Clients.

B. COMPENSATION TO UNAFFILIATED THIRD PARTIES

At this time, neither Wennco nor its related persons compensate directly or indirectly any person who is not a supervised person for Client referrals or investor referrals.

Item 15 – Custody

A. CUSTODY OF ASSETS

Custody means holding, directly or indirectly, client funds or securities, or having any authority to obtain possession of them.

Wennco does not have physical custody of any Client funds or securities and Wennco will not maintain physical possession of Client funds or securities. Physical custody of Client funds and securities are held by qualified custodians Wennco or a Client designate. Wennco will be deemed to have custody of the Account assets where Wennco has been given the authority under the applicable Client Agreement to withdraw fees directly from the Account. As part of the billing process, the Account's custodian is advised of the amount of Wennco's fees to be deducted from that Account. On at least a quarterly basis, the custodian is required to send the Client a statement showing all transactions within the Account during the reporting period.

B. ACCOUNT STATEMENTS

With respect to managed Accounts, Account statements will be mailed by the Account's custodian directly to the Client. When you receive these statements, please review the statements carefully. Please compare asset values, holdings, and fees to the Account statement issued for the previous period and raise any concerns directly with the custodian of record and with the Firm.

Item 16 – Investment Discretion

The Firm usually receives discretionary authority from the Client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, Wennco observes the investment policies, limitations and restrictions of the clients for which it advises. For registered investment companies, Wennco's authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made. Investment guidelines and restrictions must be provided to Wennco in writing.

Item 17 – Voting Client Securities

As a matter of firm policy and practice, Wennco does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. The Firm may provide advice to clients regarding the clients' voting of proxies.

Item 18 – Financial Information

A. BALANCE SHEET REQUIREMENT

A balance sheet is not required to be attached because Wennco is not the qualified custodian for Client funds or securities and does not require prepayment of fees of more than \$500 per client, six (6) months or more in advance.

B. DISCRETIONARY AUTHORITY

Wennco has discretionary authority to manage Client assets. The Firm does not have any financial impairment that will preclude it from meeting contractual commitments to Clients.

C. BANKRUPTCY PETITION

Neither Wennco nor its Managing Members have been the subject of a bankruptcy petition at any time during the last 10 years.

Privacy Policy

Wennco does not disclose nonpublic personal information about its clients or former clients to third parties other than as described below. Wennco collects information about its clients (such as name, address, social security number, assets and income) from the Firm's discussions with clients, from documents that clients may deliver to the Firm (such as subscription documents) and in the course of providing services to clients. In order to service clients' accounts and effect investment transactions, Wennco may provide clients' personal information to the Firm's affiliates and to firms that assist Wennco in servicing client accounts and have a need for such information, such as brokers, distributors, legal counsel, fund administrators, or accountants. Wennco does not otherwise provide information about clients to outside firms, organizations, or individuals except as required or permitted by law. Any party that receives this information will use it only for the services required and as allowed by applicable law or regulation, and is not permitted to share or use this information for any other purpose.