

## Form ADV Part 2A Brochure

# Galilei Investment Office LLP

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United Kingdom

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This “**Brochure**” provides information about the qualifications and business practices of Galilei Investment Office LLP (hereinafter “**Galilei**”, “**we**”, “**us**”, “**our**”, the “**Firm**”, or the “**Adviser**”). If you have any questions about the contents of this Brochure, please contact our Chief Compliance Officer (“**CCO**”), Milena Dimitrova Ivanova, by email at [milena@galileiio.com](mailto:milena@galileiio.com). Information in this Brochure has not been approved or verified by the U.S. Securities and Exchange Commission (the “**SEC**”) or by any state securities authority.

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

## Item 2: Material Changes

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Item 4 – Updates to Galilei’s ownership structure.

Item 5 – Further updates to fee disclosures.

Item 7 – Types of clients.

Item 8 – Further risk disclosures relevant to portfolios.

Item 10 – Disclosure of Galilei’s passive investor’s ownership of an asset manager to which Galilei may allocate capital

Item 12 – Disclosure of Galilei’s Soft Dollar and Research policy.

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## Item 4: Advisory Business

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Galilei is organized as a limited liability partnership under the laws of the United Kingdom and was set up in September 2017. Galilei has been regulated by the UK regulator, the FCA since July 2018 and the SEC since April 2022. Galilei has two Members – Amir Levy and Galilei Investment Office (Jersey) Limited, which is majority owned by Avi Dimor (directly) and Amir Levy (indirectly through Jorogu Limited).

Galilei provides discretionary and advisory investment management services to high net worth individuals and family offices. Galilei manages global investment strategies, employing expert knowledge and extensive investment experience while tailoring its investment services to the particular needs of each individual client.

While Galilei works with clients globally, at present it only has one US separately managed account (“SMA”) for a high net worth individual. It has no other US clients.

Galilei does not currently participate in any Wrap Fee Programs.

As of 31 December 2022, Galilei had regulatory assets of USD 959 million, comprising USD 828 million discretionary assets and USD 131 million non-discretionary assets; with approximately USD 12 million attributable to a US discretionary SMA.

## Item 5: Fees and Compensation

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The fees applicable to each client are set forth in detail in the corresponding Investment Management Agreement with the client. A brief summary of such fees is provided below.

### Management Fee

Galilei is paid an investment management fee (“Management Fee”) generally calculated as percentage of the net asset value of clients’ assets. The Fee will range from 0.50% to 1.50% per annum and is payable quarterly in arrears.

### Other Types of Fees or Expenses

The Firm is responsible for and shall pay, or cause to be paid, all of their own ordinary administrative and overhead expenses, including, without limitation, all costs and expenses related to rent, furniture, fixtures, equipment, office supplies, clerical expenses and all salaries, bonuses and benefits paid to, or on behalf of, personnel of the Firm.

All clients should review the Investment Advisory Agreements in conjunction with this brochure for more complete information on the fees and compensation payable with respect to the services provided.

### Payment of Fees

Fees and compensation paid to the Firm or its affiliates are generally deducted from the assets of such clients. As discussed above, management fees are payable quarterly in arrears.

## Item 6: Performance-Based Fees and Side-By-Side Management

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

## Item 7: Types of Clients

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Galilei's clients are high net worth individuals, corporations and trusts. Galilei's only US client is a high net worth individual.

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

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The descriptions set forth in this Brochure of specific advisory services that we offer to clients, and investment strategies pursued and investments made by us on behalf of our clients, should not be understood to limit in any way our investment activities. We may offer any advisory services, engage in any investment strategy and make any investment that we consider appropriate, subject to each client's investment objectives and guidelines as set forth in the respective Investment Management Agreements. Clients should be prepared to bear a loss of capital. There can be no assurance that the investment objectives of any client will be achieved.

### Our Investment Approach

We are research driven. Our research is focused on:

- Markets and asset classes (Top Down)
- Managers and the opportunity they pursue (Top Down and Bottom Up)
- Our research is selective and focused on our "alpha philosophy".

We make 4 main decisions in constructing the portfolio:

- Dynamic asset allocation
- Passive or active implementation
- Specific investment vehicle selection (Manager or ETF)
- Fee and risk budgeting.

We monitor and manage the risk deriving from:

- Asset allocation
- Product implementation
- Overall portfolio construction.

We maintain and utilize our network (high quality and sophisticated):

- To arrive at high-quality dedicated and unbiased research
- To explore investment opportunities
- To find and access alpha managers.

### Risk Management

Risk analysis is performed in order to assess potential fundamental downside of the investment and the risks which an investment enhances or mitigates within the portfolio. As a position becomes larger, its impact on the portfolio risks often become pronounced. Should the portfolio risk approach one of the risk limits, the sizing of the most significant contributors to that exposure will be re-evaluated and capital allocations are likely to be modified modestly to decrease the total exposure to that risk factor while retaining the majority of expected returns.

Any risk limits are agreed with clients on an individual basis and form part of the Investment Advisory Agreement.

### Risk of Loss Factors

The following risk factors do not purport to be a complete list or explanation of the risks involved in an investment advised by us on behalf of our clients. These risk factors include only those risks we believe to be material, significant or unusual and relate to particular investment strategies or methods of analysis employed by us.

Investments involve risks, and are suitable only for those persons who can bear the economic risk of the loss of part or the entirety of their investment. An investment carries with it the inherent risks associated with investments in publicly-traded stocks and bonds, options futures, and related instruments, including, without limitation, the risks described below. All investments in securities and other financial investments involves substantial risk of volatility arising from numerous factors that are beyond the control of the Adviser and investment managers utilized by the Adviser, including market conditions, changing domestic or international economic or political conditions, changes in tax laws and government regulation and other factors.

Each prospective investor should carefully review the Investment Advisory Agreement and the documents referred to herein before deciding to invest with Galilei.

### Business and Business Continuity Risk:

Business risks are generally identified as those risks, both systematic and unsystematic, that are associated with a particular industry or a particular company within an industry, and that may be expected to cause such company or industry to experience poor earnings and thereby exacerbate the risk of operational failure and possible insolvency.

As had been widely reported in the press since 2020, the international and national economies had experienced the repercussions of an outbreak of a novel and highly contagious form of coronavirus ("COVID-19") which had spread to many countries throughout the world including the United States. The World Health Organization declared the outbreak to be a public health emergency of international concern. The impact of the outbreak of COVID-19 and/or other business interruptions could be extensive in many aspects of society. The outbreak resulted in numerous deaths, adversely impacted global commercial activity, and led to significant uncertainty and disruptions in the global financial markets and the economies of nations where

the coronavirus disease had arisen. Many countries had instituted quarantines, prohibitions on travel and the closure of offices, businesses, schools, retail stores and other public venues. Businesses were also implementing similar precautionary measures. Such measures, as well as the general uncertainty surrounding the dangers and impact of COVID-19 and other similar wide or unknown health outbreaks, could in the future create significant disruption in supply chains and economic activity.

Any public health emergency, including any outbreak of COVID-19, SARS, H1N1/09 flu, avian flu, other coronavirus, Ebola or other existing or new epidemic diseases, or the threat thereof, could have a significant adverse impact on the Firm and its investments and could adversely affect the Firm's ability to meet its investment objectives. The effects of a public health emergency may materially and adversely impact the value and performance of the Firm's investments, the Firm's ability to source, manage and divest investments and the Firm's ability to achieve their investment objectives, all of which could result in significant losses to clients.

#### Economic Conditions and Inflation Risk:

Changes in economic conditions, including, for example, interest rates, inflation rates, currency and exchange rates, industry conditions, competition, technological developments, trade relationships, political and diplomatic events and trends, tax laws and innumerable other factors, can affect substantially and adversely the investment performance of a Client's account. None of these conditions is or will be within the control of the Adviser, and no assurances can be given that the Adviser will anticipate these developments. Additionally, Inflation risk relates to the loss of purchasing power that an investor experiences due to a general rise in the prices for goods and services.

#### Allocation Risks:

Investment performance will depend largely on the Adviser's decisions as to strategic asset allocation and tactical adjustments made to the asset allocation. At times, the Adviser's judgments as to the asset classes in which Clients should invest may prove to be wrong, as some asset classes may perform worse than others or the equity markets generally from time to time or for extended periods of time.

#### Equity Securities:

The value of equity securities of quoted and unquoted companies and equity derivatives generally varies with the performance of the issuer and movements in the equity markets.

As to issuer performance, the value of a company's share price may decline as a result of poor decisions made by management, lower demand for the company's services or products or if the company's revenues fall short of expectations. As to movements in the equity markets, the

market price of equity securities may be affected by general international economic and market conditions, such as a broad decline in stock market prices (in particular, the stock market may experience periods of turbulence and instability), or by conditions affecting specific issuers.

#### Exchange Traded Funds

Investing in ETFs involves risk and the potential of loss as the underlying ETF holdings present risks. ETFs often provide diversification but may be concentrated in a particular asset category

or class within a category. Investments in funds involve risk due to exposure to economic forces or factors for which the future is uncertain.

#### Undervalued Securities:

The identification of investment opportunities in misvalued securities is a difficult task, and there can be no assurance that such opportunities will be successfully recognized or acquired. While purchases of undervalued securities offer opportunities for above-average capital appreciation, these investments involve a high degree of financial risk and can result in substantial losses. Returns generated from the Clients' investments may not adequately compensate for the business and financial risks assumed.

#### Currencies:

A principal risk in trading currencies is the rapid fluctuation in the market prices of currency contracts. Prices of currency contracts traded are affected generally by relative interest rates which in turn are influenced by a wide variety of complex factors. Governments may also intervene to influence prices.

#### Derivative Instruments:

Certain swaps, options and other derivative instruments may be subject to various types of risks, including market, liquidity, credit, legal and operational risk. Changes in the regulation or taxation of such securities may have a material adverse effect on the portfolio.

#### Other and Cash/Cash Equivalents:

Cash/Cash Equivalents (Money market funds) used are generally considered low risk but are not guaranteed and may be subject to loss and change in market value. All strategies are subject to a wide variety of risks, certain of which are not detailed further herein. Please refer to the Investment Advisory Agreement.

## Item 9: Disciplinary Information

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To the best of our knowledge, there are no legal or disciplinary events that are material to a client or prospective client's evaluation of our advisory business or the integrity of our management.

## Item 10: Other Financial Industry Activities and Affiliations

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Neither we nor our management persons are registered as broker-dealers, and neither of us has any application pending to register with the SEC as a broker-dealer or registered representative of a broker-dealer, respectively.

One of the passive investors in Galilei is a majority owner of an asset manager, to which we may allocate capital. The passive investor is not involved in any investment decisions of the Firm. Full



disclosure and approval is required by each investor, prior to any allocation of capital to that manager.

## Item 11: Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading

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### Code of Ethics

Galilei has adopted a “**Code of Ethics**” that establishes the high standard of conduct that we expect of our employees and procedures regarding our employees’ personal trading of securities. Our employees are required to certify their adherence to the terms set forth in the Code of Ethics upon commencement of employment and annually thereafter. Employees also are required to provide quarterly certifications of compliance with certain Code of Ethics provisions.

The foundation of our Code of Ethics is based upon the following underlying fiduciary principles:

- Employees must at all times place the interests of the Clients first;
- Employees must ensure that all personal securities transactions are conducted consistent with the Code of Ethics’ Employee Personal Investment Policy (described below); and
- Employees should not take inappropriate advantage of their position at the Firm.

Galilei has established a Personal Account Dealing Policy which requires employees (and their immediate household) to obtain pre-approval from the CCO for certain securities. Galilei personnel may invest in securities for their personal accounts that are also recommended to their clients. Galilei has adopted policies and procedures designed to detect and prevent conflicts of interest relating to personal trading by its personnel and to ensure that Galilei makes investment decisions for clients in a manner that is consistent with its fiduciary duty to its clients and in accordance with the applicable laws.

Galilei’s policies prohibits the misuse of material non-public information. Under the policy, personnel are subject to certain limitations regarding the receipt of gifts and other benefits in the form of entertainment. Personnel are also subject to certain limitations regarding the giving of corporate gifts and other benefits to others. To the extent, Galilei determines that there is no conflict of interest, certain personnel from time to time may engage in outside business activities which must pre-approved by Galilei. A copy of Galilei’s Code of Ethics will be provided upon request of any client or prospective client.

## Item 12: Brokerage Practices

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Galilei does not have any discretion to select or recommend broker-dealers for client transactions. Transactions are executed through the custodian bank with which the client’s assets are held.

Galilei does not hold any client assets. Clients will open an account with a custodian bank which provides custody, execution and settlement services to the client. Galilei operates a limited power of attorney over this account which enables us to carry out our investment management activities on behalf of the client. All transactions are executed by the bank with which the assets are held. Portfolios are traded simultaneously to mitigate conflicts of interest, dealing instructions are sent to Custodians simultaneously to ensure that we achieve consistent trading times.

#### Soft Dollars

The Firm does not receive any goods or services through the use of soft dollar arrangements.

#### Research

Galilei uses investment research consistent with guidance from the SEC and the European Commission regarding acceptable methods to pay for investment research under legislation in the European Union known as the Markets in Financial Instruments Directive (MiFID II), which came into effect on January 3, 2018. In this regard, research is received in return for payments from the Advisor's own P&L.

## Item 13: Review of Accounts

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Our portfolio managers and investment professionals continuously monitor and analyze the transactions, positions, and investment levels of the SMAs to ensure that they conform with the investment objectives and guidelines that are stated in the respective Investment Management Agreements. In these reviews, the Firm pays particular attention to any changes in the investment's fundamentals, overall risk management and changes in the markets that may affect price levels.

#### Account Reviews

We perform various periodic reviews of each client's SMA. Such reviews are conducted by our officers.

## Item 14: Client Referrals and Other Compensation

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We do not receive economic benefits from non-clients for providing investment advice and other advisory services. Galilei does compensate third parties for introductions to Clients.

## Item 15: Custody

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Galilei does not perform custody, execution or settlement. This is undertaken by the underlying custodian bank a client chooses to use. The client will be required to enter into a separate agreement with the chosen Custodian for custody, execution and settlement services.

## Item 16: Investment Discretion

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We will have full discretionary investment authority with respect to the SMAs, including authority to make decisions with respect to which securities to be bought and sold, as well as the amount and price of those securities.

## Item 17: Voting Client Securities

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In compliance with Rule 206(4)-6 of the Advisers Act (i.e., the “proxy voting rule”), we have adopted proxy voting policies and procedures. The general policy is to vote all proxy proposals, amendments, consents or resolutions (collectively, “**Proxies**”) in a prudent and diligent manner that will serve the applicable Client’s best interests and is in line with the Client’s investment objectives.

Generally, clients may not direct our vote in a particular solicitation.

Clients may obtain a copy of our Proxy voting policies and our Proxy voting record upon request.

## Item 18: Financial Information

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We are not required to include a balance sheet for our most recent fiscal year, are not aware of any financial condition reasonably likely to impair our ability to meet contractual commitments to Clients, and have not been the subject of a bankruptcy petition at any time since inception.