

**Item 1: Cover Page**

**WRAP FEE PROGRAM BROCHURE**  
***(PART 2A APPENDIX 1 OF FORM ADV)***

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This wrap fee program brochure provides information about the qualifications and business practices of Lynx Investment Advisory, LLC ("Lynx"). If you have any questions about the contents of this brochure, please contact Kara Lilian, Chief Compliance Officer at: 202-833-3700, or by email at: klilian@lynxinvestment.com The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. Registration with the SEC or a state securities authority does not imply a certain level of skill or training.

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

**Item 2: Material Changes**

This is Lynx's initial filing of Part 2A Appendix 1 of Form ADV (Wrap Fee Program Brochure) and therefore there are no material changes to report. We encourage all recipients to read this brochure carefully in its entirety.

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## **Item 4: Services, Fees and Compensation**

### ***Firm Description***

Founded in 1992, Lynx Investment Advisory provides investment consulting services to individual and institutional clients and serves as advisor to one multi-manager private fund. Lynx is majority owned by CIG Capital Holdings, Inc. with the balance of ownership held by firm employees.

### ***Services***

Lynx offers the Wealth Management Portfolio as a wrap fee program (“Wrap Program”), where it deems appropriate, to interested prospects and advisory clients. Lynx is the sponsor of the Wrap Program. Wrap Program clients include individuals, high net worth individuals and small businesses.

Roger Desai is the portfolio manager at Lynx managing the Wealth Management Portfolio for the Wrap Program. Using a financial planning approach, he pursues individualized investment strategies focused on matching clients’ income and returns with their long and short term goals. Through the Wrap Program, clients will pay a single fee to Lynx and Lynx will then be responsible for all brokerage expenses (i.e., a wrap fee). By enrolling in the Wrap Program clients are choosing the brokerage and investment services of TD Ameritrade. Assets placed in the Wrap Program are managed on a fully discretionary basis by Lynx. Investments may include common and preferred stocks, ETFs, mutual fund, convertible bonds, non-convertible bonds and cash or cash equivalent holdings. Investments will not be made in futures or derivatives other than options on the instruments listed above.

### ***Fee Schedule***

The fee schedule for the Wrap Program is set forth below. Fees are payable upon inception of the account and at the start of each calendar quarter thereafter. The market value of each of the securities in the account shall be computed as of the close of trading on the last day of March, June, September, and December. The wrap fee for the account for the following quarter shall be computed on the valuation as of the close of the previous quarter as follows.

- A) For Lynx Wrap Fee Program clients will be charged 1.00% per year.
- B) The total amount paid using this schedule may be more or less than the amount charged by Lynx under other fee schedules offered to other clients.
- C) Fees are subject to negotiation in certain cases.
- D) 100% of the wrap fee is paid to Lynx, which then pays any brokerage charges incurred by the client. Brokerage charges can vary widely from period to period and client to client based on market

events, contributions and withdrawals by a client, the extent to which Lynx deems it appropriate to engage in purchases or sales of securities and other factors.

### ***Mutual Fund Fees and Expenses***

Client assets may be invested by Lynx in one or more mutual funds. All fees paid to Lynx for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. All clients will be invested in the most advantageous share class available.

A client could invest in a mutual fund directly, without the services of Lynx. In that case, the client would not receive the services provided by Lynx which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and the fees charged by Lynx to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

### ***Additional Information about Fees and Services; Conflicts of Interest***

In considering the investment programs described in this brochure, a prospective client should be aware that the Wrap Program may cost a client more or less than purchasing the actual investment management and brokerage services separately. The factors that should be considered by a prospective client in analyzing the cost structure of the Wrap Program include the size of a client's portfolio, the nature of the investments to be managed, average commission costs, custodial expenses, if any, the anticipated level of trading activity and the amount of advisory fees and commissions that would be charged for managing the client portfolio outside of a wrap structure.

Lynx receives compensation from clients to whom it recommends the Wrap Program. The amount of compensation charged by Lynx and its representatives as a result of the client's participation in the Wrap Program may be more or less than what the client would pay if it paid separately for investment advice and brokerage services. Lynx and its representatives may have a financial incentive to recommend the Wrap Program over other advisory programs or services in that Lynx may receive higher compensation under the Wrap Program than it does for providing portfolio management where the client pays the brokerage costs.

Advisory fees may vary among Lynx's clients based upon a number of factors, including the size of the client's account, the types of investments, the nature of related services provided, and the length of the advisory relationship with a client, among other things. Lynx may "household" or group together multiple accounts of one client relationship for purposes of calculating its fee.

Clients should understand that similar advisory services may be available from other registered investment advisers for lower fees. In addition, clients should note that the wrap fee structure may create a potential conflict of interest for Lynx in managing accounts, in that less frequent trading

will result in fewer commissions to TD Ameritrade and a higher net fee for Lynx. Since Lynx pays the custodian's transaction execution fees, Lynx may have a disincentive to trade securities in an account. Clients should consider this potential conflict in analyzing the program.

Lynx may recommend/require that clients establish brokerage accounts with the TD Ameritrade Institutional division of TD Ameritrade, a FINRA registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Although Lynx may recommend/require that clients establish accounts at TD Ameritrade, it is the client's decision to custody assets with TD Ameritrade. Lynx is independently owned and operated and not affiliated with TD Ameritrade. TD Ameritrade provides Lynx with access to its institutional trading and custody services, which are typically not available to TD Ameritrade retail investors.. These services are not contingent upon Lynx committing to TD Ameritrade any specific amount of business (assets in custody or trading commissions). TD Ameritrade's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For Lynx client accounts maintained with TD Ameritrade, TD Ameritrade generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through TD Ameritrade or that settle into TD Ameritrade accounts. TD Ameritrade Institutional also makes available to Lynx other products and services that benefit Lynx but may not directly benefit its clients' accounts. Many of these products and services may be used to service all or some substantial number of Lynx's accounts, including accounts not maintained at TD Ameritrade. TD Ameritrade's products and services that assist Lynx in managing and administering clients' accounts include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of Lynx's fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

## **Item 5: Account Requirements and Types of Clients**

Our Wrap Program is designed and suited for our individual clients with over \$250,000 (total household) in cash or eligible securities.

## **Item 6: Portfolio Manager Selection and Evaluation**

As the sponsor of the Wrap Program, Lynx provides the advisory services. Within the Wrap Program, client portfolios may differ in allocation and manager and security selection. Clients desiring a different client advisor must make that decision themselves and withdraw from the Wrap Program. Within Lynx, the Wrap Program will be managed by Roger Desai who was retained by Lynx based on his professional credentials and long experience in investment management. Lynx

will periodically review the performance of Roger Desai as it does with all of its employees. Performance is not reviewed by TD Ameritrade or any third party.

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

Lynx's investment objective is to seek positive returns primarily through long-term capital appreciation, while also attempting to preserve capital and mitigate risk through diversification of investments, proper position sizing and limiting exposure to less liquid investments. Lynx anticipates that client assets will be invested in publicly traded equity securities. Lynx implements asset allocation decisions by using both third-party managed strategies, both active and passive, and, in some cases, individual securities. Lynx constructs clients' portfolios using complementary managers and structures to minimize overlap among strategies. Lynx's research department is responsible for manager research and monitoring, and Lynx's Investment Committee is responsible for approving any strategy or recommending its removal from client portfolios.

### ***Risk of Loss***

No assurance can be given, however, that Lynx will achieve its objective, and investment results may vary substantially over time and from period to period. Investing in securities involves risk of loss that the clients must be prepared to bear. Lynx makes no representations or warranties of any kind nor are any intended or should be inferred with respect to the economic return from, or the tax consequences of, a prospective investment.

Listed below are additional or further explanations of material risks involved in connection with our investment strategy:

Stock Portfolios. Client accounts will be subject to the risks associated with any equity investment strategy. Sharp downward market moves will adversely impact account positions and result in client account losses. Losses may also be incurred on individual positions as a result of issuer-specific matters such as unexpectedly disappointing earnings, lawsuits, patent issues, analyst action or other matters. Equity returns are volatile and may fluctuate substantially over time.

Mutual Funds and ETFs. An investment in a mutual fund or ETF involves risk, including the loss of principal. Mutual fund and ETF shareholders are subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as mutual funds and ETFs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss.

Shares of mutual funds are generally distributed and redeemed on an ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund's stated daily per share net asset value ("NAV"), plus any shareholders fees (e.g., sales loads, purchase fees, redemption fees). The per share NAV of a mutual fund is calculated at the end of

each business day, although the actual NAV fluctuates with intraday changes to the market value of the fund's holdings. The trading prices of a mutual fund's shares may differ significantly from the NAV during periods of market volatility, which may, among other factors, lead to the mutual fund's shares trading at a premium or discount to NAV. All clients will be invested in the most advantageous share class available.

Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least once daily for indexed-based ETFs and more frequently for actively managed ETFs. However, certain inefficiencies may cause the shares to trade at a premium or discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 50,000 shares or more).

The client will receive a mutual fund prospectus and/or other documents explaining such risks.

Options. Options allow investors to buy or sell a security at a contracted "strike" price (not necessarily the current market price) at or within a specific period of time. Clients may pay or collect a premium for buying or selling an option. Investors transact in options to either hedge (limit) losses in an attempt to reduce risk or to speculate on the performance of the underlying securities. Options transactions contain a number of inherent risks, including the partial or total loss of principal in the event that the value of the underlying security or index does not increase/decrease to the level of the respective strike price. Holders of options contracts are also subject to default by the option writer which may be unwilling or unable to perform its contractual obligations

Small Cap Issuers. At any given time, Lynx has strategies that may invest client accounts in smaller-to-medium sized companies of a less seasoned nature. Securities of such issuers often involve significantly greater risks than the securities of larger, better-known companies.

Information Sources and Analysis. Lynx selects investments based in part on information and data that the issuers of securities file with various government agencies or make directly available to Lynx or that it obtains from other sources. Lynx is not in a position to confirm the completeness, genuineness or accuracy of such information and data, and in some cases, complete and accurate information may not be readily available.

Lynx is not in a position to obtain all relevant information regarding a company or a security. Further, Lynx may misinterpret or incorrectly analyze the information that it has about a particular fund, company or security. These and other factors may cause Lynx to (a) invest in securities at times that will lead to losses in client accounts and may cause a client to lose a significant portion of its investment or (b) refrain from investing in particular securities at times that would have resulted in gains in the client's portfolio if Lynx would have caused the client's account to invest.

The investment risks described above represent some but not all of the risks associated with various types of investments and investment strategies, could adversely affect the performance of client accounts and result in substantial losses. No assurance can be given as to the ability of Lynx to achieve any return on its investments and, in turn, return on client accounts.



As the sponsor of the Wrap Program, Lynx has full access to all client information provided by the client upon enrollment in the Wrap Program. Lynx shares such information with TD Ameritrade to the extent necessary to place trades for the client, including client name, address and social security number. TD Ameritrade is not responsible for monitoring or approving the Wrap Program in any way. Clients are direct clients of Lynx and may contact and consult with Lynx at any time.

Wrap Program accounts will be formally reviewed at least each calendar quarter to determine that the account holdings are consistent with the investor profile, investment restrictions and risk objectives. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, the market, and political or economic environment. Wrap Program clients will receive account statements, at least quarterly, and transaction confirmations directly from TD Ameritrade. Lynx may arrange for periodic performance reports to be delivered to the client or made available to the clients in other electronic forms.

## **Item 7: Client Information Provided to Portfolio Managers**

Lynx has full access to all client information, including but not limited to investment objectives, financial circumstances, risk tolerance, name, address and social security number, provided by the client upon enrollment in the Wrap Program. Lynx shares such information with the portfolio manager and custodian to the extent necessary to execute trades and manage the client's assets. Any updated client information is provided to the portfolio manager to the extent such information is necessary in order for the portfolio manager to manage the client's assets.

## **Item 8: Client Contact with Portfolio Managers**

There are no restrictions placed on a client's ability to contact and consult with their Lynx portfolio manager in the Wrap Program.

## **Item 9: Additional Information**

Lynx employees or members do not have any legal or disciplinary events to report.

Neither Lynx nor any of its management persons have any relationship or arrangement that is material to its advisory business or to its clients and devote substantially all their time and efforts to Lynx's advisory services and our clients.

Lynx does not recommend or select other investment advisers for our clients nor does Lynx have other business relationships with those advisers that create a material conflict of interest.

Also, our firm and its principals have no financial events or proceedings to disclose.

Additional information about Lynx, advisory services, non-wrap strategies, advisory fees, conflicts of interest, and Code of Ethics, among other things, other than our Wrap Program is available in our Form ADV 2A which is available upon written request to prospective clients and our clients.