

**Item 1 – Cover Page**

**ADV Part 2A**



January 26, 2021

3400 Peachtree Rd, NE #1607  
Atlanta, GA 30326  
(404) 341-9072  
[www.haberinvestment.com](http://www.haberinvestment.com)

This Brochure provides information about the qualifications and business practices of Haber Investment Counsel, LLC. If you have any questions about the contents of this Brochure, please contact us at [Cort.haber@haberinvestment.com](mailto:Cort.haber@haberinvestment.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.

Haber Investment Counsel, LLC is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Haber Investment Counsel, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Material Changes**

Since the last Annual Update Brochure filed by Haber Investment Counsel, LLC (“Haber,” “HIC” or “the Firm”) on January 29, 2020, the following information was updated:

Item 12 – Additional disclosures were added to allow for accounts maintained at broker-dealers as directed by the client.

Pursuant to SEC Rules, Haber will ensure you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of its business’ fiscal year. Haber will further provide you with a new Brochure, as necessary, based on changes or new information, at any time, without charge.

Additional information about Haber is also available via the SEC’s web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 3 - Table of Contents

Item 1 – Cover Page .....	1
Item 2 – Material Changes .....	2
Item 3 - Table of Contents .....	3
Item 4 – Advisory Business .....	4
Item 5 – Fees and Compensation .....	6
Item 6 – Performance-Based Fees and Side-By-Side Management .....	7
Item 7 – Types of Investors .....	7
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss .....	7
Item 9 – Disciplinary Information .....	12
Item 10 – Other Financial Industry Activities and Affiliations .....	12
Item 11 – Code of Ethics, Participation or Interest in Investor Transactions and Personal Trading .....	12
Item 12 – Brokerage Practices .....	13
Item 13 – Review of Accounts .....	15
Item 14 – Investor Referrals and Other Compensation .....	15
Item 15 – Custody .....	16
Item 16 – Investment Discretion .....	16
Item 17 – Voting Investor Securities .....	16
Item 18 – Financial Information .....	16

## **Item 4 – Advisory Business**

Haber Investment Counsel, LLC (“Haber”, “HIC” or “the Firm”) was organized in December of 2016. Prior to October 2019, the Firm provided investment services through a separate and unaffiliated registered investment adviser. In October of 2019, Haber became registered with the Securities and Exchange Commission (“SEC”) to provide investment services to high net worth individuals and family offices. The firm is owned by Cort Haber.

Haber provides investment advice, financial planning and investment management to high net worth individuals and family offices in the form of separately managed accounts (“SMAs”). The services HIC shall provide include financial planning, initial advice and ongoing monitoring, asset allocation, general investment consulting and active management of securities portfolios for that account.

Prior to Haber rendering advisory services, clients are required to enter into one or more written agreements with the Firm setting forth the relevant terms and conditions of the advisory relationship (the “Advisory Agreement”).

### **Investment Management Services**

Haber offers clients a broad range of financial planning and consulting services, which may include any or all of the following functions: Business Planning, Cash Flow Forecasting, Trust and Estate Planning, Financial Reporting, Investment Consulting, Insurance Planning, Retirement Planning, Risk Management, Charitable Giving, Distribution Planning, Tax Planning, and Manager Due Diligence.

Clients retain absolute discretion over all decisions regarding implementation and are under no obligation to act upon any of the recommendations made by HIC under a financial planning or consulting engagement. Clients are advised that it remains their responsibility to promptly notify HIC of any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising the Firm’s recommendations and/or services.

### **Wealth Management Services**

Haber provides clients with wealth management services which may include a broad range of comprehensive financial planning and consulting services as well as discretionary management of investment portfolios. HIC primarily allocates client assets among various mutual funds, exchange-traded funds (“ETFs”), and independent investment managers (“Independent Managers”) in accordance with their stated investment objectives. HIC may also recommend that certain eligible clients invest in alternative investment vehicles including, but not limited to, privately placed securities, which may include debt, equity and/or interests in pooled investment vehicles (e.g., hedge funds). When appropriate and fully disclosed, HIC may recommend investment products which require longer-term commitments from its clients. HIC shall provide continuous monitoring of such investments to include annual due diligence, performance tracking, amendment processing, and capital call assistance.

## Haber Investment Counsel, LLC

---

Where appropriate, HIC may also provide advice about any type of legacy position or other investment held in client portfolios. Clients may engage HIC to manage and/or advise on certain investment products that are not maintained at their primary custodian. In these situations, HIC directs or recommends the allocation of client assets among the various investment options available with the product. These assets are generally maintained at the underwriting insurance company or the custodian designated by the product's provider.

HIC tailors its advisory services to meet the needs of its individual clients and seeks to ensure, on a continuous basis, that client portfolios are managed in a manner consistent with those needs and objectives. The Firm consults with clients on an initial and ongoing basis to assess their specific risk tolerance, time horizon, liquidity constraints and other related factors relevant to the management of their portfolios. Clients are advised to promptly notify the Firm if there are changes in their financial situation or if they wish to place any limitations on the management of their portfolios.

Clients may impose reasonable restrictions or mandates on the management of their accounts if HIC determines, in its sole discretion, the conditions would not materially impact the performance of a management strategy or prove overly burdensome to the Firm's management efforts.

### **Use of Independent Managers**

Haber may select certain Independent Managers to actively manage a portion of its clients' assets. The specific terms and conditions under which a client engages an Independent Manager may be set forth in a separate written agreement with the designated Independent Managers engaged to manage their assets.

Haber evaluates a variety of information about Independent Managers, which may include the Independent Managers' public disclosure documents, materials supplied by the Independent managers themselves and other third-party analyses it believes are reputable. To the extent possible, the Firm seeks to assess the Independent Managers' investment strategies, past performance and risk results in relation to its clients' individual portfolio allocations and risk exposure. The Firm also takes into consideration each Independent Manager's management style, returns, reputation, financial strength, reporting, pricing and research capabilities, among other factors. HIC continues to provide services relative to the discretionary selection of the Independent Managers. On an ongoing basis, the Firm monitors the performance of those accounts being managed by Independent Managers.

The Firm seeks to ensure the Independent Managers' strategies and target allocations remain aligned with its clients' investment objectives and overall best interests.

As of December 31, 2019, Haber has the following assets under management:

Discretionary Assets Under Management: \$204,641,112

Non-Discretionary Assets Under Management: \$5,586,286

# Haber Investment Counsel, LLC

---

Total Assets Under Management: \$210,227,398

## Item 5 – Fees and Compensation

HIC offers services on a fee basis, which may include fixed and/or hourly fees, as well as fees based upon assets under management or advisement.

### Investment Management Fees

Fees paid to HIC are exclusive of all custodial and transaction costs paid to the client's custodian, brokers or other third-party consultants. Fees paid to HIC are separate and distinct from the fees and expenses charged by mutual funds, ETFs (exchange traded funds) or other investment pools to their shareholders (generally including a management fee and fund expenses, as described in each fund's prospectus or offering materials). The client should review all fees charged by funds, brokers, HIC and others to fully understand the total amount of fees paid by the client for investment and financial-related services.

The annual fee schedule, based on a percentage of assets under management, is as follows. The percentage charged does not apply to the entire balance, but to each balance within a particular rate bracket.

\$0 - \$2,500,000	1.00%
\$2,500,001 - \$5,000,000	0.75%
\$5,000,001 - \$15,000,000	0.55%
\$15,000,001 +	0.45%

Minimum annual fees may apply. HIC may, at its discretion, make exceptions to the foregoing or negotiate special fee arrangements where HIC deems it appropriate under the circumstances. Portfolio management fees are generally payable quarterly, in arrears based on the average of the market value on the last day of each month during the prior quarter. If management begins after the start of a quarter, fees will be prorated accordingly. Fees are normally debited directly from client account(s), unless other arrangements are made.

Either HIC or the client may terminate their Investment Management Agreement at any time, subject to any written notice requirements in the agreement. If the advisory agreement is terminated, the fee for the final billing period is prorated through the effective date of the termination and the outstanding or unearned portion of the fee is charged or refunded to the client, as appropriate.

For asset management services HIC provides with respect to certain client holdings (e.g., held away assets, accommodation accounts, alternative investments, etc.), HIC may negotiate a fee rate that differs from the range set forth above.

### Account Additions and Withdrawals

Clients may make additions to and withdrawals from their account at any time, subject to available liquidity. Additions may be in cash or securities provided HIC reserves the

right to liquidate transferred securities or declines to accept particular securities into a client's account. Clients may withdraw account assets on notice to HIC, subject to customary securities settlement procedures as well as any liquidity restraints in the event a portion of the portfolio is invested in less liquid products.

HIC generally designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. HIC may consult with its clients about the options and implications of transferring securities. Clients are advised that when transferred securities are liquidated, they may be subject to transaction fees, short-term redemption fees, fees assessed at the mutual fund level (e.g., contingent deferred sales charges) and/or tax ramifications.

### **Direct Fee Debit**

Clients generally provide HIC with the authority to directly debit their accounts for payment of the investment advisory fees. The Financial Institutions that act as the qualified custodian for client accounts, from which HIC retains the authority to directly deduct fees, shall send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to HIC.

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

Haber does not manage accounts that pay performance-based compensation and therefore there is no issue with side-by-side management.

## **Item 7 – Types of Investors**

HIC offers investment advice primarily to high net worth individuals. HIC does not impose a stated minimum fee or minimum portfolio value for starting and maintaining an investment management relationship. Certain Independent Managers may, however, impose more restrictive account requirements and billing practices from the Firm. In these instances, HIC may alter its corresponding account requirements and/or billing practices to accommodate those of the Independent Managers.

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

HIC may utilize several methods of analysis when structuring client portfolios including fundamental analysis and technical analysis. Fundamental analysis involves the fundamental financial condition and competitive position of a company. HIC may analyze the financial condition, capabilities of management, earnings, new products and services, as well as the company's markets and position amongst its competitors to determine the recommendations made to clients. The primary risk in using fundamental analysis is that while the overall health and position of a company may be good, market conditions may negatively impact the security. Technical analysis involves the analysis of past market data rather than specific company data in determining the

# Haber Investment Counsel, LLC

---

recommendations made to clients. Technical analysis may involve the use of charts to identify market patterns and trends which may be based on investor sentiment rather than the fundamentals of the company. The primary risk in using technical analysis is that spotting historical trends may not help to predict such trends in the future. Even if the trend will eventually reoccur, there is no guarantee that the Firm will be able to accurately predict such a reoccurrence.

## **Investment Strategies**

Investment strategies employed are varied and are highly dependent upon the specific needs and investment objectives of each client. HIC will utilize traditional strategies using both traditional investment products such as bond, ETFs and mutual funds, but will also take advantage of the unique characteristics offered through alternative investments such as structured products, fund of funds, limited partnerships, private equity and other products that present the opportunity to hedge client portfolios in down markets as well as make critical use of non-correlated asset classes.

## **Risk of Loss**

All investment portfolios are subject to risks. Accordingly, there can be no assurance that client investment portfolios will be able to fully meet their investment objectives and goals, or that investments will not lose money. Below is a description of several of the principal risks that client investment portfolios face.

*Management Risks.* While Haber manages client investment portfolios based on Haber's experience, research and proprietary methods, the value of client investment portfolios may change daily based on the performance of the underlying funds and other securities in which they are invested. Accordingly, client investment portfolios are subject to the risk that Haber allocates assets to asset classes that are adversely affected by unanticipated market movements, and the risk that Haber's specific investment choices could underperform their relevant indexes.

*Risks of Investments in Mutual Funds, ETFs and Other Investment Pools.* As described above, Haber may invest client portfolios in mutual funds, ETFs and other investment pools ("pooled investment funds"). Investments in pooled investment funds are generally less risky than investing in individual securities because of their diversified portfolios; however, these investments are still subject to risks associated with the markets in which they invest. In addition, pooled investment funds' success will be related to the skills of their particular managers and their performance in managing their funds. Pooled investment funds are also subject to risks due to regulatory restriction applicable to registered investment companies under the Investment Company Act of 1940. ETFs trade like a stock, and there will be brokerage commissions associated with buying and selling exchange traded funds. ETFs may trade for less than their net asset value. Investors should consider an ETF's investment objective, risks, charges, and expenses carefully. The prospectus and SAI, which contains this and other important information, should be read carefully before investing.

*Options Risk.* Options transactions as an investment strategy may involve a high level of inherent risk. Option transactions establish a contract between two parties concerning the buying or selling of an asset at a predetermined price during a specific period of time. During the term of the option contract, the buyer of the option gains the



## Haber Investment Counsel, LLC

---

right to demand fulfillment by the seller. Fulfillment may take the form of either selling or purchasing a security depending upon the nature of the option contract. Generally, the purchase or the recommendation to purchase an option contract by Haber shall be with the intent of offsetting/"hedging" a potential market risk in a client's portfolio. Please Note: Although the intent of the options-related transactions that may be implemented by Haber is to hedge against principal risk, certain of the options-related strategies may, in and of themselves, produce principal volatility and/or risk. Thus, a client must be willing to accept these enhanced volatility and principal risks associated with such strategies.

*Equity Market Risks.* Haber will generally invest portions of client assets directly into equity investments and may utilize pooled investment funds that invest in the stock market. While pooled investments have diversified portfolios that may make them less risky than investments in individual securities, funds that invest in stocks and other equity securities are nevertheless subject to the risks of the stock market. These risks include, without limitation, the risks that stock values will decline due to daily fluctuations in the markets, and that stock values will decline over longer periods (e.g., bear markets) due to general market declines in the stock prices for all companies, regardless of any individual security's prospects.

*Fixed Income Risks.* Haber may invest portions of client assets directly into fixed income instruments, such as bonds and notes, or may invest in pooled investment funds that invest in bonds and notes. While investing in fixed income instruments, either directly or through pooled investment funds, is generally less volatile than investing in stock (equity) markets, fixed income investments nevertheless are subject to risks. These risks include, without limitation, interest rate risks (risks that changes in interest rates will devalue the investments), credit risks (risks of default by borrowers), or maturity risk (risks that bonds or notes will change value from the time of issuance to maturity).

*Use of Independent Managers.* HIC may select certain Independent Managers to manage a portion of its clients' assets. In these situations, HIC continues to conduct ongoing due diligence of such managers, but such recommendations rely to a great extent on the Independent Managers' ability to successfully implement their investment strategies. HIC generally may not have the ability to supervise the Independent Managers on a day-to-day basis.

*Use of Private Collective Investment Vehicles.* HIC recommends clients invest in privately placed collective investment vehicles (e.g., hedge funds, private equity funds, etc.). The managers of these vehicles have broad discretion in selecting the investments. There are few limitations on the types of securities or other financial instruments which may be traded and no requirement to diversify. Hedge funds may trade on margin or otherwise leverage positions, thereby potentially increasing the risk to the vehicle. In addition, because the vehicles are not registered as investment companies, there is an absence of regulation. There are numerous other risks in investing in these securities. Clients should consult each fund's private placement memorandum and/or other documents explaining such risks prior to investing.

*Master Limited Partnerships ("MLPs").* MLPs are collective investment vehicles, the partnership interests of which are publicly traded on national securities exchanges. MLPs invest primarily in companies within the energy sector that engage in qualifying lines of business, such as natural resource production and mineral refinement. MLPs

## Haber Investment Counsel, LLC

---

are therefore subject to the underlying volatility of the energy industry and may be adversely affected by changes to supply and demand, regional instability, currency spreads, inflation and interest rate fluctuations, among other such factors. In addition, MLPs operate as pass-through tax entities, meaning investors are liable for their pro rata share of the partnership taxes, regardless of the types of accounts where the interests are held.

*Real Estate Investment Trusts (REITs).* HIC may recommend an investment in, or allocate assets among, various real estate investment trusts (“REITs”), the shares of which exist in the form of either publicly traded or privately placed securities. REITs are collective investment vehicles with portfolios comprised primarily of real estate and mortgage related holdings. Many REITs hold heavy concentrations of investments tied to commercial and/or residential developments, which inherently subject REIT investors to the risks associated with a downturn in the real estate market. Investments linked to certain regions that experience greater volatility in the local real estate market may give rise to large fluctuations in the value of the vehicle’s shares. Mortgage related holdings may give rise to additional concerns pertaining to interest rates, inflation, liquidity and counterparty risk.

*Exchange-Traded Notes (ETNs).* HIC may recommend an investment in, or allocate assets among, various exchange-traded notes (“ETNs”). ETNs are unsecured debt securities which are listed on securities exchanges and transacted at negotiated prices in the secondary market. ETNs are designed to track the performance of a corresponding benchmark. An ETN is essentially a contract between an issuer and the ETN holder, whereby the issuer, upon maturity, agrees to pay an amount relative to the returns of the underlying benchmark. In addition to the risks associated with the specific benchmark, ETN holders are also subject to various counterparty concerns. In this respect, the value of an ETN may be adversely impacted by a downgrade to the issuer’s credit rating and/or an unwillingness or inability of the issuer to perform its contractual obligations.

*Liquidity.* HIC may recommend investments intended for longer-term investment, such as private real estate opportunities. These types of investments may be less liquid, meaning funds may not be readily available for withdrawal by the client. The risk of illiquidity shall be measured against the potential return of the product and the position size as well as the client’s investment specific return and investment objectives to ensure the risk is appropriate.

*Use of Margin.* While the use of margin borrowing can substantially improve returns, it may also increase overall portfolio risk. Margin transactions are generally affected using capital borrowed from a Financial Institution, which is secured by a client’s holdings. Under certain circumstances, a lending Financial Institution may demand an increase in the underlying collateral. If the client is unable to provide the additional collateral, the Financial Institution may liquidate account assets to satisfy the client’s outstanding obligations, which could have extremely adverse consequences. Fluctuations in the amount of a client’s borrowings and the corresponding interest rates may have a significant effect on the profitability and stability of a portfolio.

*Structured Products.* HIC may recommend an investment in, or allocate assets among, various structured products. Structured products are unsecured obligations of an

issuer with a return, generally paid at maturity, which is linked to the performance of an underlying asset. In addition to the risks that apply to all investments in securities, investing in structured products may involve different types of risk and possibly greater levels of risk. These risks include, but are not limited to the following:

- a. Issuer credit risk. A structured product is an unsecured obligation of the applicable issuer. Any payment on a structured product, including any repayment of principal, is subject to the creditworthiness of the issuer. If the issuer becomes bankrupt or is unable to pay its obligations as they come due, you may lose some or all of your investment.
- b. Risk of loss. Many structured products subject you to the downside market risk of the underlying asset. Depending on the product, you may lose some or all of the investment if the underlying asset's value declines. If HIC sells a structured product before it matures, you may lose some or all of your investment, regardless of any market risk reduction feature the product may offer.
- c. Potential returns may be limited. You may not participate in the growth potential of the underlying asset beyond a certain limit or at all.
- d. Performance before maturity. In addition to the performance of the underlying asset, structured product fees and market factors, such as fluctuations in interest rates, that influence the price of bonds and options generally will also affect the value of a structured product before it matures. Therefore, the value of a structured product before it matures may be more or less than its initial price and may be substantially different than the payment expected at maturity. A structured product must be held to maturity to receive the stated payout from the issuer, including any repayment of principal.
- e. No guarantee of liquidity. Structured products are generally not listed on any exchange. A secondary trading market for a structured product may not develop. Typically, any available liquidity is provided by the issuer as a service to investors, but the issuer is not obligated to provide a secondary market. As a result, we may not be able to sell the structured product before it matures. If we can sell a structured product in the secondary market, it may be at a significant discount. You should be prepared to hold your structured product to maturity.
- f. Potential conflicts. The issuer of a structured product and its affiliates may play a variety of roles in connection with the structured product, including acting as calculation agent and hedging the issuer's obligations under the structured product. In performing these duties, the economic interests of the calculation agent and other affiliates of the issuer may be adverse to your interests as an investor in the structured product.
- g. agent and other affiliates of the issuer may be adverse to your interests as an investor in the structured product.
- h. Taxation. The tax treatment of a structured product may be different than that of a traditional investment or of the underlying asset. Significant aspects of the tax treatment of a structured product may be uncertain.

*Foreign Securities Risks.* Haber may invest portions of client assets into pooled investment funds that invest internationally. While foreign investments are important to the diversification of client investment portfolios, they carry risks that may be different from U.S. investments. For example, foreign investments may not be subject to uniform audit, financial reporting or disclosure standards, practices or requirements comparable to those found in the U.S. Foreign investments are subject to foreign withholding taxes and the risk of adverse changes in investment or exchange control regulations. Foreign investments may involve currency risk, which is the risk that the value of the foreign

## Haber Investment Counsel, LLC

---

security will decrease due to changes in the relative value of the U.S. dollar and the security's underlying foreign currency.

The value of the portfolio will fluctuate with the value of the underlying securities.

### **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Haber or the integrity of Haber's management. Haber has no information applicable to this Item.

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

Investment advisers are required to disclose relationships or arrangements with: a broker-dealer, municipal securities dealer, or government securities dealer or broker; investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund); other investment adviser or financial planner; futures commission merchant, commodity pool operator, or commodity trading advisor; banking or thrift institution; accountant or accounting firm; lawyer or law firm; insurance company or agency; pension consultant; real estate broker or dealer; or sponsor or syndicator of limited partnerships. HIC has no information applicable to this Item.

### **Item 11 – Code of Ethics, Participation or Interest in Investor Transactions and Personal Trading**

Haber has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its investors. The Code of Ethics includes provisions relating to the confidentiality of investor information, a prohibition on insider trading, and personal securities trading procedures, among other things. All supervised persons at HIC must acknowledge the terms of the Code of Ethics annually, or as amended.

Haber may recommend to investors, directly or indirectly, securities where a related person has a position of interest. In the event this situation arises, HIC's employees and persons associated with HIC are required to follow the Code of Ethics. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of HIC will not interfere with (i) making decisions in the best interest of advisory investors and (ii) implementing such decisions. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination these would materially not interfere with the best interest of HIC's investors. The Code requires pre-clearance of private transactions. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between HIC and its investors.

It is Haber's policy that the firm will not affect any principal or agency cross securities transactions for investor accounts. Haber will also not cross trades between investor accounts. Principal transactions are generally defined as transactions where an adviser<sup>12</sup>

## Haber Investment Counsel, LLC

---

acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory investor. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory investor and for another person on the other side of the transaction.

Because Haber manages more than one account, there may be conflicts of interest over its time devoted to managing any one account and allocating investment opportunities among all accounts it manages. For example, HIC selects investments for each client based solely on investment considerations for that client. Different clients may have differing investment strategies and expected levels of trading. HIC may buy or sell a security for one type of client but not for another or may buy (or sell) a security for one type of client while simultaneously selling (or buying) the same security for another type of client. HIC attempts to resolve all such conflicts in a manner that is generally fair to all its clients. HIC may give advice to, and take action on behalf of, any of its clients that differs from the advice that it gives or the timing or nature of action that it takes on behalf of any other client so long as it is HIC's policy, to the extent practicable, to allocate investment opportunities to its clients fairly and equitably over time. HIC is not obligated to acquire for any account any security that HIC or its supervised persons or employees may acquire for its or their own accounts or for any other client, if in HIC's absolute discretion; it is not practical or desirable to acquire a position in such security for that account.

Haber's investors or prospective investors may request a copy of the firm's Code of Ethics by contacting Cort Haber at [Cort.haber@haberinvestment.com](mailto:Cort.haber@haberinvestment.com).

### **Item 12 – Brokerage Practices**

Haber will be authorized to buy and sell securities, to place portfolio transactions with securities brokers-dealers, and to negotiate the terms of such transactions, including brokerage commissions on brokerage transactions.

The primary responsibility regarding portfolio transactions is to seek the best combination of price and execution. When executing transactions, Haber considers all factors it deems relevant, including breadth in the market in the security, the price of the security, the financial condition and execution capability of the broker or dealer and reasonableness of the commission. Transactions in the over-the-counter market are executed with primary market makers acting as principal except where it is believed better prices or execution may be obtained elsewhere.

In selecting brokers or dealers to execute particular transactions and in evaluating the best net price and execution available, Haber considers brokerage and research services and other information provided. Where more than one broker is believed to be capable of providing the best combination of price and execution, Haber may select a broker that provides it with research reports provided by the broker or a third party, market forecasts, news services, subscriptions to financial publications, compilations of security prices, earnings, dividends and similar data and analytical software used in the investment evaluation and decision process.



## Haber Investment Counsel, LLC

---

HIC generally recommends clients utilize the custody, brokerage and clearing services of Schwab Advisor Services TM, Charles Schwab & Co, Inc. or Charles Schwab & Co., Inc. Advisor Services (the “Custodian” or “Schwab”) for investment management accounts. Factors HIC considers in recommending Schwab or any other custodians to clients include their respective financial strength, reputation, execution, pricing, research and service. The Custodian may enable HIC to obtain mutual funds without transaction charges and other securities at nominal transaction charges. The commissions and/or transaction fees charged by the Custodian may be higher or lower than those charged by other Financial Institutions.

Commissions paid by HIC’s clients to the Custodian comply with HIC’s duty to obtain “best execution.” Clients may pay commissions that are higher than another qualified Financial Institution might charge to effect the same transaction where HIC determines the commissions are reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a Financial Institution’s services, including the value of research provided, execution capability, commission rates and responsiveness. HIC seeks competitive rates but may not necessarily obtain the lowest possible commission rates for client transactions.

Transactions may be cleared through other broker-dealers with whom HIC and its custodians have entered into agreements for prime brokerage clearing services. Should an account make use of prime brokerage, the client may be required to sign an additional agreement and additional fees are likely to be charged.

HIC periodically reviews its policies and procedures regarding its recommendation of Financial Institutions in light of its duty to obtain best execution.

### **Software and Support Provided by Financial Institutions**

Haber may receive without cost from Schwab computer software and related systems support, which allow HIC to better monitor client accounts maintained at Schwab. HIC may receive the software and related support without cost because the Firm renders investment management services to clients that maintain assets at Schwab. The software and support is not provided in connection with securities transactions of clients (i.e., not “soft dollars”). The software and related systems support may benefit the Firm, but not its clients directly. In fulfilling its duties to its clients, the Firm endeavors to put the interests of its clients first. Clients should be aware that HIC’s receipt of economic benefits from a broker/dealer creates a conflict of interest since these benefits may influence HIC’s choice of broker/dealer over another that does not furnish similar software, systems support or services.

Specifically, the Firm may receive the following benefits from Schwab:

- Receipt of duplicate client confirmations and bundled duplicate statements;
- Access to a trading desk that exclusively services its institutional traders;
- Access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and

## Haber Investment Counsel, LLC

---

- Access to an electronic communication network for client order entry and account information.

### **Brokerage for Client Referrals**

HIC does not consider, in selecting or recommending broker/dealers, whether the Firm receives client referrals from the Financial Institutions or other third party.

### **Directed Brokerage**

HIC does not routinely recommend, request, or require that clients direct executions through a specified broker-dealer. We will, however, make every effort to accommodate a request to direct brokerage to a client's chosen broker-dealer.

Clients may establish an account at another broker via a Prime Broker or similar-type account. This prime broker arrangement allows HIC to place trades with other broker-dealers without the need to have individual accounts with other broker-dealers. Clients will negotiate the terms and arrangements with their broker-dealer of choice and all assets will be kept in an account with their preferred broker-dealer. Trades will be routed to other broker-dealers and positions transferred into or out of the prime brokerage, or similar account on a DVP/RVP basis. Execution partners include Schwab, and other broker-dealers with which HIC may enter into an executing agreement. HIC and its advisors select other broker-dealers for execution based on the quality of research, services, products offered, execution, and commission structures. The lowest-cost broker-dealer is not always utilized. HIC has not entered into any formal soft-dollar arrangements nor does HIC receive any referrals from broker-dealers available through prime brokerage services.

### **Trade Aggregation and Allocation**

Haber generally trades each account separately and does not participate in block trading or trade aggregation that requires allocation procedures.

## **Item 13 – Review of Accounts**

All portfolios are monitored by the Managing Director/Chief Investment Officer on a regular basis for performance, outlook and suitability based on investor objectives. Account reviews with clients may be quarterly, annually or ad hoc, as requested by the client. Investors receive a written review of current investment holdings, realized and unrealized gains and losses, investment income and investment performance on a monthly basis from their custodian.

## **Item 14 – Investor Referrals and Other Compensation**

Haber currently does not compensate any person or entity for referrals received. In addition, Haber does not receive compensation for any referrals made to clients for other professional service providers.

### **Item 15 – Custody**

The custodian of each client account sends account statements at least quarterly to the investor. Under government regulations, Haber is deemed to have custody of investor assets if, for example, investors authorize HIC to deduct any advisory fees directly from an investor's account. The custodian maintains actual custody of investor assets. Investors will receive account statements directly from their custodian at least quarterly. Investors should carefully review those statements promptly. HIC periodically reviews the effectiveness of its custody controls.

### **Item 16 – Investment Discretion**

Haber has discretionary authority to manage investment accounts on behalf of clients pursuant to a being granted a limited power of attorney in each investment agreement. HIC has discretion to select the identity and amount of securities to be bought or sold. In all cases, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client.

### **Item 17 – Voting Investor Securities**

As a policy and in accordance with HIC's client agreement, HIC does not vote proxies related to securities held in client accounts. The custodian of the account will normally provide proxy materials directly to the client. Clients may have proxy materials forwarded to HIC by indicating so on the Investment Advisory Agreement. This is only as a convenience to the Client, as Clients cannot "opt out" of receiving proxy materials from the custodian, however HIC will not vote them. Clients may contact HIC with questions relating to proxy procedures and proposals.

### **Item 18 – Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Haber's financial condition. HIC has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to investors and has not been the subject of a bankruptcy proceeding. HIC does not require or solicit prepayment of more than \$1,200 in fees per investor, six or more months in advance.