

1. Cover Page

Broad Securities LLC

December 8, 2021

Broad Securities LLC Firm Brochure – Form ADV Part 2A

This brochure provides information about the qualifications and business practices of Broad Securities LLC. If you have any questions about the contents of this brochure, please contact us at +852 3115 9296 and/or zgf_qh@163.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 does not imply a certain level of skill or training.

Additional information about Broad Securities LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

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2. Material Changes

This brochure is the first published version of Broad Securities LLC, and has not yet filed an annual updating amendment using the Form ADV Part 2A. Therefore there are no material changes to report.

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4. Advisory Business

a. Description of the Advisory Firm

Broad Securities LLC (hereinafter "Broad Securities") was founded as a Delaware Limited Liability Company in 2021 and 100% owned by Jiahui Cheng. Broad Securities devotes its resources only to service high net worth individuals, qualified purchasers and foreigners (non-US resident) investors.

b. Services Provided

Broad Securities offers portfolio management services on a discretionary basis which permits us to select securities and execute transactions without permission from the client prior to each transaction.

Through discussions with clients, Broad Securities evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. Clients personal, financial and investment preference information are documented in the Investment Policy Statement, which is given to each client.

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

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

For discretionary portfolio management services that provided to clients, Broad Securities invest in only security market in US and Hong Kong market. Broad Securities doesn't involve and advice clients to trade on Over-The-Counter (OTC) market. Investment products involved in Broad Securities trading might involve Treasury Inflation Protected/Inflation

Linked Bonds, mutual funds, exchange traded funds(ETF), real estate investment trusts (REITs) , equity and option.

Broad Securities seeks to provide that investment decisions are made in accordance with the fiduciary duties owed to its clients and without consideration of Broad Securities' economic, investment or other financial interests. To meet its fiduciary obligations, Broad Securities attempt to avoid, among other things, investment or trading practices that systematically advantage or disadvantage certain client portfolios, and accordingly, Broad Securities' policy is to seek fair and equitable allocation of investment opportunities/transactions among its clients to avoid favoring one client over another. It is Broad Securities' policy to allocate investment opportunities and transactions it identifies as being appropriate and prudent, among its clients on a fair and equitable basis over time.

c. Tailor Services

Broad securities LLC provides tailor advisory services to the individual needs of clients. Clients may impose restriction on investing in certain securities or types of securities.

d. Wrap Fee Programs

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.

Broad Securities does not participate in any wrap fee programs.

e. Assets Under Management

Broad Securities LLC manages clients' assets on a discretionary basis. By the time of this filing, as Broad Securities LLC is a newly formed company has \$0 client assets under management.

5. Fees and Compensation

a. Fees Charged

Broad Securities applies 1% of the assets under management (management fee) flat fee applied annually and 10% of performance-based fee (carry fee). All fees are negotiable.

The management fee is charged a flat rate of 1% annually based on client's Net Asset Value (NAV) under management. The management fee is applied monthly and will deduct from client's account at the beginning of the next month that serviced provided. The calculation of monthly fee will be calculate using daily NAV and sum up into monthly. For detailed calculation process, client can log onto client portal and check the advisory Fee Invoice under other reports section.

A 10%, carry fee, is applied to the mark- to-market P&L (positive or negative) at the end of each period. If at the end of the billing period the accumulated fee calculation is negative, no fee will be charged. The Performance fee is charged Quarterly as of 3/31, 6/30, 9/30, and 12/31. Fees will be posted 10 days after the close of a quarter. Broad Securities apply High Water Marking to the billing period client fees to offset periods of losses in a volatile market. Broad Securites have applied 4 quarters of look back period. High Water Marking keeps track of cumulative losses per billing period within the specified look-back period. A loss in previous 4 period will be added to the look-back period's cumulative losses. A gain in any period will decrease the cumulative loss recorded to date. Broad Securities cannot charge a profit-based fee if a cumulative loss exists. If a client makes withdrawals or deposits during a billing period, Broad Securities will prorate the loss (P&L) for that period.

Clients will incur brokerage and other transaction costs.

b. How we deduct fees

By the time clients open an account with Broad Securities' preferred broker dealer, Interactive Brokers, clients will need to sign an agreement between client and Interactive Brokers that allow Interactive Brokers to deduct fee from clients account to Broad Securities' account with all the fees schedule attached. By the end of each period, monthly for management fee and quarterly for carry fee, Broad Securities will double check the fees calculated by Interactive Brokers, according to the fees schedule, and send a bill to clients. In the following few days after end of each period, Interactive Brokers will deduct fees directly from clients account and transferred to Broad Securities' account.

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 Broad Securities.

d. Prepayment of Fees

Broad Securities collect its fees in arrears. We do not collect fees in advance.

e. Outside Compensation for the Sale of Securities to Clients

Neither Broad Securities nor its supervised persons accept any compensation for the sale of securities or other investment products.

6. Performance-Based Fees and Side-By-Side Management

Broad Securities manages accounts that deduct performance-based fees (a share of capital gains on or capital appreciation of the assets of a client) and may as well manage accounts

that are not billed on performance-based fees. But at current stage, Broad Securities only managing clients account and charge both performance-based fees and AUM based fees. Managing both kinds of accounts at the same time presents a conflict of interest because Broad Securities and/or its supervised persons have an incentive to favor accounts for which Broad Securities receives a performance-based fee. Broad Securities addresses the conflicts by ensuring that clients are not systematically advantaged or disadvantaged due to the presence or absence of performance-based fees. Broad Securities 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.

7. Types of Clients

Broad Securities generally provides advisory services to the following types of clients:

- a. High net worth clients: Clients with at least \$1 million under management with the adviser or more than \$2.1 million of net worth
- b. Qualified Purchasers: Clients who are “qualified purchasers” under section 2(a) (51) (A) of the Investment Company Act;
- c. Clients that are not U.S. Residents.

The minimum account balance for all types of clients is \$1 million.

8. Methods of Analysis, Investment Strategies and Risk of Loss

a. Methods of Analysis and Investment Strategies

Methods of Analysis

Broad Securities' methods of analysis include Fundamental analysis.

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

Investment Strategies

Broad Securities uses long term trading as the main investment strategies.

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

b. Material Risks Involved

Methods of Analysis

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.

Investment Strategies

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.

Risk of Loss

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear. All investing and trading activities risk the loss of capital. Although we will attempt to moderate these risks, no assurance can be given that the investment activities of an account we advise will achieve the investment objectives of such account or avoid losses. Direct and indirect investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance. It is important that you understand the risks associated with investing in the types of investments

c. Risks of Specific Securities Utilized

There are certain additional risks associated when investing in securities; including, but not limited to:

Non-U.S. securities - present certain risks such as currency fluctuation, political and economic change, changes in government regulation, differences in accounting and the lesser degree of accurate public information available.

Market Risk: Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.

Legal and Regulatory Risks: The regulation of the U.S. and non-U.S. securities and futures markets investment funds has undergone substantial change in recent years and such

change may continue. In particular, there have been numerous proposals, including bills that have been introduced in the U.S. Congress, for substantial revisions to the regulation of financial institutions generally. Further, the practice of short selling has been the subject of numerous temporary restrictions, and similar restrictions may be promulgated at any time. Such restrictions may adversely affect the returns of Underlying Investment Funds that utilize short selling. The effect of such regulatory change on the accounts and/or the underlying investment funds, while impossible to predict, could be substantial and adverse to clients' interests.

Inflation Risk: The Firm's portfolios face inflation risk, which results from the variation in the value of cash flows from a financial instrument due to inflation, as measured in terms of purchasing power.

Market or Interest Rate Risk: The price of most fixed income securities move in the opposite direction of the change in interest rates. For example, as interest rates rise, the prices of fixed income securities fall. If the Firm holds a fixed income security to maturity, the change in its price before maturity may have little impact on the Firm portfolios' performance. However, if the Firm determines to sell the fixed income security before the maturity date, an increase in interest rates could result in a loss.

Market Volatility: The profitability of the Firm portfolios substantially depends upon the Firm correctly assessing the future price movements of stocks, bonds, options on stocks, and other securities and the movements of interest rates. The Firm cannot guarantee that it will be successful in accurately predicting price and interest rate movements.

Material Non-Public Information: By reason of their responsibilities in connection with other activities of the Firm and/or its principals or employees, certain principals or employees of the Firm and/or its affiliates may acquire confidential or material non-public information or be restricted from initiating transactions in certain securities. The Firm is not permitted to act upon any such information. Due to these restrictions, the Firm may not be able to initiate

a transaction that it otherwise might have initiated and may not be able to sell an investment that it otherwise might have sold.

Trading Limitations: For all securities, instruments and/or assets listed on an exchange, including options listed on a public exchange, the exchange generally has the right to suspend or limit trading under certain circumstances. Such suspensions or limits could render certain strategies difficult to complete or continue and subject the account to loss. Also, such a suspension could render it impossible for the Firm to liquidate positions and thereby expose client accounts to potential losses.

Recommendation of Particular Types of Securities: In some cases, the Firm recommends mutual funds. There are several risks involved with these funds. These funds have portfolio managers that trade the fund's investments in agreement with the fund's objective and in line with the fund prospectus. While these investments generally provide diversification there are some the supply and demand. Open end funds may have a diluted effect on other investors' interest due to the structure of the fund while closed end funds have limited shares which rise and fall in value according to supply and demand in the market. In addition, closed end funds are priced daily and as a result they may trade differently than the daily net asset value ("NAV").

Firm's Investment Activities: The Firm's investment activities involve a significant degree of risk. The performance of any investment is subject to numerous factors which are neither within the control of nor predictable by the Firm. Such factors include a wide range of economic, political, competitive and other conditions (including acts of terrorism and war) that may affect investments in general or specific industries or companies. The markets may be volatile, which may adversely affect the ability of the Firm to realize profits on behalf of its clients. As a result of the nature of the Firm's investing activities, it is possible that the Firm's results may fluctuate substantially from period to period.

Equity (stock) Market Risk: Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you hold common stock, or common stock equivalents, of any given issuer, you are generally exposed to greater risk than if you hold preferred stocks and debt obligations of the issuer.

Company Risk: When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.

Risks Associated with Fixed Income: When investing in fixed income instruments such as bonds or notes, the issuer may default on the bond and be unable to make payments. Further, interest rates may increase and the principal value of your investment may decrease. Individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power.

ETF and Mutual Fund Risk: When investing in an exchange trade fund ("ETF") or mutual fund, a client will bear additional expenses based on the client's pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. Clients will also incur brokerage costs when purchasing ETFs.

Options Risk: Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.

Liquidity Risk: Certain assets may not be readily converted into cash or may have a very limited market in which they trade. Thus, you may experience the risk that your investment or assets within your investment may not be able to be liquidated quickly, thus, extending the period of time by which you may receive the proceeds from your investment. Liquidity risk can also result in unfavorable pricing when exiting (i.e., not being able to quickly get out of an investment before the price drops significantly) a particular investment and therefore, can have a negative impact on investment returns.

Management Risk: Your investments will vary with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If you implement our recommendations, and our investment strategies do not produce the expected results, you may not achieve your objectives.

Force Majeure Event Risk. A Force Majeure Event ("Event") means any act of God, terrorist, failure of utilities, pandemic virus outbreaks such as the novel coronavirus (COVID-19) or other similar circumstances not within the reasonable control nor predictable by the Firm. An Event may result in trading limitations including but not limited to the temporary closure of markets of anywhere between a few minutes to a few weeks which may cause the Firm to be unable to buy and sell securities in a clients' account and provide cash to a client. The Event may cause volatility in the markets, which may adversely affect the ability of the Firm to realize profits on behalf of its clients. The Event may cause Market Risk, Inflation Risk, Market or Interest Rate Risk, Market Volatility, Equity (Stock Market) Risk, Company Risk, Risks Associated with Fixed Income, ETF and Mutual Fund Risk, Options Risks and Liquidity Risks. Please see the specific details of each risk as listed above.

Epidemics, Pandemics, Outbreaks of Disease and Public Health Issues. Our business activities could be materially adversely affected by pandemics, epidemics and outbreaks of disease in Asia, Europe, North America and/or globally or regionally, such as COVID-19, Ebola, H1N1 flu, H7N9 flu, H5N1 flu, Severe Acute Respiratory Syndrome (SARS), and/or

other epidemics, pandemics, outbreaks of disease, viruses and/or public health issues. Specifically, COVID-19 has spread (and is currently spreading) rapidly around the world since its initial emergence in China in December 2019 and has severely negatively affected (and may continue to materially adversely affect) the global economy and equity markets (including, in particular, equity markets in Asia, Europe and the United States). Although the long-term effects or consequences of COVID-19 and/or other epidemics, pandemics and outbreaks of disease cannot currently be predicted, previous occurrences of other pandemics, epidemics and other outbreaks of disease, such as H5N1 flu, H1N1 flu, SARS and the Spanish flu, had a material adverse effect on the economies and markets of those countries and regions in which they were most prevalent. Any occurrence or recurrence (or continued spread) of an outbreak of any kind of epidemic, communicable disease or virus or major public health issue could cause a slowdown in the levels of economic activity generally (or cause the global economy to enter into a recession or depression), which would adversely affect the business, financial condition and operations of the Adviser. Should these or other major public health issues, including pandemics, arise or spread farther (or continue to spread or materially impact the day to day lives of persons around the globe), the Adviser could be adversely affected by more stringent travel restrictions, additional limitations on the Adviser's operations or business and/or governmental actions limiting the movement of people between regions and other activities or operations (or to otherwise stop the spread or continued spread of any disease or outbreak).

9. Disciplinary Information

a. Criminal or Civil Actions

There is 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.

10. Other Financial Industry Activities and Affiliations

a. Registration as a Broker/Dealer or Broker/Dealer Representative

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

b. Registration as a Futures Commission Merchant, Commodity Pool Operator, Commodity Trading Advisor, or an associated person of the foregoing entities.

Neither Broad Securities 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. Relationship or Arrangement with Related Person

There is no relationship or arrangement that is material to our advisory business or to our clients that our or any of our management persons have with any related person.

d. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections

Broad Securities does not utilize nor select third-party investment advisers. All assets are managed by Broad Securities.

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

a. Code of Ethics

Broad Securities has adopted a written Code of Ethics (hereinafter referred to as the “Code”) in accordance with Rule 204A-1 of the Advisers Act. The purpose of the Code is to set forth the high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws. The Code requires that all employees conduct themselves in accordance with the highest ethical standards, which should be premised on the concepts of integrity, honesty and trust.

Broad Securities and our employees owe a duty of loyalty, fairness and good faith towards our clients and have an obligation to adhere not only to the specific provisions of the Code, but to the general principles that guide the Code.

Our Code includes policies and procedures addressing gifts and entertainment, personal securities transactions, including the review of quarterly securities transactions reports as well as initial and annual securities holdings reports. Among other things, our Code also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering (“IPO”). Our Code also provides for oversight, enforcement and record keeping provisions.

Broad Securities also reserves the right to disapprove any proposed transaction that may have the appearance of improper conduct.

In order to comply with legal and fiduciary duties and to avoid conflicts of interest, the Code requires that employees comply with applicable laws and that neither the Firm nor any related person may use confidential information about client accounts when making

personal transactions, take personal advantage of investment opportunities that properly belong to clients, or act on the basis of material nonpublic or insider information about the issuer of a security, even if that would benefit a client account.

While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

Broad Securities' Code of Ethics is available free upon request to any client or prospective client.

b. Recommendations Involving Material Financial Interests

Broad Securities and its associated persons is and will not have material financial interests in issuers of securities that Broad Securities may recommend for purchase or sale by clients.

If for any investment suggestions that involving material financial interests, Broad Securities will disclosure all interest to clients.

c. Investing Personal Money in the Same Securities as Clients

From time to time, representatives of Broad Securities may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of Broad Securities 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. Broad Securities Code of Ethics requires that us to document any transactions that could be construed as conflicts of interest and does not permit us to 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 Broad Securities may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for

representatives of Broad Securities 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, Broad Securities Code of Ethics does not permit us to engage in trading that operates to the client's disadvantage if representatives of Broad Securities buy or sell securities at or around the same time as clients.

12. Brokerage Practices

a. Factors Used to Select Custodians and/or Broker/Dealers

Custodians/broker dealers will be recommended based on Broad Securities'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 Broad Securities 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 Broad Securities' research efforts. Broad Securities will never charge a premium or commission on transactions, beyond the actual cost imposed by the broker dealer/custodian.

Broad Securities recommends Interactive Brokers LLC.

1. Research and Other Soft - Dollar Benefits

While Broad Securities has no formal soft dollars program in which soft dollars are used to pay for third party services, Broad Securities may receive research, products, or other

services from custodians and broker dealers in connection with client securities transactions ("soft dollar benefits"). Broad Securities 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 Broad Securities does not seek to allocate benefits to client accounts proportionate to any soft dollar credits generated by the accounts. Broad Securities benefits by not having to produce or pay for the research, products or services, and Broad Securities will have an incentive to recommend a broker dealer based on receiving research or services. Clients should be aware that Broad Securities' acceptance of soft dollar benefits may result in higher commissions charged to the client.

2. Brokerage for Client Referrals

Broad Securities 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

Broad Securities does not permit clients to direct it to execute transactions through a specified broker dealer.

4. Aggregating (Block) Trading for Multiple Client Accounts

Broad Securities does not aggregate (block) trades for multiple client accounts.

13. Review of Accounts

a. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews

All Client accounts for Broad Securities' advisory services provided on an ongoing basis are reviewed at least monthly by our Investment Strategy Team, with regard to clients' respective investment policies and risk tolerance levels. All accounts at Broad Securities are 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 of Broad Securities' advisory services provided on an ongoing basis will receive a monthly report detailing the client's account, including assets held, asset value, and calculation of fees.

Electronic real-time report is reachable at the website of the custodian.

14. Clients Referrals and Other Compensation

Broad Securities may accept compensation for client referrals, but does not have any such arrangements in place at this time.

Broad Securities may compensate any person who is not advisory personnel for client referrals, but does not have any such arrangements in place at this time.

15. Custody

When advisory fees are deducted directly from client accounts at client's custodian, Broad Securities will be deemed to have limited custody of client's assets. Because client fees will be withdrawn directly from client accounts, Broad Securities :

(A) Requires written authorization from the client to deduct advisory fees from an account held by a qualified custodian.

(B) Provides 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) Sends 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.

Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy. Clients are urged to compare the account statements they received from custodian with those they received from Broad Securities.

16. Investment Discretion

Broad Securities provides discretionary portfolio management services to clients. The Investment Advisory Contract established with each client sets forth the discretionary authority for trading. Broad Securities 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. Clients with discretionary accounts will execute a limited power of attorney to evidence discretionary authority.

Broad Securities will also have discretionary authority to determine the broker dealer to be used for a purchase or sale of securities for a client's account.

17. Voting Client Securities

Broad Securities acknowledges its fiduciary obligation to vote proxies on behalf of those clients that have delegated to it, or for which it is deemed to have, proxy voting authority. Broad Securities will vote proxies on behalf of a client solely in the best interest of the relevant client and has established general guidelines for voting proxies. Broad Securities may also abstain from voting if, based on factors such as expense or difficulty of exercise, it determines that a client's interests are better served by abstaining. Further, because proxy proposals and individual company facts and circumstances may vary, Broad Securities may vote in a manner that is contrary to the general guidelines if it believes that doing so would be in a client's best interest to do so. If a proxy proposal presents a conflict of interest

between Broad Securities and a client, then Broad Securities will disclose the conflict of interest to the client prior to the proxy vote and, if participating in the vote, will vote in accordance with the client's wishes.

Clients may obtain a complete copy of the proxy voting policies and procedures by contacting Broad Securities in writing and requesting such information. Each client may also request, by contacting Broad Securities in writing, information concerning the manner in which proxy votes have been cast with respect to portfolio securities held by the relevant client during the prior annual period.

18. Financial Information

a. Balance Sheet

Broad Securities neither requires nor solicits prepayment of more than \$500 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 Broad Securities nor its management has any financial condition that is likely to reasonably impair Broad Securities' ability to meet contractual commitments to clients.

c. Bankruptcy Petition in Previous Ten Years

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