



Round Investments LLC

10850 Wilshire Boulevard, Suite 1000
Los Angeles, CA 90024

www.investround.com

Wrap Fee Brochure

March 30, 2020

This wrap fee program brochure (this “Brochure”) provides information about the qualifications and business practices of Round Investments LLC (“Round”). If you have any questions about the contents of this Brochure, please contact us at (323) 487-3520 or email Round at team@investround.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority. Registration of an investment adviser with the SEC does not imply any level of skill or training.

Additional information about Round is also available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

Round's last annual updating amendment to its Brochure was on March 31, 2019. The following material changes have been made to the Brochure since the last annual update:

- Round may provide in-person investment advice.
- The Round Investments Wrap Fee Program has been named Round Premium. Round Premium's minimum account size is \$500, and the initial minimum deposit is also \$500.
- Round has added a second wrap fee program: Private Client. Private Client is reserved for accounts with a minimum balance of \$100,000.
- Round's Wrap Fee Programs are offered via a web platform in addition to the Round App.
- Round reorganized its ownership structure and is now the wholly-owned subsidiary of Round Investments Inc.

Item 3 – Table of Contents

	Page
Item 1 – Cover Page	1
Item 2 – Material Changes	2
Item 3 – Table of Contents.....	3
Item 4 – Services, Fees and Compensation	4
Item 5 – Account Requirements and Types of Clients	6
Item 6 – Portfolio Manager Selection and Evaluation	6
Item 7 – Client Information Provided to Portfolio Managers.....	11
Item 8 – Client Contact with Portfolio Managers	12
Item 9 – Additional Information	12

Item 4 – Services, Fees and Compensation

Advisory Firm Description

Founded in March 2017, Round is an investment adviser registered with the Securities and Exchange Commission. Round is wholly-owned by Round Investments Inc. Saul Cohen and Ron Rojany are the founders and majority owners of Round Investments Inc.

The Round Investments Wrap Fee Programs

Round offers its portfolio management services through two distinct wrap fee programs: the Round Premium Wrap Fee Program (“Round Premium”) and the Round Private Client Wrap Fee Program (“Round PC”, and together with Round Premium, the “Programs”).

Round provides investment advisory and portfolio management services under the Programs only on a fully discretionary basis. In order to participate in either Program, a client must enter into an advisory agreement with Round and open a securities brokerage account and complete an account agreement with Apex Clearing Corporation (“Apex”), an SEC registered broker dealer that provides execution, clearing, custody and other brokerage related services to clients within each Program.

Round Premium

Round Premium is offered through Round’s web portal (the “Site”) and mobile application (the “App”). The Site and the App provide a software-based portfolio allocation tool to Round Premium clients, which recommends a mix of three investment strategies: cash investment strategy (“Cash Strategy”), an actively managed market strategy (“Market Strategy”), and an actively managed multi-asset class strategy (“Core Strategy”).

When opening an account through the Site or App, a client will provide information—such as his or her financial situation, investment objectives, and goals—into Round’s questionnaire, which is used by our algorithm to recommend a target strategy allocation for his or her portfolio at Round. The questions asked are intended to determine a prospective client’s subjective and objective risk tolerance. Subjective risk tolerance is determined based on questions related to a prospective client’s willingness to take on risk. Objective risk tolerance is based on a prospective client’s ability to take on risk. This information consists of: age, financial condition, employment status, investment objectives, time horizon, and risk tolerance. Based on the information provided, Round will propose a portfolio allocation made up of the three investment strategies offered by Round.

The client may elect to implement this recommended portfolio allocation or select their desired allocation to each investment strategy.

Round PC

Round provides customized investment advisory and financial planning services to its Round PC clients. Round designs and implements standardized investment strategies based on general investment guidelines. Each Round PC client portfolio is then customized to take into account a client’s unique objectives, including goals, risk tolerance, time horizon, liquidity needs and concerns.

Round's investment advisory services for Round PC clients usually include, but are not limited to:

- Analyzing a client's current financial situation and prior investment experience;
- Helping clients set goal to determine the appropriate time horizon, investment objectives, and amounts of money need to accomplish investment goals;
- Reviewing a client's risk profile to help define the tolerance for risk;
- Designing and implementing an asset allocation strategy by selecting appropriate asset classes and determining how to allocate investments among those asset classes;
- Performing ongoing analysis of a Round PC client's portfolio performance;
- Modifying and adjusting portfolios based on a Round PC client's changing needs and Round's analysis of individual portfolio performance; and
- Assessing applicable market and economic conditions.

Fees

Under each Program, accounts pay a single asset-based fee for brokerage, custodial, investment advisory and other related services (collectively, the "Program Fees"). The Round fee structure may not be appropriate for individuals with small account balances.

The Program Fee for Round Premium is 50 basis points (0.50%) per year of assets under management.

The Program Fee for Round PC is 40 basis points (0.40%) per year of assets under management.

Each Program Fee is calculated based on a client's month ending balance and charged monthly in arrears. The custodian will deduct fees from the assets in the client's account monthly to pay Round. For the initial period of an engagement, the fee is calculated on a pro rata basis.

In the event the advisory agreement is terminated, the fee for the final billing period is prorated through the effective date of the termination and the outstanding portion of the fee is charged to the client.

Fee Comparison

As referenced above, a portion of the Program Fees are used to cover the securities brokerage commissions and transactional costs attributed to the management of Round's clients' portfolios. The number of transactions made in clients' accounts, as well as the commissions charged for each transaction, determines the relative cost of a Program versus paying for execution on a per transaction basis and paying a separate fee for advisory services. Services provided through a Program may cost clients more or less than purchasing these services separately. Lower fees for comparable services provided through a Program may be available from other sources. A wrap fee account may not be in the best interest of a client with minimal or no trading activity as compared to a non-wrap fee account or brokerage account where the client would otherwise pay trading costs as incurred but a lower fee in a non-wrap account or no advisory fee in a brokerage account.

Fee Discretion

The Program Fees are not negotiable. Round reserves the right, in its sole discretion, to reduce or waive Program Fees for certain client accounts for any period. In addition, Round may reduce or waive Program Fees for the accounts of some clients without notice to, or fee adjustment for, other clients.

Other Charges

In addition to the Program Fees, clients may incur certain other charges imposed by third party financial institutions. These additional costs may include: reporting charges (typically where the financial institution is required to send paper statements), margin costs, charges imposed directly by an ETF, transfer taxes, wire transfer and electronic fund fees. The ETFs, mutual funds, fixed-income securities and/or similarly traded instruments, unit investment trusts, other alternative investment products or investment options recommended by Round have fees that are separate and distinct from the fees paid to Round for a Program. These fees are outlined in the prospectus for each respective investment and fund.

Round PC client assets invested in hedge funds or other private funds are subject to management fees and other fees and expenses (including performance/incentive based fees) as described in each such fund's offering materials. These fees are separate from and in addition to the fees charged by Round. Round does not receive any portion of these additional fees and is not otherwise compensated for referrals to any private funds.

Direct Fee Debit

Clients generally provide Apex, the Program's custodian, with the authority to directly debit their Apex accounts for payment of the Program Fees. Apex will deduct these fees and send statements to clients not less frequently than quarterly, detailing all account transactions, including any Program Fees paid to Round.

Account Additions and Withdrawals

Clients may make additions to and withdrawals from their account at any time, subject to Round's right to terminate an account. Additions must be in cash. Clients may withdraw account assets on notice to Round, subject to the usual and customary securities settlement procedures; however, the withdrawal of assets may impair the achievement of a client's investment objectives. Round PC client assets may be subject to additional withdrawal restrictions depending on the investment terms of underlying assets. Clients may terminate an account upon 10 business days prior written notice. Round will use its best efforts to liquidate publicly traded assets and return cash within such 10 business days subject to market limitations. Clients are advised that when securities are withdrawn, they may be subject to transaction fees, and/or tax ramifications.

Other Compensation

Round does not receive any fees or other compensation from any third party for providing advice to our clients.

Item 5 – Account Requirements and Types of Clients

The Programs are available to individuals who are legal U.S. residents who maintain a checking account with a qualified U.S. bank. Round Premium's minimum account size is \$500, and the minimum deposit is \$5. Round PC's minimum account size is \$100,000, and the minimum deposit is \$500.

Item 6 – Portfolio Manager Selection and Evaluation

Round is the sponsor and sole portfolio manager for the Programs.

Performance-Based Fees and Side-By-Side Management

Round does not charge performance-based fees. Our advisory fees are only charged as disclosed above in Item 4.

Methods of Analysis, Investment Strategies

Round provides diversified investment portfolios that are personalized to a client's investment goals, risk capacity, current financial assets and earnings power.

Round's primary approach is strategic asset allocation aimed at reducing overall portfolio risk through diversification. Such assets are all subject to varying degrees of investment, market, credit, interest rate, and regulatory risks. Round does not engage in general market-timing or specific timing of economic cycles, asset or sector class, or individual securities.

Round trades in client accounts for any number of reasons, including in response to client actions—such as allocation changes, deposits, and withdrawals. Round additionally trades in client accounts to achieve strategy specific objectives. Client's target allocations may fluctuate from time to time.

Round allocates transactions in each investment strategy on an objective basis and in a manner designed to assure that no participating client is favored over any other participating client.

Cash Considerations: (i) New client accounts with more investable cash may receive a larger allocation of a security (or securities) as other client accounts may be closer to being fully invested. (ii) There may be instances where existing client accounts receive larger inflows of cash. In these instances, the clients' account will need to be rebalanced with the investment strategy, then these accounts may receive a larger allocation of a particular security (or securities) than other accounts that are not in a similar cash position. The aforementioned factors may result in non-pro rata allocations, and some client accounts may receive an allocation when other client accounts do not.

Round cannot guarantee any level of performance or that any client will avoid a loss of account assets. Any investment in securities involves the possibility of financial loss that clients should be prepared to bear.

Round Premium: Round manages client assets through the use of similarly managed "model" portfolios, whereby Round allocates all or a portion of its clients' assets on a discretion basis using one or more of its three distinct proprietary investment strategies, including:

- *Market Strategy*: This strategy seeks to achieve capital appreciation over a long investment horizon, generally through investment in mutual funds or ETFs.
- *Core Strategy*: This strategy seeks to maximize total return and mitigate excess market risk through a changing mix of actively selected securities. This is done by investing in a wide range of equity securities selected from a variety of sectors.

Round PC: Round utilizes qualitative and quantitative analysis to construct and manage a tailored portfolio for each Round PC client. We perform a qualitative analysis of public and private securities, including traditional investment asset such as stock, bonds, mutual funds and ETFs, as well as private investments, options, leveraged assets and other alternative assets. Additionally, we utilize internally

developed quantitative analysis tools to conduct research on metrics, asset class exposures, and performance over time.

Private Investment Assets: Round believes that private investment assets can add valuable diversification benefits to portfolios that cannot be obtained through investments in only stocks and bonds. Where appropriate, Round presents Round PC clients with opportunities to invest in limited liability companies, limited partnerships, or other alternative strategies. These investments include, among others, hedging strategies, real estate equity, private lending, and private equity (“private funds”). These investments, unlike stocks and bonds that are regularly traded, can experience illiquidity and pricing inconsistencies. As a consequence, private funds require a client’s approval before any investment is made.

Any client who subscribes, or proposes to subscribe, for an investment in a private fund must be able to bear the risks involved and must meet the fund’s suitability requirements. Some or all alternative investment programs may not be suitable for certain investors. No assurance can be given that a private fund’s investment objectives will be achieved. **Private fund investments are speculative and involve a substantial degree of risk, including a total loss of principal.** Private funds are generally highly illiquid, with each private fund investment having varying degrees of illiquidity depending on the type of fund and its underlying investments. There is generally no secondary market for a private fund and none should be expected to develop. Additionally, there are restrictions on withdrawal/redemption and transferring interests in a private fund, so investors may not have access to capital when it is needed.

The processes and strategies for the private funds used by Round are disclosed in each private fund’s offering documents. A fund’s concentration in a certain sector and lack of diversification across other sectors present risks specific to its strategy and should be carefully considered. Private funds utilized by Round are subject to these as well as various other risk factors and conflicts of interest. Risks specific to each private fund are outlined in each fund’s offering documents and should be reviewed by the client prior to investment.

Risk of Loss

When assessing risk, financial loss may be viewed differently by each client and may depend on many different risk items, each of which may affect the likelihood of adverse consequences and the extent of any potential losses. The following risks may not be all-inclusive, but should be considered carefully by a potential client before retaining Round’s services. These risks should be viewed as possibilities, with additional regard to their actual probability of occurring and the effect on a client if there is in fact an occurrence.

Market Risk

The price of any security or the value of an entire asset class can decline for many reasons outside of Round’s control, including, but not limited to, changes in the macroeconomic environment, unpredictable market sentiment, economic developments, interest rates, regulatory changes, and domestic or foreign political, demographic, or social events. If an investment strategy Round manages has a high allocation in an asset class, it may negatively affect overall performance to the degree that the asset class underperforms relative to other market assets. Conversely, if an investment strategy

Round manages has a low allocation to a particular asset class that outperforms other asset classes in a particular period may cause that client account to underperform relative to the overall market.

Equity Securities Risk

The prices of equity securities fluctuate in value more than other investments. Common stocks reflect changes in the issuing company's financial condition and changes in the overall market. Common stocks generally represent the riskiest investment in a company. The strategies may lose a large part, or even all, of their investment in a company's stock. Growth stocks may be more volatile than value stocks. If Round is incorrect about its expectations of market conditions, this could result in a loss, which in some cases may be the whole account value. The equity investments include purchase of unaffiliated mutual funds. Our clients will be dependent on the performance of the unaffiliated mutual fund performance and their ability in implementing their own investment strategy.

Advisory Risk

There is no guarantee that Round's judgment or investment decisions about particular securities or asset classes will necessarily produce the intended results. Round's judgment may prove to be incorrect, and a client might not achieve their investment objectives. Round may also make future changes to the advisory services that it provides. In addition, it is possible that clients or Round itself may experience computer equipment failure, loss of internet access, viruses, or other events that may impair access to Round's software based financial advisory service. Round and its representatives are not responsible to any client for losses unless caused by Round breaching its fiduciary duty.

Volatility and Correlation Risk

Clients should be aware that Round's asset selection process is based in part on evaluation of past price movement and volatility to evaluate future probabilities. However, it is possible that different or unrelated asset classes may exhibit comparable price changes in similar directions which may unfavorably affect a client, and may become more acute in times of market disorder or high volatility.

Liquidity and Valuation Risk

High volatility and/or the lack active liquid markets for a security may prevent a client from selling his or her securities at all, or at an advantageous time or price because Round and the client's broker may have difficulty finding a buyer and may be forced to sell at a significant discount to market value.

Round's Program fees are generally based on the value of assets held in client accounts. When determining market value of an account for purposes of calculating advisory fees, Round's policy is as follows: For all publicly traded securities held in client accounts, Round relies on asset prices obtained from Round's custodian or broker/dealers to determine the value of those assets.

For investments in privately held securities, Round will book the initial price of the assets at the cost of the acquisition, which generally represents fair market value at acquisition. Round will then rely upon the valuations provided by the general partner or managing member of the private fund (the "Issuer") for updated valuations on an ongoing basis. Round will review the methodology utilized to determine the valuation and, if appropriate, may apply its own valuation methodology in adjusting the valuation provided by the Issuer. Any adjustments will typically result in a lower valuation than that provided by the Issuer. Adjustments may be made when Round believes that market valuations are heightened relative to historical norms or when assets are less marketable and have a wider range of potential

values. In these instances, Round believes it is prudent to make an adjustment to reflect a more conservative valuation. In addition, Round's policy is typically to hold private lending strategies at par unless the asset is impaired.

Round typically reviews the pricing of privately held securities on a quarterly or annual basis depending upon the type of security, and monitors developments that may affect issuers or the securities' valuations.

Credit Risk

Round cannot control and clients are exposed to the risk that financial intermediaries or security issuers may experience adverse economic consequences that may include impaired credit ratings, default, bankruptcy or insolvency, any of which may affect portfolio values or management. This risk applies to assets on deposit with Apex. In addition, exchange trading venues or trade settlement and clearing intermediaries could experience adverse events that may temporarily or permanently limit trading or adversely affect the value of client securities. Any issuer of securities may experience a credit event that could impair or erase the value of the issuer's securities held by a client.

Legislative and Tax Risk

Performance may directly or indirectly be affected by government legislation or regulation. Round does not engage in financial or tax planning, and in certain circumstances a client may incur taxable income on his or her investments without a cash distribution to pay the tax due.

Foreign Investing and Emerging Markets Risk

Foreign investing involves risks not typically connected with U.S. investments, and the risks may be intensified further in emerging market countries. These risks may include, among others, adverse changes in foreign currency values, as well as adverse political, social and economic developments affecting one or more foreign countries. In addition, foreign investing may involve less publicly available information and more volatile or less liquid securities markets. Investments in foreign countries could be impacted by factors not present in the U.S., such as restrictions on receiving the investment proceeds from a foreign country, foreign tax laws or tax withholding requirements, unique trade clearance or settlement procedures, and potential difficulties in enforcing contractual obligations or other legal rules that jeopardize shareholder protection. Foreign accounting may be less transparent than U.S. accounting practices and foreign regulation may be poor or irregular.

ETF Risks, including Net Asset Valuations and Tracking Error

ETF performance may not match the performance of the index or market benchmark that the ETF is designed to track because 1) the ETF will incur expenses and transaction costs not incurred by any relevant index or market benchmark; 2) certain securities encompassed in the index or market benchmark tracked by the ETF may, from time to time, temporarily be unavailable; and 3) supply and demand in the market for either the ETF and/or for the securities held by the ETF may cause the ETF shares to trade at a premium or discount to the actual net asset value of the securities owned by the ETF. Certain ETF strategies may include the purchase of fixed income, commodities, foreign securities, American Depositary Receipts, or other securities for which expenses and commission rates could be higher than normally charged for exchange-traded equity securities, and for which market quotations or valuation may be inaccurate. Clients should be mindful that to the extent they invest in ETF securities they will pay two levels of advisory compensation – advisory fees charged by Round plus any

management fees charged by the issuer of the ETF. This may cause a higher advisory cost (and potentially lower investment returns) than if a Client purchased the ETF directly. An ETF typically includes embedded expenses that may reduce the fund's net asset value, and therefore directly affect the fund's performance and indirectly affect a client's portfolio performance or an index benchmark comparison. Expenses of the fund may include investment advisor management fees, custodian fees, brokerage commissions, and legal and accounting fees. ETF expenses may change from time to time at the sole discretion of the ETF issuer. ETF tracking error and expenses may vary.

Inflation, Currency, and Interest Rate Risks

Security prices and portfolio returns will likely vary in response to changes in inflation and interest rates. Inflation causes the value of future dollars to be worth less and may reduce the purchasing power of investor's in the future. Inflation also generally leads to higher interest rates, which in turn may cause the value of some types of fixed income investments to decline. In addition, the relative value of the U.S. dollar-denominated assets primarily managed by Round may be affected by the risk that currency devaluations affect Client purchasing power.

Private Fund Risk

Round recommends that certain Round PC clients invest a portion of their assets in private funds or other alternative investments. Such investments present special risks for Round's clients, including, but not limited to: limited liquidity, higher fees, volatile performance, heightened risk of loss, limited transparency, special tax considerations, subjective valuations and limited regulatory oversight. Thus, private investments may not be suitable for all Round clients and will be offered only to those Round PC clients for whom an investment therein is believed to be suitable and in line with the client's overall investment strategy. Additionally, certain private funds are more illiquid than others, meaning that an investor's investment can be "locked up" for a defined period of time. The illiquidity of each private fund depends on a few factors, including, but not limited to, the type and liquidity of the private fund's underlying investments. It is important that each potential qualified investor fully read each offering or private placement memorandum prior to investing.

Voting Client Securities

Round clients assign the authority to receive and vote on all proxies and related materials, for all securities held in accounts with Round, to Round. Our firm maintains written policies and procedures as to the handling, research, voting and reporting of proxy voting and makes appropriate disclosures about our firm's proxy policies and practices. Our policy and practice includes the responsibility to monitor corporate actions, receive and vote client proxies and disclose any potential conflicts of interest as well as making information available to clients about the voting of proxies for their portfolio securities and maintaining relevant and required records. Clients may request additional information on how Round voted a client's proxies by emailing team@investround.com.

Item 7 – Client Information Provided to Portfolio Managers

Round acts as the sole portfolio manager under the Programs and, as such, Round does not share client information with any other portfolio managers.

When opening an account, clients must provide information to Round which is used to recommend a portfolio allocation for their portfolio. The information consists of: age, financial condition, employment

status, investment objectives, time horizon, and risk tolerance. Clients will be reminded that they should update their information if his or her financial condition changes so that he or she may review alternative investment advice. Round relies upon the accuracy of the information provided by the client when proposing an investment plan. The recommended plan may not be suitable if the client has provided incorrect information or the information is out-of-date. Round may require clients who accumulate investments exceeding specified amounts to deliver additional information regarding their financial condition from time to time.

Item 8 – Client Contact with Portfolio Managers

Information regarding a client's portfolio holdings, performance, and tracking to goal will be available to clients through the Site and the App. Clients may contact Round by phone or email during its business hours with questions.

Item 9 – Additional Information

Disciplinary Information

Round has not been involved in any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of its management.

Other Financial Industry Activities and Affiliations

Round is not an affiliate of any broker-dealer or custodian bank. Round places orders with unaffiliated brokers to buy and sell securities in each strategy.

Round will use Apex, an registered broker-dealer, as custodian for its clients' accounts. Clients agree to direct brokerage in their accounts with Apex.

Code of Ethics

Round puts the interests of its clients ahead of its own, and carefully manages for any perceived or actual conflict of interest that may arise in relation to its advisory services. Round has adopted a Code of Ethics ("Code"), which is intended to ensure that we meet our fiduciary obligation to Clients and detect and prevent any violations of securities laws. The Code sets forth the standards of business conduct expected of its supervised persons. This includes procedures to: (1) prevent access to material nonpublic information about Round's securities recommendations and client securities holdings and transactions by individuals who do not need the information to perform their duties; (2) review and approval of certain securities transactions and holdings by supervised persons with access to client information; and (3) report of any internal violations of the Code. Round's supervised persons may buy or sell securities for their personal accounts that are identical to or different than those recommended to clients. Round doesn't allow any supervised person to buy or sell any security prior to a transaction implemented for an advisory account. This is to prevent employees from benefiting from transactions made on behalf of advisory accounts. Round will provide a copy of its Code to clients and prospective clients upon request.

Review of Accounts

Round's Chief Investment Officer and investment advisor representatives monitor portfolios on a continuous and ongoing basis. Clients will be provided account statements at least quarterly directly from Apex, the custodian of their assets. Round also provides all clients with continuous access via the

Site and the App for account status and balances. Clients may also receive periodic e-mail communications describing portfolio information and product features. For Round Premium Clients target allocations to each strategy may deviate over time, due to strategy performance. From time to time, clients may be notified via email, the Site, the App, and/or phone to review and update their accounts and their current strategy allocations.

Client Referrals and Compensation

Round may offer compensation or fee reductions to existing clients for referring new clients. New clients are notified of the compensation or fee reduction before opening the account. Referring clients must abide by the terms and conditions established by Round in accordance with applicable rules and regulations. Referrals can be made via the Site, the App, or in-person. Clients are not charged any fee or other costs for being referred to Round by an existing client.

Round or an affiliate may also compensate advertisers for directing new users to Round, based on the number of impressions (i.e., the number of displays of an advertisement to a user while visiting a website), number of clicks, number of downloads, number of funded accounts, and/or flat cost per content post.

The amount of compensation offered by Round for referrals may be more than other programs or paid separately investment advice, portfolio management, and brokerage services may offer. Therefore, the referring party may have more financial incentive to recommend the Programs over other programs or services.

Financial Information

Round does not require or solicit the prepayment of any advisory fees, and does not have any adverse financial condition that is reasonably likely to impair our ability to continuously meet our contractual commitments to our clients. Round has never been the subject of a bankruptcy proceeding.