



FORM ADV Part 2A Brochure

Modern Capital Advisors LLC

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March 31, 2021

This Brochure provides information about the qualifications and business practices of Modern Capital Advisors, LLC. If you have any questions about the contents of this Brochure, please contact Kris Wild, Chief Compliance Officer of Modern Capital Advisors, LLC., at 661-631-0103. 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.

We are a registered investment adviser with the SEC. However, registration of an investment adviser does not imply any level of skill or training. The oral or written communications of an adviser provide you with information about which you determine to hire or retain an adviser.

Additional information about Modern Capital Advisors, LLC is available on the SEC's website at www.adviserinfo.sec.gov. Our IARD Number is 13117.

Item 2 – Material Changes

The following changes have been made to the brochure since our filing July 17, 2020.

MATERIAL CHANGES MADE IN THE March 31, 2021 ADV PART 2A

■ Item 4 – Advisory Business

Updated the legal entity name from Liberty Capital Management LLC to Modern Capital Advisors LLC

Updated the CCO role for Modern Capital Advisors, LLC

Updated the Assets under Management as of Dec 31, 2020

■ Item 10 – Other Financial Industry Activities or Affiliations

Clarified and expanded on the relationship between Modern Capital Advisors LLC and Liberty/Modern Affiliates under common control

■ Item 12 – Brokerage Practices

Updated section on internal controls for soft dollar arrangements

■ Item 13 – Review of Accounts

Updated guidelines for client and portfolio performance reviews, explicitly state parameters for reporting expectations

You may request our full Brochure by contacting our main office at 661-631-0103 or by email at kwild@moderncap.com. You may also download a free copy via the Internet from the SEC's website at www.adviserinfo.sec.gov.

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Item 4 - Advisory Business

Firm Ownership and General Description

Modern Capital Advisors, LLC (Formerly Liberty Partners Capital Management, LLC) (here after "Modern Capital Advisors," "MCA," "the Company," "we," or "us") was founded in 2004 and changed its name in March 2021. MCA is wholly owned subsidiary Rethink, LLC. Bradley Atkins is the majority owner and managing member of Rethink, LLC. Rethink, LLC also owns Liberty Partners Financial Services, LLC (LPFS"), a FINRA Registered Broker Dealer and Liberty Partners Insurance Services, LLC ("LPIS"), a licensed insurance agency. The CCO for MCA is Kris Wild.

Advisory Services

MCA enables Investment Advisor Representative ("representatives") to utilize different avenues to provide personalized investment advisory services to their clients. These services include financial planning and asset management services, which includes referral to third party managers. The is a brief description of our primary services.

Financial Planning Services

We offer individualized financial planning services to help our clients establish and achieve their long-term financial goals after taking into account, among other things, tax situation, risk tolerance, investment experience, investment objectives and liquidity needs. The role of a financial planner is to find ways to help clients understand their overall financial situation and help them set financial objectives. Other professional (e.g., lawyers, accountants, insurance agents, etc.) may be engaged directly as directed by the client. After evaluating a client's financial situation, a representative will develop a financial plan that is provided in the form of comprehensive or modular (segmented) financial plans. Comprehensive planning services focus on a client's overall financial situation. Modular planning services and consultations focus on one or more specific areas of client concern such as retirement planning, estate planning, college planning or asset allocation advice, for example. These issue-specific planning services may not take all important financial issues into consideration like comprehensive financial plan.

After a financial plan is developed, we will meet you based on a pre-determined frequency (e.g., quarterly or annually) to analyze and evaluate your current financial condition. We typically assist you with implementing these financial plans through a separate investment advisory agreement, however you may choose to implement the financial plan with another investment advisor or broker-dealer.

Asset Management

Modern Capital Advisors offers personalized discretionary portfolio and wealth management services providing clients with continuous and ongoing supervision over their accounts. This mean a MCA representative will continuously monitor your account and makes trades on a discretionary or non-discretionary basis in that account when necessary. This may include recommendation of investment strategies offered through our third-party money manager platforms ("TAMPs"), individual security recommendation or a combination thereof (which can include traditional index funds, actively managed mutual funds, exchange traded funds, stocks, bonds, and variable products as an example).

Use of Third-Party Managers and Solicitation Arrangements

As part of our asset management services, MCA enables representatives to utilize the services of third-party money managers available through our TAMPs relationships (e.g. E*TRADE Advisor Services, RBC Correspondent Services, Charles Schwab and TD Ameritrade among others) to assist clients in managing their investments. Your representative can also assist you with selecting and monitoring unaffiliated third-party money managers offering asset management and other investment advisory services. Representatives are limited to recommending third-party money managers that have had due diligence completed and been approved by MCA.

In some instances, your representative is responsible for the initial and ongoing review of your financial situation. They are also responsible for maintaining your current information. Your representative assists you with identifying your risk tolerance and investment objectives. He or she will then recommend money managers geared toward your stated investment objectives and risk tolerance. You will enter into an agreement directly with the third-party money manager. MCA and your representative are available to answer questions you may have regarding your account and act as the communication conduit between you and the third-party money manager. Your representative will review the account(s) with you at least annually to determine if the money manager is continuing to meet your investment objectives. Money managers may take discretionary authority to determine the securities to be purchased and sold for you. MCA and your representative do not have any discretionary trading authority with respect to your account with the money manager(s) and are not responsible for investment selection or trade implementation in your accounts.

Depending on the arrangement between MCA and the third-party manager, we may provide you with a copy of their Form ADV and Solicitation Disclosure Statement at the time of recommendation/solicitation and/or you will receive a copy from the third-party manager directly.

Retirement Plan Consulting

MCA can assist plan fiduciaries to establish investment policies and objectives for a plan and set forth the asset classes and investment categories to be offered under the plan, as well as the criteria and standards for selecting and monitoring the investments. MCA will also prepare periodic reports to assist plan fiduciaries in monitoring the performance and overall fees and expenses against the guidelines set forth in the plan's investment policy statement. Representatives of MCA will be available to plan participants to provide administrative assistance, such as, distribution of plan materials and education of plan investment offerings.

Tailored Relationships

MCA services are provided on your specific needs. You are given the ability to impose written restrictions on your accounts, including specific investment restrictions. For this reason, it is important that you understand that we (or our representatives) may give advice or take actions for other clients that differ from the advice given to you.

MCA offers investment advice, investment management and financial planning for a monthly fee, quarterly fee or hourly fee. In some cases, MCA may be paid cash, or receive some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients.

Assets Under Management

As of December 31, 2020, MCA manages approximately \$98,603,218 in assets. Approximately \$ 96,854,606 is managed on a discretionary basis and \$1,748,612 is managed on a non-discretionary basis.

Termination of Agreement

A Client may terminate any of the aforementioned agreement at any time by notifying MCA in writing and paying the rate for the time spent on the investment advisory engagement prior to notification of termination. If the client made an advance payment, MCA will refund any unearned portion of the advance payment.

MCA may terminate any of the aforementioned agreements at any time by notifying the client in writing. If the clients made an advance payment, MCA will refund any unearned portion of the advance payment.

Item 5 - Fees and Compensation

Description

This section provides description of each service's (e.g., financial planning, third party managers, and asset management services) fees and compensation arrangements with MCA.

Financial Planning Services

Financial plans are priced according to the degree of complexity associated with the client's situation. Fees are negotiable but generally range from \$250 to \$750 per hour.

Asset Management Services

Asset management service fees are billed monthly, quarterly in advance or annually in arrears based on the asset value on the last day of the billing period. This means we may invoice you before or after the billing period has begun or ended. Fees are usually deducted from a designated client account to facilitate billing or the client may be invoiced directly (e.g., MCA will not have authority to debit fees directly). The client must consent in advance to direct debiting of their investment account and any billing arrangement must be approved by the client in writing.

While negotiable, the below is MCA's standard fee schedule.

- Up to 3% on accounts up to \$250,000*
- Up to 2.5% on accounts over \$500,000 and up to \$1,000,000 and
- Up to 2% on accounts above \$1,000,000.

****Fees above 2% are considered high by certain States and you may find these services available at lower rates.***

Solicitor Arrangements

When referring clients to third party money managers, MCA receives a portion of the fees generated from the referral. You do not directly pay us or your representative for this service. The management fees, methods of calculation and manner in which fee is billed/collected varies for each money manager. The fees, methods of calculation and manner in which fees are billed/collected are described in the money manager's disclosure brochure. Fees typically range from 1.0%-2.5% and the portion of this fee that is paid to us varies pursuant to the agreement between us and the money manager and is disclosed in the Solicitation Disclosure Statement signed by you.

Various money managers may negotiate the fees charged for management services with you (which are disclosed in the agreement for services executed between you and the money manager), our portion of the fee received may be negotiable as well, depending on the agreement between MCA and the third party money manager. You should be aware that although this fee does not appear to be a direct cost to you, the money manager takes this fee into consideration when determining the amount of fee they charge you. All fees are calculated and charged by the money manager and the money manager is responsible for paying our portion of the fee to us.

Third party money managers generally have account minimum requirements that will vary from manager to manager. A complete description of the money manager's services, fee schedules and account minimums will be disclosed in the money manager's disclosure brochure or wrap fee brochure that is provided to you at the time you sign an agreement for services and the account is established. Client reports will depend upon the money manager.

MCA may pay a third party as a solicitor for referring assets to MCA. This arrangement requires a disclosure to the client describing the nature of payments to the solicitor, and whether the solicitor has certain disclosable historical items per SEC rules.

Retirement Plan Consulting Fees

Retirement Plan Consulting fees vary from plan to plan and can be based on the asset size or monthly flat fee, which is typically \$500 to \$1,000 per month with no minimum or maximum.

Other Fees and Compensation

Custodians may charge transaction fees on purchases or sales of certain mutual funds and exchange-traded funds.

Managed accounts may be held at RBC Correspondent Services (RBC) or E*TRADE Advisor Services' (E*TRADE) or other custodians prescribed by certain 3rd party money managers. These custodians may charge transaction fees for the purchase and sale of certain securities. MCA does not receive any portion of these transaction fees.

MCA, at its sole discretion, may waive its minimum fee and/or charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with clients, etc.).



Some of our representatives are also registered representatives of Liberty Partners Financial Services, LLC, an affiliated broker-dealer. If you elect to have our representatives implement the advice provided as part of the financial planning services, this may be done by them in their separate capacities as registered representatives. This situation represents a conflict of interest because our representatives could receive fees for the financial planning advice and could also receive commissions for implementing the recommendations in their separate capacity as a registered representative. It also provides incentive to recommend investment products based on the compensation received rather than your needs. You are not obligated to implement the advice provided by our representatives or to implement the transactions through our affiliate broker-dealer. You are free to select any broker-dealer or registered representative to implement the recommendations provided by our representatives.

In addition, some of our representatives may be licensed insurance agents. If you elect to purchase insurance products through our representatives in this separate capacity, they will earn commissions. This is a conflict of interest because they could receive fees for the advice and also receive commissions for implementing insurance transactions. You are not obligated to implement the advice provided by our representatives or to implement transactions through our representatives in their separate capacity as insurance agents. Your representative may choose to implement an insurance purchase through Liberty Partners Insurance Services, LLC (LPIS). LPIS is an affiliated company.

Also as discussed previously, we have established relationships with other, non-affiliated investment advisors through which we will act as a solicitor and refer you to the other investment advisors' management programs. When acting in this solicitor capacity, we receive a portion of the fee paid to the other investment advisors by our Clients.

You will incur other charges imposed by third parties besides us in connection with investments made through the account, including but not limited to mutual fund management fees, shareholder servicing and 12b-1 fees, sub-accounting fees, variable annuity fees and surrender charges, short term redemption fees, qualified retirement plan fees and account maintenance fees. A description of these fees and expenses are available in each investment company security's prospectus.

You will incur other charges imposed by third parties besides us in connection with investments made through the account, including but not limited to mutual fund management fees, shareholder servicing and 12b-1 fees, sub-accounting fees, variable annuity fees and surrender charges, short term redemption fees, qualified retirement plan fees and account maintenance fees. A description of these fees and expenses are available in each investment company security's prospectus.

MCA's affiliate, LPFS, in its capacity as a broker-dealer, and our representatives, in their capacities as registered representatives of LPFS, may receive a portion of the 12(b)-1 fees. You should be aware that 12(b)-1 fees come from mutual fund assets, and thus, indirectly from your assets and reduce overall fund performance. Such funds may be included in your account when it is believed that the overall performance of the fund after taking into account such payments merits inclusion. Receiving these fees could represent an incentive for registered representatives to recommend funds with 12(b)-1 fees or high 12(b)-1 fees over funds with no fees or lower fees, therefore creating a potential conflict of interest.

The client should review both the fees charged by the funds and the fees charged by MCA to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Past due Accounts and Termination of Agreement

MCA reserves the right to stop work on any account that is more than 30 days overdue. In addition, MCA reserves the right to terminate any financial planning engagement where a client has willfully concealed or has refused to provide pertinent information about financial situations when necessary and appropriate, in MCA's judgment, to providing proper financial advice. Any unused portion of fees collected in advance will be refunded within 30-days.

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

Modern Capital Advisors does not use a performance-based fee structure because of the potential conflict of interest. Performance based fees are based on a share capital gains on or capital appreciation of the client's assets. Our advisory fees are not based on a share of the capital gains you earn or on the capital appreciation of assets in your account.

Item 7 - Types of Clients

Description

MCA provides portfolio management services to individuals, high net worth individuals, pension and profit-sharing plans, charitable organizations, and corporations.

Account Minimums

Minimum account size is determined by the specific investment strategy your representative recommends for your portfolio. The smallest account minimum strategy is currently \$5,000. Your representative may implement an account minimum that is higher.

MCA has the discretion to waive the account minimum. Accounts of less than \$25,000 may be set up when the client and the advisor anticipate the client will add additional funds to the accounts bringing the total to \$25,000 within a reasonable time. Other exceptions will apply to employees of MCA and their relatives, or relatives of existing clients.

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

MCA offers personalized discretionary and non-discretionary portfolio and wealth management services to our clients. As such, each representative may utilize varying methods of analysis that vary from client account and investment strategy.

Methods of Analysis

Security analysis methods may include charting, fundamental analysis, technical analysis, and cyclical analysis. The main sources of information include financial newspapers and magazines, inspections of corporate activities, research materials prepared by others, corporate rating services, timing services, annual reports, prospectuses, filings with the SEC, and company press releases.

MCA may use other research services and vendors, such as, Morningstar, Advisor Intelligence, and RBC Capital Markets research reports.

Investment Strategies

The primary investment strategy used on client accounts is strategic asset allocation utilizing a core and satellite approach. This means that we use passively managed index and exchange-traded funds as the core investments, and then add actively-managed funds where there are greater opportunities to make a difference. Portfolios are globally diversified to control the risk associated with traditional markets. In some cases, based on a client's needs, we may use a 3rd party money manager to direct investments. We may place assets directly with a custodian prescribed by this 3rd party manager or use a 3rd party manager that is available on the RBC or E*TRADE platform.

In some cases, an investment strategy may involve the active trading of equity securities, option contracts or individual bonds. These strategies incur higher transaction costs which should be considered by the client before authorizing such a strategy. This active trading strategy may also cause considerable tax consequences for the client. You should consult your tax adviser before authorizing an active trading strategy.

The investment strategy for a specific client is based upon the objectives stated by the client during consultations. The client may change these objectives at any time. Each client executes an Investment Policy Statement or proposal that documents their objectives and their desired investment strategy. Other strategies, as discussed above, may include long-term purchases, short-term purchases, trading, short sales, margin transactions, and option writing (including covered options, uncovered options or spreading strategies).

Strategic Portfolio Management Services ("SPM")

We may utilize other registered investment advisers for sub-advisory services also referred to as "Strategist." Investment instructions are generally communicated from us in the form of asset allocation strategies ("Strategies"). You receive SPM services under the terms of an advisor agreement between MCA and the SPM. We refer to a strategy's creator as a "Strategist." In some cases, MCA will be the Strategist, creating the Strategy for your account. Alternatively, MCA may elect to employ a Strategy from a third-party Strategist, also a registered investment advisor, for your account.

Strategies are comprised of a model portfolio ("Model") or a weighted combination of multiple Models, as determined by the Strategist. A Model represents the investment recommendations of a "Manager," in the form of a list of securities to hold and the relative weight of each. MCA may be one of the Managers

providing one or more of the Models for your account's Strategy. Additionally, the Models of third-party asset Managers, themselves registered investment advisors, may be included in your Account's Strategy. Your account's Strategist is responsible for researching and evaluating Managers and selecting the specific Models employed in your account's Strategy. The responsibilities of the third-party Strategists and Managers with respect to your account are limited to providing generalized, non-discretionary investment advice.

Your MCA representative is responsible for understanding your individual financial situation, investment goals and objectives, qualification, time horizon, portfolio liquidity and concentration, and tolerance for risk as well as any investment limitations and reasonable restrictions for your account. Based upon this knowledge, your representative selects a suitable Strategy for your account. MCA representatives will communicate with you to monitor your investment objectives and any changes in your individual circumstances or situation. In turn, your representative will reflect your objectives and circumstances in the form of a suitable Strategy selected for your account. Any questions you may have regarding the Strategy employed for your account, the Manager Models comprising the Strategy, or their suitability for your individual financial situation should be directed to your MCA representative.

In the provision of SPM services, the SPM requires discretionary authority to implement the investment instructions specified by your representative for your account via the purchasing and selling of securities. This authority is in addition to your representative, who maintains at all times full discretionary authority over your accounts. You grant us this discretionary authority through the custodian broker-dealer who holds your account.

Risk of Loss

All investments in securities include a risk of loss of your principal (invested amount) and any profits that have not been realized (securities not sold to “lock in” the profit). Financial markets fluctuate substantially over time. In addition, as recent global and domestic economic events have indicated, performance of any investment or strategy is not guaranteed. As a result, there is a risk of loss of the assets we manage that is out of the control of your representative. There cannot be a guarantee any level of performance or that you will not experience a loss of your account assets.

Primary Investment Vehicles and Risks

MCA will not have an active role in the management of unaffiliated third-party money managers responsible for the securities recommendations and strategies in your account. Inherent risk of investing in unaffiliated third-party money managers include risk of loss, strategy or style drift, increased fees, and overlapping investments. Although we receive information from the unaffiliated third-party money managers regarding such portfolios and historical performances, and investment strategies, in most cases we will have little or no means of independently verifying the information supplied to it by such unaffiliated third-party money managers and will rely in large part on the limited information provided to us by such managers. The absence of detailed information could result in significant loss to your account.

Mutual funds and exchange traded funds have exposure to underlying securities that may be exposed to loss of principal due to adverse market conditions. Foreign securities in mutual funds may also expose your portfolio to potential loss due to exchange rate risk. Asset allocation, diversification and rebalancing do not ensure a positive return or protect against loss.

Investments in bonds or fixed income are subject to interest rate risk. Bond prices generally fall when interest rates rise. All bonds, excluding US treasuries, have a risk of credit default. Non-domestic bonds and hi-yield bonds generally carry a greater risk due to the nature of the issuers. Non-domestic bonds are subject to economic, political and currency risk and may experience a greater degree of market volatility. Hi-yield bonds are speculative, have a higher risk of default or are already in default, tend to be less liquid and are more difficult to value than higher grade securities. These bonds tend to be more volatile and more susceptible to adverse events and negative sentiments. Investments in small and/or mid Cap (size) companies generally carry a great risk and may experience a greater degree of market volatility. Investments in global or international securities are subject to economic, political and currency risk and may experience a greater degree of market volatility.

Long/Short and market neutral investments are unique and complex strategies designed to “neutralize,” or limit, the effect of stock market movement on returns. Because of this, return is often uncorrelated to that of the stock market. Strategies involve long- and short-selling and carry specific risks not found in traditional investments.

Real estate investments may be subject to a higher degree of market risk because of concentration in a specific industry, sector or geographical sector. Real estate investments may be subject to risks including, but not limited to, declines in the value of real estate, risks related to general and economic conditions, changes in the value of the underlying property owned by the trust and defaults by borrower.

Item 9 - Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of MCA or the integrity of MCA's management. MCA discloses the following:

MCA has no firm or principle disciplinary actions to disclose.

For further information please go to: www.finra.org/brokercheck or contact Compliance Department at (661) 631-0103

Item 10 - Other Financial Industry Activities or Affiliations

Affiliations

As previously disclosed, MCA is under common ownership with Modern Capital Securities Inc ("MCS"), a FINRA and SEC registered broker dealer, Liberty Partners Financial Services, LLC (LPFS), a FINRA and SEC registered broker dealer, Modern Capital Management Company ("MCMC") and Liberty Partners Insurance Services, LLC (LPIS) a licensed insurance agency. LPFS and MCS are introducing broker-dealers that clear transactions on a fully disclosed basis through RBC Correspondent Services, LLC. The principals and certain investment advisory representatives of MCA are also licensed agents for Liberty Partners Insurance Services, LLC, as well as registered representatives of LPFS, MCS and MCMC. Therefore, the purchase or sale of a financial instruments including, but not limited to, stocks, bonds, mutual funds, insurance products and interests in the limited partnerships, or otherwise, executing transactions through LPFS or MCS, may result in additional compensation to persons who are rendering financial advice and/or analysis.

While this arrangement may represent a conflict of interest in that it may give MCA an incentive to utilize LPFS or MCS as broker-dealer of client assets and/or LPIS for insurance sales, MCA attempts to mitigate the conflicts by allowing its clients to utilize any broker-dealer or insurance agency they wish. Also, in order to mitigate this conflict, MCA, prior to each security and/or insurance transaction under which the associates of MCA may receive compensation, clients will receive full disclosure of 1) capacity in which LPFS, MCS or associates are acting in the transaction and whether any compensation is to be earned by the owners or associates and 2) any interest that LPFS, MCS or associates have in the transaction which may be averse to your interest. The commissions charged by LPFS are comparable with those of other broker-dealers in return for like products and services but may be higher in some instances than those obtainable from other brokers. You should review your LPFS, MCS brokerage agreement, commission schedule, and transaction confirmations if you elect to utilize LPFS, MCS for brokerage execution in addition to your advisory services.

Affiliate Summary

Liberty Partners Financial Services, LLC - Full service FINRA registered Broker Dealer

Modern Capital Management Company - SEC Registered Investment Advisor

Liberty Partners Insurance Services, LLC - Fixed life, health and annuity insurance agency

Modern Capital Securities Inc – Full service FINRA registered broker/dealer

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

Description of Our Code of Ethics

MCA has adopted a Code of Ethics (the “Code”) to address investment advisory conduct. The Code focuses primarily on fiduciary duty, personal securities transactions, insider trading, gifts, and conflicts of interest. The Code includes MCA’s policies and procedures developed to protect client’s interests in relation to the following topics:

- The duty at all times to place the interests of clients first.
- The requirement that all personal securities transactions be conducted in such a manner as to be consistent with the code of ethics.
- The responsibility to avoid any actual or potential conflict of interest or misuse of an employee’s position of trust and responsibility.
- The fiduciary principle that information concerning the identity of security holdings and financial circumstances of clients is confidential; and
- The principle that independence in the investment decision-making process is paramount.

MCA’s Code also requires employees to: 1) pre-clear certain personal securities transactions in IPOs and private offerings, 2) report personal securities transactions on at least a quarterly basis, and 3) provide the MCA with a detailed summary of certain holdings (both initially upon commencement of employment and annually thereafter) over which such employees have a direct or indirect beneficial interest.

On occasion, the MCA’s employees may buy or sell securities recommended to clients. If the possibility of a conflict of interest occurs, the client’s interest will prevail. It is the policy of the MCA that priority will always be given to the client’s orders over the orders of an employee of the Company.

MCA’s compliance department reviews employee trades. Since client trades are primarily in open-end mutual funds, exchange-traded funds, or variable products that are either priced at net asset value daily or a large trading volume exists, MCA does not expect material conflicts of interest to exist between employee trading and its clients.

If you would like to receive a copy of MCA’s Code of Ethics, please contact us by telephone at: 661-631-0103 or by email at: MCA@libertypfs.com.

Item 12 - Brokerage Practices

MCA has no contractual obligations to direct brokerage commissions to any custodian but recommends and prefers that Clients establish brokerage accounts with E*TRADE Advisor Services’, (E*TRADE) and RBC Correspondent Services (RBC), both members of FDIC. In this arrangement, E*TRADE and RBC maintain custody of Clients’ assets and effects trades for Clients’ accounts. MCA’s recommendation of E*TRADE and RBC is not made pursuant to any agreement or commitment with E*TRADE and RBC, but as part of this arrangement, MCA might receive brokerage and research services and may also benefit or receive additional compensation. This compensation could include non-cash compensation such as access to research, or cash compensation such as 12b-1 fees paid to our affiliate broker dealer and thereby creates a potential conflict of interest. If the client’s funds are invested in mutual funds, the account will incur fees charged by the Mutual Fund that are in addition to those charged by MCA. In addition, there may be separate fees charged by the custodian for its services.

Clients are allowed to direct brokerage if it is reasonable to do so in the opinion of MCA. When brokerage is direct, MCA does not negotiate commissions, and as a result, the client may not be receiving best

execution on trades where the client has directed brokerage.

Representatives of MCA may also be registered representatives of LPFS. It is possible that some securities transactions in connection with MCA advisory services may be executed by LPFS, our affiliate Broker-Dealer. However, the client is under no obligation to transact securities business through LPFS. The commissions charged by LPFS, are comparable with those of other broker-dealers in return for like products and services but may be higher in some instances than those obtainable from other brokers.

MCA acknowledges that Investment Advisor Representatives have a fiduciary duty to their clients and are paid to act in their clients' best interests, including obtaining "best execution" of securities trades. MCA recognizes that the current preferred custodian arrangement we have with E*TRADE and RBC may limit MCA's ability to negotiate commission rates. However, in obtaining the best value for its clients, an advisor is permitted to take into consideration both the quality of trade execution and other brokerage services, as well as commission rates. MCA recommends E*TRADE and RBC as its preferred custodians for the following reasons:

MCA uses the services of E*TRADE Advisor Services' (E*TRADE) and RBC Correspondent Services, LLC (RBC) as the custodians that MCA may recommend to our clients. E*TRADE and RBC offer institutional custody, trading and other services for registered investment advisors and their clients. As part of this service E*TRADE and RBC provide MCA with software and services to help manage the assets in client accounts and to assist in monitoring and servicing MCA clients and their accounts. E*TRADE and RBC also provide services that assist advisors in managing and developing our business and may arrange for such assistance by third parties. These services may be provided by E*TRADE and RBC, or their vendors, at no or reduced costs to MCA.

E*TRADE may also offset the custody fees paid by MCA and our clients when we select mutual funds that are in the E*TRADE custody advantage program. The mutual funds in this program pay E*TRADE shareholder service fees and/or 12b-1 fees for the custody of the shares and E*TRADE will offset some or all of the custody fees that would have otherwise been charged for those shares.

Clients should be aware that while MCA endeavors at all times to put the interests of its clients first that the receipt of economic benefits by MCA or its related persons in and of itself creates a potential conflict of interest and may indirectly influence MCA choice of custody services.

MCA has determined that although the commission rate charged by may not be the lowest available in the industry, other brokerage firms do not currently provide the range or quality of services that are described above. As a fiduciary, MCA endeavors to act in its Clients' best interests, and MCA's recommendation.

that Clients maintain their assets in accounts at RBC or E*TRADE may be based in part on the benefit to MCA of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by LPFS, which may create a potential conflict of interest. However, MCA will periodically and systematically monitor and evaluate the execution and performance capability of RBC and E*TRADE and make a good faith determination regarding whether the commission rate paid is reasonable given the value of the brokerage and research services provided.

MCA generally recommend that clients establish custody accounts that charge an asset-based fee ("ABP Service Fee") rather than transaction-based pricing, as MCA believes in certain cases that this will be most cost effective for clients over a complete investment cycle. E*TRADE will charge ABP Service Fees generally in lieu of transaction-based commissions for most brokerage services provided by E*TRADE to such accounts. The complete list of those services not covered by the ABP Service Fee is contained in the custodial agreements, which must be completed by the client.

Asset-based pricing is not appropriate for every brokerage account. Before selecting asset-based pricing for an account, you should consider your particular circumstances and any other relevant factors and determine that asset-based pricing is appropriate for that account. Clients should also note the following:

- The appropriateness of the ABP Service Fee for any account may depend on a number of factors including, among other things, the client's investment objectives and financial situation, the investment strategies, and trading patterns, including the frequency of trading and the number and size of the transactions. Clients should note that the number of transactions in the account in a particular period may be so low that the amount paid to E*TRADE may exceed the commissions that would otherwise be charged for transactions effected in that period.
- Because clients pay E*TRADE ABP Service Fee in addition to any commissions and/or other charges paid to broker-dealers other than E*TRADE who execute transactions for the accounts, we may have an incentive to execute most transactions for asset-based pricing accounts through E*TRADE. This incentive could, in some circumstances, conflict with our duties to obtain best execution of transactions for your accounts.
- E*TRADE will not determine that asset-based pricing is appropriate for client accounts, nor will E*TRADE monitor future trading activity in accounts to determine whether asset-based pricing is or remains appropriate.

Asset-based pricing fee schedule ranges from 10.0 basis points to 50.0 basis points of assets depending on account size with a minimum \$250 Service Fee per billing period.

*A basis point is 1/100 of a percent. For clarity, 10 basis points is .1%.

Research and Other Soft Dollar Benefits

We may receive "soft dollar" compensation from both E*TRADE and RBC. In selecting a broker dealer based on discretionary authority, MCA will endeavor to select those brokers or dealers that will provide the best services at the lowest cost possible. The reasonableness of commissions or fee's is based on several factors, including the broker's ability to provide professional services, competitive commission rates, volume discounts, execution price negotiations, the broker's reputation, experience and financial stability of the broker or dealer, and the quality of service rendered by the broker or dealer in other transactions.

Internal Soft Dollar Controls/Procedures

We periodically review the past performance of broker/dealers with whom we have placed orders in light of the factors discussed.

In the previous soft dollar arrangements section. We can cease to do business with certain broker/dealers whose performance/service was not competitive, or we can demand that these broker/dealers improve their performance/service before receiving any further orders. The overall reasonableness of commissions paid is evaluated by reviewing what competing broker/dealers were willing to charge for similar types of services. The evaluation also considers the timeliness and accuracy of the research received. Reasonableness is evaluated on an ongoing basis.

As previously noted, we maintain a series of internal controls and procedures relating to our brokerage practices, including our use of soft dollars. The following controls and procedures are designed to reduce the conflicts of interest created by the use of soft dollars.

- Our Chief Compliance Officer or Chief Operating Officer approves all soft dollar services/products and all relevant details such as cost, number of users and appropriateness based on Section 28(e)

- We also receive services which, based on their use, are only partially paid for with soft dollars. These services are considered “mixed-use” because we use the service for both research or brokerage and non-research, non-brokerage purposes. In each case, we make a good faith determination of which portion of the service should be paid using soft dollars and which portion should be paid using hard dollars, which is the portion we pay. We retain documentation of the soft dollar to hard dollar allocation and perform an annual review of the allocation between soft dollars and hard dollars, which is presented to our Brokerage Committee.
- Our Brokerage Committee is responsible for monitoring any conflicts of interest as the committee covers all soft dollar and execution related topics including commission rates paid, mixed use analysis and broker execution analysis.

Order Aggregation and Allocation

MCA's policy is to aggregate all eligible client accounts when trading securities that may have price movement throughout the day then allocate an average price to those clients. In this way, no client receives a price advantage at the expense of another client. However, due to the timing of obtaining transaction approval, it is often not possible to aggregate orders of discretionary account transactions with non-discretionary accounts. That is, MCA will generally trade discretionary clients' accounts before seeking consent to trade the non-discretionary accounts, which may result in certain accounts receiving less favorable trade executions.

Item 13 - Review of Accounts

Periodic Reviews

Reviews of client accounts are performed on at least an annual basis by the investment advisor representative. In some instances, these reviews occur quarterly or more often. The frequency of such reviews is determined by client need, investment advisor representative's determination, or by MCA management's discretion.

A review may be conducted by the Investment Advisor Representative or by the Chief Compliance Officer (CCO) while conducting oversight for MCA's investment advisory activities. Other factors which may trigger a review may include trading activity, cash movements, or account alerts / notices received from the custodian of the accounts. All trading activity in MCA advisory accounts is reviewed by the CCO or his/her designate on a daily basis.

This review is an important aspect of MCA's fiduciary duty to ensure accuracy, completeness, and continued applicability and suitability for each account. The nature of this review might encompass statements, confirmations, performance reports, and billing / fee analysis with such reports being generated internally by MCA or furnished from various financial services institutions with which the client transacts business. These financial services institutions may include, but are not limited to custodians, brokerages, investment companies, trust companies, other investment advisors, banks, and credit unions. The frequency of such reports may also be determined by the various financial institutions generating the reports, but are typically produced monthly, quarterly, annually, or in the instance of confirmations, as transactions occur.

The CCO or his/her designate will review accounts at least annually. Account reviews are performed more frequently when market conditions dictate, there is a notable increase in the amount of requests by a client that affect transactions in their account(s), a client's request to liquidate positions and/or customer complaints.

Other conditions that may trigger a periodic review are changes in the tax laws, new investment information, and changes in a client's own situation.

Regular Reports

Account reviewers are members of the firm's Management Team and/or their designee's. They are instructed to consider the client's current security positions and the likelihood that the performance of each security will contribute to the investment objectives of the client.

Clients receive periodic communications on at least an annual basis. The written updates, from MCA, may include a net worth statement, performance reporting, portfolio statement and a summary of objectives and progress towards meeting those objectives.

Reporting

Clients will receive quarterly account reports from independent qualified custodians, unless they request these reports more frequently or the custodian provides monthly statements. The reports typically include:

- A listing of individual holdings, including the number of shares and current market value.
- Quarterly, year-to-date and/or since-inception time-weighted rates of return.
- A statement of historical changes to the account describing the original capital, additions of capital, income earned, and a combination of realized and unrealized appreciation or depreciation.
- Purchase and sale transactions occurring during the quarter. In addition, each direct-managed client also receives quarterly reports from Modern Capital, unless the client or their authorized representative declines delivery of the quarterly report. The quarterly reports normally include actual client performance shown against relative benchmarks, along with our comments on the general market and the specific strategy in which the client is invested. Upon request, additional reports can be prepared to meet client needs.

Item 14 - Client Referrals and Other Compensation

As disclosed under Item 12 above, MCA recommends the services of RBC Correspondent Services ("RBC") and E*TRADE Advisor Services' ("E*TRADE") to clients for custody. MCA receives some economic benefits for its recommendation of RBC and E*TRADE.

These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving MCA; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; and discounts on research, technology, and practice management products or services provided to MCA by third party vendors.

These products or services may assist MCA in managing and administering client accounts, including accounts not maintained at RBC or E*TRADE. The benefits received by MCA or its personnel do not depend on the amount of brokerage transactions directed to RBC, E*TRADE or other custodians. As part of its fiduciary duties to clients, MCA endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by MCA or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the MCA's choice. MCA and its investment advisor representatives may pay referral fees to finders or solicitors for obtaining new advisory clients. MCA may receive compensation in the form of an occasional meal, entertainment,

or educational training meeting provided by a financial product vendor or affiliate of a vendor so long as the compensation is reasonable and not predicated on the achievement of any specific sales targets. Although such compensation is not tied to the expenses applied to a Client's Account, a conflict of interest exists in the recommendation of Investment Products sponsored by these vendors as MCA may receive other compensation from the vendors as described above.

Item 15 - Custody

MCA in its capacity as a Registered Investment Adviser will not physically take custody of Client assets. MCA may recommend the Client establish a custodial agreement for the benefit of the Client with MCA's preferred Custodians (E*TRADE and RBC). However, please be aware that MCA may be authorized per your investment advisory agreement to deduct client fees from your account, and thus is determined to have custody of assets under SEC Release No. IA-2106.

MCA clients should receive at least quarterly statements from the qualified custodian that holds and maintains the client's investment assets. This report will detail the client's current investment positions held with the Custodian, the prior quarter's values, contributions and/or distributions made during the quarter and the investment returns for various periods including the most recent quarter. MCA urges you to carefully review these statements and compare such official custodial records to any reports that MCA or its investment advisor representatives may provide to you. Our reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16 - Investment Discretion

Discretionary Authority for Trading

MCA accepts written discretionary authority, in certain cases, to manage securities accounts on behalf of clients. In these cases, MCA has the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. Clients may limit discretionary authority in any way they see fit and these limitations would be noted on the advisory agreement. Please refer to Item 8 Strategic Portfolio Management Services for additional information.

The client approves the custodian to be used and the commission rates paid to the custodian. MCA does not receive any portion of the transaction fees or commissions paid by the client to the custodian on certain trades. Discretionary trading authority facilitates placing trades in your accounts on your behalf so that we may promptly implement the investment policy that you have approved in writing.

Limited Power of Attorney

A limited power of attorney is a trading authorization for this purpose. You sign a limited power of attorney so that we may execute the trades that you have approved.

Item 17 - Voting Client Securities

Proxy Voting

As set forth in your investment advisory agreement, MCA does not undertake authority to vote proxies on securities on your behalf. Clients are expected to vote their own proxies and they will receive proxies and other solicitations directly from their asset custodian. In the event that MCA inadvertently receives proxies on your behalf, MCA will promptly forward the proxies to your address of record.



In accordance with its fiduciary duty to clients and Rule 206(4)-6 of the Advisers Act, MCA has adopted and implemented written policies and procedures governing the voting of client securities to the extent it becomes applicable.

A copy of MCA's written proxy voting policies and procedures, as well as a record of how MCA has voted in the past (as applicable), will be maintained and available for review upon written request. Requests can be obtained by emailing MCA@libertypfs.com.

When assistance on voting proxies is requested, MCA will provide recommendations to the Client. If a conflict of interest exists, it will be disclosed to the Client.

Item 18 - Financial Information

MCA has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.

A balance sheet is not required to be provided because MCA does not serve as a custodian for client funds or securities and does not require prepayment of fees of more than \$1,200 per client, and six months or more in advance.

Business Continuity Plan

General

MCA has a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, services or key people.

Disasters

The Business Continuity Plan covers natural disasters such as snow storms, hurricanes, tornados, and flooding. The Plan covers man-made disasters such as loss of electrical power, loss of water pressure, fire, bomb threat, nuclear emergency, chemical event, biological event, T-1 communications line outage, Internet outage, railway accident and aircraft accident. Electronic files are backed up daily.

Alternate Offices

Alternate offices are identified to support ongoing operations in the event the main office is unavailable. It is our intention to contact all clients within five days of a disaster that dictates moving our office to an alternate location.

Loss of Key Personnel

MCA does not have a Business Continuation Agreement with another financial advisory firm to support MCA in the event of Kris Wild or Bradley Atkins serious disability or death. However we do employ multiple principles at the home office who are qualified and hold the correct licenses to step into a primary management role for overseeing day to supervision and operations.

Information Security Program

Information Security

MCA maintains an information security program to reduce the risk that your personal and confidential information may be breached.

Privacy Notice

MCA is committed to maintaining the confidentiality, integrity and security of the personal information that is entrusted to us.

The categories of nonpublic information that we collect from you may include information about your personal finances, information about your health to the extent that it is needed for the financial planning process, information about transactions between you and third parties, and information from consumer reporting agencies, e.g., credit reports. We use this information to help you meet your personal financial goals.

With your permission, we disclose limited information to attorneys, accountants, and mortgage lenders with whom you have established a relationship. You may opt out from our sharing information with these nonaffiliated third parties by notifying us at any time by telephone, mail, fax, email, or in person. With your permission, we share a limited amount of information about you with your brokerage firm in order to execute securities transactions on your behalf.

We maintain a secure office to ensure that your information is not placed at unreasonable risk. We employ a firewall barrier, secure data encryption techniques and authentication procedures in our computer environment.

We do not provide your personal information to mailing list vendors or solicitors. We require strict confidentiality in our agreements with unaffiliated third parties that require access to your personal information, including financial service companies, consultants, and auditors. Federal and state securities regulators may review our Company records and your personal records as permitted by law.

Personally identifiable information about you will be maintained while you are a client, and for the required period thereafter that records are required to be maintained by federal and state securities laws. After that time, information may be destroyed.

A copy of our privacy policy notice will be provided to each client prior to, or contemporaneously with, the execution of the Advisory Agreement. Thereafter, the firm will deliver a copy of the current privacy policy notice to its clients on an annual basis. We will notify you in advance if our privacy policy is expected to change.

If you have any questions on this policy, please contact us by telephone at: 661-631-0103 or by email at: MCA@libertypfs.com.

Miscellaneous

Class Action Lawsuits

From time to time, securities held in the accounts of clients will be the subject of class action lawsuits. MCA has no obligation to determine if securities held by the client are subject to a pending or resolved class action lawsuit. It also has no duty to evaluate a client's eligibility or to submit a claim to participate in the proceeds of a securities class action settlement or verdict. Furthermore, the firm has no obligation or responsibility to initiate litigation to recover damages on behalf of clients who may have been injured as a result of actions, misconduct, or negligence by corporate management of issuers whose securities are held by clients.

Where the firm receives written or electronic notice of a class action lawsuit, settlement, or verdict affecting securities owned by a client, it will forward all notices, proof of claim forms, and other materials, to the client. Electronic mail is acceptable where appropriate, and the client has authorized contact in this manner.

Trade Error Correction Procedures

On infrequent occasions, an error may be made in a client account. For example, a security may be erroneously purchased for the account instead of sold. In these situations, the firm generally seeks to rectify the error by placing the client account in a similar position as it would have been had there been no error. Unless prohibited by the Custodian and depending on the circumstances, various corrective steps may be taken, including among others canceling the trade or adjusting an allocation. Any losses resulting from error correction will be placed in MCA's error correction account. Gains are maintained by RBC Correspondent Services, LLC. and E*TRADE Advisor Services'.

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