

# First Capital Investment Partners, LLC

## Firm Brochure

Dated March 25, 2020

Five Valley Square  
512 Township Line Road  
Blue Bell, PA 19422

200 White Road, Suite 215  
Little Silver, NJ 07739

595 Shrewsbury Ave # 203,  
Shrewsbury, NJ 07702

This brochure provides information about the qualifications and business practices of First Capital Investment Partners ("Adviser"). If you have any questions about the contents of this brochure, please contact us by telephone at: 732-936-2882, or by email at: [lchiarello@firstcapadv.com](mailto:lchiarello@firstcapadv.com).

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. The Adviser's registration as an Investment Adviser does not imply a certain level of skill or training.

Additional information about the Adviser is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). First Capital Investment Partners CRD number is: 289352

## Item 2: Material Changes

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### Annual Update

The Firm Brochure will be updated annually or when material changes occur since the last update.

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### Material Changes since the last annual update on March 29, 2019:

Jeff Schulte is no longer the Chief Compliance Officer.

Lawrence Chiarello is now the Chief Compliance Officer.

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### Full Brochure Available

Whenever you would like to receive a complete copy of our Firm Brochure, please contact Lawrence Chiarello by telephone at: 732-936-2882, or by e-mail at: [lchiarello@firstcapadv.com](mailto:lchiarello@firstcapadv.com).

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## Item 4: Advisory Business

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### Firm Description

First Capital Investment Partners, LLC ("FCIP," or, the "Adviser") is a Delaware limited liability company formed on June 16, 2017. The Adviser is an investment adviser registered with the Securities and Exchange Commission ("SEC") under the Investment Advisers Act of 1940, as amended (the "Investment Advisers Act"). Principal owners of the Adviser are, Skyview Investment Advisors, LLC (whose Managing Partners are Steven Turi and Andrew Melnick), which owns 50% of the Advisor, 25% owned by Jim Hiles and 25% owned by Jeff Schulte.

The primary type of investment advisory service offered through FCIP will be providing Outsourced Chief Investment Officer ("OCIO") services and sub-advisory services to individual clients including other Registered Investment Advisors, Institutions, and Family Offices where these firms work directly with the individual end client to establish the client's investment objectives and risk profile.

### Outsourced Chief Investment Officer and Sub-Advisory Services

FCIP may act as an OCIO or a sub-advisor for other registered investment advisers. In these instances, the registered investment adviser ("RIA") selects FCIP to either provide provided asset management services for its clients, and for this service the RIA shares a portion of their fees with FCIP and/or pays FCIP separately. The RIA's fee is disclosed in the adviser's brochure, and the fee may be allocated between the adviser and FCIP.

Prior to delivering OCIO and/or sub-advisory services, clients (RIAs, Institutions, and Family Offices) will provide FCIP with their investment objectives and FCIP will ascertain each client's specific investment objective. Then FCIP will allocate, or recommend that the client allocate, their investment assets consistent with the designated investment objective.

FCIP does not give advice about or manage other types of accounts.

Please note: It is always the client's responsibility to promptly notify their adviser if there is any change in their financial situation or investment objective. This notification of change allows the Adviser an opportunity to review, evaluate, or revise our previous recommendations or services.

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### Tailored Relationships

Advisory services are tailored to the specific needs of each client. The Adviser allocates and/or recommends that the client allocate investment assets consistent with the designated investment objective. The client may, at any time, impose reasonable restrictions on the Adviser's services, but restrictions must be delivered to the Adviser in writing, and must be signed by the client.

In performing services for the client, the Adviser is not required to verify any information it received from the client or from the client's other professionals and the Adviser is expressly authorized by the client to rely on this information. Each client is advised that it remains the client's responsibility to promptly notify the Adviser if there is ever any change in the client's financial situation or investment objectives for the purpose of reviewing, evaluating or revising the Adviser's previous recommendations or services to the client.

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### Managed Assets

As of December 31, 2019, the Firm manages no assets on a discretionary basis. The firm does provide OCIO services for the assets at affiliated firm, First Capital Advisors Group.

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## Item 5: Fees and Compensation

### OCIO and Sub-Advisory Fees

FCIP receives compensation in the form of OCIO and/or sub-advisory fees from other investment advisors. FCIP will charge an annual fee of up to 1.00% of assets under management under a Sub-Advisory Agreement or 1.00% for assets wherein FCIP serves as the OCIO. However, the Adviser may choose to charge a lower asset-based fee at its sole discretion.

The Adviser may receive project-based fees, hourly fees, or a combination of these for services provided to their clients.

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### Negotiated Fees

The Adviser, in its sole discretion, may reduce its investment management fee or any other fees based upon certain factors, like anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client and other considerations.

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### Billing of Fees

FCIP's sub-advisory fees, or fees charged for OCIO services will be included in the total investment management fee charged by other RIA's to their clients. FCIP typically receives the fee quarterly, in advance, based on the asset value as of the day prior to the period being billed. New accounts will be assessed a prorated fee dependent upon the number of days remaining in the quarter. FCIP clients must provide their consent in advance to direct debiting of investment management fees from their custodial account. The Investment Advisory Agreement and the custodial/ clearing agreement authorize the custodian to debit the client account for the amount of the Adviser's investment management fee, and to directly remit that investment management fee to FCIP in compliance with regulatory procedures.

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### Other Fees

Unless clients direct otherwise or an individual client's circumstances require, the Adviser generally recommends one of several unaffiliated custodians (e.g., Raymond James, Fidelity, Charles Schwab & Co., etc.) serve as the broker-dealer/custodian for client investment accounts. Broker-dealers such as those listed above may charge brokerage commissions and/or transaction fees for effecting certain securities transactions. For example, these custodians may charge commissions for individual equity and fixed income securities transactions or fees may be charged for certain no-load mutual fund transactions. In addition to the Adviser's investment management fee, custodial brokerage commissions and/or transaction fees, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g., management fees and other fund expenses).

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### Commission Transactions

FCIP does not actively direct clients to traditional, full service/commission brokers. Most of the Adviser's clients do not use traditional brokers. As described earlier, FCIP generally recommends using the services of a centralized custodian/discount broker.

## Item 6: Performance-Based Fees and Side-by-Side Management

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### Sharing of Capital Gains

The Adviser currently does not advise client accounts that are subject to performance-based fee arrangements. If it does so in the future, then the Adviser will establish allocation parameters to avoid any actual or perceived conflict of interests.

## Item 7: Types of Clients

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### Description

The Adviser predominantly offers its services to First Capital Advisors Group, LLC, an affiliated firm. The Adviser may also provide investment advisory services to individuals, businesses, other Registered Investment Advisors, family offices and institutional clients.

### Account Minimums

FCIP generally requires an account minimum of \$100,000 for investment management and/or OCIO services. When a consolidated client account value in this program falls below \$100,000 in value, the minimum quarterly fee of \$250.00 may be charged. FCIP Clients with assets at or below the minimum account size may pay a higher percentage rate on their annual advisory fees than the fees paid by clients with significantly greater assets under management.

The Adviser may reduce or waive its minimum asset requirement based upon certain factors, like anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client and other considerations. Other exceptions may apply to employees of the Adviser and their relatives, or relatives of existing clients.

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

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### Methods of Analysis and Investment Strategies

FCIP uses a variety of resources to form an investment idea or strategy; however, they rely primarily on subjective qualitative analysis of the underlying

managers' or funds' strategy and performance potential, risk exposures and controls, management experience and capabilities. Such qualitative analysis is supported by sophisticated analytical tools and processes intended to help produce better investment decisions. These analytical and quantitative tools aid in evaluating a manager's performance and risk exposures, construction of multi-manager portfolios, risk management, and portfolio performance analysis.

FCIP's analysis method involves performing due diligence on managers and instruments chosen to be included in client portfolios. FCIP employs a careful and diligent process in the identification of suitable investments combining advanced quantitative techniques to help make better informed qualitative decisions. The following are some of the metrics examined, in no particular order:

#### QUANTITATIVE INVESTMENT APPROACH

- Risk adjusted returns
- Correlations
- Length of track record
- Tracking error
- Periods of under or over performance
- Volatility of returns
- Expense ratios
- Style drift
- Yields (if appropriate)
- Liquidity
- Capacity
- Manager credentials
- Tax efficiency (if appropriate)

#### QUALITATIVE INVESTMENT APPROACH

- Clear articulation of strategy and investment philosophy
- Understand decision-making process
- Identify sources of risk and return
- Assess manager's sustainable competitive advantage
- Identify areas of risk (controls, key man, style, etc.) personnel and organizational issues
- Alignment of interests internally and with clients
- Integrity, passion, demeanor
- Experience – especially when gained in various market environments

- Depth of research and operations
- Appropriate ownership structure and staff incentives
- Relationship with clients – open, transparent, and adaptable

#### PERFORMANCE, FEES, AND STRUCTURE

- Audited historical track record
- Absolute return objective or relative performance
- Thoughtful, understandable, and credible goals
- Fees that are clear, competitive, and explicit QUALITATIVE REVIEW
- Management team reputation and integrity
- Business structure and third party relationships
- Focus and commitment of management team
- Working environment ASSET GROWTH ISSUES
- Capability to grow assets and organization
- Capacity for asset growth versus market opportunity, investment style, etc.

Asset growth impact on style, performance objectives.

Please Note: Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy recommended or undertaken by the Adviser will be profitable or equal any specific performance level. Investing in securities involves risk of loss that clients should be prepared to bear.

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#### Risks of Loss

Risk is inherent in any investment in securities and the Adviser does not guarantee any level of return on a client's investments. There is no assurance that a client's investment objectives will be achieved. A client may be subject to certain risks, including, but not limited to, the risks described below. The risks discussed below vary by investment style or strategy, and may or may not apply to a client. A client should also review the prospectuses or other disclosure documents for the securities purchased for the client's account, as they will contain important information about the risks associated with investing in such securities.

Investment strategies recommended by the Adviser may also be subject to some or all of the following types of risk:

- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They may carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many investors are interested in buying or selling a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

Please Note: In light of these risks of loss and potentially enhanced volatility, clients may direct the Adviser, in writing at any time, not to employ any or all of the investment strategies recommended by FCIP for their account.

## Item 9: Disciplinary Information

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### Legal and Disciplinary

The Adviser has not been the subject of any legal or disciplinary actions.

## Item 10: Other Financial Industry Activities and Affiliations

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### Other Financial Industry Activities

The Adviser is not registered as a securities broker-dealer, futures commission merchant, commodity pool operator or commodity trading advisor.

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### Affiliations

Certain FCIP employees and principal owners are licensed with an affiliated advisor, First Capital Advisors Group ("First Capital"). First Capital is an SEC-registered investment adviser providing discretionary asset management services including, asset allocation, model portfolios, portfolio construction and design, performance monitoring of client accounts, and other investment products. First Capital, an affiliate of FCIP, can provide discretionary asset management services for clients of FCIP and can assist FCIP with certain asset allocation and trade management activities. The sale and use of First Capital products by clients of FCIP presents a conflict of interest which potential clients should be aware.

In addition, certain FCIP employees and principal owners are licensed with an affiliated advisor, Skyview Investment Advisors, LLC ("Skyview"). Skyview is a SEC-registered investment adviser providing portfolio analysis consultations, discretionary asset management services including, asset allocation, model portfolios, portfolio construction and design, performance monitoring of client accounts, and other investment products and institutional advisory services. Skyview, an affiliate of FCIP, can provide discretionary asset management services for clients of FCIP, assist FCIP with certain asset allocation and trade management activities, portfolio analysis services for clients of FCIP, and can assist FCIP with certain asset allocation and trade management activities. The sale and use of Skyview products by clients of FCIP presents a conflict of interest which potential clients should be aware. Please note: The investment services of First Capital and Skyview provided by individuals dually employed at FCIP could result in additional compensation based general performance bonuses.

James Dee, an Advisor, is also a registered representatives at Purshe Kaplan Sterling Investments ("PKS"), an SEC registered broker-dealer and a member of FINRA. In this capacity, Mr. Dee may provide securities brokerage services and implement securities transactions on a commission basis. Clients should be aware that the receipt of additional compensation itself creates an inherent conflict of interest, and may affect the judgement of these individuals when making recommendations. The Adviser and PKS are separate, nonaffiliated entities. Nevertheless, to the extent that a FCIP representative

recommends the purchase of securities or other investment products where the representative receives commissions for doing so, a conflict of interest exists because the representative may be incentivized to make recommendations based on the compensation received rather than on a client's needs.

Jeff Schulte and Jim Hiles are also insurance agents licensed with the New Jersey Department of Banking and Insurance and the Pennsylvania Insurance Department. As licensed insurance agents, these IARs offer life, accident, health, variable and long term care insurance-related products to clients. Such compensation is in addition to, and separate from the compensation they receive from the Adviser for providing investment advice. Insurance products are available through channels not affiliated with the Adviser. Clients have no obligation to purchase insurance products through the IARs.

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

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### Code of Ethics

The Adviser maintains an investment policy for personal securities transactions at its business and it is part of the Adviser's general Code of Ethics (the "Code"). The Adviser establishes the standard of business conduct for all employees that are based on the fundamental principles of openness, integrity, honesty and trust. The Adviser also maintains and enforces written policies reasonably designed to prevent the Adviser or any person associated with the Adviser from misusing material non-public information to comply with Section 204A of the Investment Advisers Act. Neither the Adviser, nor any related person of the Adviser, will recommend, buy, or sell securities within client accounts which the Adviser or a related person of the Adviser may have a material financial interest.

A copy of the Adviser's Code is available to any client or potential client upon request.

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### Participation or Interest in Client Transactions

The Adviser and/or its representatives may engage in securities transactions for their own accounts, including the same or related securities that are recommended to or owned by clients of the Adviser. These transactions may include trading in securities in a manner that differs from, or is inconsistent with, the advice given to clients of the Adviser, and the transactions may occur at or about the same time that such securities are recommended to or are

purchased or sold for client accounts. This creates a potential for a conflict between the interest of the clients and the interests of the Adviser and/or its representatives.

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#### Personal Trading

To address the potential for conflict of interests, the Adviser has adopted a Code that applies to its representatives who have access to non-public information relating to advisory client accounts ("Access Persons"). The Code prohibits Access Persons from using knowledge about advisory client account transactions to profit personally, directly or indirectly, by trading in his/her personal accounts. In addition, an Access Person who has discretionary authority over client accounts must generally pre-clear his/her trades or obtain prior authorization from the Adviser's Chief Compliance Officer before executing a trade. Unless an enumerated exception exists, the Code also prohibits Access Persons who have discretionary authority over client accounts from executing a security transaction for their personal accounts during a blackout period that can extend from one to seven days before or after the date that a client transaction in that same security is executed.

### Item 12: Brokerage Practices

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#### Broker-Dealer Selection

The Adviser selects broker-dealers to execute trade orders for a client's account, unless the client has provided instructions to the Adviser to the contrary. As an investment adviser, the Adviser has an obligation to seek "best execution" of client trade orders. "Best execution" means that the Adviser must place client trade orders with those broker-dealers that the Adviser believes are capable of providing the best qualitative execution of client trade orders under the circumstances, taking into account the full range and quality of the services offered by the broker-dealer. When selecting a broker or dealer, the Adviser may consider the following factors: (i) client preferences, (ii) execution capability and past execution performance, (iii) access to markets, (iv) commission rates, (v) financial standing of executing firm and counterparty risk, (vi) timeliness in rendering services, (vii) availability, cost and quality of custodial services, and (viii) continuity and quality of the overall provision of services.

The Adviser may also purchase or sell debt securities through electronic trading platforms. These electronic trading platforms typically provide access to bids and offers from a greater number of dealers on a timely basis; however, these electronic platforms may impose an execution or transaction fee imbedded in the price paid or received for the security (i.e., a markup or markdown).

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## Research and Other Soft Dollar Benefits

The Adviser does not receive research in addition to execution services from a broker-dealer in connection with its clients' securities transactions. These research benefits are commonly referred to as "soft dollar benefits." The Adviser may from time to time receive generic market commentaries or market research from broker-dealer firms. However, the receipt of those materials is not tied to the execution of client transactions.

The Adviser seeks to select broker-dealers based upon the broker's or dealer's ability to provide best execution, and the Adviser will not cause clients to pay commissions (or markups or markdowns) higher than those charged by other broker-dealers for the purpose of obtaining soft dollar benefits. Furthermore, the Adviser does not select broker-dealers to execute transactions for client accounts based upon client referrals received from broker-dealers.

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## Order Aggregation, Allocation and Rotation Practices

In order to seek best execution for clients, the Adviser may aggregate contemporaneous buy and sell orders for the accounts over which it has discretionary authority. This practice of bunching trades may enable the Adviser to obtain more favorable execution, including better pricing and enhanced investment opportunities, than would otherwise be available if orders were not aggregated. Bunching transactions may also assist the Adviser in potentially avoiding an adverse effect on the price of a security that could result from simultaneously placing a number of separate, successive or competing, client orders.

It is within the Adviser's sole discretion to bunch transactions and its decision is subject to its duty to seek best execution. The Adviser will aggregate a client's trade orders only when the Adviser deems it to be appropriate and in the best interests of the client and permitted by regulatory requirements.

All advisory clients participating in a bunched transaction will receive the same execution price for the security bought or sold. Average prices may be used when allocating purchases and sales to a client's accounts because such securities may be purchased and sold at different prices in a series of bunched transactions. As a result, the average price received by a client may be higher or lower than the price the client may have received had the transaction been effected for the client independently from the bunched transaction. In addition, a client's transaction costs may vary depending upon, among other things, the type of security bought or sold, and the commission or markup or markdown charged by the executing broker-dealer.

The amount of securities available in the marketplace, at a particular price at a particular time, may not satisfy the needs of all clients participating in a bunched transaction and may be insufficient to provide full allocation across all client accounts. To address this possibility, the Adviser has adopted trade allocation policies and procedures that are designed to make securities allocations to discretionary client accounts in a manner such that all such clients receive fair and equitable treatment. If a bunched transaction cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day will generally be allocated pro rata among the clients participating in the bunched transaction. Adjustments to this pro rata allocation may be made, at the discretion of the Adviser, to take into consideration account specific investment restrictions, undesirable position size, account portfolio weightings, client tax status, client cash positions and client preferences. Adjustments may also be made to avoid a nominal allocation to client accounts.

When the Adviser is not able to aggregate trades, the Adviser generally uses a trade rotation process that is designed to be fair and equitable to its clients.

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#### Directed Brokerage

The Adviser will comply with any guidelines and/or limitations reasonably requested by a client relating to brokerage for the client's account that are contained in the client's investment management agreement. When possible, the Adviser will also observe any non-binding statement of client preferences with respect to brokerage direction.

If a client directs the Adviser to use a particular broker-dealer for execution of the client's trade orders (a "directed brokerage arrangement"), and the Adviser agrees to the arrangement, a client should understand that the Adviser may be unable to achieve best execution for the client's transactions. Any costs related to the directed brokerage arrangement are not included in the Adviser's fee, and the client is solely responsible for monitoring, evaluating and reviewing the arrangement with the directed broker-dealer and paying any commissions or markups or markdowns or other costs imposed by the directed broker-dealer. Additionally, the Adviser generally will not aggregate the client's directed brokerage trade orders with orders for other clients of the Adviser or include such orders in its trade rotation process.

If the Adviser aggregates a client's directed brokerage trade orders with trade orders for other clients of the Adviser, the Adviser may employ the use of "step-outs" to satisfy the client's directed brokerage arrangement. A "step-out" occurs when an executing broker executes the trade and then "steps out" the trade to a clearing broker (which would be the directed broker-dealer in a directed brokerage arrangement) that confirms and settles the trade. In such a case, a client will bear the costs of any commissions, markups or markdowns imposed by the executing broker-dealer in addition to the costs of any commissions, markups or markdowns imposed by the directed broker-dealer.

If a client directs the Adviser to use a particular broker-dealer, and if the particular broker-dealer referred the client to the Adviser or if the particular broker-dealer refers other clients to the Adviser in the future, the Adviser may benefit from the client's directed brokerage arrangement. Because of these potential benefits, the Adviser may have an economic interest in having the client continue the directed brokerage arrangement. The benefits that the Adviser receives may conflict with the client's interest in having the Adviser recommend that the client utilize another broker-dealer to execute some or all transactions for the client's account.

Before directing the Adviser to use a particular broker-dealer, a client should carefully consider the possible costs or disadvantages of directed brokerage arrangements.

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### Trading Error Policy

If there is a trade error for which the Adviser is responsible, trades will be adjusted or reversed as needed in order to put the client's account in the position that it would have been in as if the error had not occurred. Errors caused by the Adviser will be corrected at no cost to client's account, with the client's account not recognizing any loss from error. The client's account will be fully compensated for any losses incurred as a result of any such error. If the trade error results in a gain, the gain may be retained by the Adviser. Please note that any gains resulting from a trade error will be donated to charity.

## Item 13: Review of Accounts

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### Periodic Reviews

The Adviser's portfolio management team generally performs periodic reviews on transactions in each client account. The portfolio management team

generally reviews reports documenting each account's performance compared to the performance of a relevant benchmark index at least monthly.

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#### Review Triggers

In addition to periodic reviews, the Adviser may conduct account reviews when a triggering event, like a change in client investment objectives, financial situation, market correction or client request occurs.

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#### Regular Reports and Electronic Delivery

The Adviser generally does not provide separate, written investment summary reports to clients. The client's Custodians will send, at least quarterly, a Custodial Statement.

All client correspondence, as well as all books and records of the Adviser, will be delivered and stored as electronic images and the originals of the electronically stored documents shall be destroyed. Thereafter, all electronic documents shall be deemed to serve as an original copy.

### Item 14: Client Referrals and Other Compensation

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#### Other Compensation

The Adviser and its representatives may receive certain economic benefits in connection with providing advisory services to clients, as discussed above.

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#### Client Referrals

The Adviser may provide compensation to individuals who refer clients in some instances. When applicable, the compensation paid is a percentage of the client's fee payments or the value of the client's account. The amount of compensation will vary, with the specific level determined based upon consideration of various factors. The Adviser may pay these fees to unaffiliated solicitors that have entered into a written agreement with the Adviser.

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### Item 15: Custody

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#### Custody

Each client is responsible for appointing the client's custodian, which will have possession of the assets of the client's account and settle transactions for the account. Clients must choose a service provider unaffiliated with the Adviser to serve as custodian.

From time to time, the Adviser may recommend a particular firm to a client to serve as the client's custodian. If the client chooses a recommended custodian, the Adviser will, if instructed by the client and the Adviser agrees, pay the custodial fee of the client until the agreement between the Adviser and client is terminated or as otherwise determined by the Adviser. If the client does not choose a recommended custodian, the Adviser will not pay the client's custodian fee and it will be the obligation of the client to pay such custodian fee.

A client who uses a third party custodian authorizes the Adviser to give instructions to the client's custodian for all actions necessary or incidental to the purchase, sale, exchange, and delivery of securities held in the client's account. Also, the client will receive account statements directly from their selected custodian. Clients should carefully review those account statements and compare them with any account statements provided by the Adviser.

## Item 16: Investment Discretion

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### Discretionary Authority for Trading

Clients can determine to engage the Adviser to provide investment advisory or OCIO services on a discretionary basis. Prior to the Adviser assuming discretionary authority over a client's account, the client is required to execute an investment management agreement with the Adviser, naming the Adviser as client's attorney and agent in fact, granting the Adviser full authority to buy, sell, or otherwise effect investment transactions involving the assets in the client's name found in the discretionary account. The Adviser generally accepts reasonable limitations to its discretionary authority with respect to brokerage direction and securities selection, including the designation of particular securities or types of securities that should not be purchased for the client's account, but the client may not require that particular funds or securities (or types) be purchased for the client's account. Any such limitations agreed to by a client and the Adviser are generally included as an addendum to the client's investment management agreement or in a separate letter of understanding. When possible, the Adviser will also attempt to observe any non-binding statement of client preferences with respect to factors such as brokerage direction, holding periods, and securities selection.

## Item 17: Voting Client Securities

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### Proxy Votes

Adviser has adopted the following policies and procedures regarding proxy voting for its clients' accounts. At all times, Adviser has a "duty of care" to its clients, and

Adviser recognizes and accepts this responsibility. Should the Adviser exercise voting authority over its clients' proxies, it must ensure that all proxies are handled in the best interests of its clients.

Currently, Adviser has chosen not to retain voting authority over its clients' proxy voting and has left the voting authority to the clients. All proxy ballots will be sent directly to a client and not the Adviser. Should the client have any questions on how to vote their proxies, they may contact their Adviser at 732-936-2882.

Any questions on these policies and procedures should be directed to Lawrence Chiarello who is responsible for updating, maintaining or changing these procedures.

## Item 18: Financial Information

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### Financial Information

The Adviser does not require or solicit prepayment of more than \$1,200 in fees per client six months or more in advance and, thus, has not included a balance sheet dated not more than 90 days prior to the date of this brochure. The Adviser is not aware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments to clients, nor has it been the subject of a bankruptcy petition at any time during the past ten years.