

Form ADV Part 2 Client Brochure

Form ADV Part 2A



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Item 1 Cover Page

This brochure provides information about the qualifications and business practices of RMI INTERNATIONAL LLC (hereinafter “RMI”). If you have any questions about the contents of this brochure, please contact us at +1 (650) 485-0277 and/or info@risk-mi.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

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

Item 2: Material Changes

There are no material changes because this is the first version of this document.

Item 3: Table of Contents

Item 1 Cover Page	0
Item 2: Material Changes	1
Item 3: Table of Contents	2
Item 4: Advisory Business	4
General Description of RMI	4
Advisory Services	4
Tailored Services	4
Wrap Fee Programs	4
Assets Under Management	4
Item 5: Fees and Compensation	5
Advisory Fees	5
Other Fees	5
Item 6: Performance-Based Fees and Side-by-Side Management	5
Item 7: Types of Clients	6
Item 8: Methods of Analysis, Investment Strategies and Risk of Loss	6
Risk and loss considerations	6
Market Risk:	6
Advisory Risk:	7
Software Risk:	7
Liquidity Risk:	7
Volatility and Correlation Risk	7
Credit Risk:	7
Tax Risk:	7
Item 9: Disciplinary Information	7
Item 10: Other Financial Industry Activities and Affiliations	8
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	8
Item 12: Brokerage Practices	8
Item 13: Review of Accounts	9
Item 14 Client Referrals and Other Compensation	9
Item 15 Custody	9

Item 16 Investment Discretion	10
Item 17 Voting Client Securities	10
Item 18 Financial Information	10
Education	12
Business Experience	12
Disciplinary Information	12
Other Business Activity	12
Additional Compensation	12
Supervision	12

Item 4: Advisory Business

A. General Description of RMI

RMI INTERNATIONAL LLC. is a software based investment advisor registered with the U.S. Securities and Exchange Commission. RMI INTERNATIONAL LLC. was founded in 2010 and its principal owner is RMI INTERNATIONAL LTD. The firm offers model portfolios and portfolio optimization services to its clients and manages their investment accounts through the website www.risk-mi.com. Additional information about RMI ownership structure and directors can be found in Schedule A of Part 1A of RMI's ADV form.

B. Advisory Services

RMI offers investment management services through proprietary, automated computer algorithms based on a modified mean variance optimization process. Our software is the result of several years of research as well as experience in the capital markets.

Through RMI's digital based platform, our Clients can select different portfolios, each portfolio made for a specific risk profile. Once a client accepts one of the proposed portfolios, RMI will automatically implement the investment strategies. In order to obtain a portfolio aligned with our client's risk profile, RMI has selected liquid single stocks and ETFs that represent each asset class. Using mean variance optimization the minimum risk portfolio for each risk profile is obtained.

As part of the enrollment process, the client authorizes RMI to place trades on their behalf using the portfolio recommendations as well as to perform ongoing portfolio rebalancing based on changes generated by our proprietary algorithms.

C. Tailored Services

RMI does not tailor clients' portfolios to their individual financial goals. Instead of that, RMI offers a set of model portfolios where clients can select according to their risk profile. Risk profile is determined through a set of questions answered by each client. After RMI has classified a user within a risk profile, RMI proposes a model portfolio that suits that risk profile.

Please note that clients are not able to specify assets in which investments can be made. Also, the accuracy and quality of the information provided by our clients has a direct impact on the applicability of RMI's recommendations.

D. Wrap Fee Programs

RMI does not have, sponsor or participate in any wrap fee programs.

E. Assets Under Management

As of close on february 22, 2020, RMI manages \$0 USD.

Item 5: Fees and Compensation

A. Advisory Fees

a. Retail Clients

RMI charges an annual management fee between 0.50% to 2.00% (Advisory Fee) of assets under management. Fees due shall be calculated by multiplying the Advisory Fee (divided by 12) by the monthly initial AUM balance of the client account. Except as provided below, the fees due for each calendar month shall be due and payable in arrears no later than the tenth business day of the immediately following calendar month. RMI will promptly notify Client of any increase or decrease in the Advisory Fee. An increase in the Advisory Fee will be effective for the Account starting in the next month that begins at least 30 days after RMI sends or posts such notice. A reduction in the Advisory Fee will be effective for the Account starting in the next month following its reduction.

If Client closes the Account, withdraws the entire balance of the Account, or otherwise terminates this Agreement on any date other than the last business day of the month, Client shall pay any outstanding aggregate daily fees for the period from the day immediately following the last day of the last calendar month for which Client has paid, through the effective date of such withdrawal or termination, as of such effective date.

If, for any reason, RMI shall close and liquidate all the positions held in the Account, Client may receive the proceeds of the liquidated portion of the Account, and this Agreement shall terminate.

If for any reason there is insufficient cash available in the Account to cover RMI's fees at the time they are charged and deducted from the Account, RMI, in its sole discretion, may cause Securities in the Account to be liquidated to cover its fees.

RMI reserves the right, in its sole discretion, to reduce or waive the Advisory Fee for certain Client Accounts for any period of time determined by RMI. In addition, Client agrees that RMI may waive its fees for the Accounts of Clients other than Client, without notice to Client and without waiving its fees for Client.

b. Institutional Clients of Advisors

Institutional Clients of Advisors associated with new advisory firms to the RMI for Advisors platform typically pay an annualized advisory fee that is tiered based on the aggregate balance of all of their Advisor's firm's client accounts at RMI (not including funds held in RMI Everyday Cash Reserve). That advisory fee currently ranges from 0.5% to 2.0% of account balances. Negotiated reductions from these fees are available in RMI's discretion. Advisors with clients on this pricing structure typically also pay a fixed monthly fee to RMI.

B. Other Fees

Other than the advisory fee described previously, neither RMI nor any of its employees receive or accept any compensation, direct or indirect, related to investments sold or purchased for client accounts.

However, due to the nature of the securities or products purchased or sold, clients may also pay other fees or expenses to third parties. The issuers of securities such as ETFs or other similar financial products

may charge product fees that affect clients. An ETF typically includes embedded expenses and other fees may include management, brokerage, legal, accounting or custodian fees. RMI does not benefit directly or indirectly from any such fees.

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

RMI does not use traditional performance-based fees. Our advisory fees are described in item 5.

Item 7: Types of Clients

RMI offers its advisory services to individuals, small companies and pooled investment vehicles other than investment companies as defined by the Investment Company Act of 1940. RMI has a minimum investment amount of \$500 USD. However some brokers may require a higher minimum investment amount in order to open and maintain an account.

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

RMI has implemented a modified mean variance optimization process which seeks to maximize a portfolio's expected return for a given amount of desired risk or equivalently minimize risk for a given expected return. The optimization process results in the efficient asset allocation for a specific risk and return combination. This methodology is used to set up model portfolios.

RMI has defined a broad scope of asset classes taking into account different regions and subcategories, for each asset class a selection of single stocks and ETFs were chosen. Single stocks and ETFs are RMI's main investment instrument, due to its availability and liquidity. ETFs were chosen bearing in mind their main characteristics which include: Efficiency measured by how well they replicate the index followed, asset class and region, liquidity, expense ratio, sharpe ratio and assets under management. RMI periodically evaluates single stocks and ETFs to maintain the available investment alternatives up to date.

RMI's platform enables clients to determine their risk profile as the first step to propose an efficient model portfolio. Once the clients approve the model portfolio (which may be composed of stocks and/or ETFs), RMI executes the investments and periodically rebalances the clients' portfolio in accordance with each client's risk profile.

Risk and loss considerations

RMI cannot guarantee the level of performance or that any client will avoid a loss of assets. Investing in any type of securities involves the possibility of financial loss that clients should be prepared to bear. Our recommendations are highly reliant on the accuracy of the information provided to RMI by each client.

The following risks should be taken into account by clients to evaluate RMI's services. Each one may affect the potential gains or losses on a portfolio and should be considered as possibilities, with regard to the actual probability of occurring and the effect on a portfolio if there is in fact an occurrence.

A. Market Risk:

The price of any security is subject to changes due to reasons that include, but are not limited to, macroeconomic factors, market sentiment, economic developments, interest rates, inflation, regulatory changes and political, demographic and social events. ETFs selection includes exposure to foreign investments, which implies the possible exposure to currency and sovereign risk in foreign countries. RMI provides risk measures for market risk for each client's portfolios in order to allow our clients a risk assessment.

B. Advisory Risk:

RMI does not guarantee that the investment decisions provided by our software will necessarily produce the expected results, resulting in a client not being able to achieve the expected objectives.

C. Software Risk:

RMI delivers its investment advisory services entirely through software. Since RMI provides recommendations to Clients based on proprietary software that is highly technical and complex and utilizes various quantitative and qualitative models. Such computer generated recommendations, like all investment recommendations, may be subject to system error. No guarantee or representation is made that the investment recommendations will be successful.

Clients are strongly encouraged to conduct their own analysis of RMI's recommendations. The fact that a recommendation is generated by RMI's proprietary technology cannot be interpreted as a guarantee of future performance. Investing in securities involves risk of loss that Clients should be prepared to bear.

D. Liquidity Risk:

Lack of liquidity on a particular security on a specific market moment may result in the possibility of not being able to sell a security or selling with a significant discount. RMI selects the possible stocks and ETFs for a portfolio taking into account the liquidity and size of each security, it is possible to encounter moments of illiquid markets.

E. Volatility and Correlation Risk

RMI Security selection process is based in part on a careful evaluation performance and volatility to evaluate future probabilities. It is possible that different or unrelated asset classes may exhibit similar price changes in similar directions which may adversely affect a Client's account and may become more acute in times of market upheaval or high volatility. Past performance is no guarantee of future results, and any historical returns, expected returns, or probability projections may not reflect actual future performance.

F. Credit Risk:

Clients are exposed to the risk that financial intermediaries or security issuers may experience financial difficulties that may include default, bankruptcy, insolvency or other credit events, any of which may affect the value of client's portfolios. RMI limits credit risk by using ETFs, which have certain legal protections such as shareholders having liquidation priority versus the issuer. 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.

G. Tax Risk:

Government legislation and tax codes and changes that can be introduced by governments may affect the performance of a client's portfolio, either directly or indirectly. RMI does not deliver financial or tax advisory.

Item 9: Disciplinary Information

RMI and its employees do not have any legal, financial, regulatory, or any other disciplinary item to report to any client.

- A.** There have been no criminal or civil actions in a domestic, foreign or military court of competent jurisdiction involving either RMI or a management person.
- B.** There have been no administrative proceedings before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority involving either RMI or a management person.
- C.** There have been no self-regulatory organization (SRO) proceedings involving either RMI or a management person.

Item 10: Other Financial Industry Activities and Affiliations

- A.** Neither RMI nor any of its management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.
- B.** Neither RMI nor any of its management persons are registered or have pending registrations as a futures commission merchant, commodity pool operator, a commodity-trading adviser, or as an associated person of the foregoing list.
- C.** Neither RMI nor its management persons have relationships with other entities in the financial services industry that materially affect RMI's advisory business or its clients.
- D.** RMI does not recommend or select other investment advisers.

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

RMI has established a code of ethics that requires all of its employees to behave with the highest standard of honest conduct and business ethics, acting fiduciary to its Clients, always placing client's interest ahead of its own and requiring careful management of any perceived or actual conflict of interest that may arise in relation to its advisory services.

Each new RMI's Employee receives a copy of the Code of ethics when hired. RMI sends copies of any amendments to the Code to all Supervised Persons. Annually or as otherwise required, each Supervised Person must confirm that he or she has complied with the Code during such preceding period.

RMI does buy Securities for its own account and it treats its own account as any other client account. Without giving any preference.

Directors of RMI and Supervised Persons may own Securities that are also owned by Clients. Certain Supervised Persons may be Clients of RMI and to the extent they are, they will receive recommendations at the same time as similarly situated Clients. Because RMI's recommendations are based on an algorithm, and are communicated to Supervised Person Clients and Clients that are not Supervised Persons at the same time, no actual conflict arises and Clients will not be prejudiced. In addition, RMI only recommends stocks and ETFs, which are liquid and therefore generally would not create conflict of interest situations.

Item 12: Brokerage Practices

RMI establishes custodial and brokerage agreements with "qualified custodians", as defined by the SEC, to establish our clients agreements. Our selection of brokers is based on the management platforms offered by registered brokers, which must enable RMI to execute trades on behalf of our clients, financial strength and reputation, trading platform, digital and technological development, experience, costs, asset availability as well as trade accuracy and confirmation.

RMI does not engage in any "soft dollar" practices. RMI does not involve in the receipt of research or other brokerage services in connection with Client transactions. RMI does not compensate or reward any brokers for client referrals.

Item 13: Review of Accounts

RMI reviews each client's account and target model portfolio on a daily basis through automated algorithms which seek to ensure that: (i) each client's account is aligned with the model portfolio assigned to its risk profile, (ii) the model portfolio is still efficient. This review process may trigger a rebalance. Factors that result in rebalancing may include, but are not limited to, market movements, significant changes in some assets that a client holds or changes in a client's risk profile.

RMI provides permanent access to the client's account which reflects the value of the portfolio. The official value of the portfolio is provided by the client's broker dealer.

When a client places deposits on their investment account, the money will be invested according to the model portfolio that the client chose. Client's that wish to withdraw funds must communicate the withdrawal to RMI, so that assets can be sold and the client can make the withdrawal from their broker dealer.

Item 14 Client Referrals and Other Compensation

RMI may perform advertising campaigns to attract clients to open accounts on the site. These campaigns may include promotions such as additional account services or products, more favorable fee arrangements or waived advisory fees and reward programs for existing clients who refer new clients to the service. These promotions may cause a conflict of interest if clients refer the service based on the potential benefits these could imply for the client referring the service.

RMI may also enter into agreements with third parties who are in a position to refer clients to RMI who will receive a pre-determined fee or compensation. If RMI determines in the future to pay or

compensate a third-party for client referrals, this practice will be disclosed in writing to the client and comply with the requirements of Rule 206(4)-3 under the Investment Advisers Act of 1940, as amended, to the extent required by applicable law.

Item 15 Custody

RMI does not maintain custody of any client funds or securities. Assets are held in the name of each client in the custody of their service broker, which is a qualified custodian as defined by the SEC. Each client may receive Account information, including trades confirmation and monthly account statements, directly from their Broker, and should carefully reconcile the information provided by the Broker with the information provided on RMI's statements.

Item 16 Investment Discretion

RMI requires clients to accept an Advisory Agreement to assume full discretionary trading and investment authority over the client's assets held with the Broker. The client completes all documentation required in the enrollment process.

Item 17 Voting Client Securities

RMI does not have the authority to vote client's securities.

Item 18 Financial Information

RMI 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.



Form ADV Part 2 Client Brochure

Form ADV Part 2B Client Brochure Supplement

RMI INTERNATIONAL LLC

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04/13/2020

This Brochure Supplement provides information about certain RMI employees listed below that supplements the RMI INTERNATIONAL LLC. Brochure you should have received above. Please contact RMI INTERNATIONAL LLC. at +1 (650) 485-0277 or info@risk-mi.com if you did not receive RMI INTERNATIONAL LLC's Brochure or if you have any questions about the contents of this Brochure Supplement.

Additional information about RMI INTERNATIONAL LLC's supervised persons is available on the SEC's website at www.adviserinfo.sec.gov.

RMI INTERNATIONAL LLC's discretionary investment advice is provided by a team of Supervised Persons, and RMI has provided group supplementary information below for the one supervised person with the most significant responsibility for the day-to-day investment advisory services provided to Clients.

Andrés Villaquirán, born 1975

Education

BS, Economics, Massachusetts Institute of Technology, 1997

BS, Mechanical Engineering, Massachusetts Institute of Technology, 1997

BS, Management Science, Massachusetts Institute of Technology, 1997

MS, Statistics and Operations Research with concentration in Financial Engineering, New York University, 2003

MS, Financial Mathematics, Stanford University, 2010

PhD, Statistics, Stanford University, 2010

Business Experience

1997 – 2000 Foreign Exchange Options, JP Morgan & Co.

2000 – 2002 VP Emerging Markets, Credit Suisse First Boston

2003 – 2004 Business School Professor, Universidad de los Andes

2004 – Present Managing Partner, RMI International LLC

2004 – Present Managing Partner, Risk Management Insight

2010 – Present Managing Partner, Capital Management Insight

2014 – 2015 Managing Partner, Alkanza

2015 – 2019 CEO, Alkanza

2019 – present CCO, Nomad Fintech Inc

Disciplinary Information

None

Other Business Activity

None

Additional Compensation

None

Supervision

Dr. Villaquirán is not supervised by any other because he is a managing member.