

Worth Asset Management, LLC

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November 11, 2021

This Brochure provides information about the qualifications and business practices of Worth Asset Management, LLC.

If you have any questions about the contents of this Brochure, please contact us at (469) 257-5074 or by email to info@worthassetmgmt.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.

Worth Asset Management ("Worth") 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 Worth Asset Management, LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

On July 28, 2010, the United State Securities and Exchange Commission published “Amendments to Form ADV” which amends the disclosure document that we provide to clients as required by SEC Rules. This Brochure dated **July 15, 2021**, is prepared according to the SEC’s new requirements and rules. In the future, this document may be revised. If so, we will reference the revision date.

Pursuant to new 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.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Item 4: Addition to offering insurance products through a third-party advisory platform.

Item 5: Addition of a new fee schedule for new insurance services provided by the third-party advisory services.

Item 12: Addition of a brokerage/insurance relationship through a third-party platform.

Currently, our Brochure may be requested by contacting Jim Clark at (469) 257-5074 or by email to jclark@worthassetmgmt.com. Additional information about Worth Asset Management is also available via the SEC’s web site www.adviserinfo.sec.gov. The SEC’s web site also provides information about any persons affiliated with Worth who are registered, or are required to be registered, as Investment Adviser Representatives of Worth.

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Item 4 – Advisory Business

Firm Description

Worth Asset Management Inc. was founded as a Limited Liability Company in the state of Texas in February 2013. Worth Asset Management is registered as a Securities Exchange Commission (“SEC”) regulated Registered Investment Adviser (“RIA”). As of the July 15, 2021, the Firm had \$170,991,533 of assets under management.

Principal Owners

Jim W. Clark is the majority owner / member and South Ocean Management, Inc. is a minority owner/member of Worth Asset Management, LLC.

Types of Advisory Services

Worth provides investment supervisory services, also known as asset management services and manages investment advisory accounts not involving investment supervisory services. On more than an occasional basis, Worth furnishes advice to clients on matters not involving securities, such as financial planning matters, insurance issues, and trust services that often include estate planning. Services provided are financial planning, cash management, distribution planning, portfolio allocations, and reporting. On a regular basis, Worth advises clients on insurance including term life, whole life, universal life, variable universal life, indexed universal life, long term care, disability and annuities. Worth may recommend outside insurance agents to customers. Worth does not share in insurance commissions with any insurance agents. While all clients of Worth do benefit from our proprietary analysis and approach to investment management, each client does have the opportunity to impose restrictions on investing in certain securities or types of securities.

Worth tailors our advice to the specific needs and objectives of the client. Depending on the client’s objectives, Worth or the Investment Advisor Representative will complete a financial profile or questionnaire so that it accurately reflects the client’s financial situation, investment objectives, tolerance for risk, and investment time horizon, among other considerations, and will also answer client questions about the programs and our services. Based on this information, Worth or the Investment Advisor Representative will recommend and assist the client to designate an investment strategy that is suitable for the client. We permit clients to impose reasonable restrictions on the types of securities we purchase for their account, and permit clients to change the restrictions by written instruction to us.

Due to client restrictions and other differences regarding each account, performance of a client’s account may be different from the performance of other accounts in the same model or strategy. On an ongoing basis, Worth or the Investment Advisor Representative reviews and adjusts the portfolios to ensure they continue to reflect the intended investment objectives, as well as any reasonable restrictions imposed by the client.

When appropriate, WAM may recommend that a client obtain insurance, including fixed annuities, fixed indexed annuities and variable annuities as part of an overall financial plan. WAM has a relationship with DPL Financial Partners, LLC (“DPL”) to assist in providing

insurance services. DPL is a third-party provider of a platform of insurance consultation services to investment advisers with clients who have current or future needs for insurance products. DPL's platform is available to SEC- and state-registered investment advisers ("RIAs"). By working with DPL, we can provide access to insurance reviews/analyses, education, and insurance solutions in a conflict free manner.

DPL offers RIAs memberships to its platform for a fixed annual fee. Through its licensed insurance agents, who are also registered representatives of The Leaders Group, Inc. ("The Leaders Group"), an unaffiliated SEC-registered broker-dealer and FINRA member offers members a variety of services relating to commission free, fee only insurance products. These services include, among others, providing members with analyses of their current methodology for evaluating client insurance needs, educating and acting as a resource to members regarding insurance products generally and specific insurance products owned by their clients or that their clients are considering purchasing, and providing members access to, and marketing support for, commission free, fee only products that insurers have agreed to offer to members' clients through DPL's platform. For

DPL is licensed as an insurance producer in Kentucky and other jurisdictions where required to perform the platform services. Its representatives are also licensed as insurance producers, appointed as insurance agents of the insurers offering their products through the platform, and registered representatives of The Leaders Group.

Clients are under no obligation to use DPL's service and may seek insurance advice from any licensed agent. The insurance products and fee structures available from DPL may differ from those available from other third-party insurance agents. WAM recommends that you fully evaluate products and fee structures to determine which arrangements are most favorable to you prior to making an investment decision. We do not receive commissions for insurance products selected by the client, whether secured through DPL or any other agent.

Item 5 – Fees and Compensation

As compensation for the services provided under this Agreement, the Advisor is to receive an investment management fee at an annual rate based on the value of the account calculated as of the last business day of the month or the average balances for the month. All fees are calculated on a monthly basis in arrears and payable monthly. The Client agrees and acknowledges the investment management fees will be withdrawn from the client's account(s). If this agreement commences and/or terminates before month-end, the amount of the fee payable shall be prorated and appropriately adjusted. Client agrees that the Advisor may send bills for its fees for direct payment by the bank or firm holding Client's securities and funds, provided that at the same time Advisor provides notice of its billing to Client in the custodial statements. Some portion of these fees may be shared with registered investment advisor agents.

Fee Schedule:

Fees are negotiated and agreed upon with client based on factors such as the amount of assets being managed, level of service and assets used in client's portfolio.

Fixed Annual Rate:
0.80 % to 1.5 %

Floating Annual Rate:
\$0 - \$250k - 1.25%
\$250k - \$1m - 1%
\$1m - \$2m - .90%
\$2m - \$3m - .80%
\$3m - \$4m - .70%
\$4m+ Dependent on services offered

For the use of the DPL insurance platform, the Adviser will pay an annual fixed fee for the use of this platform. For providing platform services to RIAs, DPL receives service fees from the insurers that offer their commission free products through the platform. These service fees are based on the insurance premiums received by the insurers from DPL members' clients and a possible conflict of interest. WAM has procedures in place to address any conflicts of interest to act the best interests of the client.

\$0 - \$250k - .75%
\$250k - \$1m - .5%
\$1m - \$2m - .4%
\$2m - \$3m - .3%
\$3m - \$4m - .2%
\$4m+ Dependent on services offered

Minimum Annual Fee: \$300

- Worth, in its sole discretion, may waive its minimum annual fee and/or charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with clients, etc.).
- Additional Charges: stock and fund transaction fees, and outside services for performance accounting and compliance. Fees associated with the service of the account such as wire fees, electronic fund transfers, returned check fees, overnight fees, custodial fees, exchange fees or other charges required by the custodial firm or by law. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus.
- If sufficient cash is not available in the account to pay the fees when due, Worth will liquidate securities selected by Worth without prior notice to the client. If mutual funds are liquidated, the client may be charged a contingent deferred sales charge, an early redemption fee, or a fee to discourage short-term trading of fund shares. If

the liquidated securities have declined in value, the client will realize a loss and forego the opportunity for future appreciation of the securities.

- Clients can generally purchase the same or similar investment products or services through other firms that are not affiliated with us. However, clients who obtain investment products or services through other firms will not receive the benefit of the services we provide in determining which investment products or services may be appropriate in view of the client's financial situation, investment objectives, risk tolerance, and liquidity needs. Our fees may be higher (or lower) than fees charged by other advisers or institutions for similar services with better (or worse) performance or lower (or higher) risk. Clients should consider carefully all the direct and indirect fees and expenses of our services and the investment products we recommend to fully understand the total costs and assess the value of our services.

Worth does not charge for its financial planning services other than the fee listed above. Worth reserves the right to stop work on any account that is more than 90 days overdue. In addition, Worth reserves the right to terminate any Registered Investment Advisory Agreement where a client has willfully concealed or has refused to provide pertinent information about financial situations when necessary and appropriate, in Worth's judgment, to providing proper financial advice.

Item 12 further describes the factors that Worth considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (*e.g.*, commissions).

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

Worth does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

Item 7 – Types of Clients

Worth provides portfolio management services to individuals, high net worth individuals, trusts, corporate pension and profit-sharing plans and 401(k) plans. Worth requires a minimum account value of \$25,000. Worth may waive the account minimum or require a higher or lower minimum for an account, in its sole discretion. If the aggregate value of the client's account falls below the account minimum, Worth has the right to require deposit of additional amounts to bring the value of the account up to the account minimum or close and liquidate the account and send the proceeds to the client in accordance with the client's written delivery instructions.

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

Methods of Analysis

Security analysis methods may include charting, fundamental analysis, technical analysis, and cyclical analysis. The main sources of information include in-house research, financial websites, inspections of corporate activities, research materials prepared by third parties,

corporate rating services, timing services, annual reports, prospectuses, filings with the Securities and Exchange Commission, and company press releases. Our methods of analysis assume the accuracy of the information we analyze, such as ratings, financials, and research. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

Investment Strategies

The investment strategy for a specific client is based upon the objectives stated by the client on account forms and during consultations. The client may change these objectives at any time and is responsible for notifying his or her financial advisor of any changes. Each client executes account documents including a financial profile that state their objectives and their desired investment strategy.

Other strategies may include long-term purchases, short-term purchases, trading, short sales, margin transactions, and option writing (including covered options and spreading strategies). Strategies will include use of individual stocks, individual bonds, mutual funds, exchange traded funds and options.

Risk of Loss

All investment programs have certain risks that are borne by the investor. **Investing in securities involves risk of loss that clients should be prepared to bear.** Our investment approach constantly keeps the risk of loss in mind.

Investors face the following investment risks:

- **Interest-rate risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the United States dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e., interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its

income from a steady stream of customers who buy electricity no matter what the economic environment is like.

- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.
- **Insolvency of Brokers and Others:** Clients will be subject to the risk of failure of the brokerage firms that execute their trades or the clearinghouses of which such brokerage firms are members. Although we believe the institutions, we recommend have sufficient capital, there is no assurance this will continue to be the case.
- **Trade Errors:** On infrequent occasions, an error may be made in a client account. For example, a security may be erroneously purchased for a client account instead of sold. In these situations, if Worth was responsible for such error, Worth's policy is to restore or return the account to the position it would have been in had the trading error not occurred. Depending on the circumstances, various corrective steps may be taken, including but not limited to, canceling the trade, adjusting an allocation, or reimbursing the account.

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 Worth or the integrity of Worth's management. As of the date of this brochure there were no material legal or disciplinary events.

Item 10 – Other Financial Industry Activities and Affiliations

Investment Advisor Representatives with Worth are licensed as insurance agents for various life insurance companies. Clients who wish to purchase fixed annuities, indexed annuities or traditional insurance products outside of a fee based advisory account may choose to work through their Investment Advisor Representative for these types of insurance products on a commission or fee basis. Clients are under no obligation to implement any recommendations their financial advisor makes to buy insurance products. To the extent the Investment Advisor Representative receives separate sales-related compensation from the sale of insurance products, Worth Asset Management does not reduce or offset his advisory fees, salary or any consulting fees by the amount of such compensation. The potential of compensation may impair the objectivity of the Investment Advisor Representative and could influence him or her to make recommendations based on the additional sales compensation he or she will receive rather than the needs or best interests of the client.

In order to address this conflict of interest, Worth has implemented the following procedures:

- We disclose the potential conflicts to our clients;
- We collect and maintain adequate information about our clients and accounts, including their financial circumstances, investment objectives, and risk tolerance, and we conduct regular account reviews to confirm portfolios are suitable;
- We periodically compare holdings and performance of all accounts with similar strategies to identify significant performance disparities indicative of unusual treatment;
- We educate our employees regarding our fiduciary responsibilities, regardless of fee arrangement.

Item 11 – Code of Ethics

Worth 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 clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All Investment Advisor Representatives of Worth must acknowledge the terms of the Code of Ethics annually, or as amended.

Worth anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which Worth has management authority to effect and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which Worth, its affiliates and/or clients, directly or indirectly, have a position of interest. Worth's employees and persons associated with Worth are required to follow Worth's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Worth and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for Worth's clients which may create a conflict of interest between the client transaction price and the employee transaction price. See also Item 10 – Other Financial Industry Activities and Affiliations. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Worth will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of Worth's clients. In addition, the Code requires pre-clearance of many transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to

reasonably prevent conflicts of interest between Worth and its clients.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with Worth's obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. Worth will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the Order.

Worth's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Worth by telephone at (469) 257-5074 or by email to jclark@worthassetmgmt.com

Item 12 – Brokerage Practices

Selecting Brokerage Firms

Advisory accounts are held at national custodial firms. Worth recommends custodians based on financial strength, best execution of orders and reasonable commission rates.

Worth may combine or aggregate orders for multiple accounts with orders for other accounts for the purpose of “block trading.” Block trading can enable the Advisor to obtain better prices and reduce overall transaction charges, executing trades in a timelier manner, and allocating transaction costs among all the accounts included in the block. However, clients should be aware that due to the types of investments in various accounts, and differences in account objectives, cash positions, account types, and the systems Worth has available for placing orders with broker-dealers, block orders may be uncommon for some or all accounts. Accounts whose orders are not aggregated with other orders of other accounts will not receive the benefits of potentially lower transaction costs, timelier or better execution, or volume discounts that might be obtained by accounts whose orders are aggregated. Block orders will usually be executed through an “average price account” or similar account such that transactions for all accounts participating in the order will be averaged as to price and transaction costs, and the securities purchased, or net proceeds received will be allocated pro rata among the accounts in proportion to their respective orders placed that trading day. Typically, partial fills will be allocated among accounts in proportion to the total orders participating in the block, unless Worth determines that another method of allocation is equitable (such as a rotation or other method). Such exceptions may occur due to varying cash availability across accounts, divergent investment objectives, existing concentrations, tax considerations, investment restrictions, performance relative to the applicable benchmark, performance relative to other accounts in the same Strategy, or desire to avoid “odd lots” (an amount of a security that is less than the normal unit of trading for that security).

WAM has a relationship with DPL. DPL provides comprehensive reviews of insurance products that WAM representatives may recommend a new product or replacement

product if warranted. It would be the client's discretion as to whether the product is purchased or not. WAM does not receive any commissions as a result of any purchase but may charge a fee based on the value of the insurance product. Through WAM's subscription with Black Diamond, Black Diamond pays for WAM's annual subscription cost with DPL.

Soft Dollar Agreements / Arrangements

Worth does not receive any compensation from Soft Dollar Agreements or Arrangements. Advisory clients will be advised on the different custodial firm options. Clients may pay higher commissions based on the custodial firm chosen. Worth does not direct client accounts in return for product, research or services.

Item 13 – Review of Accounts

Client accounts are reviewed, at a minimum on a quarterly basis. Client transactions are reviewed by Jim Clark per the firm's written supervisory procedures. The review will be for accuracy, completeness and suitability.

Clients receive brokerage statements in any monthly period there is activity; at a minimum every quarter. The statements are generated and delivered by mail or email by one of Worth Asset Management's custodial firms. Clients electing performance tracking and reporting will be provided Black Diamond reports. These reports include portfolio appraisal, performance, realized gains and losses and unrealized gains and losses. The clients may also receive financial and retirement planning reports.

Item 14 – Client Referrals and Other Compensation

Worth has been fortunate to receive many client referrals over the years. The referrals came from current clients, attorneys, accountants, employees, personal friends of employees and other similar sources. The firm may compensate referring professional parties for such referrals according to industry regulations and licensing requirements.

Item 15 – Custody

Currently all advisory accounts are held at National Financial Services, LLC, Charles Schwab and TD Ameritrade Institutional, a division of TD Ameritrade, Inc. Member FINRA/SIPC/NFA. Neither Worth nor its Investment Advisory Representatives have custody or possession of client's funds and/or securities. Neither Worth nor its Investment Advisory Representatives provides or performs depository or custodial services with respect to client's accounts. For our client accounts maintained in their custody, National Financial Services, Charles Schwab and TD Ameritrade Institutional generally are compensated by our clients through commissions and other transaction-related or asset-based fees for securities trades that are executed through the custodian's accounts.

Clients should receive at least quarterly statements from the custodian that holds and maintains client's investment assets. Worth urges clients to carefully review such statements and compare such official custodial records to the account statements that we may provide to you. Our statements may vary from custodial statements based on

accounting procedures, reporting dates, or valuation methodologies of certain securities. Worth may also provide advisory clients with portfolio statements and performance reports provided by third-party vendors.

Confidentiality of Client Information

Protecting the confidentiality of its customers' nonpublic information is paramount for Worth. As such, Worth has instituted policies and procedures to ensure that nonpublic customer information is kept confidential. Worth does not disclose nonpublic personal information about its clients or former clients to any non-affiliated third parties, except as provided pursuant to its privacy policies or as required by or permitted by law. In the course of servicing a client's account, Worth may share client information with service providers, such as transfer agents, custodians, broker-dealers, accountants, and attorneys. Each has agreed to keep such information confidential. Worth utilized a third-party portfolio reporting software company, Black Diamond. Customer transactions are downloaded from the custodial firm to Black Diamond for use in portfolio reporting. Clients are urged to compare the account statements received directly from their custodians to the performance report statements provided by Black Diamond. No customer privacy information is shared with Black Diamond.

For customer's wishing to share account information with a designated person(s) they may complete the "Trusted Contact" form or section on the new account form.

Item 16 – Investment Discretion

Worth usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the client's account. Worth permits customers to impose reasonable restrictions on the types of securities purchased for their account, and permit customers to change the restrictions by written instruction to the firm.

When selecting securities and determining amounts, Worth observes the investment policies, limitations and restrictions of the clients for which it advises. For registered investment companies, Worth's authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made. Worth Investment Advisor Representatives have the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold.

Worth and its employees may buy or sell securities that are also held by advisory clients. Employees may not trade their own securities ahead of client trades. Worth employees and Investment Advisor Representatives must comply with the provisions of Worth Asset Management's Written Supervisory Procedures.

Item 17 – Voting Client Securities

Neither Worth nor its Investment Advisor Representative vote proxies on securities. We require the client to retain responsibility for voting all account securities. Worth will not vote, exercise rights, make elections, or take other such actions with respect to securities held for accounts we manage. If desired, a client may instruct us in writing to forward to the client or a third-party materials we receive pertaining to proxy solicitations or similar matters. Upon receipt of such written instructions, we will use reasonable efforts to forward such materials in a timely manner. In the absence of a written request, we will discard account proxy and related materials. Clients may obtain proxy materials directly by written request to the account's custodian.

Similarly, we do not advise or exercise rights, make elections, or take other actions with respect to legal proceedings involving companies whose securities are or were held in a client's account, such as asserting claims or voting in bankruptcy or reorganization proceedings, or filing "proofs of claim" in class action litigation. If desired, a client may instruct us in writing to forward to the client or a third party any materials we receive pertaining to such matters. Upon our receipt of such written instructions, we will use reasonable efforts to forward such materials in a timely manner. In the absence of a written request, we will discard such materials. Written instructions should be sent by mail to the address shown on the cover page of this Brochure. If a conflict of interest exists, it will be disclosed to the Client.

As a matter of firm policy and practice, Worth does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. Worth may provide advice to clients regarding the clients' voting of proxies.

Item 18 – Financial Information

Worth has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding. A balance sheet is not required to be provided because Worth does not serve as a custodian for client funds or securities and does not require prepayment of fees of more than \$1200 per client, and six months or more, in advance. Worth has never been the subject of a bankruptcy petition.