

BANTAM INC.

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Firm Brochure - Form ADV Part 2A
December 10, 2021

This brochure provides information about the qualifications and business practices of Bantam Inc. If you have any questions about the contents of this brochure, please contact us at (845) 605-1007 or by email at: jack@bant.am. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Bantam Inc. is also available on the SEC's website at www.adviserinfo.sec.gov. Bantam Inc.'s CRD number is: 288075.

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



ITEM 2: MATERIAL CHANGES

The material changes in this brochure from the last annual updating amendment of Bantam Inc. 3/29/2021 are described below. Material changes relate to Bantam's policies, practices or conflicts of interest.

- Bantam Inc. has added written acknowledgement of fiduciary status (Item 4).
- Bantam Inc. has added that a related person is a managing member of Bantam Digital Assets Fund LLC, a private hedge fund and a managing member of the Fund Manager, Bantam Management LLC. (Items 10 & 11).

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ITEM 4: ADVISORY BUSINESS

A. DESCRIPTION OF THE ADVISORY FIRM

Bantam Inc. (hereinafter “Bantam”) is a benefit corporation under Article 17 of the New York Business Corporation Law. The firm was formed in February 2017, and the principal owner is John Joseph Duval, Jr.

A benefit corporation, as defined under the New York Business Corporation Law (“BCL”), is a for-profit entity obligated to further a general public benefit. The BCL defines a “general public benefit” as: “a material positive impact on society and the environment, taken as a whole, assessed against a third-party standard, from the business and operations of a benefit corporation.” (BCL § 1702(b))

Bantam’s general public benefit is to advance systematically lower financial advice and asset management fees for individual investors.

The BCL requires that Bantam have its activities assessed annually against an independent and transparent third-party standard (BCL § 1702(g)) and filed with the New York Department of State as well as published on the firm’s website.

We believe forming Bantam as a benefit corporation provides the firm with a distinct competitive advantage of being a multi-level fiduciary to our clients. Every financial services firm that is *not* a benefit corporation (or a non-profit) has a fiduciary duty upon its officers and directors to further the interests of its *shareholders*.

This is true even if the firm is a registered investment advisor (“RIA”), with a fiduciary duty owed to its clients. The officers and directors of a typical RIA have a higher-level fiduciary duty to the firm’s shareholders.

This is an inherent conflict of interest that pits shareholder interests against client interests.

As a benefit corporation, Bantam’s officers and directors are fiduciary bound to consider the interests of its clients, shareholders, and employees equally. This aligns the fiduciary duties of the firm’s officers and directors with its fiduciary duties to its clients.

We intend to pursue our public benefit by separating financial advice from assets (primarily through fixed fees) and charging very low and rational asset management fees.

Some well-known benefit corporations include: Method, Kickstarter, Plum Organics, King Arthur Flour, Patagonia, Solberg Manufacturing, Laureate Education, and Altschool. We know of no other financial advisory firm that operates as a benefit corporation.

Bantam also offers consulting services involving non-securities related issues, including: the economic analysis of transaction terms and structures, negotiation of deal terms, and brokering among multiple vendors for clients.

B. TYPES OF ADVISORY SERVICES

Bantam advisory services include:

- Fee Negotiation
- Portfolio management
- Investment audit
- Consolidated reporting
- Pension consulting
- Financial planning

Fee Negotiation Services

Bantam offers Fee Negotiation Services where the firm will negotiate on behalf of our clients with their current investment advisors, brokers, and product vendors to obtain fee and commission refunds as well as reductions of current and future fees and commissions.

Bantam will analyze the client's asset management, brokerage, and advisory fees and commissions to determine if comparable investments could have been implemented for lower costs. The firm will also review fees charged to insure they comport with those stated in investment contracts.

As part of Bantam's analyses, the firm will determine the total costs to the client, (for example, internal fund expenses and external advisory fees) individual investment/portfolio beta, and other metrics. ("Beta" here refers to the returns that could be received from a market or other. If the client is paying high fees for investments and/or a portfolio that primarily consists of beta, then the fees can be dramatically reduced.

After Bantam's analyses are completed, a fee reduction report will be provided to the client and Bantam will negotiate on their behalf with their current financial advisor to:

- Obtain a refund for past unjustified and/or erroneous fees;
- Secure reduced fees on a go-forward basis;

After refunds and/or fee reductions have been secured, Bantam will insure the agreed upon fee reductions have been implemented by their current provider.

If the client does not want to stay with their current advisor, Bantam will assist them in implementing a low-cost strategy at a discount brokerage firm.

Portfolio Management Services

Bantam offers ongoing portfolio management services for individual and institutional investors. These services are based on the individual goals, objectives, time horizon, and risk tolerance of each client.

For individual clients, Bantam's typical process is to create a detailed profile to understand their unique facts and circumstances (i.e. income, tax levels, investment objectives, and risk tolerance) and then draft a financial plan with an Investment Policy Statement ("IPS") governing how the assets are to be managed. Not all individual clients will need a full financial plan, however, all clients will be profiled and will have an Investment Policy Statement that will be agreed to in writing before any investments are made.

Institutional investors will frequently have their own IPS and will be engaging Bantam for one of our Risk Asset Portfolios. However, if the institution does not have an IPS, Bantam will draft one with the client to be agreed to, in writing, before any investments are made.

Portfolio management services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Regular portfolio monitoring
- Security selection
- Personal investment policy
- Asset selection

Bantam evaluates the current investments of each client with respect to their investment objectives, risk tolerance, liabilities, time horizon, and cash flow needs, among other factors.

Bantam offers two discretionary portfolios:

- Risk Asset Portfolio (“RAP”)
 - Primarily equities and cash
- Fixed Income Portfolio (“FIP”)
 - Average maturity is typically greater than five years

Bantam will request discretionary authority from clients for its Risk Asset Portfolio and Fixed Income Portfolios in order to select securities and execute transactions without permission from the client prior to each transaction. In very limited instances we will manage the RAP and FIP portfolios on a non-discretionary basis.

We will also manage portfolios that are outside of our standard Risk Asset and Fixed Income portfolios that are discretionary or non-discretionary. Typically, these portfolios will have highly individualized criteria for investment inclusion/exclusion, as specified by the client and/or developed with Bantam. These portfolios will have a separate fee schedule.

Bantam investment decisions are made in accordance with the fiduciary duties owed to its accounts and without consideration of Bantam’s economic, investment or other financial interests.

To meet its fiduciary obligations, Bantam attempts to avoid, among other things, investment or trading practices that systematically advantage or disadvantage certain client portfolios, and accordingly, Bantam’s 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 Bantam’s policy to allocate investment opportunities and transactions it identifies as being appropriate and prudent, including initial public offerings (“IPOs”) and other investment opportunities that might have a limited supply, among its clients on a fair and equitable basis over time.

Investment Audit Services

Bantam offers investment audit services to individual and institutional investors. Investment audit services may include, but are not limited to:

Pre-Investment

- Proposal audit
- Due diligence
- Complexity risk analysis
- Research

Post-Investment

- Fraud detection
- Total cost analysis
- Value analysis
- Investment policy analysis
- Strategy analysis
- Complexity risk analysis
- Tax-efficiency analysis
- Due diligence

Consolidated Reporting Services

Bantam offers consolidated reporting services to individual and institutional investors. These services are limited to consolidating financial information from multiple brokerages and/or direct investments and summarizing them into one report.

Consolidated reports will be provided on a monthly basis with the then-current information and contain basic information such as:

- Asset allocation
- Portfolio and manager performance breakouts (i.e. quarter, year-to-day, and from inception)
- Benchmark comparison
- Risk metrics (such as standard deviation and beta)

Analysis of these consolidated reports (such as our investment audit services) is separate and would require additional cost.

Pension Consulting Services

Bantam offers consulting services to pension or other employee benefit plans (including but not limited to 401(k) plans). Pension consulting may include, but is not limited to:

- Creating and implementing an Investment Policy Statement
- Identifying investment objectives and restrictions
- Providing guidance on various assets classes and investment options
- Selecting investments
- Recommending money managers to manage plan assets in ways designed to achieve objectives
- Monitoring and reporting the performance, risk, fees, and other elements of portfolios, money managers, and investment options and making recommendations for changes
- Recommending other service providers, such as custodians, administrators and broker-dealers

These services are based on the goals, objectives, demographics, time horizon, and/or risk tolerance of the plan and its participants.

Financial Planning

Financial plans and financial planning services may include, but are not limited to:

- Risk tolerance determination
- Investment policy statement drafting
- Investment planning
- Insurance planning
- Tax concerns (not tax advice nor preparation of tax returns)
- Retirement planning
- College planning
- Cash flow planning
- Estate planning

Asset/Liability Matching

Bantam approaches the management of known liabilities in a similar manner as most pensions, by matching known liabilities with known assets.

Individuals will frequently have liabilities that are known long in advance. Some of these could include: tax liabilities, purchases of properties, capital calls for direct investments, and college education costs for children.

For these liabilities, we use a net present value methodology to set aside, or “match”, current assets to future liabilities. Liabilities coming due within two years are matched to cash and liabilities coming due within three to five years are matched to conservative fixed income investments.

Longer term liabilities are primarily matched to diversified fixed income investments with varying levels of risk, depending on the timing of the liability.

Types of Investments Utilized and on which we Advise

In its discretionary and non-discretionary accounts, Bantam will primarily invest in ETFs, mutual funds, and individual securities. However, we may invest in and advise on many other types of investments, including, but not limited to: fixed income securities, real estate funds (including REITs), insurance products including annuities, equities, hedge funds, private equity funds, ETFs in the gold and precious metal sectors, treasury inflation protected/inflation linked bonds, commodities, non-U.S. securities, venture capital funds, managed futures funds, and private placements.

Although Bantam primarily recommends liquid, exchange-traded securities, we may also use other securities to help diversify a portfolio when appropriate.

Non-trading Investment Consulting Services

Bantam offers non-trading investment consulting services whereby the firm provides periodic investment recommendations to its clients. Under this arrangement, the client is responsible for implementing

any investment recommendations from Bantam. Bantam will not manage the client's account on an ongoing basis and will not have any authority to execute transactions in the client's account.

Services provided are customized to the client's needs and are agreed to with the client, in writing, before the engagement begins. Services provided could include: investment policy drafting, asset allocation advice, individual security recommendations, investment reviews, and performance reporting.

Written Acknowledgement of Fiduciary Status

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours. Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

C. CLIENT TAILORED SERVICES AND CLIENT IMPOSED RESTRICTIONS

Bantam will tailor an Investment Policy Statement for each client engaging the firm for financial planning services. This will include calls and in-person meetings and crafting an IPS that will guide our recommendations and investments for the client.

As part of our financial planning process, we will typically match known liabilities with existing assets to meet the liabilities as they come due. These matched assets are typically invested in cash or very conservative fixed income investments. Assets that are liability-free are considered "risk assets" that can be invested conservatively or

aggressively, depending on the client's ability and willingness to take risk.

Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent Bantam from properly servicing the client account, or if the restrictions would require Bantam to deviate from its standard suite of services, Bantam reserves the right to end the relationship.

D. WRAP FEE PROGRAM

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and other administrative fees. Bantam does not participate in any wrap fee programs.

E. ASSETS UNDER MANAGEMENT

Bantam has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$39,553,093	\$0	October 2021

ITEM 5: FEE AND COMPENSATION

A. FEE SCHEDULE

Portfolio Management Fees for the Risk Asset and Fixed Income Portfolios

Bantam charges a flat 25 basis point annual fee for the Risk Asset, Fixed Income portfolios with no tiering. The Risk Asset portfolio also charges a performance fee, which is described in detail below.

The management fee for the Risk Asset and Fixed Income Portfolios is billed in advance on a monthly basis. The fee is calculated using the value of the assets in the Account on the last business day of the prior month, or (for the first month) the weighted-average balance.

The final fee schedule is attached as Exhibit II of the Investment Advisory Contract. Clients may terminate the agreement without penalty for a full refund of Bantam's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract generally with 5 days written notice.

Clients will be refunded the unused portion of the last month's management fee on a pro-rata basis.

In limited instances, Bantam can alter the standard 25 basis point management fee.

Performance-Based Fees for the Risk Asset Portfolio

Performance-based fees are only charged on the Risk Asset Portfolio and *not* on the Fixed Income Portfolios.

Qualified clients in the RAP will pay an annual fee of 0.25 percent of assets under management along with a 25 percent performance fee based on the portfolio performance beating a hurdle rate of a benchmark.

There will be no high-water mark. The hurdle rate will be the net total return of the MSCI All World Index ("ACWI") ("net" means after foreign withholding tax and "total return" means including dividends). If Bantam outperforms the benchmark, on the upside or downside, Bantam will receive a performance fee equal to 25 percent of the outperformance. This fee is calculated on an annual basis.

As an example, if a client's portfolio was up 7 percent in the year (net of the 25 basis point management fee) and the benchmark total return was up 5 percent, the 25 percent performance-based fee would be calculated on the 2 percent outperformance ($7 - 5 = 2$). Thus, the performance-based fee would be 50 basis points ($2 \times .25 = 0.5$).

Conversely, if the client's portfolio was down 5 percent in the year (net of the 25 basis point management fee) and the benchmark total return was down 7 percent, the 25 percent performance-based fee would be calculated on the 2 percent outperformance ($-5 - (-7) = 2$). In this scenario, the performance-based fee would again be 50 basis points ($2 \times .25 = 0.5$).

If the RAP underperforms the benchmark during the year, no performance-based fee will be charged.

a. Performance Fee Clawback

Every year following the payment of a performance fee, Bantam will perform a clawback calculation that could result in the client recovering up to half of any performance fee from the previous year.

The clawback will be the amount needed to make the client's current year net return (after the 25 basis point management fee) equal to the index return. This clawback is subject to a limit of 50 percent of the previous year's performance fee.

As an example, if a client has RAP that *outperforms* the index by \$100,000 in year one, the performance fee would be \$25,000 (25 percent of the \$100,000 in outperformance). In year two, if the RAP *underperforms* the benchmark by \$25,000, or more, the client would clawback \$12,500 of the previous year's performance fee.

In year two, if the RAP *underperforms* by \$10,000, then \$10,000 of the previous year's performance fee would be clawed back.

The final fee schedule is attached as Exhibit II of the Investment Advisory Contract. This service may be canceled with 5 days' notice.

If a client terminates the management of a RAP during the year, the performance fee will be calculated as of the end of the day the notice is given as if that day was December 31. This notice must be given in writing. Any performance fee calculated at account management termination is due and payable immediately.

No clawback calculation will be made in a year the client terminates their RAP account.

Customized Portfolio Management Fees

Clients who require a customized portfolio outside of our standard Risk Asset and Fixed Income portfolios will be charged a fee of 0.25 to 1 percent, depending on the complexity.

Pension Consulting Services Fees

Asset-Based Fees for Pension Asset Management

Fees for Pension Asset Management will be between 25 and 100 basis points, depending on the complexity of the assets managed.

This fee is for managing pension fund assets. The advisory fee is billed in advance on a monthly basis. It is calculated using the value of the assets in the Account on the last business day of the prior month, or (for the first month) the weighted-average balance.

The final fee schedule is attached as Exhibit II of the pension consulting agreement.

Clients may terminate the agreement without penalty for a full refund of Bantam's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the pension consulting agreement generally with 5 days' written notice.

Clients will be refunded the unused portion of the last months management fee on a pro-rata basis.

Fixed and Hourly Fees for Pension Consulting

We anticipate almost all of our pension consulting work will be done on a fixed-fee basis with the terms begin agreed to in advance. In limited instances, where the scope of the deliverables cannot be determined in advance, we will use hourly billing according to our standard rate schedule for Financial Planning, Consulting, and Investment Audit Fees. (See Hourly Fees, below.)

The hourly fee for these services is between \$30 and \$900 per hour. Pension clients who are using our portfolio management services receive a one-third discount off the standard hourly rate schedule. Clients will not be charged for compliance and supervisory review of work done on their behalf, nor will they be charged for the normal billing of their accounts. The final fee schedule will be attached as Exhibit II of the Investment Advisory Contract.

After receiving written notice, Bantam will stop work immediately and (for fixed-fee engagements) refund the remaining monthly pension consulting fee on a pro-rata basis, or (for hourly engagements) close the account after charging any amounts due since the last payment.

Individual Client Consulting Fees

Financial Planning, Consulting, and Investment Audit Fees

Bantam bills for financial planning, consulting, and investment audit services on a fixed-fee and hourly fee basis.

The vast majority of our consulting work will be done on a fixed-fee basis where specific deliverables are provided for an agreed upon price. However, in limited instances, where the scope of the deliverables cannot be determined in advance, we will bill according to the hourly fee schedule below.

Hourly Fees

The hourly fees for financial planning, consulting, and investment audit are between \$30 and \$900 per hour. Clients who are using our portfolio management services receive a one-third discount off the standard hourly rate schedule. Clients will not be charged for compliance and supervisory review of work done on their behalf, nor will they be charged for the normal billing of their accounts.

The standard rate schedule is as follows:

- Executives: \$900/hour
- Specialists: \$600/hour
- Investment Advisors: \$300/hour
- Analysts: \$150/hour
- Administrators: \$90/hour
- Data Entry: \$30/hour

Almost all of financial planning, consulting, and investment audit work will be done by Bantam's Investment Advisors and Analysts. We anticipate that most engagements will have a blended hourly rate between \$200 and \$300 per hour.

Any use of Executives or Specialists will be pre-approved by the client before billing.

Fixed fees are billed monthly, in advance. Hourly fees are billed every two weeks, in arrears, typically by credit card. Both clients and Bantam may terminate the financial planning, consulting, or investment audit services at any time.

After receiving written notice, Bantam will stop work immediately and (for fixed-fee engagements) refund the remaining financial planning, consulting, or investment audit monthly fee on a pro-rata basis, or (for hourly engagements) close the account after charging any amounts due since the last payment.

Success Fees for Fee Negotiation Service

The success fee is only used in conjunction with Bantam's Fee Negotiation Service.

As part of the Fee Negotiation Service, the client only pays Bantam if the firm can secure a refund of fees paid in previous years, or can reduce the total fees the client is paying for the management of their assets.

The fee *refund* will likely be a one-time payment, credited to the client's account by their current advisor. The fee *reduction* is accomplished by either negotiating the client's existing fees down with their current financial advisor or by implementing a low-cost solution at a discount brokerage firm.

The reduction in fees is calculated by subtracting the total costs the client is currently paying by the total costs of the same dollar amount of a comparable set of assets.

The success fee is equal to the greater of:

- Half the fee refund, or;
- Half the first and second year's fee reduction (as calculated based on the current assets at the time of the negotiation).

As an example, if a client has a \$10 million portfolio and is paying a total cost of one percent and Bantam could reduce the fees on all the assets by ½ percent, the success fee would be \$50,000 (one-half the first two year's savings of \$100,000).

The success fee is due in two installments, the first after the negotiation of fee refunds and/or reduced fees or the implementation of the lower cost solution at another provider, and the second, one year later. However, if the client chooses Bantam to manage the assets identified for fee reduction, the success fee would be waived.

If Bantam could not reduce the total cost for managing the client's assets, there would be no fee due.

If the client chooses not to have Bantam negotiate on their behalf and not to implement a lower cost solution with another provider (including Bantam), the full success fee will be due 30 days after the presentation of the fee reduction report.

The fee can be paid by credit card, wire transfer, or overnight delivery of a check.

Consolidated Reporting Fees

Consolidated reporting fees are charged on a fixed-fee basis, agreed to in advance, and vary according to: the number of accounts; illiquid investments held; and client requirements. The fixed-fee is due monthly, in advance.

The final fee schedule is attached as Exhibit II of the Investment Advisory Contract. Clients may terminate the agreement without penalty for a full refund of Bantam's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract generally with 5 days' written notice.

After receiving written notice, Bantam will stop work immediately and (for fixed-fee engagements) refund the remaining consolidated reporting monthly fee on a pro-rata basis.

Non-trading Investment Consulting Services Fees

Bantam charges a fixed annual fee for non-trading investment consulting services that is negotiated with the client and based on the deliverables requested.

This fee is customized to each client and not calculated off of the value of the client's assets. However, if these fees were based on the client's assets, it is expected they would be less than one percent per year.

The non-trading investment consulting services fee is payable monthly in advance. Bantam will refund any unused portion of the monthly fee after notified, in writing, that the client no longer wishes to continue the service.

The fixed monthly fees are paid via ACH, credit card, and other payment services.

B. PAYMENT OF FEES

Payment of Portfolio Management Fees

Asset-based portfolio management fees are withdrawn directly from the client's accounts with the client's written authorization on a monthly basis, in advance.

Payment of Performance-Based Portfolio Management Fees

Performance-based portfolio management fees are withdrawn directly from the client's accounts with the client's written authorization on an annual basis, in arrears.

Payment of Pension Consulting Fees

Asset-based pension consulting fees are withdrawn directly from the client's accounts with the client's written authorization on a monthly basis, in advance.

Fixed pension consulting fees are paid monthly, in advance, via credit card, wire transfer or overnight check. Hourly pension consulting fees are paid every two weeks, in arrears, typically by credit card.

Payment of Financial Planning, Consulting, and Investment Audit Fees

Financial planning, consulting, and investment audit fees are paid via credit card. In limited instances, we will accept payment by wire transfer or overnight check.

Fixed financial planning fees are paid monthly, in advance. Hourly financial planning fees are paid in arrears every two weeks.

C. CLIENT RESPONSIBILITY FOR THIRD PARTY FEES

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 Bantam. Please see Item 12 of this brochure regarding broker-dealer/custodian.

D. PREPAYMENT OF FEES

Bantam collects certain fees in advance and certain fees in arrears, as indicated above. Refunds for fees paid in advance will be returned within fourteen days to the client via check, or return deposit back into the client's account.

For all asset-based fees paid in advance, the fee refunded will be equal to the balance of the fees collected in advance minus the daily rate* times the number of days elapsed in the billing period up to and including the day of termination. (* The daily rate is calculated by dividing the annual asset-based fee rate by 365.)

For fees deducted directly from client accounts, in states that require it, Bantam will:

- a. Possess written authorization from the client to deduct advisory fees from an account held by a qualified custodian;
- b. Send the qualified custodian written notice of the amount of the fee to be deducted from the client's account and verify that the qualified custodian sends invoices to the client;
- c. Send the client a written invoice itemizing the fee upon or prior to fee deduction, including the formula used to calculate the fee, the time period covered by the fee and the amount of assets under management on which the fee was based.

E. OUTSIDE COMPENSATION FOR THE SALE OF SECURITIES TO CLIENTS

Neither Bantam nor its supervised persons accept any compensation for the sale of any outside investment products, including asset-based sales charges or service fees from the sale of mutual funds.

ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Bantam manages accounts that are billed performance-based fees (a share of any outperformance compared to a benchmark) and also manages accounts that are not billed on performance-based fees. Managing both kinds of accounts at the same time presents a conflict of interest because Bantam and/or its supervised persons have an incentive to favor accounts for which Bantam receives a performance-based fee.

Bantam addresses the conflicts by ensuring that clients are not systematically advantaged or disadvantaged due to the presence or absence of performance-based fees. Bantam seeks best execution and upholds its fiduciary duty for all clients. Clients paying a performance-based fee should be aware that investment advisers have an incentive to invest in riskier investments when paid a performance-based fee due to the higher risk/higher reward attributes.

ITEM 7: TYPES OF CLIENTS

Bantam generally provides advisory services to the following types of clients:

- Ultra-High-Net-Worth Individuals
- High-Net-Worth Individuals
- Pension and Profit Sharing Plans
- Charitable Organizations
- Endowments

Bantam's asset management business is focused on individual investors with at least \$10 million of investible assets and institutional investors with at least \$100 million of investible assets. In limited instances these minimums can be waived at Bantam's sole discretion.

Bantam's consulting services (fee negotiation, investment audit, and financial planning) have no minimum asset level.

Clients that participate in Bantam's RAP and are charged a performance fee must be qualified by being:

- a. A natural person who or a company that immediately after entering into the contract has at least \$1 million under the management of Bantam, or;
- b. A natural person who or a company that the investment adviser entering into the contract (and any person acting on his behalf) reasonably believes, immediately prior to entering into the contract, has a net worth (together, in the case of a natural person, with assets held jointly with a spouse) of more than \$2.1 million at the time the contract is entered into.

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES, & RISK OF LOSS

A. METHOD OF ANALYSIS AND INVESTMENT STRATEGIES

Methods of Analysis

Bantam's methods of analysis include Charting analysis, Cyclical analysis, Fundamental analysis, Modern portfolio theory, Quantitative analysis and Technical analysis.

Charting analysis involves the use of patterns in performance charts. Bantam uses this technique to search for patterns used to help predict favorable conditions for buying and/or selling a security.

Cyclical analysis involves the analysis of business cycles to find favorable conditions for buying and/or selling a security.

Fundamental analysis involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

Modern portfolio theory is a theory of investment that attempts to maximize portfolio expected return for a given amount of portfolio risk,

or equivalently minimize risk for a given level of expected return, each by carefully choosing the proportions of various asset.

Quantitative analysis deals with measurable factors as distinguished from qualitative considerations such as the character of management or the state of employee morale, such as the value of assets, the cost of capital, historical projections of sales, and so on.

Technical analysis involves the analysis of past market data; primarily price, volume, and volatility.

Investment Strategies

Bantam uses a combination of fundamental, quantitative, and technical investment strategies, often at the same time. These positions will frequently have different anticipated holding periods. For instance, some positions might be intended for long-term holding periods (over one year) while others are maintained for short-term holding periods (a few days, weeks, or months).

Sometimes individual holdings will have both long-term and short-term positions. This is known as "trading around a position". The mix of long-term and short-term holdings will depend on many variables, including the market environment and the individual security.

Our long-term holdings tend to be more fundamentally driven and our short-term to intermediate holdings tend to be more quantitative and technically driven.

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

B. MATERIAL RISK INVOLVED

Methods of Analysis

Charting analysis strategy involves using and comparing various charts to predict long and short term performance or market trends. The risk involved in using this method is that only past performance data is considered without using other methods to crosscheck data. Using charting analysis without other methods of analysis would be making the assumption that past performance will be indicative of future performance. This may not be the case.

Cyclical analysis assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy are two-fold: 1) the markets do not always repeat cyclical patterns; and 2) if too many investors begin to implement this strategy, then it changes the very cycles these investors are trying to exploit.

Fundamental analysis concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

Modern portfolio theory ("MPT") was invented in 1952 by economist Harry Markowitz. MPT showed that by building a diversified portfolio of non-correlated assets, investors could increase their returns while reducing risk (for low levels of risk assets). For higher levels of risk assets, investors could use the same diversification techniques and achieve higher risk-adjusted returns.

The risk to MPT diversified portfolios is that in times of market distress or panic, correlations break from their historic norms, and (for most risk assets) go to one. This means all the risk assets become highly correlated and decline at the same time, leading to larger declines in portfolio value than anticipated.

Quantitative analysis Investment strategies using quantitative models may perform differently than expected as a result of, among other things, the factors used in the models, the weight placed on each factor, changes from the factors' historical trends, and technical issues in the construction and implementation of the models.

Technical analysis attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not take into account new patterns that emerge over time.

Investment Strategies

Clients in Bantam's Risk Asset Portfolio should be willing to accept a 50 percent (or more) decline in those investment

strategies. Although we believe the risk of a permanent loss of capital is remote, these portfolios will be invested primarily in equities and could thus experience high volatility.

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 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.

C. RISK OF SPECIFIC SECURITIES UTILIZED

Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) are not guaranteed or insured by the FDIC or any other government agency.

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. The funds can be of bond “fixed income” nature (lower risk) or stock “equity” nature.

Equity investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.

Fixed income investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt, municipal bonds, and mortgage or other asset-backed securities, although individual bonds may be the best-known type of fixed income security.

In general, the fixed income market is volatile and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.)

Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked

bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing price value, albeit minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.

Exchange Traded Funds (ETFs): An ETF is an investment fund traded on a stock exchange. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance.

Precious Metal ETFs (e.g., Gold, Silver, or Palladium Bullion backed “electronic shares” not physical metal) specifically may be negatively impacted by several unique factors, among them (1) large sales by the official sector which own a significant portion of aggregate world holdings in gold and other precious metals, (2) a significant increase in hedging activities by producers of gold or other precious metals, (3) a significant change in the attitude of speculators and investors.

Real estate funds (including REITs) face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance.

Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.

Annuities are a retirement product for those who may have the ability to pay a premium now and want to guarantee they receive certain monthly payments or a return on investment later in the future. Annuities are contracts issued by a life insurance company designed to meet requirement or other long-term goals. An annuity is not a life insurance policy.

Variable annuities are designed to be long-term investments, to meet retirement and other long-range goals. Variable annuities are not

suitable for meeting short-term goals because substantial taxes and insurance company charges may apply if you withdraw your money early. Variable annuities also involve investment risks, just as mutual funds do.

Bantam will never recommend the purchase of variable annuities, however, we may advise clients on variable annuities if the client already owns them.

Hedge funds often engage in leveraging and other speculative investment practices that may increase the risk of loss; can be highly illiquid; are not required to provide periodic pricing or valuation information to investors; may involve complex tax structures and delays in distributing important tax information; are not subject to the same regulatory requirements as mutual funds; and often charge high fees. In addition, hedge funds may invest in risky securities and engage in risky strategies.

Private equity funds invest directly in non-publicly traded companies and carry certain risks including the lack of liquidity. Capital calls will be made on short notice, and the failure to meet capital calls can result in significant adverse consequences, including but not limited to a total loss of investment.

Private placements carry a substantial risk as they are subject to less regulation than are publicly offered securities, the market to resell these assets under applicable securities laws may be illiquid, due to restrictions, and the liquidation may be taken at a substantial discount to the underlying value or result in the entire loss of the value of such assets.

Venture capital funds invest in start-up companies at an early stage of development in the interest of generating a return through an eventual realization event; the risk is high as a result of the uncertainty involved in early-stage investments.

Managed futures funds invest in financial markets, interest rates, commodities, and currencies, attempting to capture long-term trends in prices. These funds can be illiquid and have opaque strategies.

Commodities are tangible assets used to manufacture and produce goods or services. Commodity prices are affected by different risk factors, such as disease, storage capacity, supply, demand, delivery

constraints and weather. Because of those risk factors, even a well-diversified investment in commodities can be uncertain.

Non-U.S. 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.

Money Markets Funds are mutual funds that invest in short-term fixed income instruments and generally provide daily liquidity. Risks to money market funds include the potential for loss of principal (although this is a remote risk and losses would likely be in the low single digits) and loss of liquidity. Money market funds that invest in non-U.S. Treasury securities can be subject to government mandated loss of liquidity.

Bantam will only use money market funds that invest in U.S. Treasury instruments.

Digital Assets/Cryptocurrency investing refers to trading in digital assets such as non-fungible tokens (“NFTs”), other tokenized assets, or virtual currencies, such as Bitcoin, which is not back by real assets or tangible securities

Cryptocurrencies are not backed by a central bank, national or international organization, assets or other credit, and their value is strictly determined by the value that market participants place on them through their transactions, which means that loss of confidence may bring about collapse of trading activities and an abrupt drop in value. They are traded between consenting parties with no broker and tracked on digital ledgers known as Blockchains.

Due to the nature of cryptocurrencies, clients are exposed to unique risks not typical when investing in traditional securities. Risks of investing in digital/virtual currencies include, but are not limited to the following: i) price volatility, ii) unexpected regulation, iii) anonymous transactions, iv) susceptibility to errors and/or hacking, and v) cyber risks including fraud and the loss of cryptographic keys.

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

A. CRIMINAL OR CIVIL ACTIONS

There are no criminal or civil actions to report.

B. ADMINISTRATIVE PROCEEDINGS

There are no administrative proceedings to report.

C. SELF-REGULATORY ORGANIZATION (SRO) PROCEEDINGS

There are no self-regulatory organization proceedings to report.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

A. REGISTRATION AS A BROKER-DEALER OR BROKER-DEALER REPRESENTATIVE

Neither Bantam nor its representatives are registered as, or have pending applications to become, a broker-dealer or a representative of a broker-dealer.

B. REGISTRATION AS A FUTURES COMMISSION MERCHANT, COMMODITY POOL OPERATOR, OR A COMMODITY TRADING ADVISOR

Neither Bantam nor its representatives are registered as, or have pending applications to become, either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

C. REGISTRATION RELATIONSHIPS MATERIAL TO THIS ADVISORY BUSINESS AND POSSIBLE CONFLICTS OF INTERESTS

John Joseph Duval, Jr. is the managing partner of Accelerant LLC where he serves as an expert witness in securities litigations. He does not give any investment advice as part of this business. He does not receive commissions or any form of payment for investment advice for any of his Accelerant-related activities.

John Joseph Duval, Jr is a managing member of Bantam Digital Assets Fund LLC, a private hedge fund and a managing member of the Fund Manager, Bantam Management LLC. Bantam Inc. will not recommend investments in this private fund to its advisory clients due to the potential for a conflict of interest. Bantam Inc. advisory clients are encouraged to retain an advisor to help them evaluate a potential investment in the Bantam Digital Assets Fund LLC.

D. SELECTION OF OTHER ADVISERS OR MANAGERS AND HOW THIS ADVISER IS COMPENSATED FOR THOSE SELECTIONS

Bantam does not utilize nor select third-party investment advisers.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

A. CODE OF ETHICS

Bantam has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Bantam's Code of Ethics is available free upon request to any client or prospective client.

B. RECOMMENDATIONS INVOLVING MATERIAL FINANCIAL INTERESTS

John Joseph Duval, Jr is managing member of Bantam Digital Assets Fund LLC, a private fund, and of Bantam Management LLC, the manager of the fund. Bantam Inc. will not recommend investments in this private fund to its advisory clients due to the potential for a conflict of interest. Bantam Inc. advisory clients are encouraged to retain an advisor to help them evaluate a potential investment in the Bantam Digital Assets Fund LLC.

C. INVESTING PERSONAL MONEY IN THE SAME SECURITIES AS CLIENTS

From time to time, representatives of Bantam may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of Bantam to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. Bantam will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

D. TRADING SECURITIES AT/AROUND THE SAME TIME AS CLIENTS' SECURITIES

From time to time, representatives of Bantam may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of Bantam to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, Bantam will never engage in trading that operates to the client's disadvantage if representatives of Bantam buy or sell securities at or around the same time as clients.

ITEM 12: BROKERAGE PRACTICES

A. FACTORS USED TO SELECT CUSTODIANS AND/OR BROKER-DEALERS

Custodians/broker-dealers will be recommended based on Bantam's duty to seek "best execution," which is the obligation to seek execution of securities transactions for a client on the most favorable terms for the client under the circumstances. Clients will not necessarily pay the lowest commission or commission equivalent, and Bantam may also consider the market expertise and research access provided by the broker-dealer/custodian, including but not limited to access to written research, oral communication with analysts, admittance to research conferences and other resources provided by the brokers that may aid in Bantam's research efforts.

Bantam will never charge a premium or commission on transactions, beyond the actual cost imposed by the broker-dealer/custodian.

Bantam recommends Fidelity Brokerage Services LLC.

1. Research and Other Soft-Dollar Benefits

While Bantam has no formal soft dollars program in which soft dollars are used to pay for third party services, Bantam may receive research, products, or other services from custodians and broker-dealers in connection with client securities transactions (“soft dollar benefits”). Bantam 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 Bantam does not seek to allocate benefits to client accounts proportionate to any soft dollar credits generated by the accounts.

Bantam benefits by not having to produce or pay for the research, products or services, and Bantam will have an incentive to recommend a broker-dealer based on receiving research or services. Clients should be aware that Bantam’s acceptance of soft dollar benefits may result in higher commissions charged to the client.

2. Brokerage for Client Referrals

Bantam receives no referrals or payments 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

In very limited circumstances, Bantam may permit clients to direct it to execute transactions through a specified broker-dealer. If a client directs brokerage, then the client will be required to acknowledge in writing that the client’s direction with respect to the use of brokers supersedes any authority granted to Bantam to select brokers; this direction may result in higher commissions, which may result in a disparity between free and directed accounts.

Furthermore, the client may be unable to participate in block trades (unless Bantam is able to engage in “step outs”); and trades for the client and other directed accounts may be executed after trades for free accounts, which may result in less favorable prices, particularly for illiquid securities or during volatile market conditions. Not all investment advisers allow their clients to direct brokerage.

B. AGGREGATING (BLOCK) TRADING FOR MULTIPLE CLIENT ACCOUNTS

If Bantam buys or sells the same securities on behalf of more than one client, it will typically (but would be under no obligation to) aggregate or bunch such securities in a single transaction for multiple clients in order to seek more favorable prices, lower brokerage commissions, or more efficient execution.

In such case, Bantam would place an aggregate order with the broker on behalf of all such clients in order to ensure fairness for all clients; provided, however, that trades would be reviewed periodically to ensure that accounts are not systematically disadvantaged by this policy.

Bantam would determine the appropriate number of shares and select the appropriate brokers consistent with its duty to seek best execution, except for those accounts with specific brokerage direction (if any).

ITEM 13: REVIEW OF ACCOUNTS

A. FREQUENCY AND NATURE OF PERIODIC REVIEWS AND WHO MAKES THOSE REVIEWS

All client accounts for Bantam's advisory services provided on an ongoing basis are reviewed at least quarterly by John J. Duval, Jr., CEO, with regard to clients' respective investment policies and risk tolerance levels. All accounts at Bantam are assigned to this reviewer.

All financial planning accounts are reviewed upon financial plan creation and plan delivery by John J. Duval, Jr., CEO. Financial planning clients are provided a one-time financial plan concerning their financial situation. After the presentation of the plan, there are no further reports. Clients may request additional plans or reports for a fee.

Bantam believes a client's financial plan should be updated annually to evaluate progress towards goals and to review key assumptions.

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 a client's financial situation (such as retirement, termination of employment, physical move, divorce, or inheritance).

With respect to initial financial plans, Bantam's services will generally conclude upon delivery of the financial plan. However, annual updates will be recommended to monitor client financial progress.

C. CONTENT AND FREQUENCY OF REGULAR REPORTS PROVIDED TO CLIENTS

Each client of Bantam's asset management clients receive a monthly statement detailing the client's account, including assets held, asset value, and calculation of fees. This written report will come from the custodian. Bantam will also provide a separate report to asset management and consolidated reporting clients on a monthly basis.

Each financial planning client will receive the financial plan upon completion.

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)

Bantam does not receive any economic benefit, directly or indirectly from any third party for advice rendered to Bantam's clients.

B. COMPENSATION TO NON – ADVISORY PERSONNEL FOR CLIENT REFERRALS

Bantam does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

ITEM 15: CUSTODY

When advisory fees are deducted directly from client accounts at client's custodian, Bantam will be deemed to have limited custody of client's assets and must have written authorization from the client to do so. Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy.

ITEM 16: INVESTMENT DISCRETION

Bantam provides discretionary and non-discretionary investment advisory services to clients. The advisory contract established with each client sets forth the discretionary authority for trading. Where investment discretion has been granted, Bantam 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.

In some instances, Bantam's discretionary authority in making these determinations may be limited by conditions imposed by a client (in investment guidelines or objectives, or client instructions otherwise provided to Bantam).

Bantam has discretionary authority to choose the broker or dealer to be used for a purchase or sale of securities.

ITEM 17: VOTING CLIENT SECURITIES (PROXY VOTING)

Bantam will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

ITEM 18: FINANCIAL INFORMATION

A. BALANCE SHEET

Bantam neither requires nor solicits prepayment of more than \$1,200 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet with this brochure.

B. FINANCIAL CONDITIONS REASONABLY LIKELY TO IMPAIR ABILITY TO MEET CONTRACTUAL COMMITMENTS TO CLIENTS

Neither Bantam nor its management has any financial condition that is likely to reasonably impair Bantam's ability to meet contractual commitments to clients.

C. BANKRUPTCY PETITIONS IN PREVIOUS TEN YEARS

Bantam has not been the subject of a bankruptcy petition in the last ten years.