

Titleist Asset Management, Ltd.

Form ADV Part 2A Appendix 1 Wrap Fee Program Brochure

777 E. Sonterra Blvd., Suite 330
San Antonio, TX 78258

January 27, 2021

This wrap fee program brochure provides information about the qualifications and business practices of Titleist Asset Management, Ltd (“TAM”). TAM is a Registered Investment Advisor with the United States Securities and Exchange Commission. Registration of an Investment Advisor does not imply any level of skill or training. 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. The oral and written communications of an Advisor provide you with information you may use to determine to hire or retain an Advisor.

Additional information about TAM is also available on the SEC’s website at www.Advisorinfo.sec.gov. If you have any questions about the contents of this brochure, please contact us at 210.826.2424.

Summary of Material Changes

Pursuant to SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

This Brochure dated January 27, 2021 has been developed to include changes to the TAM's wrap fee program and fees.

We will provide you with a new wrap fee program brochure, at any time, without charge. If you would like to receive a copy of our wrap fee program brochure it may be requested by contacting TAM's Compliance Department at 210.826.2424 or compliance@tamgmt.com.

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Services, Fees & Compensation

Titleist Asset Management, Ltd. (“TAM” or “Advisor”) sponsors an investment advisory program (“Program”), discretionary and non-discretionary, whereby our investment adviser representatives (“IAR”) will manage your assets within an advisory account for a single fee that includes portfolio management services, reporting and transaction costs. In a discretionary account, the customer gives the IAR the authorization to make purchases and sales in the account without first obtaining the customer’s permission. Under this program, we offer investment advice designed to assist you with professional management of your investments for a convenient single “wrap fee.” If you participate in the Program, we charge you a specified fee which covers our advisory services and the fees for executing transactions within your account. You may also choose to participate in our “wrap program” without granting discretion. Non-discretion requires that you provide instructions to the IAR regarding all activity in the account(s). You can change discretionary authorization at any time by doing so in writing and providing it to TAM.

Account Opening

Prior to joining the Program, if you choose to have a discretionary account you will execute a Limited Trading Authorization Form with TAM setting forth the terms and conditions of our management of your investments within the Program. TAM will never have full trading authorization for your account. For both discretionary and non-discretionary accounts, a TAM Account Profile Form will be completed and signed by both you and your IAR describing your financial needs, investment objectives, time horizon, and risk tolerance, as well as any other factors that are relevant to your specific financial situation and any other supporting documentation required for the Program. The gathering of this data (and other information obtained during the initial phase of our engagement, when applicable) enables us to design a tailored portfolio for you that will encompass your investment objectives, risk tolerance, and investment time horizon.

The Program

Currently, there is one version of the Program. The Program is a “bundled” program, which means all transaction charges, advisory fees, execution services, and certain administrative fees are included in the fee charged to you. In the program, your TAM IAR creates and manages the asset allocation model for you. More so, your TAM IAR will furnish you with investment advice and recommend a portfolio of securities mentioned above that we consider appropriate to meet your specific investment goals and objectives.

Program accounts may contain individual options, equities, fixed income securities, unit investment trusts (“UIT”), open and closed end mutual funds, exchange traded funds (“ETF”), exchange traded notes (“ETN”), and other securities that may be suitable for you. For accounts that contain mutual funds, UITs, ETFs and/or ETNs, each mutual fund, UIT, ETF and/or ETN bears its own internal fees, operating expenses and/or organization costs (none of which are shared with TAM or your IAR) as disclosed in the applicable prospectus, statement of additional information or product description. This compensation is in addition to the advisory fee, resulting in increased costs to you. Mutual Funds shall be purchased on a “no load” or a “load waived” basis through the Custodian. You should read these documents carefully because they contain important information about the risks, liquidity, fees, expenses, conflicts of interest, and other material considerations associated with those investments. As you review these materials, you should consider your ability to bear the risks associated with those investments before making any decision to invest.

Options Trading

Selling and repurchases of covered call options against a long stock position is permitted in order to generate income and to establish a partial hedge against a decline in the price of the long stock position for Program accounts. No other option strategies such as purchasing/selling puts, spreads, or straddles are permitted in the Program account unless authorized by TAM in writing. If your account has open option positions other than covered calls against long stock positions in that account, you may continue to trade options with written authorization from TAM.

To engage in options activity you must complete the forms required by TAM as deemed necessary, and be approved by TAM. TAM may terminate the ability to engage in options activity in any account at any time for any reason.

Prior to buying or selling an option, investors will receive and must read a copy of the Characteristics & Risks of Standardized Options, also known as the options disclosure document (ODD). It explains the characteristics and risks of exchange traded options.

Account Restrictions & Considerations

You may place reasonable restrictions on the management of your Program Account and may, at any time, modify any reasonable restrictions that are in place. Any reasonable restriction that you may wish to impose must be requested in writing and is subject to our review and approval in our sole discretion. We will not accept any restrictions that are inconsistent with the Program's stated investment strategy or are inconsistent with the nature or operation of the Program.

If we determine that a restriction request is reasonable and therefore, accept a restriction on your Program Account, you acknowledge and understand that the performance of Program Accounts with restrictions imposed will differ from, and may be lower than, the performance of similar unrestricted Program Accounts. TAM and our affiliates, employees, and agents shall not be liable to you or any other person for any investment made in violation of any restriction or guideline that was not submitted or confirmed in writing and accepted by us. A concentrated position (whether in a particular security, industry, sector, geographic region, or otherwise) can be expected to increase the risk and volatility of your Program Account.

We reserve the right to liquidate any securities that you deposit, transfer or contribute into your Program Account that do not comprise a portion of your investment model. Mutual funds shares that are transferred into and sold in your Program Account may be subject to sales load, redemption fees or other applicable charges imposed by the funds. You may incur and will be responsible for any tax liabilities resulting from the ownership and sale of such securities. We will not charge a separate brokerage commission or transaction fee in connection with these sales. TAM or the Custodian reserve the right to reject any securities that you deposit, transfer, or contribute into your Program Account for any reason or to require that you transfer such securities to a self-directed brokerage account outside the Program.

Advisory Fees, Transaction Fees, and Account Minimums

Please review this brochure for information about your account in the program and fee structure. The fees and charges are applicable to new accounts opened on or after the new pricing effective date, June 29, 2017. Accounts opened prior to this date will reflect pricing that was previously in effect. Clients may consult with their IAR about their current program selection and determine if a change in program or fees may be necessary.

You will be charged an advisory fee for the management of your Program Account. This advisory fee covers services which include portfolio construction, asset allocation, the ongoing review, at least annually, of your Program Account and certain brokerage related services.

Quarterly fees billed in arrears in each following calendar quarter based on the value of assets under management at the end of the previous quarter and is payable within 30 days after the beginning of each following calendar quarter. Should the advisory agreement be terminated, the client will be charged a prorated fee in accordance with the number of days that have elapsed from the beginning of the quarter in which the agreement was terminated through the date of termination.

The Advisor Fee is paid to your TAM IAR for providing investment advice to you and is negotiable. The fees you negotiate will be different than the fees your IAR has negotiated with other clients or the fees other IARs have negotiated with other clients for similar services. The advisory fee charged to your account does not cover charges resulting from regulatory fees, wire transfer fees, and other various charges. It also does not include fees for generating a financial plan. It does not include fees charged by mutual fund companies to manage mutual funds held in your account. You may obtain a schedule of these miscellaneous charges from your TAM IAR. Please refer to the mutual fund prospectus of each mutual fund for fees charged by the mutual fund company.

The Program's Fees

<i>Asset Ranges</i>	<i>Advisor Fee</i>
Up to \$100,000	1.5%-2.5%
\$100,000 - \$1,000,000	1.0%-1.5%
\$1,000,000 - \$2,000,000	0.9%
\$2,000,000 - \$3,500,000	0.8%
\$3,500,000 - \$5,000,000	0.7%

The cost of investment advisory services provided through the Program may be more or less than the cost of purchasing similar services separately. For example, if you expect to trade frequently, the Program could be a cost effective approach. Conversely, if you and/or your IAR expect a lower level of trading activity, an unbundled pricing structure could be more appropriate. You should consider the value of services provided under a wrap fee program, as the wrap-fee could exceed the aggregate cost of services if provided separately.

Your TAM IAR will receive compensation as a result of your participation in the Program. The amount of the compensation may be more or less, than your TAM IAR would receive if you participated in other advisory programs co-sponsored by TAM or if you paid separately for investment advice, brokerage, and other services.

You may group multiple Program Accounts in order to obtain lower advisory fees based upon the total

amount of assets under management. For illustrative purposes, “house-holding” shall mean aggregating eligible Program Accounts in order to qualify for more favorable advisory fees. Eligible Program Accounts include those registered in the name of the following members of the same family: spouse, child, child’s spouse, grandchild, grandchild’s spouse, brother, brother-in-law, sister, or sister-in-law. Program Accounts that are not eligible for house-holding include, but are not limited to corporate accounts, Keoghs, 401(k)s, 403(b)s, investment clubs, estate accounts, and partnerships. We are not responsible for identifying accounts for house-holding and will house-hold accounts only upon your specific written request. We may house-hold additional Program Accounts solely at our discretion. The assets of house-held accounts are not co-mingled and retain ownership rights and responsibilities.

The advisory fee charged to your Program Account does not cover charges resulting from SEC fees, electronic fund and wire transfer fees, and miscellaneous charges. It does not include fees charged by mutual fund companies to manage mutual funds held in your Program Account. You may obtain a schedule of these miscellaneous charges from your TAM IAR. Please refer to the mutual fund prospectus of each mutual fund for fees charged by the mutual fund company. Additional account level fees apply.

Account Minimums and Types of Clients

The Advisor does not have an account minimum.

The types of clients the Advisor generally provides investment advice to includes, but is not limited to, individuals, high net worth individuals, trusts, estates, corporate retirement plans, charitable organizations, corporations or businesses. The Advisor does not have a minimum account size requirement.

If an account is subject to the Employee Retirement Income Security Act of 1974, as amended, ("ERISA"), the Advisor acknowledges that the Advisor is a fiduciary within the meaning of the Act and the ERISA client is a named fiduciary with respect to the control or management of the assets in the account. In each instance, the client will agree to obtain and maintain a bond satisfying the requirements of Section 412 of ERISA and to include the Advisor and the Advisor's principals, agents, and employees under those insured under that bond and will deliver the Advisor a copy of the governing plan documents. If the account assets for which the Advisor provides services represents only a portion of the assets of an employee benefit plan, client will remain responsible for determining an appropriate overall diversification policy for the assets of such plan.

The Advisor reserves the right to decline to provide investment advisory services to any person or firm in its sole discretion and for any reason.

Performance Based Fees and Side-by-Side Management

The Advisor does not participate in performance-based fees or side-by-side management.

Client Information to be Provided to TAM

Personal identifiable information (such as name, address, Social Security number, date of birth, assets and income), account and holdings are disclosed to IARs and TD Ameritrade so that we may best service your account. TAM and TD Ameritrade only share your personal information and account data pursuant to established TAM and TD Ameritrade Privacy Policies. In providing services to your Program Account, TAM and/or TD Ameritrade may use third-party service providers, who are contractually bound to respect and protect the privacy of your information.

TAM and TD Ameritrade also receive information about your stated investment objectives, investment restrictions and investor risk rating. Your risk rating is based on your stated responses in the account opening process and classifies you as a conservative, moderate, aggressive or a speculative type of investor.

Client Contact with Investment Advisor Representatives

The Advisor's normal operating hours are 8:00 A.M. C.S.T. through 5:00 P.M. C.S.T., Monday through Friday and excludes national holidays. You may contact and consult with your IAR who manages your program account during those times. Each TAM IAR has the right to reserve times other than those provided above to accept customer calls or emails.

General Wrap Fee Program Disclosure

- Wrap fee programs are not suitable for all investment needs, and any decision to participate in a wrap fee program should be based on your individual financial circumstances and investment goals.
- The benefits under a wrap fee program depend, in part, upon the size of your account and the number of transactions expected in the account. For example, wrap fee accounts are likely not be suitable for accounts with low balances or little trading activity.
- Participation in a wrap fee program could cost more or less than the cost of purchasing investment advice, brokerage, and other services separately.
- Your IAR could have a financial incentive to recommend a wrap fee program over another program or service, as the amount of compensation your IAR receives could be more than what your IAR would receive if you participated in other programs or paid separately for investment advice, brokerage, and other services.

Risk of loss

Each client should be aware that securities investing involves risk of loss and should be prepared to bear any such loss of that investment. We make no representation or guarantee that our services or methods of analysis can or will predict future results, opportunistically identify market trends, or protect clients 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 not indicative of future results.

Business Risk - With a stock, you are purchasing a piece of ownership in a company. With a bond, you are loaning money to a company. Returns from both of these investments require that the company stays in business. If a company goes bankrupt and its assets are liquidated, common stockholders are the last in line to share in the proceeds. If there are assets, the company's bondholders will be paid first, then holders of preferred stock. If you are a common stockholder, you get whatever is left, which may be nothing.

Volatility Risk - Even when companies aren't in danger of failing, their stock price may fluctuate up or down. Large company stocks as a group, for example, have lost money on average about one out of every three years. Market fluctuations can be unnerving to some investors. A stock's price can be affected by factors inside the company, such as a faulty product, or by events the company has no control over, such as political or market events.

Inflation Risk - Inflation is a general upward movement of prices. Inflation reduces purchasing power, which is a risk for investors receiving a fixed rate of interest. The principal concern for individuals investing in cash equivalents is that inflation will erode returns.

Interest Rate Risk - Interest rate changes can affect a bond's value. If bonds are held to maturity the investor will receive the face value, plus interest. If sold before maturity, the bond may be worth more or less than the face value. Rising interest rates will make newly issued bonds more appealing to investors because the newer bonds will have a higher rate of interest than older ones. To sell an older bond with a lower interest rate, you might have to sell it at a discount.

Liquidity Risk - This refers to the risk that investors won't find a market for their securities, potentially preventing them from buying or selling when they want. This can be the case with the more complicated investment products. It may also be the case with products that charge a penalty for early withdrawal or liquidation such as a certificate of deposit (CD).

Credit Risk - If debt obligations held by an account are downgraded by ratings agencies or go into default, or if management action, legislation or other government action reduces the ability of issuers to pay principal and interest when due, the value of those obligations may decline and an account's value may be reduced. Because the ability of an issuer of a lower-rated or unrated obligation (including particularly "junk" or "high yield" bonds) to pay principal and interest when due is typically less certain than for an issuer of a higher rated obligation, lower rated and unrated obligations are generally more vulnerable than higher-rated obligations to default, to ratings downgrades, and to liquidity risk. Political, economic and other factors also may adversely affect governmental issues.

High Yield Risk - Debt obligations that are rated below investment grade and unrated obligations of similar credit quality (commonly referred to as "junk" or "high yield" bonds) may have a substantial risk of loss. These obligations are generally considered to be speculative with respect to the issuer's ability to pay interest and principal when due. These obligations may be subject to greater price

volatility than investment grade obligations, and their prices may decline significantly in periods of general economic difficulty or in response to adverse publicity, changes in investor perceptions or other factors. These obligations may also be subject to greater liquidity risk.

Management Risk – Titleist actively manages portfolios, and the value of the accounts may be reduced if Titleist pursues unsuccessful investments or fails to correctly identify risks affecting the broad economy or specific issuers in which the accounts invest.

Other Financial Industry Activities and Affiliations

Please refer to Titleist Asset Management, Ltd.'s Form ADV Part IIA for information regarding *Other Financial Industry Activities and Affiliations*.

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

The Advisor and its associated persons are subject to a Code of Ethics that imposes certain procedures, disclosures, and/or restrictions designed to avoid conflicts of interest between Advisor and its clients. As enforced through one or more of the following provisions:

- Generally clear in advance with a principal all securities transactions in which they have a direct or indirect interest except transactions in government securities, banker's acceptance notes, bank certificates of deposit ("CD"), commercial paper and mutual fund shares.
- Request duplicate confirms or statements be sent to Advisor's compliance officer.
- Provide a quarterly statement of transactions to Advisor's compliance officer.

An Advisor is considered a fiduciary according to the Investment Advisers Act of 1940. As a fiduciary, it is an Advisor's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. Advisor has a fiduciary duty to all clients.

This fiduciary duty is considered the core underlying principle for the advisor's Code of Ethics which also covers its Insider Trading and Personal Securities Transactions Policies and Procedures. Advisor requires all of its supervised persons to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment or affiliation and when changes occur, all supervised persons will sign an acknowledgement that they have read, understand and agree to comply with the advisor's Code of Ethics. Advisor has the responsibility to make sure that the interests of all clients are placed ahead of Advisor's or its supervised person's own investment interest. Full disclosure of all material facts and potential conflicts of interest will be provided to clients prior to any services being conducted. Advisor and its supervised persons must conduct business in an honest, ethical and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of advisor's Code of Ethics. However, if a client or a potential client wishes to review advisor's Code of Ethics in its entirety, a copy will be provided promptly upon written request.

Advisor or its personnel may invest for their own accounts or have a financial interest in the same securities or other investments that the firm recommends or acquires for the accounts of its clients, and may engage in transactions that are the same as or different than transactions recommended to or made for client accounts.

Such transactions are permitted if effected, pre-cleared and reported in compliance with Advisor's policy on personal securities transactions. Generally, personal securities transactions will not be pre-cleared when an order for the same or a related security is pending for the account of a client. Reports of personal transactions in securities by Advisor personnel are reviewed by the firm's compliance department quarterly or more frequently if required.

Advisor and its associated persons may buy or sell securities that are also recommended to clients. In order to minimize this conflict of interest, securities recommended by Advisor are widely held and publicly traded. In addition, in accordance with its fiduciary duty to clients, Advisor and its associated persons will place client interests ahead of their own interests.

In accordance with its fiduciary duty to clients, Advisor and its associated persons will place client interests ahead of their own interests.

Brokerage Activities

Please refer to Titleist Asset Management, Ltd.'s Form ADV Part IIA for information regarding *Brokerage Activities*.

Review of Accounts

Account reviews are provided in connection with asset management accounts. For clients participating in this program, one of the Advisor's representatives will contact clients at least annually for the purpose of reviewing their account and to determine if there have been changes in their financial situation or investment objectives. The calendar is the main triggering factor, although more frequent reviews may also be triggered by changes in the client's circumstances, client request, or changes within the market. The underlying investments held in client accounts are reviewed on a more frequent basis. Portfolios are usually reviewed as frequently as weekly, and not less than monthly. Triggering factors for changes to underlying portfolios include the relative valuation changes between asset classes, valuation of the individual security, or economic or political changes that change the perceived risk/reward ratio of a sector or sub-sector of the global or national economy.

Stand-alone financial planning services terminate upon completion of such services and full payment of all fees due. Therefore, no reviews are conducted for these clients. If clients elect to have a review and update to an original consultation, additional fees may be charged and clients may be required to sign a new client agreement.

Client investment portfolios are reviewed on an on-going basis. For financial plans, the calendar is the main triggering factor, although more frequent reviews may also be triggered by changes in the client's circumstances, client request, or changes within the market.

Clients will receive account statements directly from the custodian. Statements will be delivered no less than quarterly but as frequent as monthly. In addition, Advisor may provide quarterly newsletters covering general financial and investment topics, explaining current views of the global economies and factors driving investment decisions.

Client Referrals or Other Compensation

The Advisor does not have arrangements with someone who is not a client that provides an economic benefit to the Advisor for providing investment advice or other advisory services to its clients.

Advisor does not compensate any person, directly or indirectly, for client referrals.

Custody

Pursuant to Rule 206(4)-2 under the Investment Advisers Act of 1940, Advisor may be viewed for regulatory purposes as having custody of certain client assets due to Advisor's ability to deduct fees directly from certain client accounts.

The Advisor does not maintain actual custody of client's funds or securities, nor is it authorized to hold or receive any stock, bond or other security or investment certificate or cash of its client's accounts. The Advisor offers its Wrap Fee Program through TD Ameritrade, an independent custodian who provides custody of customer assets.

The Advisor does not have custody of client funds or securities.

Investment Discretion

With the client's authorization as provided in the custodial account forms and the Advisor's Agreement, the Advisor will maintain limited discretionary trading authority to execute securities transactions in the investor's portfolio within investor's designated investment objectives, to include the securities to be bought and sold, and the amount of securities to be bought and sold. The Advisor will never have full power of attorney nor will the Advisor ever have authority to withdraw funds or to take custody of investor funds or securities other than the ability to deduct advisory fees via investor's qualified custodian and only with client authorization.

Voting Securities

Advisor does not perform proxy-voting services on a client's behalf. Clients are instructed to read through the information provided with the proxy-voting documents and to make a determination based on the information provided. Upon request from the client, Advisor may provide limited clarifications of the issues presented in the proxy-voting materials based on Advisor's understanding of issues presented in the proxy-voting materials. The Advisor has the ability to recommend proxy votes based on its understanding of issues presented in the proxy-voting materials. However, the client will have the ultimate responsibility for making all proxy-voting decisions.

Regulatory Information

The Firm has had one disciplinary event since its inception in 2003. Details may be found on [FINRA's BrokerCheck®](#) system or the [Investment Advisor Public Disclosure](#) database.

You may access such information by searching the Company name, CRD or SEC number(s).

Titleist Asset Management, Ltd.
SEC number: 801-80959
CRD number: 126136

If you have any questions regarding accessing the system or database, please contact the Firm's Chief Compliance Officer, Enrique Araiza.

Titleist Asset Management, Ltd.
Enrique Araiza, CCO
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San Antonio, Texas 78258_
earaiza@tamgmt.com
Phone: 713.859.2416
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Other valuable resources for investors are listed below:

U.S. Securities and Exchange Commission (SEC)
SEC.gov
Investor.gov

North American Securities Administrators Association (NASAA)
[NASAA Site](#)
[State Regulators](#)

Financial Industry Regulatory Authority (FINRA)
[FINRA Site](#)

Securities Investor Protection Corporation (SIPC)
[SIPC Site](#)

Financial Information

TAM is not required to include a balance sheet in this Brochure because we do not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.

There is no financial condition that is reasonably likely to impair TAM's ability to meet its contractual commitments to its clients. TAM has never been the subject of a bankruptcy proceeding.