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This brochure provides information about the qualifications and business practices of Wilmington Capital Securities, LLC (“WCS”). If you have any questions about the contents of this brochure, please contact us at 516-750-6200, or email [dlee@wilmingtoncap.com](mailto:dlee@wilmingtoncap.com) or [rdorushkin@wilmingtoncap.com](mailto:rdorushkin@wilmingtoncap.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. WCS is registered with the SEC. Registration as a registered investment advisor does not imply a certain level of skill or training.

Additional information about Wilmington Capital Securities, LLC also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2: Material Changes

This section discusses material changes since the last update of our brochure. The last update to our brochure was on June 2, 2020.

**Disciplinary Information has been amended to reflect the Consent Order entered between Wilmington and the Banking Commissioner of the State of Connecticut.**

WCS will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary. Clients are invited to request a full copy of the brochure at any time, or may access a copy on the SEC website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

### **Item 3: Table of Contents**

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

## **Item 4: Advisory Business**

### **Investment Adviser and Principal Owners:**

Wilmington Capital Securities, LLC is a registered broker-dealer and SEC registered investment adviser with its principal place of business in Garden City, New York. Wilmington Capital Securities, LLC (“WCS” or the “Firm”) became a registered investment adviser on February 18, 2010. The Firm did not engage in any investment advisory business in 2010, 2011, 2012, 2013 or 2014 but began to conduct such services in 2015. Wilmington Capital Group, Inc. owns the Firm.

The principal owners of Wilmington Capital Group, Inc., are:

John Mikes, President;  
Ronald Dorushkin, CEO; and  
Joseph Columbo, Chairman.

Wilmington Capital Securities, LLC provides investment adviser services through the Charles Schwab & Co. (“Schwab”) services platform, the RBC Correspondent Services (“RBC”) platform and the Interactive Brokers (“IB”) platform. Fees charged for these services are based on assets under management and are negotiable within the parameters established by the program sponsor. The fees are charged quarterly in advance and the client may terminate the service at any time and receive a pro-rated refund of any unearned fees. WCS will also provide investment advisory services to individuals, pensions and profit-sharing plans, trusts, estates, and charitable organizations and corporations and business entities.

### **Advisory Services**

The following is a summary of the programs and services we offer:

#### **A. Description of Advisor Firm.**

Wilmington Capital Securities, LLC is a FINRA registered broker-dealer, CRD #133839, SEC #8-67149 dually registering as an investment advisor firm with the US Securities and Exchange Commission as of the date of this Brochure. The firm is wholly owned by Wilmington Capital Group, Inc., which is owned 1/3 each by Mr. Columbo, Mr. Dorushkin and Mr. Mikes. There are no other owners. WCS offers discretionary investment advisory services, non-discretionary services and financial planning to individual clients. For additional information about the firm and its services, see the response to Item 4B below.

#### **B. Description of Advisory Services Offered**

##### Advisory Services

WCS’s principal service is providing fee-based investment advisory services and financial planning services. WCS practices custom management of portfolios on a discretionary basis tailored to the client’s investment objectives. WCS’s primary approach is to use a

tactical allocation strategy aimed at reducing risk and increasing performance. WCS may use any of the following: exchange listed securities, over-the-counter securities, corporate debt securities, municipal securities, mutual funds, United States government securities, and options in securities to accomplish this objective. WCS measures and selects mutual funds by using various criteria, such as the fund manager's tenure, and/or overall career performance. WCS may recommend, on occasion, redistributing investment allocations to diversify the portfolio in an effort to reduce risk and increase performance. WCS may recommend specific stocks to increase sector weighting and/or dividend potential. WCS may recommend employing cash positions as a possible hedge against market movement, which may adversely affect the portfolio performance by reducing investment returns. WCS may recommend selling positions for reasons that include, but are not limited to, harvesting capital gains or losses, business or sector risk exposure to a specific security or class of securities, overvaluation or overweighting of the position(s) in the portfolio, change in risk tolerance of client, or any risk deemed unacceptable for the client's risk tolerance. WCS will provide investment advisory services and portfolio management services and will not provide securities custodial or other administrative services. At no time will WCS accept or maintain custody of a client's funds or securities.

#### Financial Planning

In addition to investment supervisory services, WCS may provide financial planning services to some of its clients. WCS's financial planning services may include recommendations for portfolio customization based on their client's investment objectives, goals and financial situation. Financial planning services may also include recommendations relating to investment strategies as well as tailored investment advice.

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

WCS will tailor its advisory services to its client's individual needs based on meetings and conversations with the client. If clients wish to impose certain restrictions on investing in certain securities or types of securities, WCS will address those restrictions with the client to have a clear understanding of the client's requirements.

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

WCS provides portfolio management services to wrap fee programs sponsored by its clearing firm, RBC Capital Markets.

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

As of the date of this Brochure, WCS discretionarily manages assets of \$52,736,513 for approximately 162 client accounts.

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

### **A. & B. Method of Compensation and Fee Schedule and Client Payment of Fees**

#### Asset Management Fees

Pursuant to an investment advisory contract signed by each client, the client will pay WCS a management fee, payable in advance, on either a monthly or quarterly basis, based on the

value of portfolio assets of the account managed by WCS, as of the opening of business on the first business day of each month or on the first business day of each quarter. The annual management fee will be in the range of 0.5% to 2.0%. WCS may negotiate fees under certain circumstances, at its sole discretion. Asset management fees will be automatically deducted from the client account on a monthly or quarterly basis by the qualified custodian based on instructions from WCS. As part of the account establishment process, the client will give written authorization permitting WCS to be paid directly from their account held by the custodian according to this process.

#### Hourly Fees

Some clients may contract to have financial planning advice and/or business consulting services based on an hourly fee rather than based on the assets under management. WCS's hourly fee will be billed at a rate of \$150 - \$350 per hour and will be negotiated and agreed upon by the parties in advance. Hourly fee-based clients are billed one half of the fee at the time of signing the Agreement with WCS and the other one half upon delivery of the financial plan or written report to the client or conclusion of the project. If the final fee is not paid by the client at the delivery of the financial plan or written report or conclusion of the project, the client is required to pay the fee within 5 days of delivery of the financial plan or written report or conclusion of the project. The fee will be based upon the anticipated number of hours it will take to complete the financial plan or project, the complexity, and other factors. If the client terminates the Agreement with WCS prior to WCS's completion of the financial plan or project, any fees due WCS will be invoiced to the client and payable within 5 days of delivery of the invoice. If WCS completes the financial plan or project in less time than originally planned, WCS will refund to the client a pro-rata share of the fee the client paid. WCS will refund the pro-rata fee to the client within 5 days of delivery of the financial plan or written report or project conclusion. Under no circumstances will WCS charge more than \$1200 more than 6 months in advance.

#### Fixed Fees

WCS may charge a fixed fee for comprehensive financial planning services or business consulting in the range \$750 to \$2500 per plan or project as contracted for with client in advance. Fixed fees may be negotiated in advance based at the discretion of WCS. Fixed fee-based clients are billed one half of the fee at the time of signing the Agreement with WCS and the other one half upon delivery of the financial plan or completion of the project. If the final fee is not paid by the client at the delivery of the financial plan or completion of the project, the client is required to pay the fee within 5 days of delivery of the financial plan or completion of the project. If the client terminates the Agreement with WCS prior to WCS's completion of the financial plan or project, any fees due WCS will be invoiced to the client and payable within 5 days of delivery of the invoice. If WCS completes the financial plan or project in less time than originally planned, WCS will refund to the client a pro-rata share of the fee the client paid. WCS will refund the pro-rata fee to the client within 5 days of delivery of the financial plan or project. Under no circumstances will WCS charge more than \$1200 more than 6 months in advance.

### **C. Additional Client Fees Charged**

WCS derives its revenue from asset based, fixed or hourly fees as described above. In addition to these fees, The Custodians charge custodial fees, transaction and other

brokerage or miscellaneous fees such as inactivity fees and account transfer fees. The Client is responsible for paying the additional fees charged by the Custodian. WCS may receive a portion of these fees charged by the Custodian, which creates a conflict of interest. A full description of these fees, and the portion receivable by WCS, is available on request.

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

WCS's management fee is payable in advance. Upon termination, fees paid in advance will be prorated to the date of termination and any unearned fees will be refunded to client.

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

Where acting in the capacity of a registered representative, investment advisory representatives of WCS may as broker or agent effect securities transactions for typical and customary compensation. Clients are not obligated to use investment advisory representatives of WCS to execute such securities transactions.

Investments in securities such as mutual funds may include 12b-1 fees received by WCS as additional compensation for transactions involving certain share classes.

This practice presents a conflict of interest by creating an incentive to recommend investment products based on the compensation received, rather than on a client's needs. To address this conflict, WCS requires its associated persons to recommend only institutional or advisory shares that do not provide any additional or variable compensation. WCS has implemented control procedures to ensure the application of this policy is uniform across all advisory accounts. Furthermore, WCS has instructed its clearing firm, RBC Capital Markets, to rebate its advisory clients any of the 12b-1 fees received by the Firm for all transactions relating to mutual funds.

A client may be able to invest in products recommended by the firm directly, without the services of WCS. In that case, the client would not receive the services provided by WCS which are designed, among other things, to assist the client in determining which products or services are most appropriate to each client's financial condition and objectives.

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

WCS does not charge performance-based fees.

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

WCS intends to provide advisory services to the following types of clients:

- Individuals (other than high net worth individuals);
- High net worth individuals;

Pensions and profit-sharing plans;  
Trusts, estates, and charitable organizations; and  
Corporations and business entities

WCS does not have any minimum requirements for opening or maintaining an account.

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

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

WCS may utilize fundamental, technical or cyclical analysis techniques in formulating investment advice or managing assets for clients.

Fundamental analysis of businesses involves analyzing its financial statements and health, its management and competitive advantages and its competitors and markets. Fundamental analysis is performed on historical and present data but with the goal of making financial forecasts. There are several possible objectives; to conduct a company stock valuation and predict its probable price evolution; to make a projection on its business performance; to evaluate its management and make internal business decisions and to calculate its credit risk. The risk assumed is that the market will fail to reach expectations of perceived value.

Technical analysis is a method of evaluating securities by relying on the assumption that market data, such as charts of price, volume and open interest can help predict future (usually short-term) market trends. Technical analysis assumes that market psychology influences trading in a way that enables predicting when a stock will rise or fall. The risk is that markets do not always follow patterns and relying solely on this method may not work long term.

Cyclical analysis of economic cycles is used to determine how these cycles affect the returns of an investment, an asset class or an individual company's profits. Cyclical risks exist because the broad economy has been shown to move in cycles, from periods of peak performance followed by a downturn, then a trough of low activity. Between the peak and trough of a business or other economic cycle, investments may fall in value to reflect the uncertainty surrounding future returns as compared with the recent past. The risks with this strategy are two-fold 1) the markets do not always repeat cyclical patterns and 2) if too many investors begin to implement this strategy, it changes the very cycles they are trying to take advantage of.

The investment strategies WCS will implement may include long term purchases of securities held at least for one year; short term purchases for securities sold within a year; trading of securities sold within 30 days, short sales, margin transactions, option writing, including covered options, uncovered options or spreading strategies.

Investments in securities such as mutual funds will be determined by WCS based on client's investment needs, investment profile, overall assets, or other factors to ensure that the most beneficial fund share class is being selected. Selected share classes will not include any class of shares that pays 12b-1 fees or other variable compensation additional



compensation. WCS has also instructed its clearing firm, RBC Capital Markets, to rebate its advisory clients any of these fees paid by the mutual fund companies. WCS will perform periodic reviews of accounts holding mutual funds to ensure that the selected fund classes in each account continues to be the most beneficial to each client.

*Clients are hereby advised that investing in securities involves risk of loss that clients need to be prepared to bear if engaging WCS to perform investment-related services.*

## **B. Investment Strategy and Method of Analysis Material Risks**

The methods of analysis and investment strategies followed by WCS are utilized across all of WCS's clients, as applicable. One method of analysis or investment strategy is not more significant than the other as WCS is considering the client's portfolio, risk tolerance, time horizon and individual goals. However, the client should be aware that with any trading that occurs in the client account, the client will incur transaction and administrative costs.

## **C. Security Specific Material Risks**

Every type of investment, including mutual funds, involves risk. Risk refers to the possibility that you will lose money (both principal and any earnings) or fail to make money on an investment. A fund's investment objective and its holdings are influential factors in determining how risky a fund is. Reading the prospectus will help you to understand the risk associated with that particular fund.

Generally speaking, risk and potential return are related. This is the risk/return trade-off. Higher risks are usually taken with the expectation of higher returns at the cost of increased volatility. While a fund with higher risk has the potential for higher return, it also has the greater potential for losses or negative returns. The school of thought when investing in mutual funds suggests that the longer your investment time horizon is the less affected you should be by short-term volatility. Therefore, the shorter your investment time horizon, the more concerned you should be with short-term volatility and higher risk.

WCS does not primarily recommend one particular type of security. However, with any investment you could lose all or part of your investments managed by WCS, and your account's performance could trail that of other investments. Some of those risks are:

### Asset Class Risk

Securities in your portfolio(s) or in underlying investments such as mutual funds may underperform in comparison to the general securities markets or other asset classes.

### Concentration Risk

To the extent that WCS recommends portfolio allocations that are concentrated in a particular market, industry or asset class, your portfolio may be susceptible to loss due to adverse occurrences affecting that market, industry, or asset class.

### Equity Securities Risk

Equity securities are subject to changes in value that may be attributable to market perception of a particular issuer or general stock market fluctuations that affect all issuers.

Investments in equity securities may be more volatile than other types of investments.

#### Growth Securities Risk

Growth companies are companies whose earnings growth potential appears to be greater than the market, in general, and whose revenue growth is expected to continue over an extended period. Stocks of growth companies or “growth securities” have market values that may be more volatile than those of other types of investments. Growth securities typically do not pay a dividend, which may help cushion stock prices in market downturns and reduce potential losses.

#### Issuer Risk

Your account’s performance depends on the performance of individual securities in which your account invests. Any issuers may perform poorly, causing the value of its securities to decline. Poor performance may be caused by poor management decisions, competitive pressures, changes in technology, disruptions in supply, labor problems or shortages, corporate restructurings, fraudulent disclosures, or other factors. Changes to the financial condition or credit rating of an issuer of those securities may cause the value of the securities to decline.

#### Management Risk

The performance of your account is subject to the risk that our investment management strategy may not produce the intended results.

#### Market Risk

Your account could lose money over short periods due to short-term market movements and over longer periods during market downturns. The value of a security may decline due to general market conditions, economic trends, or events that are not specifically related to the issuer of the security or to factors that affect a particular industry or industries. During a general downturn in the securities markets, multiple asset classes may be negatively affected.

#### Market Trading Risks

Your investment account faces numerous market trading risks, including the potential lack of an active market for investments held in your account and losses from trading in secondary markets.

#### Passive Investment Risk

WCS may use a passive investment strategy that is not actively managed where we do not attempt to take defensive positions in declining markets.

#### Larger Company Securities Risk

Securities of companies with larger market capitalizations may underperform securities of companies with smaller and mid-sized market capitalizations in certain economic environments. Larger, more established companies might be unable to react as quickly to new competitive challenges, such as changes in technology and consumer tastes. Some larger companies may be unable to grow at rates higher than the fastest growing smaller companies, especially during extended periods of economic expansion.

#### Liquidity Risk

A security may not be able to be sold at the time desired without adversely affecting the price.

#### Regulatory Risk

Changes in government regulations may adversely affect the value of a security. An insufficiently regulated industry or market might also permit inappropriate practices that adversely affect an investment.

#### Smaller Company Securities Risk

Securities of companies with smaller market capitalizations, historically, tend to be more volatile and less liquid than larger company stocks. Smaller companies may have no or relatively short operating histories, or be newly public companies. Some of these companies have aggressive capital structures, including high debt levels, or are involved in rapidly growing or changing industries and/or new technologies, which pose additional risks.

#### Value Style Investment Risk

Value stocks can perform differently from the market as a whole and from other types of stocks. Value stocks may be purchased based upon the belief that a given security may be out of favor. Value investing seeks to identify stocks that have depressed valuations, based upon a number of factors which are thought to be temporary in nature, and to sell them at superior profits when their prices rise when the issues which caused the valuation of the stock to be depressed are resolved. While certain value stocks may increase in value more quickly during periods of anticipated economic upturn, they may also lose value more quickly in periods of anticipated economic downturn. Furthermore, there is a risk that the factors which caused the depressed valuations are longer term or even permanent in nature, and that there will not be any rise in value. Finally, there is the increased risk in such situations that such companies may not have sufficient resources to continue as ongoing businesses, which would result in the stock of such companies potentially becoming worthless.

#### Derivatives Risk

The use of derivatives such as futures, options, and swap agreements can lead to losses, including those magnified by leverage, particularly when derivatives are used to enhance return rather than offset risk.

#### Small Firm Risk

We are reliant on research from sources including Wall Street firms we have deemed to be reliable—including hedge funds—to help us in our investment decisions. In addition, we do not have the financial resources that other, larger firms have to invest in market data systems or industry consultants to provide insight on specific companies or industries in which we may invest.

### **Item 9: Disciplinary Information**

In its capacity as a Broker-Dealer, WCS entered into an Acceptance, Waiver and Consent

on 1/25/2011. Without admitting or denying the allegations regarding the timeliness of Municipal Securities transaction reporting, the firm consented to sanctions including a censure and \$12,500 fine. Additional information regarding this disclosure event may be found at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) or [www.finra.org/brokercheck](http://www.finra.org/brokercheck).

In its capacity as a Broker-Dealer, WCS entered into a Consent Order with the Banking Commissioner of the State of Connecticut on 08/25/2020. Without admitting or denying the allegations regarding the compensation structure for one of Wilmington's back-office, non-registered employees, the firm consented to sanctions including \$11,275 in fines and past due broker-dealer agent registration fees. Additional information regarding this disclosure event may be found at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) or [www.finra.org/brokercheck](http://www.finra.org/brokercheck).

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

WCS's primary business is being a broker/dealer, operating a retail brokerage and investment banking business. WCS operates on a fully-disclosed basis using RBC Correspondent Services and Interactive Brokers for clearing and custody of client's funds and securities, along with other clearing firms.

WCS also offers insurance products through several insurance companies on a per contract basis. WCS is not a subsidiary of or affiliated with any insurance company.

Advisory personnel are also licensed as registered representatives of WCS. (Information on any licensed associated person may be found at [www.finra.org/brokercheck](http://www.finra.org/brokercheck)). These individuals, in their separate capacity, can effect securities transactions for which they may receive separate, yet customary compensation. While WCS and these individuals endeavor at all times to put the interest of the clients first as part of our fiduciary duty, clients should be aware that the receipt of additional compensation itself creates a conflict of interest, and may affect the judgment of these individuals when making recommendations.

WCS will endeavor at all times to put the interest of its clients first as part of our fiduciary duty as a registered investment adviser; we take the following steps to address this conflict. We disclose to clients the existence of all material conflicts of interest, including the potential for our firm and our employees to earn compensation from advisory clients in addition to our firm's advisory fees, as discussed above in Section 5(c).

- We disclose to clients that they are not obligated to purchase recommended investment products from our employees or affiliated companies;
- We collect, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;
- Our firm's supervisors conduct regular reviews of each client account to verify that all recommendations made to a client are suitable to the client's needs and circumstances;
- We require that our employees seek prior approval of any outside employment activity so that we may ensure that any conflicts of interests in such activities are properly addressed;

- We periodically monitor these outside employment activities to verify that any conflicts of interest continue to be properly addressed by our firm; and
- We educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

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

The Code of Ethics is a compilation of basic principles of conduct for which all Firm employees are responsible for knowing and following. These principles represent values critical to our customers and others to conduct our business with honesty and integrity. The Code has been adopted to protect the reputation and integrity of WCS and its employees and to assist employees in following uniform standards of ethical conduct. The term "employee" in the Code is understood to mean officers, directors, employees, and supervised persons, including independent contractors.

The Code of Ethics is intended to govern the actions and working relationships of employees with current or potential customers, consumers, other Firm employees, competitors, suppliers, government representatives, the media, and anyone else with whom the Firm has contact. In these relationships, employees must observe the highest standards of ethical conduct. The success of WCS as a provider of financial services is built upon the trust and confidential relationships maintained between WCS and its customers. Therefore, each employee is expected in all business matters to place WCS and its customers' interest above his or her own self-interest and to discuss with Compliance any proposed transaction or relationship that reasonably could be expected to give rise to a conflict of interest.

It is WCS's policy that an employee maintains no position which (1) could conflict with their performance of duties and responsibilities to WCS, (2) affects or could affect independence or judgment concerning transactions between WCS and its customers, suppliers, or others with whom WCS competes or has existing or pending or potential business relationships, or (3) otherwise reflects negatively on WCS.

Employees must resolve any doubt as to the meaning of the Code in favor of good, ethical judgment. **It is the responsibility of each employee to avoid even an appearance of impropriety.**

Implicit in the Code of Ethics is WCS's policy that both WCS and its employees comply with the law. The law prescribes a minimum standard of conduct; the Code of Ethics prescribes conduct that often exceeds the legal standard. Any request made of an employee by any supervisor carries with it, whether or not articulated, the understanding that the employee is to comply with the request only to the extent he or she can do so while complying both with the law and this Code of Ethics. In certain instances, areas of WCS have their own unique policies governing subjects covered by the Code of Ethics due to their lines of business. These policies are in addition to the requirements of the Code of

Ethics.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees 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.

Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in certain securities which may also be recommended to a client. It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts. As disclosed in the preceding section of this Brochure (Item 10), related persons may also be registered as securities representatives and/or licensed as an insurance agent/broker of various insurance companies. Please refer to Item 10 for a detailed explanation of these relationships and important conflict of interest disclosures.

WCS's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to [RDorushkin@wilmingtoncap.com](mailto:RDorushkin@wilmingtoncap.com) or by calling us at 516-750-6200.

## **Item 12: Brokerage Practices**

### **A. Factors Used to Select Broker-Dealers for Client Transactions**

WCS's advisory services are provided using either Schwab, RBC or IB as broker, as discussed throughout this Brochure. From time to time, WCS may also utilize its Broker-Dealer under its FINRA registration for execution of transactions on behalf of advisory clients, such as financial planning clients.

One important consideration in selecting brokers is the ability of such broker to provide and maintain best execution at the best price and commission rate under the circumstances for a particular transaction. The determinative factor is not necessarily the lowest price or commission cost, but whether the transaction represents the best qualitative execution for the client. In this connection, WCS may consider the full range and quality of a broker's services in placing brokerage including, among other things, the security's trading characteristics and the relative difficulty of execution, the broker's access to markets or expertise, price, confidentiality, speed and certainty of execution, the value of research provided, commission rate, financial responsibility, and responsiveness to WCS.

WCS's advisory representatives have a fiduciary duty to act in the best interest of our clients. Excessive trading would be a violation of that duty and therefore a violation of our Code of Ethics. WCS supervisory personnel scrutinize client accounts to detect excessive trading patterns. If excessive trading is detected, the Chief Compliance Officer and Senior Management will be notified and appropriate action will be taken. This may include enhanced supervision, dismissal or other disciplinary action. We also mitigate this conflict with full and frank disclosure.

**Research and Other Soft Dollar Benefits.**

WCS does not receive research or other products or services other than execution from a broker-dealer or third party as a result of client securities transactions.

**Brokerage for Client Referrals.**

WCS does not receive client referrals from any broker-dealer or third party as a result of the firm selecting or recommending that broker-dealer to clients.

**Directed Brokerage.**

WCS does not permit clients to direct brokerage to a different custodian.

**B. Aggregating Securities Transactions for Client Accounts**

WCS may combine orders into block trades when more than one account is participating in the trade. This blocking or bunching technique must be equitable and potentially advantageous for each such account (e.g. for the purposes of reducing brokerage commissions or obtaining a more favorable execution price). Block trading is performed when it is consistent with the duty to seek best execution and is consistent with the terms of WCS's investment advisory agreements. Equity trades are blocked based upon fairness to client, both in the participation of their account, and in the allocation of orders for the accounts of more than one client. Allocations of all orders are performed in a timely and efficient manner. All managed accounts participating in a block execution receive the same execution price (average share price) for the securities purchased or sold in a trading day. Any portion of an order that remains unfilled at the end of a given day will be rewritten on the following day as a new order with a new daily average price to be determined at the end of the following day. Due to the low liquidity of certain securities, broker availability may be limited. Open orders are worked until they are completely filled, which may span the course of several days. If an order is filled in its entirety, securities purchased in the aggregated transaction will be allocated among the accounts participating in the trade in accordance with the allocation statement. If an order is partially filled, the securities will be allocated pro rata based on the allocation statement. WCS may allocate trades in a different manner than indicated on the allocation statement (non-pro rata) only if all managed accounts receive fair and equitable treatment.

**Item 13: Review of Accounts**

Investment advisory client accounts are monitored on an ongoing basis by qualified individuals including but not limited to the Chief Compliance Officer. The nature of the review is to determine if the investments are in line with the client's stated objectives, although other reviews may be performed. The reviews are performed on daily, weekly, monthly and/or quarterly basis, depending on the nature of the review. Qualified individuals utilize electronic surveillance tools that enable them to review many accounts and/or account related data based on exceptions or other measures.

The client will receive written statements no less than quarterly from the custodian. In addition, the client will receive other supporting reports from mutual funds, asset managers, trust companies or other custodians, insurance companies, broker-dealers and others who are involved with client accounts. Clients are encouraged to carefully review these documents, and to contact WCS with any questions, conflicts or concerns.

WCS will not provide written reports to clients.

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

WCS does not pay any third parties for referrals, and does not receive any special or added compensation from any sub-advisers or other unrelated third parties for client referrals.

## **Item 15: Custody**

WCS does not hold client funds or securities. Client funds and securities will be held in custody at either Schwab, RBC, or IB, (the "Custodian"). Custodian(s) are all qualified as a custodian, and all checks or deposits to investment advisory accounts shall identify the respective Custodian as the recipient. Custodian will provide client account statements at least quarterly on a calendar year basis. Custodians also provide transaction confirmations on either a paper or electronic basis. As noted above, our clients are hereby encouraged to utilize reports from the Custodian to better understand investments, to reconcile account values, and/or for other informational purposes.

## **Item 16 Investment Discretion**

Investment advisory clients authorize WCS to have discretion over the selection and amount of securities to be bought or sold in client accounts without obtaining prior consent or approval from the client for each transaction. However, these purchases or sales may be subject to specified investment objectives, guidelines, or limitations previously set forth by the client and agreed to by WCS.

Discretionary authority will only be provided upon full disclosure to the client. The granting of such authority will be evidenced by the client's execution of an Investment Advisory Agreement containing all applicable limitations to such authority. All discretionary trades made by WCS will be in accordance with each client's investment objectives and goals.



## **Item 17: Voting Client Securities**

As a matter of firm policy, we do not vote proxies on behalf of clients. Therefore, although our firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets.

Clients are responsible for instructing each custodian regarding any assets of the client held in custody by such custodian. Custodians will forward to the client copies of all proxies and shareholder communications relating to the client's investment assets.

We may provide clients with consulting assistance regarding proxy issues if they contact us with questions at our principal place of business.

## **Item 18: Financial Information & Disclosures**

Wilmington Capital Securities, LLC currently does not have custody of client funds or securities. WCS does not require or solicit payment of fees in excess of \$1200 per client more than six (6) months in advance of services rendered. Therefore, we are not required to include financial information with this brochure.

Wilmington Capital Securities Investment Adviser, LLC has not been the subject of a bankruptcy petition at any time during the past six (6) years.

In the wake of the Coronavirus (COVIC-19) pandemic in 2020, Wilmington Capital Securities, LLC applied for and received an Economic Injury Disaster Loan advance of \$10,000 on April 21, 2020. Wilmington also applied for and received a Paycheck Protection Program (PPP) loan of \$118,710 on May 12, 2020.