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**Disclosure Brochure (Form ADV, Part 2A)**

This brochure provides information about the qualifications and business practices of **Global Investment Adviser, LLC (GIA)**. If you have questions about the contents of this brochure, please contact us at email address [mail@globalinvestmentadviser.com](mailto:mail@globalinvestmentadviser.com) and/or telephone

(561) 881-9688. 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. Also note that the terms “registered investment adviser” and “registered” do not imply a certain level of skill or training. Additional information about Global Investment Adviser, LLC is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). This site can be searched by a unique identifying number, known as CRD number. GIA’s CRD number is 105862.

March 29, 2019

## II. MATERIAL CHANGES

☒ This brochure does not contain material changes from the most recent annual amendment to the brochure, submitted 3/29/2018.

☐ This brochure does contain the following material changes from the most recent annual amendment to the brochure, submitted 3/29/2018:

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## IV. ADVISORY BUSINESS

### 1. DESCRIPTION

GIA provides highly personalized, global, fee-based and non-custodial investment advisory and management services pursuant to contractual agreements with clients.

GIA was formed in 1994 and is independently owned by Peter Scholla and Jutta Scholla.

### 2. TYPES OF CLIENTS/CLIENT PROFILE

Typically, GIA's clients are high net-worth individuals, their family members, and entities of such persons, including Trusts and Charitable Trusts.

GIA does not act as advisor to pooled investment vehicles.

### 3. TYPES OF SERVICES PROVIDED

#### A. Strategic Asset Consolidation Services ("SACS")

GIA furnishes Strategic Asset Consolidation Services (SACS) to families with substantial wealth. The scope of the services and the fees are negotiable and depend on the specific mandate.

Examples of SACS services include, but are not limited to:

- the development and implementation of a strategic investment policy;
- the determination and periodic rebalancing of an appropriate asset allocation mix;
- the identification, review, recommendation, hiring and monitoring of custodians, specialist managers, investment partnership agreements, venture capital situations;
- alternative asset class due diligence; and/or
- periodic written reporting and analysis of the investment progress.

#### B. Investment Management Services

##### i. On a fully discretionary basis (See also item VI. Investment Discretion.)

GIA is granted discretion and authority to manage client account(s) and perform various investment related functions *without* further approval from the client. Discretionary investment authority includes, but is not limited to,

- the determination of the amount to be invested or divested;
- the determination of the asset to be bought or sold; and/or
- the determination of the timing when such asset should be bought or sold.

##### ii. On an advisory basis

GIA advises clients of how to invest their capital but the ultimate decision, strategy implementation, execution and responsibility rest with the client.

#### C. Services NOT Provided

- i. Custody services
- ii. Financial Planning Services
- iii. Legal advice of any sort
- iv. Tax advice of any sort
- v. Trust services

#### **4. NATURE OF SERVICES PROVIDED**

GIA services are relationship-, not sales-oriented. GIA does not offer off-the-shelf, one-template-fits-all solutions. Services provided are *tailor made to the individual client's circumstances, goals and needs*. GIA acts as third-party outside adviser and clients *retain full ownership of their assets all the time*.

In addition, *clients can give restrictions* as to the investment strategy and types of investments. As such, *recommendations and investments may differ from person to person and from account to account*.

#### **5. TERMINATION OF SERVICES**

- A. SACS mandates can be cancelled at any time after the first 12 months by giving formal written notice.
- B. Investment Management Services on a discretionary basis can be cancelled at any time by giving formal written notice.
- C. Investment Management Services on an advisory basis can be cancelled at any time by giving formal written notice.

#### **6. NO WRAP FEE PROGRAMS**

A "wrap fee program" is a program under which investment advisory and brokerage execution services are provided for a single "wrapped" fee that is not based on the transactions in a client's account.

Typically, a wrap fee program requires a sponsor – such as a broker – who is compensated for sponsoring, organizing, or administering the program. To better maintain its independence, GIA does NOT participate in or offer wrap fee programs.

#### **7. ASSETS UNDER ADMINISTRATION**

- A. Discretionary Regulatory Assets Under Management: \$113,459,130
- B. Non-Discretionary Regulatory Assets Under Management: \$447,681,468
- C. Total Regulatory Assets Under Management: \$561,140,598 (December 31, 2018)

## V. FEES AND COMPENSATION

Fees are based either on a flat rate or on a fixed percentage of assets under management.

Fees are *in the discretion of GIA and individually negotiated with clients*. Client facts, circumstances and needs will be considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets, related accounts, portfolio style, account composition, reports, among other factors.

Client fees are the only source of GIA's income. GIA does not accept payment from third parties and no one employed by GIA receives compensation for selling securities or other investment products.

*GIA passes on to the client, in full and without deduction, all discounts it negotiates with third party service providers.*

### 1. FLAT FEES

Fee and terms will depend on the nature of the mandate and are negotiable. Typically, SACS services are provided on a flat fee basis.

### 2. FEES AS PERCENTAGE OF ASSETS UNDER ADMINISTRATION

Fees are calculated based on the value of the portfolio and are *charged pro-rata, quarterly and in arrears*. It should be noted that GIA has modified the fees noted herein for certain clients and has full discretion to do so again in the future.

A. Portfolio Management – GIA will generally charge the following fees to clients for which it provides fully discretionary investment advisory services

- US\$ 500,000 to US\$1,000,000: 1.2% of assets under management
- US\$1,000,001 to US\$2,000,000: 1.0% of assets under management
- US\$2,000,001 to US\$5,000,000: 0.8% of assets under management
- US\$5,000,001 to US\$8,000,000: 0.7% of assets under management
- US\$8,000,001 and more: Negotiable
- Minimum Fee: US\$10,000

B. Portfolio Management – For client accounts over which GIA has no discretion (“Advisory”), GIA charges the following fees:

- Same as above (X, 2, A) *plus* 1% Surcharge per annum.
- Minimum Fee: US\$15,000

C. Fee collection process

Typically, GIA sends invoices for its fees simultaneously to both the client and the client's custodian. The client's custodian then deducts the fees from the client's account and remits payment to GIA.

If a client requests, the client may pay his own invoices instead of having fees deducted from his account.

Either way, because fees are charged in arrears, fees are *due for payment when billed*.

D. Verification of fee calculation

It is the *client's responsibility* to verify the accuracy of the fee calculation.



E. Termination

Fees will be assessed on a pro-rated basis through the date of effective termination. Any unearned fees (if any) will be refunded to the client promptly.

**3. OTHER FEES**

GIA reserves the right to request reimbursement and/or separate payment for client-initiated special requests, including travel, and work such as special research reviews, extensive performance calculations and presentations, and tax compilations, etc. Clients are informed in writing at the time of special requests of the expected scope of the additional fees relating to such request.

**4. OTHER (NON-GIA) FEES**

A. Third party fees.

In addition to the above-mentioned GIA fees, clients will incur third party fees relating to investments recommended by GIA, which may include, but are not limited to, brokerage fees, custody fees, asset and/or performance-based fees and other fees and expenses, depending on the actual investment strategy. The client is free to select his/her broker, bank, trust company and/or financial service provider.

B. Funds, ETF's, etc.

i. Sector and Country Funds, ETFs, etc.

From time to time, to achieve greater portfolio diversification in a particular sector or geographic region, GIA may invest a portion of the client assets in a registered closed- end investment company that invests primarily in securities of one sector ("Sector Fund"), in securities of foreign issuers located in a particular geographic region ("Country Fund"), and/or Index funds. Clients whose assets are invested in a Sector, Country or Index Fund will continue to pay GIA's quarterly advisory fees plus a management fee to the Sector, Country or Index Fund manager. In effect, then, such client will pay *two fees* on the portion of its account invested in such Fund. Thus, the Advisory Fees charged by GIA for managing the client's account, together with any fees paid to the Sector, Country or Index Fund manager, may be higher than fees charged by other investment advisors for similar management services.

ii. Money Market Funds

In certain cases, client assets may be transferred ("swept") into one or more Money Market Funds. Any client whose assets are swept into a Money Market Fund will continue to pay GIA's quarterly fee plus a management fee to the Mutual Fund manager on the portion of the account assets invested in the Money Market Fund. In effect, such client will pay *two fees* on the portion of its account assets invested in such Money Market Fund. Thus, the Advisory Fees charged by GIA for managing the client's account, together with any fees paid to the Money Market Fund manager, may be higher than fees charged by other investment advisors for similar management services.

**5. NO FEES**

GIA does not seek reimbursement for out-of-pocket operating, rent or similar overhead expenses (shipping, copying, etc.) Periodic account reviews are offered for free and at no cost to the client.

## **VI. PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

Performance-based fees are calculated based on the capital appreciation of client assets.

Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees.

GIA does NOT offer performance-based fee arrangements or side-by-side management.

## VII. TYPES OF CLIENTS

### 1. TYPES OF CLIENTS/CLIENT PROFILE

Typically, GIA's clients are *high net-worth individuals, their family members, and entities of such persons, including Trusts and Charitable Trusts.*

GIA does not act as advisor to pooled investment vehicles.

### 2. ACCOUNT MINIMUM

GIA has a stated account *minimum of \$300,000* (or equivalent in other currencies) and does not recommend opening accounts with less than \$1,000,000 to ensure prudent diversification.

For client's family members and related accounts, GIA has accepted smaller account minimums.

## VIII. INVESTMENTS, METHODS OF ANALYSIS, STRATEGIES, AND RISK OF LOSS

### 1. TYPES OF INVESTMENTS

GIA provides investment advice relating to a variety of asset classes and assets, including US and foreign money market funds; certificates of deposits; US and foreign government securities; municipal securities; corporate debt securities; commercial paper; mutual fund shares; exchange traded funds and notes; exchange-listed, over-the-counter, and foreign-issuer securities; options; partnerships investing in real estate, and/or oil & gas projects.

Furthermore, GIA believes that, at certain times, the volatility of foreign exchange rates necessitates the use of currency forwards in order to preserve capital. As such, GIA engages in currency forward transactions to hedge the underlying security positions and/or to secure certain exchange rates for planned transactions.

Lastly, GIA reserves the right to advise clients on any other type of investment and investment strategy, existing or future, that it deems appropriate based on the client's circumstances, goals and/or inquiries.

### 2. ASSET ALLOCATION, METHODS OF ANALYSIS AND INVESTMENT STRATEGIES

#### A. Asset Allocation

Unless the asset allocation is client-directed, decisions and recommendations regarding the distribution of capital between cash, debt, equity and commodities, domestic or foreign, are based on GIA's assessment of the overall worldwide forces that are shaping economic trends and which affect liquidity, inflation, interest rates, corporate profitability and investor psychology.

GIA will routinely allocate or recommend allocation of client assets to third party investment managers to implement asset allocations to investment strategies where GIA cannot access the market or does not have sufficient expertise. Selection of such third party investment managers is based on due diligence reviews and monitoring processes which evaluates, among other things, investment process, performance, operations and other elements of the manager's business.

#### B. Methods of Analysis

In general, GIA looks at worldwide political, economic, and social trends and employs a country-by-country analysis of political climates, business conditions, inflation, interest rate and corporate earnings outlooks as basis for its decision making.

Specifically, GIA uses a combination of fundamental, technical and sentiment data to assess opportunities and risks in the financial markets. Fundamental data help identify factors that influence the way investors price financial assets and reveal countries, asset classes, sectors, industries, and companies with compelling intermediate financial characteristics.

Technical data help identify prevailing and/or emerging price patterns and trends, irrespective of fundamental data. Sentiment data show the prevailing "mood of investors" and are the engine that drives the all-important investor behavior.

- i. The fundamental analysis utilized by GIA typically includes the following:
  - 1. Screening to help identify historical trends in returns on assets at a given cycle.
  - 2. The review of monetary policies, tax- and other laws.
  - 3. The evaluation of country and/or corporate key data such as debt-to-equity ratios, ability to service existing loans and/or finance future growth, earnings income, profitability, and yields.
  - 4. The assessment of the quality of a country's or corporate leadership and/or its competitive advantage and/or its access to capital.
- ii. The technical analysis utilized by GIA includes the following:
  - 1. Monitoring of money flows.
  - 2. Assessment of price and trading volume statistics and changes.
  - 3. Interpretation of data shown in form of a graph. (Chart analysis.)
- iii. The sentiment analysis utilized by GIA includes the following:
  - 1. Monitoring of optimism/pessimism data.
  - 2. Monitoring of a variety of macro data, including employment, consumer delinquency and housing data.

Sources of information used in the investment process include the Internet; domestic and foreign newspapers and magazines; publications and reports issued by governments and international organizations; third party research materials of all sorts; corporate rating services; annual reports, prospectuses, and filings with the SEC; and company press releases.

#### C. Investment Strategies

GIA believes that a disciplined approach is the only way to preserve and grow capital: Clarity of goal, a well-thought out strategy to achieve the goal, and attention to each investment. But, GIA does not believe that one particular strategy can be effective all the time and/or that one single investment strategy is superior to others. Different client needs and expectations as well as an ever changing macro-environment require different investment strategies at different times.

Consistent with providing tailor-made advice to each and every client, *GIA applies the strategy that it feels is most appropriate for a particular client's investment goals in an expected macro-environment.*

However, philosophically:

- i. GIA utilizes an active, and at times opportunistic, approach to investing and/or recommending investments of client's capital. As such,
  - 1. investment decisions and/or recommendations may seek a balance of, or give preference to, capital preservation, income and/or growth;
  - 2. investment decisions and/or recommendations seek to optimize the after-tax return, where applicable;
  - 3. investment decisions and/or recommendations may be short-term in nature (investments held for less than 12 months) or long-term (investments held for at least 12 months).

- ii. Global approach: GIA believes that investing and/or recommending investments of client's capital in domestic and foreign securities provides a superior asset management proposition than a domestic-only or non-US only strategy.
- iii. Options: If approved by the client, GIA may use and/or recommend options to hedge portfolio risk, enhance cash flow, help create better entry points when building an investment position, and/or to create exposure in lieu of holding actual securities or other instruments. GIA believes that the prudent use of option strategies is a valuable investment approach for certain investors.
- iv. Sell-discipline: GIA sells or recommends the sale of an investment when the market price exceeds GIA's estimate of fair value, the fundamentals fall short of GIA's original investment thesis, when there are more attractive investment alternatives, or when client or market circumstances materially change.

GIA does NOT engage in computer driven trading, which it views as tax-inefficient.

### **3. RISKS**

GIA defines "risk" as the probability of permanent loss of capital. Investing is a forward looking activity and, due to the uncertainty of future events, *always* entails at least some level of risk.

GIA seeks to mitigate investment risk by way of diligent research, asset allocation and the experience of having managed substantial capital for many, many years and through all economic cycles.

GIA does not represent warranty, guarantee or imply that its services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. Clients assume the risk that their entire investment may be lost. And, past performance is in no way an indication of future performance.

## IX. DISCIPLINARY INFORMATION

### 1. CLEAN RECORD

GIA, its management, staff and related persons have a *clean legal and regulatory record*.

### 2. NO LEGAL HISTORY

GIA, its management, staff and related persons have *never* been party to any civil or criminal action.

### 3. NO ADMINISTRATIVE HISTORY

GIA, its management, staff and related persons have *never* been party to any type of administrative proceedings.

### 4. NO HISTORY WITH SELF-REGULATING ORGANIZATIONS

GIA, its management, staff and related persons have *never* been party to any type of proceedings initiated by self-regulatory organizations.

## **X. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

### **1. BROKER-DEALER REGISTRATION**

Neither GIA nor any of its management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

### **2. FUTURES COMMISSION MERCHANT, COMMODITY POOL OPERATOR OR COMMODITY TRADING ADVISOR REGISTRATION**

Neither GIA nor any of its management persons are registered, or have an application pending to be registered, as a futures commission merchant, commodity pool operator, commodity trading advisor or an associated person of such entities.

### **3. NO THIRD PARTY RELATIONSHIPS**

GIA, its management, staff and related persons have *no third party relationships* that are material to its business. Furthermore, GIA, its management, staff and related persons *are not a general partner* in any partnership GIA clients are invested in.

### **4. SUB-ADVISORS**

Whereas GIA routinely selects sub-advisors to access markets that require special know-how, access certain expertise it does not have, or employ specialized strategies to the benefit of their clients, GIA, its management, staff and related persons *do not* receive any direct or indirect compensation from such sub-advisors.



## **XI. CODE OF ETHICS, PERSONAL SECURITY TRADING, AND PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS**

### **1. CODE OF ETHICS**

In compliance with Rule 17j-1 of the Investment Company Act of 1940 (Fiduciary Principles) and Rule 204A-1 of the Investment Advisers Act of 1940 (Ethics), GIA has adopted a Code of Ethics that sets out the standards of business conduct that governs GIA's activities. Its core principles include, but are not limited to "FRIOC":

- i. Fiduciary Responsibility: the interests of clients will be placed ahead of GIA's or any employee's own investment interests;
- ii. Integrity: employees will act with the utmost integrity;
- iii. Objectivity: employees will provide professional investment management advice based upon unbiased independent judgment; and
- iv. Confidentiality: privileged information, i.e. non-public information and information that GIA or its employees obtain as part of their client or business relationship, is not to be used in any way.

In addition, the Code of Ethics places restrictions on GIA's and employees' personal securities trading.

It also requires employees to either supply electronic access to the persons' personal trading records or report periodically, with a few minor exceptions set forth in Rule 204A-1 under the Investment Advisers Act, their personal securities transactions and holdings.

### **2. PERSONAL SECURITIES TRADING POLICY**

GIA has established the following restrictions in order to fulfill its fiduciary responsibilities and avoid potential conflicts of interest vis-à-vis its clients:

- i. GIA designates that all employees of the Firm and their immediate family members are subject to the Code of Ethics and the requirements of the Personal Security Trading Policy.
- ii. GIA prohibits its employees to act on insider information.
- iii. GIA and its employees may trade at the same time as the clients and may take the same or opposing positions. GIA strictly forbids "front-running" client accounts, which is a practice generally understood to be employees personally trading shortly ahead of client accounts. The Chief Compliance Officer will closely monitor employees' investment patterns to detect these abuses.
- iv. The Chief Compliance Officer has the authority to approve any personal security transactions by any employee in his sole discretion.

### **3. PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS**

GIA and its employees do NOT participate or take an interest in client transactions.

Clients and prospective clients may obtain a copy of GIA's Code of Ethics in written form by contacting Peter Scholla at tel (561) 881-9688 or at [mail@globalinvestmentadviser.com](mailto:mail@globalinvestmentadviser.com).

#### **4. GIA PRIVACY NOTICE**

At GIA, keeping client information secure is a top priority. GIA is fully committed to protecting its client's right to privacy. GIA seeks to maintain high standards to protect its client's personal information, and to prudently protect that information. GIA will not sell or share its client's personal information or name. GIA issues the following shortened version of its Privacy Notice:

*Pursuant to the Gramm-Leach-Bliley Act as implemented by Regulation S-P, Global Investment Adviser, LLC is required to disclose its privacy policy to its clients.*

*We collect and become aware of nonpublic information about our clients from information we receive at meetings, administrative forms and from the transactions with us or others in connection with our advisory services.*

*We do not disclose any nonpublic information about our clients to anyone, unless requested to do so by a client or except as permitted or required by law. We will furnish specific account information to a designated fiduciary of a particular client if so requested. If a client decides to close his or her account(s) or becomes an inactive customer, we will adhere to the privacy policy and practice as described in this notice.*

*We note, however, that notwithstanding the foregoing, we reserve the right to disclose non-public personal information about investors to any person or entity, including without limitation any governmental agency, regulatory authority or self-regulatory organization having jurisdiction over us, if (i) we determine in our discretion that such disclosure is necessary or advisable pursuant to or in connection with any United States federal, state or local, or non-U.S., law, rule, regulation, executive order or policy, including without limitation any anti-money laundering law and the PATRIOT Act and (ii) such disclosure is not otherwise prohibited by law, rule, regulation, executive order or policy.*

*Furthermore, Global Investment Adviser, LLC restricts access to the client's personal and account information to those employees who need to know that information to provide efficient client service and those employees are prohibited from sharing any information with anyone other than the client or his/her designated fiduciary. Lastly, we maintain administrative, physical and electronic safeguards to guard our client's personal information.*

Clients receive a copy of GIA's Privacy Policy prior to, or at the time of, signing the Investment Management Agreement. Thereafter, GIA delivers a copy of its current Privacy Policy to its clients on an annual basis.

## **5. GIA BUSINESS CONTINUITY PLAN**

A Significant Business Disruption (SBD) can occur in a wide variety of scenarios and severity, such as a firm-only business disruption, a disruption to a single building/operations facility, disruption to a business district, a city-wide business disruption, or a regional disruption.

In the event of an SBD, GIA does plan to continue to do business during and/or after such events. The following applies:

1. GIA employees will have access to electronically stored basic client data.
2. GIA employees will contact clients as soon as practical after the event to re-establish communication.
3. For discretionary mandates, GIA will continue to make, in its own judgment, the best possible decision for the Client under the then prevailing circumstances.
4. If circumstances warrant, Clients can contact the custodian of their assets directly and personally order their investments be moved to a different location or into cash until the disruption circumstances are brought back under control.
5. In the event of Death or Significant Disability of Peter Scholla, a Successor procedure kicks in. The Successor procedure does not supersede the client's right to self-direct their accounts at any time.

## XII. BROKERAGE PRACTICES

### 1. CLIENT IS FREE TO SELECT BROKER AND CUSTODIAN

GIA does NOT require that it select the Broker or Custodian for the accounts managed.

In fact, GIA prefers to deal with third party financial service providers of the client's own choice. However, it should be noted that by selecting their own broker and custodian, GIA may be unable to achieve the most favorable execution of client transactions, which may cost clients more money than if they let GIA select a broker or custodian.

In cases in which GIA is asked and authorized to select a specific Broker or Custodian, GIA seeks the best available combination of execution, overall price, service (including research), and client circumstances.

### 2. GIA MAY RECEIVE RESEARCH FROM BROKERS ("SOFT-DOLLAR BENEFIT")

GIA utilizes brokers who provide it solely with brokerage services, as well as brokers who provide GIA with research services such as economic, political and social trend analysis, reports on credit and equity markets, and analysis of industries and individual companies.

Consistent with Section 28 (e) of the Securities and Exchange Act of 1934, GIA may pay the latter group of brokers a brokerage commission in excess of what another broker might have charged for effecting the same transaction in recognition of the value or research services provided by the broker. Under SEC regulations, this arrangement can be seen as "Soft-Dollar Benefit" because GIA does not have to produce or pay for the research, products and services it receives as a result of such trades. Therefore, soft-dollar benefits can create a conflict of interest in that they potentially incentivize GIA to select and recommend a broker based on the research and services it provides to GIA rather than recommending a broker solely based on the most favorable execution.

Since its start in 1994, GIA has received macro-economic analysis, as well as commodity, fixed income, and equity research reports from their clients' brokers and from third parties. However, since its inception, GIA has never directed brokerage business to anyone in order to actually obtain research material in return.

Research services rendered to GIA by brokers selected to execute transactions for *some* clients may be used in providing services to *all* of GIA's clients, including those who have not granted GIA the authority to place their brokerage business. Also, all research services may be utilized by GIA in connection with client accounts which paid commission to the broker providing such services. That portion of brokerage available to brokers that provide research services is allocated according to the perceived value of those services.

In all transactions, GIA seeks, on behalf of its clients, brokerage and custody expenses reasonable as compared to brokerage and custody expenses charged to other investment advisors that generate annually comparable amounts of commissions paid to brokers that provide brokerage and research services to those advisors.

### **3. GIA CAN COMBINE ORDERS IN ITS DISCRETION**

As previously noted, GIA provides tailored investment advisory services based on individual client's circumstances, goals and needs. As such, it is unlikely that GIA will be in a position to allocate investment opportunities among clients.

In limited instances, when orders to purchase or to sell the same securities are placed on behalf of more than one account managed by GIA, *the transaction may be combined through omnibus accounts and averaged as to price*, if GIA determines such aggregation would be in the best interest of all clients involved. Such transactions are allocated as to amount in a manner deemed equitable by GIA.

While combining orders can reduce the commissions, because clients hold their assets with different financial service providers, it is not always practical or efficient to combine orders and it is in GIA's discretion whether or not to combine security orders of different accounts.

### **4. GIA DOES NOT COMPENSATE BROKERS FOR CLIENT REFERRALS**

GIA does NOT directly or indirectly (through soft-dollar benefit) compensate brokers for client referrals.

### **5. OTHER BROKERAGE PRACTICES**

#### **A. Trade Errors**

In the event GIA causes a trading error in a client account, it is GIA's policy to restore the client account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions may include canceling the trade and/or reimbursing the account. If a trade error results in a profit, the client will keep the profit.

## XIII. REVIEW OF ACCOUNTS

### 1. ONGOING MONITORING

On an ongoing basis, GIA monitors the investments and/or third party investment managers in which clients invest or that GIA recommends to clients.

### 2. PERIODIC REVIEW

GIA conducts reviews of client accounts, regardless of size or activity, *at least quarterly*. The objective of the review is to monitor progress and detect discrepancies with the client's needs. The review is part of a regular process and is conducted, informally, by the portfolio manager.

GIA does not anticipate that it will provide investment advisory services to more than 30 clients at any given time.

### 3. REVIEW CAUSED BY MAJOR CHANGES

In addition to such routine review, the portfolio manager reviews accounts *as circumstances warrant* (for example, as a result in changes of the financial needs of the client, major changes in security prices, developments in portfolio holdings, market fluctuations, tax law changes, etc.).

### 4. OTHER REVIEWS

From time to time, GIA will comment to client on portfolio developments either at *personal meetings or in writing*.

## **XIV. CLIENT REFERRALS AND OTHER COMPENSATION**

### **1. NO FINDER'S FEE ARRANGEMENTS**

GIA has *NO finder's fee arrangements with third parties*: GIA, its personnel and related persons make no payments to and receive no payments from third parties in connection with providing investment advice to clients.

### **2. NO OTHER ARRANGEMENTS WITH THIRD PARTIES THAT PROVIDE AN ECONOMIC BENEFIT**

Client fees are GIA's *only* source of income. GIA, its personnel and related persons make no payments to and receive no payments from third parties in connection with providing investment advice to clients.

## **XV. CUSTODY**

### **1. NO CUSTODY OF CLIENT ASSETS**

GIA does NOT have custody of client assets.

Client assets are held by qualified third party custodians of client's choice. Further, client assets are always *held in the client's name*, never in GIA's name.

In certain instances, GIA is authorized to deduct its advisory fees directly from such clients' accounts. Pursuant to the SEC's custody rule, GIA will be deemed to have limited custody over the assets in such client accounts. In connection therewith, pursuant to the SEC's custody rule requirements, GIA ensures that the qualified custodian of such client accounts send quarterly account statements to the applicable clients.

### **2. INFORMATION PROVIDED BY THE CUSTODIAN**

Clients receive all account pertinent information, including trade confirmations and account statements, from the custodian and other third party financial service providers directly. Clients should review such documents carefully and promptly.

Furthermore, clients are urged to promptly compare all GIA-provided information with the official account statements provided by the custodian and bring any discrepancies to GIA's attention.

This is pertinent especially for the quarter-end account value based on which GIA calculates its fees.

### **3. NO SURPRISE AUDITS**

GIA's business is such that it is NOT subject to SEC rules that require surprise audits by a public accountant.



## XVI. INVESTMENT DISCRETION

### 1. LIMITED POWER OF ATTORNEY

For fully discretionary investment mandates, the client grants GIA a *Limited Power of Attorney* to make investment decisions for the account. The Limited Power of Attorney authorizes GIA to initiate trades and operate *within* a single account; it does NOT allow GIA to withdraw any moneys except, if so agreed upon with the client, to withdraw its quarterly fee. The Limited Power of Attorney is granted by signing the respective part of the Investment Management Agreement and, as may be required from time to time, by completing certain forms from the respective third party financial service provider.

In addition, GIA provides non-discretionary investment advisory services to certain clients. In such instances, GIA provides investment recommendations to the client, who maintains responsibility for the implementation and executions of such recommendations.

### 2. RESTRICTIONS

Clients may limit GIA's discretionary authority over their accounts. These limitations usually relate to the asset allocation (minimum/maximum of a certain asset class); the percentage amount of the account that may be committed to one sector, industry or company; the use of foreign securities for an account; or the quality of the investments (credit rating minima, market capitalization minima/maxima); etc.

To become effective, GIA must receive restriction requests *in written form* and it is the client's responsibility to inform GIA of any changes.

### 3. GIA POLICY WITH RESPECT TO CLIENTS THAT CANNOT BE LOCATED OR BECOME COGNITIVE DISABLED

In the event that Client cannot be located, or Client encounters a state of disabled cognition, or dies, GIA will undertake every effort to identify and contact family members, friends or other related parties (attorney's, trustees, etc.) to determine the then proper course of action.

## XVII. VOTING CLIENT SECURITIES

### 1. RULE: CLIENT VOTES

Voting rules can be complex and GIA prefers and recommends that clients vote themselves.

### 2. EXCEPTION: GIA VOTES (VOTING POLICY)

In cases where GIA is asked to vote proxies on behalf of their clients, the following Voting Policy applies:

*Most of the securities held for our clients constitute a small percentage of the ownership of the issuer of such securities. Therefore we do not expect such issuers to be impacted by our client's proxy votes related to such securities. Accordingly, we have determined that our clients' interests will not be impacted by such proxy votes and that the benefits to our clients related to any such vote would be small and the costs associated with investigating how best to vote such proxies would exceed such benefits. Consequently, we will not vote or evaluate proxies relating to a security if our client is a beneficial owner of no more than one percent (1%) of the outstanding securities of such issuer. If, however,*

- i. the client wants us to vote on his or her behalf, we will vote as recommended by the directors of the Board; or*
- ii. if we believe that the subject matter of a proxy for any such security may nonetheless be material to a client's account and that the vote may impact the outcome of such vote, we will vote the proxy in a manner that we think is in the best interest of our client.*

*We will evaluate proxies relating to a security if our client is the beneficial owner of more than one percent (1%) of the outstanding securities of such issuer. We will vote these proxies in a manner that is in the best interest of the client. We shall consider only those factors that relate to the client's investment, including how the result of the requested vote will economically impact and affect the value of the client's investment (keeping in mind that, after conducting an appropriate cost-benefit analysis, avoiding further expense and investigation and not voting at all on a presented proposal may be in the best interest of the client). In voting on each and every issue, we will vote in a prudent and timely fashion and only after a careful evaluation of the issue(s) presented on the ballot.*

*In exercising our voting discretion, we will seek to avoid any direct or indirect conflict of interest raised by such voting decision. We will provide adequate disclosure to the client if any substantive aspect or foreseeable result of the subject matter to be voted upon raises an actual or potential conflict of interest to us or any of our affiliates. After informing the client of any potential conflict of interest, we will either request the client's consent to our vote recommendation or request the client to vote the proxy directly or through another designee. If the client is unreachable or has not affirmatively responded before the response deadline for the matter being voted upon, we may: (a) engage a Non-Interested Party to independently review our vote recommendation if the vote recommendation would fall in favor of our interest (or the interest of our affiliate) to confirm that our vote recommendation is in the client's best interest under the circumstances; (b) cast our vote as recommended if the vote recommendation would fall against our or our affiliate's interest and such vote recommendation is in the client's best interest under the circumstances; or (c) abstain from voting if we determine that such action is in the client's best interest under the circumstances.*

## **Global Investment Adviser, LLC**

Clients may obtain a copy of GIA's complete proxy voting policies and procedures by contacting Peter Scholla at tel (561) 881-9688 or at [mail@globalinvestmentadviser.com](mailto:mail@globalinvestmentadviser.com). In addition, clients may request, in writing, information on how specific proxies for his/her shares were voted. If any client requests a copy of GIA's complete proxy policies and procedures or how GIA voted proxies for his/her account(s), GIA will promptly provide such information to the client.

## **XVIII. FINANCIAL INFORMATION**

### **1. GOOD STANDING**

GIA does not have custody of client assets, does not require fee prepayment of more than \$1,200 per client six months in advance, and its financial condition is not likely to impair its client commitments.

As such, GIA is NOT required to publish a balance sheet. But, at the time of writing this brochure, GIA's assets exceeded its liabilities and the firm is, and has been since inception, in good financial standing.



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("GIA")**

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**Brochure Supplement  
(Form ADV, Part 2, B)**

This brochure supplement provides information about **PETER SCHOLLA** that complements the GLOBAL INVESTMENT ADVISER, LLC (GIA) brochure. You should have received a copy of that brochure. Please contact Peter Scholla at Global Investment Adviser, LLC if you did not receive GIA's brochure or if you have any questions about the contents of this supplement. Additional information about PETER SCHOLLA is available on the SEC's website at [www.adviserinfo.dec.gov](http://www.adviserinfo.dec.gov).

March 29, 2019

## I. EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Peter Scholla, born in 1956, has a law degree (University of Fribourg, Switzerland) and the Doctor of Jurisprudence, which requires a post-graduate study, was conferred to him (University of Fribourg, Switzerland, November 1986).

He has passed the Series 65 Test of the NASD on 5/20/93 and the Series 2 test of the NASD on 11/18/94. (The series 65 test is designed to qualify individuals as an investment adviser representative; the series 2 test is designed to measure an individual's qualification and competence to engage in the security business.)

Prior to working for GIA, between 1985 and 1994, Peter Scholla has held various senior managerial positions at Credit Suisse in Switzerland, Canada, and in the US.

## II. DISCIPLINARY INFORMATION

### 1. CLEAN RECORD

Peter Scholla has a *clean legal and regulatory record*.

### 2. NO LEGAL HISTORY

Peter Scholla has *never* been party to any civil or criminal action.

### 3. NO ADMINISTRATIVE HISTORY

Peter Scholla has *never* been party to any type of administrative proceedings.

### 4. NO HISTORY WITH SELF-REGULATING ORGANIZATIONS

Peter Scholla has *never* been party to any type of proceedings initiated by self-regulatory organizations.

## III. OTHER BUSINESS ACTIVITIES

Peter Scholla *does not* engage in other businesses that would create a material conflict of interest vis-à-vis the clients and/or GIA.

## IV. ADDITIONAL COMPENSATION

Peter Scholla *does not* solicit business outside of GIA. However, from time to time, he may be asked to advise charities, friends or other third parties on investment decisions. In these cases, he may or may not accept compensation for his work. The actual fee will depend on the circumstances of the client and the service provided. In either case, the income and the time involved would not be substantial in that they would represent less than 10% of his annual income and the time spent on working for GIA clients.

## V. SUPERVISION

Peter Scholla is the *only GIA authorized person* to formulate and implement investment advice for a client and who has investment-related client contact.

Peter Scholla is the Chief Compliance Officer at GIA. His telephone number is (561) 881-9688.