

## Item 1: Cover Page

# Derastone LLC Firm Brochure

*This brochure provides information about the qualifications and business practices of **Derastone LLC**, Derastone LLC dba **Wealth Habits** and Derastone LLC dba **Strategic Investors**. If you have any questions about the contents of this brochure, please contact us by email at: [gabriel.kaplan@derastone.com](mailto:gabriel.kaplan@derastone.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. Registration as an investment adviser does not imply a certain level of skill or training. You are encouraged to review this Brochure for more information on the qualifications of our firm and our employees.*

*Additional information about Derastone LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Derastone LLC's CRD number is: 153748*

27 Claremont Rd  
Scarsdale, New York, 10583  
<https://wealthhabits.com>  
[gabriel@wealthhabits.com](mailto:gabriel@wealthhabits.com)  
(917) 789-1770

*Registration does not imply a certain level of skill or training.*

Version Date: 08/16/2021

## **Item 2: Material Changes**

The material changes in this brochure from the last annual updating amendment of Derastone LLC on March 18, 2021 are described below. Material changes relate to Derastone LLC's policies, practices or conflicts of interests only.

Derastone LLC added the custodian Charles Schwab & Co., Inc. Advisor Services. (Item 12 & Item 14)

The firm may at any time update this document and either send a copy of its updated brochure or provide a summary of material changes to its brochure and an offer to send an electronic or hard copy form of the updated brochure. Clients are also able to download this brochure from the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) or may contact our firm at (917) 789-1770 to request a copy at any time. As with all firm documents, clients and prospective clients are encouraged to review this brochure in its entirety and are encouraged to ask questions at any time prior to or throughout the engagement.

## Item 3: Table of Contents

Item 1: Cover Page	1
Item 2: Material Changes	2
Item 3: Table of Contents	3
Item 4: Advisory Business	6
A. Description of the Advisory Firm	6
B. Types of Advisory Services	6
Portfolio Management Services	6
Services Limited to Specific Types of Investments	6
Financial Planning	7
C. Client Tailored Services and Client Imposed Restrictions	7
D. Wrap Fee Programs	7
E. Amounts Under Management	7
Item 5: Fees and Compensation	8
A. Fee Schedule	8
Asset- Based Fees for Portfolio Management	8
Financial Planning Fees	9
B. Other Types of Fees and Expenses	11
C. Prepayment of Fees	11
D. Outside Compensation For the Sale of Securities to Clients	11
Item 6: Performance-Based Fees and Side-By-Side Management	11
Item 7: Types of Clients	12
Minimum Account Size	12
Item 8: Methods of Analysis, Investment Strategies and Risk, of Investment Loss	12
A. Methods of Analysis and Investment Strategies	12
Methods of Analysis	12
Investment Strategies	12
B. Material Risks Involved	13
Methods of Analysis	13
Investment Strategies	15
A. Risks of Specific Securities Utilized	15
Item 9: Disciplinary Information	17
Item 10: Other Financial Industry Activities and Affiliations	17
A. Registration as a Broker/Dealer or Broker/Dealer Representative	17
B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor	17
C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests	17
D. Recommendations or Selections of Other Investment Advisers	17
Item 11: Code of Ethics, Participation in Transactions, Personal Trading	18

A.	Code of Ethics	18
B.	Recommendations Involving Material Financial Interests	18
C.	Investing Personal Money in the Same Securities as Clients and Trading Securities At/Around the Same Time as Clients' Securities	18
Item 12:	Brokerage Practices	19
A.	Factors Used to Select Custodians and/or Broker/Dealers	19
1.	Research and Other Soft-Dollar Benefits	19
2.	Brokerage for Client Referrals	19
3.	Clients Directing Which Broker/Dealer/Custodian to Use	19
	Derastone will require clients to use a specific broker-dealer to execute transactions. Not all advisors require clients to direct brokerage. Most favorable execution may not be achieved which may cost the client more.	19
4.	The Custodian and Brokers We Use	19
B.	Aggregating (Block) Trading for Multiple Client Accounts	20
Item 13:	Reviews of Accounts	21
A.	Frequency and Nature of Periodic Reviews and Who Makes Those Reviews	21
B.	Factors That Will Trigger a Non-Periodic Review of Client Accounts	21
C.	Content and Frequency of Regular Reports Provided to Clients	21
Item 14:	Client Referrals and Other Compensation	21
A.	Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)	21
B.	Compensation to Non – Advisory Personnel for Client Referrals	22
Item 15:	Custody	23
Item 16:	Investment Discretion	23
Item 17:	Voting Client Securities (Proxy Voting)	23
Item 18:	Financial Information	24
A.	Balance Sheet	24
B.	Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients	24
C.	Bankruptcy Petitions in Previous Ten Years	24
Item 19:	REQUIREMENTS FOR STATE REGISTERED ADVISERS	24
A.	Principal Executive Officers and Management Persons; Their Formal Education and Business Background	24
B.	Other Businesses in Which This Advisory Firm or its Personnel are Engaged and Time Spent on Those (If Any)	24
C.	How Performance Based Fees are Calculated and Degree of Risk to Clients	24
D.	Material Disciplinary Disclosures for Management Persons of this Firm	24
E.	Material Relationships That Management Persons Have With Issuers of Securities (If Any)	25
Form ADV Part 2B		26
Brochure Supplement		26
Item 2:	Requirements for State Registered Advisers	27
Item 3:	Disciplinary Information	27
Item 4:	Other Business Activities	27
Item 5:	Additional Compensation	27
Item 6:	Supervision	27
Item 7:	Requirements for State Registered Advisors	27

### **Important Information**

Throughout this document Derastone LLC, Derastone LLC dba Wealth Habits, and Derastone LLC dba Strategic Investors shall also be referred to as “the firm,” “firm,” “Derastone,” “Wealth Habits,” “Strategic Investors,” “our,” “we” or “us.” The client or prospective client may be also referred to as “you,” “your,” etc., and refers to a client engagement involving a single person as well as two or more persons, an organization, or an entity. In addition, the term “advisor” and “adviser” are used interchangeably where accuracy in identification is necessary (i.e., Internet address, etc.).

## Item 4: Advisory Business

### A. Description of the Advisory Firm

Derastone LLC (hereinafter “Derastone”) is a Limited Liability Company organized in the State of New York. We provide individuals and other types of clients with a wide array of investment advisory and financial planning services. This firm has been in business since May 14, 2010, and the principal owner is Gabriel Kaplan.

### B. Types of Advisory Services

Derastone offers the following services to advisory clients:

#### ***Portfolio Management Services***

Derastone provides investment advisory services, also known as investment management services or portfolio management services, to clients. We offer discretionary direct asset management services to advisory clients, primarily through a separately managed account platform.

Our portfolio strategies may include investments in domestic and international common stocks, preferred stocks, investment-grade and non-investment grade corporate bonds, U.S. Government and agency securities, convertible securities, derivative securities, real estate investment trusts, commodity futures, structured instruments, and open and closed-end investment companies. In this regard, Derastone is not registered as a commodity pool operator or commodity trading advisor pursuant to the exemptions set forth, respectively in Regulations §§4.13(a)(3) and 4.14(a)(8) promulgated under the Commodity Exchange Act.

Derastone will request discretionary authority from clients to select securities and execute transactions without permission from the client prior to each transaction. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client. It is Derastone’s policy to allocate investment opportunities and transactions it identifies as being appropriate based on suitability, needs of the client(s), and other factors such as the timing of the account review and parameters defined in the Investment Policy Statement, which will be documented no less than annually.

#### ***Services Limited to Specific Types of Investments***

Wealth Habits invests mostly in equities. However, Wealth Habits may use other securities as well for diversification, hedging and return considerations when applicable. Other securities may include but are not limited to; futures, ETF’s, options, fixed income, currencies, commodities, mutual funds, equities, bonds, debt securities, REITs, Treasury Inflation Protected/Inflation Linked Bonds, precious metal ETF’s, and government securities.

Wealth Habits seeks to provide that investment decisions are made in accordance with the fiduciary duties owed to its accounts and without consideration of Wealth Habits’ economic, investment or other financial interests. To meet its fiduciary obligations, Wealth Habits attempts to avoid, among other

things, investment or trading practices that systematically advantage or disadvantage certain client portfolios, and accordingly, Wealth Habits' policy is to seek fair and equitable allocation of investment opportunities/transactions among its clients to avoid favoring one client over another over time. It is Wealth Habits' policy to allocate investment opportunities and transactions it identifies as being appropriate based on suitability, needs of the client(s), and other factors such as the timing of the account review and parameters defined in the Investment Policy Statement, which will be documented no less than annually.

### ***Financial Planning***

We offer advisory services in the form of financial planning services. Financial planning can be described as helping individuals determine and set their long-term financial goals, through investments, tax planning, asset allocation, risk management, retirement planning, and other areas. The role of a financial planner is to find ways to help the client understand his/her overall financial situation and help the client set financial objectives.

In limited circumstances, some clients may only require advice on a single aspect of the management of their financial resources. For these clients, Derastone offers financial planning services in a targeted format and/or general consulting services that address only those specific areas of interest or concern.

Gabriel Kaplan is a CPA, but not an attorney or insurance licensed.

The firm's financial planning services do not involve implementing any transaction on your behalf or the active and ongoing monitoring or management of your investments or accounts. You have the sole responsibility for determining whether to implement the financial planning and consulting recommendations.

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

Derastone offers the same suite of services to all of its portfolio management clients. However, specific client financial plans and their implementation are dependent upon the Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

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

We do not provide a wrap fee program.

### **E. Amounts Under Management**

Derastone has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$65,683,748	\$0.00	December 2020

## Item 5: Fees and Compensation

### A. Fee Schedule

#### *Asset- Based Fees for Portfolio Management*

Assets Under Management	Annual Maximum Fee
All Assets	2.00%

Fees are calculated by account and not in aggregate across accounts.

Derastone may implement a variety of fee schedules but the total fees shall never surpass an annual maximum fee of 2.00% (percent) of Assets Under Management (AUM). The fee may be applied on a daily, monthly or quarterly basis. These fees are negotiable, at the sole discretion of Derastone.

Derastone may use the following types of fee arrangements:

1. Single annualized percentage, applied on a daily, monthly or quarterly basis.
2. Blended Fee - Separate AUM ranges, and an annualized fee percentage for each. These fees are essentially using a weighted average blended annual fee rate.
3. Flat Fee - As an annualized dollar amount, applied on a daily, monthly or quarterly basis.

At Interactive Brokers and Altruist, these fees are prorated based upon the number of trading days in a billing period. Usually there are 252 trading days a year, but this might change year over year. Fees will be apportioned using the previous day ending-equity or today's starting values (normally, there isn't a difference but if there is, the Broker might use whichever is higher).

For example, a client with assets under management of \$12,000,000 may be assessed a negotiated annualized fee of \$85,062.50. In this particular case the negotiated blended fee structure is the following:

AUM Range	Fee for assets specific AUM Range
First \$25,000	1.00%
Next 9,975,000	0.75%
Above \$10,000,000	0.50%

The calculation of a blended fee is as follows:  $\$25,000 * 1.00\% + \$9,975,000 * 0.75\% + \$2,000,000 * 0.50\%$ . The weighted average rate would be 0.71% which is lower than 2.00% for all assets. Assume there are 252 trading days in that year, then one day of fees would amount to  $\$85,062.50 / 252 = \$337.55$ . Given that the AUM is changing daily, this calculation is run every day. Then, the invoiced fee would be the sum of the daily fees calculated in that billing period (e.g. daily, monthly, quarterly).



The actual asset based fee schedule charged to your account will be specified in the Investment Advisor Contract which will be executed prior to any services being provided. The actual asset based fee may be higher or lower than represented above example. These fees are negotiable and the final fee schedule is attached as an Exhibit to the Investment Advisory Contract.

At Schwab, we use the end of billing period AUM balance as a basis for the AUM calculation.

Accounts initiated or terminated during a calendar month will be charged a prorated amount based on the number of days service is provided during each billing period. These advisory fees are withdrawn directly from the client's accounts with client written authorization. Clients may also choose to pay by check or credit card. Clients may select the method in which they are billed. For purposes of calculating portfolio- based fees, the advisor will rely on values reported by the Broker or Custodian.

If you choose to have the investment advisory fees deducted from your account, you must authorize the qualified custodian(s) of your account to deduct fees from your account and pay such fees directly to Derastone. Clients are billed in arrears, and may terminate their contracts with thirty calendar days' written notice (in advance). Because fees are charged in arrears, no refund policy is necessary.

Clients may terminate their accounts without penalty within 5 business days of signing the advisory contract. Thereafter, clients may terminate advisory services with thirty (30) days written notice. No increase in the annual fee shall be effective without agreement from the client by signing a new agreement or amendment to their current advisory agreement. Fees may be reduced or waived for families, friends, subscribers of financial planning engagements, and any past, present, and future employees.

You should review your account statements received from the qualified custodian(s) and verify that appropriate investment advisory fees are being deducted. The qualified custodian(s) will not verify the accuracy of the investment advisory fees deducted.

Derastone believes that its annual fee is reasonable in relation to: (1) services provided and (2) the fees charged by other investment advisers offering similar services/programs. However, the annual investment advisory fee may be higher than that charged by other investment advisers offering similar services/programs.

### ***Financial Planning Fees***

Financial planning fees will depend on the needs of clients. Subscription plans consist of an upfront charge (set-up fee) and an ongoing annual fee that is paid monthly, quarterly semi-annually, or even annually, in arrears. Given that each situation is unique, fees for subscription plans will be determined on a case by case basis with the fee based on the complexity of the situation and the needs of the client. Wealth Habits may advertise standard subscription packages on its website. However, fees are likely to end up being negotiated in most cases. The agreed upon subscription fee and payment arrangements will be established at the beginning of the advisory/Client relationship based upon the scope of the work to be performed and the complexity of the Client's financial situation.

The upfront portion of the financial planning fee is for client onboarding, data gathering, and setting the basis for the financial plan. This fixed fee ranges from \$750 for a limited scope project to \$15,000 for a complex integrated project. This work will commence immediately after the fee is paid, and will be

completed within the first 30 days of the date the fee is paid. Therefore, the upfront portion of the fee will not be paid more than 6 months in advance. In no circumstance will Derastone require prepayment of a fee more than six months in advance and in excess of \$1,200.

The hourly fee is negotiable depending upon the scope and complexity of the services requested, the Client's financial situation and objectives, as well as the associated person providing the services. The maximum hourly fees are \$500 per hour. A fixed fee may also be negotiated based on the number of estimated hours required to provide the requested services.

Derastone may meet with the Client's other professional advisers (financial, legal, real estate, tax, etc.) for a series of information gathering and/or implementation meetings. Derastone will act as a project manager to coordinate the work of the appropriate parties in a manner consistent with the Client's long-term desired outcome. However, Derastone does not provide legal or tax preparation services. Fees charged by other professionals for such services are separate and distinct from planning fees paid to Derastone. Typically, other professionals will bill Clients directly. However, where Client asks Derastone to engage other professionals on behalf of Client, other professionals will bill Derastone; and, in turn, Derastone will bill Clients for additional costs incurred. However, this arrangement will not cause the Client to pay professional or advisory fees in excess of normal fees typically charged by either party. Derastone will not share in any portion of the fees paid to other professionals on behalf of advisory Clients.

For a fixed fee (also called "flat fee" or "project based" or "limited scope" financial planning) and hourly planning services, an estimate of the total time/cost will be determined at the start of the advisory relationship. Fees will be determined on a case by case basis with the fee based on the complexity of the situation and the needs of the client and payment terms will be agreed upon on an individual basis before the start of any work.

In limited circumstances, the time/cost could potentially exceed the initial estimate. In such cases, Derastone will notify the Client and will request that the Client approve applicable additional fees. Applicable fees, fee payment arrangements, and the terms of the engagement will be clearly set forth in the Financial Planning Agreement executed between Derastone and the Client prior to services being rendered. In essence, the total fees of the project will depend on the scope of the requested fixed fee project. Fixed fee projects may require fees to be paid upfront but projects must last less than 6 months. Fixed fee projects can be paid via credit card/ACH or check. All fees may be negotiable in certain cases. Fees may be reduced or even waived for families or friends.

For fixed fee engagements, we normally require an initial payment of fifty-percent (50%) of the ultimate financial planning fee with the remainder of the fee billed to the client and due to us within thirty (30) days of the financial plan being delivered or consultation rendered. In all cases, we will not require a fee exceeding \$1,200 when services cannot be rendered within 6 (six) months.

In the cases where we charge our financial planning fees in advance and clients want to terminate, then clients will need to contact our firm in writing, stating they wish to terminate our financial planning contract. A pro-rata unearned portion of our advisory fee will be credited back to the client account by the applicable custodian. The pro-rata refund will be calculated based upon the date the account is closed. Either party may terminate the contract upon providing the other party thirty (30) days written notice. Billing will terminate within 30 days after receipt of termination notice. For purposes of calculating refunds, all work performed by us up to the point of termination shall be calculated at the negotiated

hourly rate. You will receive a pro-rata refund of unearned fees based on the time and effort expended by our firm.

Financial plans are based on the Client's financial situation at the time the plan is presented and are based on financial information disclosed by the Client to Derastone. As the Client's financial situation, goals, objectives, or needs change, the Client must notify Derastone promptly. Clients are advised that certain assumptions may be made with respect to interest and inflation rates and use of past trends and performance of the market and economy. Past performance is in no way an indication of future performance. Derastone cannot offer any guarantees or promises that the Client's financial goals and objectives will be met.

Depending on the length of the services, it may be terminated with 30 days' notice. Upon termination of any account, the fee will be prorated and any unearned fee will be refunded to the client. For ongoing subscriptions fees, the client can cancel at any point and refunds will be but since it is in arrears, it's not refundable.

All financial planning fees may be paid by credit card, electronic funds transfer, or check.

## **B. Other Types of Fees and Expenses**

Clients are responsible for the payment of all third party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by Derastone.

Brokerage commissions and/or transaction ticket fees charged by the qualified custodian are billed directly to you by the qualified custodian. Derastone does not receive any portion of such commissions or fees from you or the qualified custodian. In other words, clients may incur certain charges imposed by custodians, brokers, and other third parties such as custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions.

## **C. Prepayment of Fees**

Derastone collects its fees in arrears. It does not collect fees in advance.

## **D. Outside Compensation For the Sale of Securities to Clients**

Neither Derastone nor its supervised persons accept any compensation for the sale of securities or other investment products, including asset-based sales charges or services fees from the sale of mutual funds.

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

Derastone does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

## Item 7: Types of Clients

Derastone generally provides management supervisory services to the following Types of Clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Pensions and profit sharing plans
- ❖ Trusts, Estates, or Charitable Organizations
- ❖ Corporations or Business Entities
- ❖ Investment Companies

### ***Minimum Account Size***

We have no minimum account size but there is a minimum fee of \$500/ year.

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

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

#### ***Methods of Analysis***

Derastone's methods of analysis include primarily fundamental analysis, and secondly macroeconomic analysis. Fundamental analysis involves the assessment of quantitative and qualitative information related to a company including normalized returns on invested capital, competitive position, business opportunity, financial resources, management, sustainability of franchise, and valuation.

Macroeconomic analysis involves the analysis of economic factors and business cycles as a consideration in the buying and/or selling of securities. Derastone focuses primarily on fundamental internal company-specific research to estimate the intrinsic value range for a business relative to the market price of the equity. Derastone pursues investments when there is a significant difference between the two.

Derastone considers both quantitative and qualitative factors. Most importantly: (1) Business quality: including normalized returns on capital, competitive position, business opportunity, financial resources, management, and sustainability of franchise. (2) Valuation: the market price of the shares in relation to future business potential, including growth, which is considered separately from quality.

#### ***Investment Strategies***

Derastone Company, industry and macro information are considered in thesis development and portfolio management. Company and industry-specific information generally plays a more important role than global and country-specific macro-economic factors, but all factors are actively considered in portfolio construction, positioning and risk control. While company specific investments comprise a majority of our investment activity over a market cycle, Derastone sometimes engages in macro oriented investments, especially for hedging purposes. Derastone strives to make both a source of positive returns over the long term. Derastone has the willingness to: (1) Take large, concentrated and differentiated long and short

investment positions to generate attractive returns, and (2) Hold securities that are not liquid in the secondary market. Derastone may utilize, but is not limited to, long term trading, short term trading, short sales, margin transactions, futures and options writing (including covered options, uncovered options, or spreading strategies).

## **B. Material Risks Involved**

### ***Methods of Analysis***

**All investing strategies we offer involve risk and may result in a loss of your original investment which you should be prepared to bear.** Many of these risks apply equally to stocks, bonds, commodities and any other investment or security. Material risks associated with our investment strategies are listed below.

**Market Risk:** Market risk involves the possibility that an investment's current market value will fall because of a general market decline, reducing the value of the investment regardless of the operational success of the issuer's operations or its financial condition.

**Strategy Risk:** The Adviser's investment strategies and/or investment techniques may not work as intended.

**Regulatory Risk –** Adverse changes to existing laws or regulations, or the adoption of new laws or regulations, have the potential to negatively affect existing investment holdings and restrict Wealth Habits' ability to implement intended investment strategies. Such changes could result in the forced sale of certain account holdings and limit the scope of available investment opportunities.

**Small and Medium Cap Company Risk:** Securities of companies with small and medium market capitalizations are often more volatile and less liquid than investments in larger companies. Small and Medium cap companies may face a greater risk of business failure, which could increase the volatility of the client's portfolio.

**Non-U.S. Investment Risk –** Non-U.S. investments often involve special risks not present in U.S. investments that can increase the chance of losing money. These risks include risks associated with non-U.S. custodians and depositories and fluctuations in currency exchange rates. Non-U.S. investments also generally trade in thinner markets than U.S. investments. In addition, non-U.S. investments may be subject to less politically and economically stable environments with a greater likelihood of abrupt changes to government regulation than in the U.S. Non-U.S. investments are subject to heightened risks of currency or capital controls, transfer restrictions, expropriation or nationalization of assets, and other governmental actions that may adversely impact issuers. The legal systems in certain countries provide relatively weak protections for investors.

**Liquidity Risk –** In certain situations, including because of local market conditions, rules or position size, it may be difficult or impossible to sell an investment in an orderly fashion at an acceptable price.

Limited markets: Certain securities may be less liquid (harder to sell or buy) and their prices may at times be more volatile than at other times. Under certain market conditions we may be unable to sell or liquidate investments at prices we consider reasonable or favorable, or find buyers at any price.

Concentration Risk: Certain investment strategies focus on particular asset-classes, industries, sectors or types of investment. From time to time, these strategies may be subject to greater risks of adverse developments in such areas of focus than a strategy that is more broadly diversified across a wider variety of investments.

Interest Rate Risk: Bond (fixed income) prices generally fall when interest rates rise, and the value may fall below par value or the principal investment. The opposite is also generally true: bond prices generally rise when interest rates fall. In general, fixed income securities with longer maturities are more sensitive to these price changes. Most other investments are also sensitive to the level and direction of interest rates.

High Yield Risk – High yield securities (commonly known as “junk bonds”) may be subject to greater levels of interest rate, credit and liquidity risk than investment grade instruments. These instruments may be considered speculative with respect to the issuer’s continuing ability to make principal and interest payments. An economic downturn or period of rising interest rates could adversely affect the market for high yield bonds and reduce the ability to sell these securities (liquidity risk). High yield issuers may have a larger amount of outstanding debt relative to their assets than issuers of investment grade bonds. In the event of an issuer’s bankruptcy, claims of other creditors may have priority over the claims of high yield bond holders, leaving few or no assets available to repay high yield bond holders. If the issuer of a security is in default with respect to interest or principal payments, the client accounts may lose their entire investment in the issue. Prices of high yield bonds are subject to extreme price fluctuations. Adverse changes to the issuer’s industry and general economic conditions may have a greater impact on the prices of high yield bonds than on those of other higher rated fixed-income securities.

Gold and Commodity Risk – Exposure to gold and other commodities may subject a portfolio to greater volatility than investments in traditional securities. Prices of gold-related issues are susceptible to changes to U.S. and non-U.S. taxes, currency, mining laws, inflation, and various other market conditions.

Value Investing Risk – Value stocks tend to be in favor and out of favor with investors at different times and may underperform other asset types during given periods. The price of a value company’s stock may never reach the level that the investment team considers its intrinsic value.

Currency Risk – Currency trading involves significant risks, including market risk, interest rate risk and country risk.

Legal or Legislative Risk: Legislative changes or Court rulings may impact the value of investments, or the securities’ claim on the issuer’s assets and finances.

Inflation: Inflation may erode the buying-power of your investment portfolio, even if the dollar value of your investments remains the same.

Substantial Ownership Positions – Wealth Habits’ clients may accumulate substantial positions in the securities or even gain control of individual companies. Any exercise of management or control could expose the assets of a client to claims by the underlying company, its security holders and its creditors. Substantial ownership positions also may be more difficult or expensive to liquidate. At times regulatory or company-specific requirements may limit or block trading in a company’s securities by those deemed to be company “insiders” (officers, directors and certain large shareholders). These limitations may or may not be related to the possession of a company’s material non-public information.

Operational and Cybersecurity Risks – Wealth Habits relies on internal and third-party technology systems and networks to view, process, transmit and store information, including sensitive client and proprietary information, and to conduct many of its business and investment activities. Those systems and networks are subject to a comprehensive information and cyber security infrastructure, including the implementation of policies and procedures, designed to mitigate the risk of technology failures and intentional or inadvertent breaches. It cannot be assured that such measures will be successful in preventing all technology failures and breaches.

### ***Investment Strategies***

Long term trading is designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Short term trading, short sales, margin transactions, and options writing generally hold greater risk and clients should be aware that there is a material risk of loss using any of those strategies.

A short sale is generally the sale of a stock not owned by the investor. Investors who sell short believe the price of the stock will fall. If the price drops, the investor can buy the stock at a lower price and make a profit. If the price of the stock rises and the investor buys it back later at a higher price, the investor will incur a loss. Short sales require a margin account.

Wealth Habits utilizes investment strategies that are designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes. Short sales, margin transactions, and options writing generally hold greater risk and clients should be aware that there is a chance of material risk of loss using any of those strategies.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### **A. Risks of Specific Securities Utilized**

Wealth Habits generally seeks investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international equity markets. However, Wealth Habits will utilize short sales, margin transactions, and options writing. Short sales, margin transactions, and options writing generally hold greater risk of capital loss and clients should be aware that there is a material risk of loss using any of those strategies. The investment types listed below (excluding Treasury Inflation Protected/Inflation Linked Bonds) are not guaranteed or insured by the FDIC or any other government agency.

Equity investment generally refers to buying shares of stocks by an individual or firms in return for receiving a future payment of dividends and capital gains if the value of the stock increases. There is an innate risk involved when purchasing a stock that it may decrease in value and the investment may incur a loss.

Margin transactions use leverage that is borrowed from a brokerage firm as collateral. The use of margin can magnify the effect of any loss or gain on the investor, and can cause forced sales of investments at unfavorable times or prices.

Stocks & Exchange Traded Funds (ETF): Investing in stocks & ETF's carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Precious Metal ETFs (Gold, Silver, Palladium Bullion backed "electronic shares" not physical metal): Investing in precious metal ETFs carries the risk of capital loss.

Mutual Funds: Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. They can be of bond "fixed income" nature (lower risk) or stock "equity" nature (mentioned above).

US Treasury Inflation Protected/Inflation Linked Bonds: The Risk of default on these bonds is dependent upon the U.S. Treasury defaulting; carrying a potential risk of losing share price value. Fixed Income is an investment that guarantees fixed periodic payments in the future that may involve economic risks such as inflationary risk, interest rate risk, default risk, repayment of principal risk, etc. Debt securities carry risks such as the possibility of default on the principal, fluctuation in interest rates, and counterparties being unable to meet obligations.

REITs have specific risks including valuation due to cash flows, dividends paid in stock rather than cash, and the payment of debt resulting in dilution of shares.

Currency carries risk due to the change in price of one currency against another. Investors face currency risk if their positions are not hedges when investing across borders. Commodities carries higher than average risk due to the higher than average returns. Commodities markets are also populated with speculative traders whose primary goal is to make short term profits.

Government Securities carry less risk than most other investments since they are backed by the credit and taxing power of a country or other political unit. This investment has a low risk of default with corresponding lower rate of returns. Bonds carry a default risk such that the borrowing entity is unable to repay the debt obligation to the lending entity. The default risk will vary depending on the nature and credibility of the borrowing entity.

Long term trading is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various other types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk. Short term trading risks include liquidity, and economic and political stability.



Short sales risks include the upward trend of the market and/or specific securities, and the possibility of infinite and total loss of a portfolio, not just the position itself.

Options writing involve a contract to purchase a security at a given price, not necessarily at market value, depending on the market.

Clients should be aware that there is a material risk of loss using any investment strategy. The investments Derastone makes are not guaranteed or insured by the FDIC or any other government agency. The value of investments may fluctuate in response to specific situations for each company, industry conditions and the general economic environments. Margin transactions use leverage that is borrowed from a brokerage firm as collateral. The use of margin can magnify the effect of any loss or gain on the investor, and can cause forced sales of investments at unfavorable times or prices. Additionally, international securities present certain risks such as currency fluctuation, political and economic change, social unrest, changes in government regulation, differences in accounting and the lesser degree of accurate public information available.

**Past performance is not indicative of future results. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **Item 9: Disciplinary Information**

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of this advisory business or the integrity of our management.

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

### **A. Registration as a Broker/Dealer or Broker/Dealer Representative**

Neither Derastone nor its representatives are registered as a broker/dealer or as representatives of a broker/dealer.

### **B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor**

Neither Derastone nor its representatives are registered as a futures commission merchant, commodity pool operator or a commodity trading advisor.

### **C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

Derastone does not have any related parties. As a result, we do not have a relationship with any related parties.

### **D. Recommendations or Selections of Other Investment Advisers**

Derastone and its management do not recommend or select other investment advisers for its clients

## **Item 11: Code of Ethics, Participation in Transactions, Personal Trading**

### **A. Code of Ethics**

Derastone has a fiduciary duty to clients to act solely for the benefit of our clients. All personnel of Derastone, including its managing member and employees, must put the interests of our clients before their own personal interests and must act honestly and fairly in all respects in dealings with clients. In recognition of Derastone's fiduciary duty to our clients and our desire to maintain high ethical standards, we have adopted a Code of Ethics, which contains provisions designed to prevent improper personal trading, identify conflicts of interest and provide a means to resolve any actual or potential conflicts in favor of Derastone's clients. All prospective and current clients have a right to see our Code of Ethics at any time. For a copy of our Code of Ethics, please contact us directly.

### **B. Recommendations Involving Material Financial Interests**

Derastone does not recommend that clients buy or sell any security in which a related person to Derastone has a material financial interest.

### **C. Investing Personal Money in the Same Securities as Clients and Trading Securities At/Around the Same Time as Clients' Securities**

Derastone believes in investing alongside its clients. For this reason, our managing member participates in the same investment strategies utilized by Derastone for our clients. The portfolio manager at Derastone will have a large portion of his net worth invested in the same portfolios as clients, sharing the same risks as well as rewards. This will help keep the firm's interests, and those of its clients, well-aligned.

Derastone or associated persons of the firm may buy or sell for their personal accounts, investment products identical to those recommended to clients. This creates a potential conflict of interest. It is the express policy of Derastone that all persons associated in any manner with the firm must place clients' interests ahead of their own when implementing personal investments. Derastone and its associated persons will not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of employment or association with the firm unless the information is also available to the investing public upon reasonable inquiry. Nor will Derastone and its associated persons purchase or sell securities in a manner that materially influences the market price of the security. Derastone and its associated persons are now and will continue to be in compliance with applicable state and federal rules and regulations. To prevent conflicts of interest, Derastone has developed written supervisory procedures that include personal investment and trading policies for its representatives, employees and their immediate family members (collectively, associated persons):

1. Associated persons cannot prefer their own interests to that of the client.
2. Associated persons cannot purchase or sell any security for their personal accounts immediately prior to implementing transactions for client accounts (where it impacts the price).

3. Associated persons cannot buy or sell securities for their personal accounts when those decisions are based on information obtained as a result of their employment, unless that information is also available to the investing public upon reasonable inquiry.
4. Associated persons are generally prohibited from serving as board members of publicly traded companies unless an exception has been granted to the Chief Compliance Officer of Derastone.

Any associated person not observing our policies is subject to sanctions up to and including termination.

## **Item 12: Brokerage Practices**

### **A. Factors Used to Select Custodians and/or Broker/Dealers**

Derastone does not have any affiliation with Broker-Dealers. Specific custodian recommendations are made to client based on their need for such services. We recommend custodians based on the reputation and services provided by the firm.

#### ***1. Research and Other Soft-Dollar Benefits***

While Derastone has no formal soft dollars program in which soft dollars are used to pay for third party services, Derastone may receive research, products, or other services from custodians and broker-dealers in connection with client securities transactions (“soft dollar benefits”). Derastone may enter into soft-dollar arrangements consistent with (and not outside of) the safe harbor contained in Section 28(e) of the Securities Exchange Act of 1934, as amended. There can be no assurance that any particular client will benefit from soft dollar research, whether or not the client’s transactions paid for it, and Derastone does not seek to allocate benefits to client accounts proportionate to any soft dollar credits generated by the accounts. Derastone benefits by not having to produce or pay for the research, products or services, and Derastone will have an incentive to recommend a broker-dealer based on receiving research or services. Clients should be aware that Derastone’s acceptance of soft dollar benefits may result in higher commissions charged to the client.

#### ***2. Brokerage for Client Referrals***

Derastone receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

#### ***3. Clients Directing Which Broker/Dealer/Custodian to Use***

Derastone will require clients to use a specific broker-dealer to execute transactions. Not all advisors require clients to direct brokerage. Most favorable execution may not be achieved which may cost the client more.

#### ***4. The Custodian and Brokers We Use***

Derastone may recommend Charles Schwab & Co., Inc. (“Schwab”), Altruist Financial LLC (CRD# 36418), or Interactive Brokers LLC (CRD# 36418) to clients for custody and brokerage services.

These brokers were chosen primarily based on its relatively low transaction fee, capability to facilitate timely transfers and payments to and from accounts, ability and willingness to work with foreigners, strength of trading platform, access to mutual funds and ETFs, support services, and reputation.

Derastone will never charge a premium or commission on transactions, beyond the actual cost imposed by the Custodian.

Derastone does not maintain custody of your assets on which we advise and manage; although we may be deemed to have custody of your assets if you give us authority to withdraw advisory fees from your account (see Item 15—Custody, below). Your assets must be maintained in an account at a “qualified custodian,” generally a broker-dealer or bank.

The broker-dealer will hold your assets in a brokerage account and buy and sell securities when we instruct them to. While we recommend that you use Interactive Brokers LLC as custodian/broker, you will decide whether to do so and will open your account with the broker-dealer by entering into an account agreement directly with them. We do not open the account for you, although we may assist you in doing so.

## **B. Aggregating (Block) Trading for Multiple Client Accounts**

Derastone maintains the ability to block trade purchases across accounts. Block trading may benefit a large group of clients by providing Derastone the ability to purchase larger blocks resulting in smaller transaction costs to the client. Declining to block trade can cause more expensive trades for clients.

Although not obligated, we strive to aggregate orders for the purchase or sale of the same security for client accounts. Derastone will consider various criteria when evaluating whether to aggregate an order, including, as relevant, the account’s investment objectives and guidelines, policies, tax status, nature and size of the aggregated order, and any other factors deemed appropriate under the circumstances. When an aggregated order is filled entirely, each participating client receives the average share price for that order on the same business day, and share transaction costs pro rata based on each client’s participation. If the aggregated order is partially filled, each account participating in the aggregated order will receive a pro rata portion of the shares filled based on the account’s percentage participation in the partially filled lot. A partially filled order may not be allocated pro rata if such a small amount has been transacted that pro rata allocation among accounts would result, in our judgment, in a non-meaningful allocation for particular accounts. In such cases, the broker will likely reserve a minimum allocation to every transacting account. This minimum allocation usually depends on the security being traded, market liquidity, and the broker’s trading algorithm that hasn’t been shared with us.

For example, if two accounts are selling a stock in a company. Client A has 99,900 shares and client B has 100 shares. The block order results in 10 lots of 10,000 shares. The broker might allocate in the first lot 9,900 shares of client A and 100 shares of client B and then all remaining 9 lots to Client A.

## **Item 13: Reviews of Accounts**

### **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

All client accounts for Derastone advisory services provided on an ongoing basis are reviewed at least annually by Gabriel Kaplan, Managing Member, with regard to clients' respective investment policies and risk tolerance levels. All accounts at Derastone assigned to this reviewer.

### **B. Factors That Will Trigger a Non-Periodic Review of Client Accounts**

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

### **C. Content and Frequency of Regular Reports Provided to Clients**

Each client will receive at least quarterly from the custodian, a written report that details the client's account including assets held and asset value which will come from the custodian. Derastone does not itself provide such written reports.

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

### **A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)**

Interactive Brokers offers products or services other than execution that assist our firm in managing and administering client accounts. These may include software and other technology that provides access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), facilitate payment of our fees from clients' accounts, and assist with back office functions, record keeping and client reporting. These services may be used to service all or a substantial number of client accounts, including accounts not maintained at Interactive Brokers.

The Adviser may also receive services from Interactive Brokers that are intended to help our firm manage and further develop our business. These services may include website design and technology support. Interactive Brokers also has arrangements with various product vendors, which enable our firm to purchase their products at a discount. These products may include such items as: client reporting and consolidated statement software; client communication software; client relationship management software; compliance assistance; and investment research.

Charles Schwab & Co., Inc. Advisor Services provides Derastone with access to Charles Schwab & Co., Inc. Advisor Services' institutional trading and custody services, which are typically not available to Charles Schwab & Co., Inc. Advisor Services retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts at Charles Schwab & Co., Inc. Advisor Services.

Charles Schwab & Co., Inc. Advisor Services includes brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. For Derastone client accounts maintained in its custody, Charles Schwab & Co., Inc. Advisor Services generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through Charles Schwab & Co., Inc. Advisor Services or that settle into Charles Schwab & Co., Inc. Advisor Services accounts.

Charles Schwab & Co., Inc. Advisor Services also makes available to Derastone other products and services that benefit Derastone but may not benefit its clients' accounts. These benefits may include national, regional or Derastone specific educational events organized and/or sponsored by Charles Schwab & Co., Inc. Advisor Services. Other potential benefits may include occasional business entertainment of personnel of Derastone by Charles Schwab & Co., Inc. Advisor Services personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist Derastone in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts, if applicable), provide research, pricing information and other market data, facilitate payment of Derastone's fees from its clients' accounts (if applicable), and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of Derastone's accounts. Charles Schwab & Co., Inc. Advisor Services also makes available to Derastone other services intended to help Derastone manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, and human capital consultants, insurance and marketing. In addition, Charles Schwab & Co., Inc. Advisor Services may make available, arrange and/or pay vendors for these types of services rendered to Derastone by independent third parties. Charles Schwab & Co., Inc. Advisor Services may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to Derastone. Derastone is independently owned and operated and not affiliated with Charles Schwab & Co., Inc. Advisor Services.

## **B. Compensation to Non – Advisory Personnel for Client Referrals**

Derastone engages an independent, unaffiliated solicitor to refer potential clients to the Adviser. We have partnered with Finsie Co as unaffiliated solicitors. We compensate the solicitor when a referred individual becomes a client of the Adviser. The Adviser does not charge referred clients any fees or costs higher than its standard fee schedule offered to its clients obtained from other sources. The solicitor's website includes important disclosures regarding the nature of the compensation arrangement between the Derastone and the solicitor, otherwise, clients referred by solicitors to us will be given full written disclosure describing the terms and fee arrangements between Derastone and its solicitor(s).

### **Item 15: Custody**

Derastone does not accept custody of client funds and/or securities, except for in the instance of withdrawal of fees. Derastone, with client written authority, has limited custody of client's assets through direct fee deduction of Derastone's fees only. If the client chooses to be billed directly by the custodian, then Derastone would have constructive custody over that account and must have written authorization from the client to do so. Clients will receive all account statements and billing invoices from the custodian directly. For accounts held at Interactive Brokers, our statements will be available for you to review on the activity section of your Interactive Brokers account portal. You will also receive quarterly account statements directly from the custodian and they should be carefully reviewed for accuracy.

### **Item 16: Investment Discretion**

Derastone provides discretionary investment advisory services to clients. The Investment Advisory Contract established with each client sets forth the discretionary authority for trading. Where investment discretion has been granted, Derastone generally manages the client's account and makes investment decisions without consultation with the client as to when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, what securities to buy or sell, or the price per share.

### **Item 17: Voting Client Securities (Proxy Voting)**

As a general rule we do not vote client proxies (but we will make exceptions on a case-by-case basis). Therefore, clients maintain exclusive responsibility for: (1) voting proxies, and (2) acting on corporate actions pertaining to the client's investment assets. The client shall instruct the client's qualified custodian to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets. If the client would like our opinion on a particular proxy vote, they may contact us at the number listed on the cover of this brochure.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward you any electronic solicitation to vote proxies.

From time to time, securities held in the accounts of Clients will be the subject of class action lawsuits. Derastone has no obligation to determine if securities held by Clients 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, Derastone has no obligation or responsibility to initiate litigation to recover damages on behalf of Clients who may have been injured because of actions, misconduct, or negligence by corporate management of issuers whose securities are held by Clients.

## **Item 18: Financial Information**

### **A. Balance Sheet**

Derastone does not require nor solicit prepayment of more than \$1,200 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

### **B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients**

Neither Derastone nor its management have any financial conditions that are likely to reasonably impair our ability to meet contractual commitments to clients.

### **C. Bankruptcy Petitions in Previous Ten Years**

Neither Derastone nor its management have been the subject of a bankruptcy petition in the last ten years.

## **Item 19: REQUIREMENTS FOR STATE REGISTERED ADVISERS**

### **A. Principal Executive Officers and Management Persons; Their Formal Education and Business Background**

Derastone currently has only one management person and only one executive officer; Gabriel Kaplan. Gabriel Kaplan's education and business background can be found on the Supplemental ADV Part 2B form.

### **B. Other Businesses in Which This Advisory Firm or its Personnel are Engaged and Time Spent on Those (If Any)**

Gabriel Kaplan's other business activities can be found on the Supplemental ADV Part 2B form.

### **C. How Performance Based Fees are Calculated and Degree of Risk to Clients**

Derastone does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

### **D. Material Disciplinary Disclosures for Management Persons of this Firm**

No management person at Derastone has been involved in an arbitration claim or been found liable in a civil, self-regulatory organization, or administrative proceeding



<b>E. Material Relationships That Management Persons Have With Issuers of Securities (If Any)</b>
---

Neither Derastone, nor its management persons, has any relationship or arrangement with issuers of securities.

**Derastone LLC**

**Form ADV Part 2B**

**Brochure Supplement**

*for*

**Gabriel Kaplan**

Investment Adviser Representative

*This brochure supplement provides information about Gabriel Kaplan that supplements the Derastone LLC brochure. You should have received a copy of that brochure. Please contact Gabriel Kaplan, Managing Member if you did not receive Derastone LLC's brochure or if you have any questions about the contents of this supplement.*

*Additional information about Gabriel Kaplan is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).*

Derastone LLC  
27 Claremont Rd  
Scarsdale, New York, 10583  
<https://wealthhabits.com>  
gabriel@wealthhabits.com  
(917) 789-1770

## **Item 2: Requirements for State Registered Advisers**

**Name:** Gabriel Kaplan

**Born:** 1983

**Educational Background:**

- BSE System Engineering – Finance, University of Pennsylvania – 2008
- Master in Business Taxation, University of Southern California – 2012
- MBA from NYU’s Stern School of Business - 2016

**Business Background:**

2010 – Present	Managing Member, Derastone LLC
2016 – 2018	Senior Consultant, Deloitte Consulting LLC
2012 – 2014	Tax Associate KPMG LLP
2009 – 2011	Senior Analyst Nufami Inc.
2008 – 2009	Analyst, Merrill Lynch Co. (USA) & Merrill Lynch International (UK)

## **Item 3: Disciplinary Information**

No management person at Derastone LLC has ever been involved in an arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding.

## **Item 4: Other Business Activities**

Gabriel Kaplan is the founder and Principal of Tax Habits LLC, Infinity Signals LLC, and Gabriel Kaplan CPA PLLC. These businesses are not investment management related. From time to time, Mr. Kaplan might spend 10% of his time working on these other businesses, with about half of this time during trading hours and a half after trading hours.

## **Item 5: Additional Compensation**

Gabriel Kaplan does not receive any economic benefit from any person, company, or organization, in exchange for providing clients advisory services through Derastone LLC.

## **Item 6: Supervision**

Gabriel Kaplan, as Principal and Chief Compliance Officer of Derastone LLC, is responsible for supervision. He may be contacted at the phone number on this brochure supplement.

## **Item 7: Requirements for State Registered Advisers**

Gabriel Kaplan has NOT been involved in an arbitration, civil proceeding, self-regulatory proceeding, administrative proceeding, or a bankruptcy petition.