

FIRM BROCHURE

(Part 2A of Form ADV)

March 24, 2023

Vault Capital
31363 Pacific Coast Hwy
Malibu, CA 90265
CRD# (323012)
(310) 266-7648
(310) 990-2522
www.vaultcapital.org
admin@vaultcapital.org

Part 2A of Form ADV (the "Brochure") provides information about the qualifications and business practices of Vault Capital. If you have any questions about the contents of this Brochure, please contact us at (310) 990-2522 and/or admin@vaultcapital.org. 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.

Vault Capital is registering as an investment adviser with the U.S. Securities and Exchange Commission; and has not yet been approved with the SEC, however, such registration does not imply a certain level of skill or training and no inference to the contrary should be made.

Additional information about Vault Capital is also available on the SEC's website at www.adviserinfo.sec.gov.

Form ADV Part 2

ITEM 1: COVER PAGE

Please refer to previous page.

ITEM 2: MATERIAL CHANGES

Pursuant to SEC Rules, Vault Capital will ensure that clients receive a summary of any material changes to this Brochure within 120 days of the close of the Firm's fiscal year end, along with a copy of this Brochure or an offer to provide the Brochure. Additionally, as Vault Capital experiences material changes in the future, we will send you a summary of our "Material Changes" under separate cover. For more information about the Firm, please contact the Firm at admin@vaultcapital.org.

Additional information about the Firm and its investment adviser representatives is available on the SEC's website at www.adviserinfo.sec.gov or please visit our web site at www.vaultcapital.org.

ITEM 3: TABLE OF CONTENTS

<u>Item Number</u>	<u>Item</u>	
Item 1	Cover Page	2
Item 2	Material Changes	2
Item 3	Table of Contents.....	3
Item 4	Advisory Business.....	4
Item 5	Fees, Compensation and Subscription-based Fees	8
Item 6	Performance-Based Fees, Side-by-Side Management and Fulcrum Fees	11
Item 7	Types of Clients	11
Item 8	Methods of Analysis, Investment Strategies and Risk of Loss	12
Item 9	Disciplinary Information	13
Item 10	Other Financial Industry Activities and Affiliations	13
Item 11	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	14
Item 12	Brokerage Practices.....	15
Item 13	Review of Accounts	17
Item 14	Client Referrals and Other Compensation.....	18
Item 15	Custody.....	18
Item 16	Investment Discretion.....	19
Item 17	Voting Client Securities.....	19
Item 18	Financial Information	20

Item 4: Advisory Business

A. Description of Firm

Vault Capital, ("Vault" or the "Firm") is a Malibu, California- based investment management firm and registering broker-dealer founded in 2023. Vault provides customized investment management services to individuals, high net worth clients, small businesses, and profit-sharing plans. As discussed more fully below, Vault assists clients in investment management and consultation, determination of financial objectives, identification of financial problems, cash flow management, tax planning, insurance review, education funding, retirement planning, and estate planning. Some of the investment instruments Vault advises its clientele on include, among other things, mutual funds, exchange traded funds ("ETFs"), equities, bonds, treasuries, options and/or limited partnership interests. Additionally, some of the mutual funds, ETFs or limited partnership interests the Firm recommends to clients may invest in real estate.

Vault is currently pending registration with the Securities and Exchange Commission ("SEC") as an investment adviser and is registered with the State of Delaware as a C-Corporation. The Firm conducts business primarily in California. Vault is 25% owned by Ramses Visser (a firm Principal), 25% owned by Thor Visser (a firm Principal) and 40% owned by Terry Au and Valentine Gonzalez (both firm Directors and each 20% owners). And 10% owned by Doug Simcox.

B. Types of Advisory Services Offered

Vault primarily provides two types of advisory services: Financial Planning Services and Investment Management Services. The combination of these services is called Wealth Management Services. The Firm occasionally provides "Other Consulting" services on a case-by-case basis. Each of these services is described more fully below.

1. Financial Planning Services

Financial Planning Services include the initial writing and formulation of a personal financial plan, with recommendations and supporting written work as necessary, and may include the ongoing tracking of the client's progress in achieving the personal financial goals targeted in the plan. The scope of Financial Planning Services selected is defined in advance and agreed upon between the Firm and the client. Fees for Financial Planning Services are defined below under Item 5: Fees and Compensation.

The Financial Planning Services process typically begins with the collection, organization, and assessment of relevant client data, including information concerning the client's lifestyle, risk tolerance, and cash flow, as well as identification of the client's financial concerns, goals, and objectives. The primary objective of this process is to allow the Firm to assist the client in developing a strategy for the successful management of income, assets, and liabilities to help meet the client's individual financial objectives. To help achieve this objective, Vault may perform ongoing tracking of the client's progress in achieving his or her financial goals.

2. Investment Management Services

Vault offers clients Investment Management Services that encompass the traditional asset classes of fixed income, domestic equities, and foreign securities, but can also include alternative asset classes as well. The Firm will generally manage a client's investment portfolio on a discretionary basis, and may assist the client in the establishment of the necessary custodial account(s). When exercising its discretionary authority, Vault will make appropriate "buy, sell, hold" decisions as it believes they are needed using the Firm's asset allocation methodology. Through the use of an asset allocation approach, the Firm provides Investment Management Services based on a personalized understanding of each client's independent investment objectives.

The Firm's Investment Management Services typically begin through the gathering of information vis-a-vis a new Investment Policy Statement, or other similar documentation process. Based upon this information, the Firm selects the appropriate allocation for the client's assets.

The Firm employs a defined process for each step in the investment management cycle including goal setting and risk/return profiling, asset allocation modeling, investment selection and implementation, and ongoing monitoring and reporting. This approach helps to provide a robust process to provide long-term investment solutions. Depending upon the strategy selected by the Firm and the client, Vault may invest client assets in various sectors and securities, including but not limited to: mutual funds, ETFs, stocks, bonds, treasuries, private funds and/or real estate investment trusts ("REITs"). Please refer to Item 8 for more information on Vault's investment strategies, methods of analysis and their associated risks of loss.

As noted above, Vault generally manages client assets on a fully discretionary basis. In exercising full discretionary authority, Vault selects, without first obtaining client's permission, (1) the securities to be bought and sold; and (2) the amounts of securities to be transacted and whether it will be individually, or block traded. Vault's discretionary authority may be subject to conditions imposed by a client. This may occur when a client restricts or prohibits transactions in a security for a specific company or for an industry sector, or requests that the Firm place trades with a specific broker-dealer (aka "directed brokerage"). For more information on the Firm's discretionary authority and brokerage practices please refer to Items 12 and 16.

Clients are allowed to impose reasonable restrictions on the types of securities, sectors and/or industries they do not want to be included in their portfolio. Such restrictions must be communicated to the Firm in advance and documented in writing. Once this information is gathered initially, each client is responsible for informing Vault in writing of any

changes to these restrictions or to their overall investment objectives. The Firm does not assume any responsibility for the accuracy of the information provided directly by its clients or the failure of clients to inform the Firm of changes to their investment or financial objectives.

3. Wealth Management Services

Wealth Management Services refers to the combination of Financial Planning Services and Investment Management Services, as each is described above. Fees for Wealth Management Services are defined below under Item 5: Fees and Compensation. Any implementation of the recommendations made by the Firm during the course of rendering its Wealth Management Services is entirely at the client's discretion. Clients are advised that a potential conflict of interest exists if Vault recommends its own Investment Management Services for the implementation of the recommendations contained in the financial plan.

4. Other Consulting Services

Other Consulting Services include financial advice and/or analysis of a specific client objective or situation, as defined and agreed on by the client and the Firm in advance. The specific objective or situation may be the evaluation of a specific venture or investment the client wants to consider, or it may be the evaluation of an advisory service offered by another professional organization. Fees for Other Consulting Services are described below under Item 5: Fees and Compensation.

5. Educational Seminars

From time to time, Vault offers educational workshops to clients and their guests.

C. General Information About Vault's Advisory Services

1. Gathering Individual Client Information

As explained above, Investment Management Services provided by Vault are customizable based upon the individual needs, objectives, and other financial goals of the client. Early on in the relationship, Vault will typically memorialize each client's investment objectives, risk tolerance, time horizons and other important and necessary information, including any investment guidelines, in the client's Investment Policy Statement. This information, together with any other information relating to the client's overall financial circumstances, will be used by the Firm to determine the most appropriate asset allocation and investment strategy to best meet the client's financial goals. There may be times when certain restrictions are placed by a client which prevent the Firm from accepting or continuing to service the client's account. Vault reserves the right to not accept and/or terminate a client's account if it feels that the client imposed restrictions would limit or prevent it from meeting and/ or maintaining its objectives.

Vault will not assume any responsibility for the accuracy of the information provided by the client. The Firm is not obligated to verify any information received from the client or from the client's other professionals (*e.g.*, attorney, accountant, etc.) and is expressly authorized to rely on such information. Under all circumstances, clients are responsible for promptly notifying the Firm in writing of any material changes to the client's financial situation, investment objectives, time horizon, or risk tolerance. In the event that a client notifies the Firm of changes in the client's financial circumstances, Vault will review such changes and may recommend revisions to the client's portfolio.

2. Advisory Agreements

Prior to engaging Vault to provide investment advisory services, the client will be required to enter into a written agreement ("Client Agreement") with the Firm setting forth the fees to be charged and the terms and conditions under which it will render its services. Vault will provide a Brochure and one or more Brochure Supplements to each client or prospective client prior to or contemporaneously with the execution of a Client Agreement. The advisory relationship will continue until terminated by the client or Vault in accordance with the provisions of the Client Agreement, including that 1) the investment advisor, or an affiliate person of the investment advisor, may receive commissions from the sale of insurance or will receive fees or compensation from the sale of securities or other products or services recommended by the financial plan or otherwise has a conflict of interest; 2) the client is under no obligation to act on the investment adviser's or associated person's recommendation; 3) if the client elects to act on any of the recommendations, the client is under no obligation to effect the transaction through the investment advisor or the associated person when such person is employed as an agent with a licensed broker-dealer or is licensed as a broker-dealer or through any associate or affiliate of such person.

D. Wrap-Fee Programs

Vault may provide portfolio management services to wrap fee programs for qualified customers, as that term is defined in the instructions to Form ADV Part 2.

- *As an investment advisor Vault may offer financial planning and wrap fee programs.*
- *Asset-based fees (1-5%) associated with the wrap fee program will include most transaction costs.*

E. Assets Under Management

As of December 31, 2022, the following represents the amount of client assets under management by Vault on a discretionary and non-discretionary basis:

Type of Account	Assets Under Management ("AUM")
Discretionary	N/A
Non-Discretionary	N/A
Total:	N/A

ITEM 5: FEES AND COMPENSATION

A. Advisory Fees

Prior to engaging Vault to provide advisory services, the client will be required to enter into a written Client Agreement with the Firm setting forth the terms and conditions and the fees under which it will render its services. Fees may be subject to negotiation under certain circumstances as agreed on by the Firm and the client. The following schedule of fees outlines the typical fee structure under which Vault renders its services. The actual schedule of fees, as it applies to a particular client, will be clearly outlined in the Client Agreement.

1. Fees for Wealth Management Services

Wealth Management Services is the combination of Investment Management Services and Financial Planning Services. The fees for Wealth Management Services are detailed in Sections 2 and 3 below.

Clients who place greater than \$1 million in assets under Vault's management will receive Financial Planning Services included in the fees for Investment Management Services. This threshold may be waived or varied in Vault's sole discretion.

In cases where the scope and difficulty of the Financial Planning Services will cause a larger than normal amount of work, additional hourly fees may be charged upon mutual agreement by both parties.

2. Fees for Investment Management Services

Vault's charges fees for Investment Management Services in one of two ways:

- a. Flat Quarterly Retainer: Clients pay a flat quarterly retainer fee ("Flat Quarterly Retainer") in an amount agreed in advance and set forth in the Client Agreement. The Flat Quarterly Retainer is billed quarterly in advance.
- b. Percentage of Managed Assets: Clients pay an annualized quarterly advisory fee ("AUM Fee") in advance based on fair market value of the assets under management (as reasonably determined in good faith by Vault) as of the close of business on the last business day of the proceeding calendar quarter. The AUM Fee is calculated according to the below fee schedule:

Assets Under Management	Advisory Fee (%AUM)
\$10,000 - \$250,000	1.20%
\$250,001 - \$500,000	1.10%
\$500,001 - \$1,000,000	1.00%
\$1,000,001 - \$2,000,000	0.90%
\$2,000,001 - \$3,000,000	0.80%
Over \$3,000,000	0.70%

Minimum fee - For Assets Under Management less than \$1 Million, a minimum fee of \$2,500 per quarter applies (the "Minimum Fee"), in the event the client and investment advisor do not follow % based fee. The Minimum Fee will continue until Assets Under Management increases above \$1 Million at which time the Percentage of Managed Assets fee schedule above applies.

Investment Management Services fees are billed quarterly and prorated based on the number of days that an account is open during the quarter. The Firm can reduce or waive entirely its Investment Management Fee for client accounts, in the Firm's sole discretion.

3. Fees for Financial Planning Services and Other Consulting Services

Fees for Financial Planning and Other Consulting Services are charged in one of three ways:

1. Hourly Basis: Hourly fees are charged at a rate of \$500.00 per planner-hour, including meeting time and preparation time ("Hourly Fee"). Support staff time may be billed at a lower rate where appropriate. The first month's fees will be billed against an initial deposit, with the deposit amount agreed on in advance and set forth in the written agreement between the Client and the Firm. Billing for Financial Planning Services and Other Consulting Services is quarterly in arrears or on completion.
11. One-time/flat fee: Clients pay a flat fee and make a deposit against the fee as agreed in advance and set forth in the written agreement between the Client and the Firm. The balance is due upon completion of Financial Planning Services.
111. Hourly Fee with a Guaranteed Maximum (Capped Hourly Fee): Clients agree to pay the Firm's Hourly Fee, subject to an agreed-upon maximum total fee as agreed in advance and set forth in the written agreement between the Client and the Firm, subject to the scope of the work not changing significantly. The first month's fees will be billed against a deposit as agreed in advance. Billing is quarterly in arrears.
- iv. Commissions, Performance-Based Fee, Mutual Fund and ETF Fees: Clients agree to pay the Firm's Performance-Based Fee when investment adviser achieves minimum return targets (20%-60% per year), and client invests a minimum of \$2,700,000 with the Firm. Performance fees are 1% of profits for 10-20% returns, 2% of profits for 20-30% returns, 3% of profits for 30-40% returns, 4% of the profits for 40-50% returns and 5% of profits for all returns greater than 50%.

Subscription-based fee – For certain customers, a subscription fee may be assessed, which must be disclosed in writing before Vault may charge a customer for such subscription fee.

B. Billing Method

Fees are usually deducted from a designated client account or accounts to facilitate billing. The client must consent in advance to direct debiting of their investment account. Payment by check is also acceptable.

C. Other Fees and Expenses

Clients should be aware that they will be responsible for all fees imposed by the custodian for trading and other related costs, which can include but not be limited to brokerage commissions, transaction costs, custodian fees, transfer fees, redemption fees on short-term investments, cashiering fees and/or taxes or penalties levied by governmental authorities.

In addition, Vault invests in open-end mutual funds and exchange traded funds in client portfolios. These funds charge fees to their shareholders, which are described in their respective prospectus and usually include a management fee, administrative and operations fees, and certain distribution fees (e.g., 12b-1 fees). These fees are generally referred to as a fund's "expense ratio" and the fees are deducted at the mutual fund level when calculating the fund's net asset value ("NAV") and have a direct bearing on the fund's performance. Certain mutual funds also charge an up-front or back-end sales charge and and/or redemption fees. In addition, some open-end mutual funds offer different share classes of the same fund and one share-class can have a higher expense ratio and sales/redemption fees than another share class. The most economical share class will depend on certain factors, including the amount of time the shares are held by a client and the amount a client will be investing. Mutual fund expense ratios and sales/redemption fees vary by fund, so it is important for clients to read the mutual fund prospectus to fully understand all the fees charged.

Vault strives to purchase, when available, the lowest cost mutual fund share class for clients. However, there have been times in the past, and can be in the future, when Vault does not have access to lower cost share classes. This mainly happens when the client's custodian does not offer a lower cost share class for some or all of the mutual funds bought for and/or held in clients' accounts, or the investment amount does not meet the share class minimum investment requirement.

Transaction fees also play an important role in the overall costs when investing in mutual funds. For example, some broker-dealers will not charge a transaction-based fee on a mutual fund trade, but will charge a flat "penalty" fee if the shares are sold within a short-term time period.

Other fees a client can incur include, but are not limited to, custodian fees, brokerage commissions, transaction fees, sub-advisor fees, cashiering fees and/or taxes/penalties levied by governmental authorities. Vault does not receive any portion of these fees or expenses and seeks to negotiate and minimize these fees wherever possible. When managing clients' assets, we take into consideration the overall costs to a client, and we strive to make transaction decisions that are the most economical for a client based on the then prevailing facts and circumstances. However, in some situations such as with unexpected cash needs or avoiding capital gain distributions, fees such as short-term redemption fees can be incurred. In these situations, Vault will endeavor to only incur these fees when it is determined to be in the client's best interest.

All fees paid to Vault for its services are separate and distinct from the fees and expenses outlined above.

Importantly, all the fees charged to a client's account lowers the overall performance of the account. Therefore, clients should review all applicable direct and indirect fees charged, including but not limited to custodian fees, transaction fees, fees associated with investments (e.g., mutual funds and ETFs), and advisory fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

D. Termination of Services

Clients who pay fees quarterly in advance will receive a refund for unearned fees upon termination. Either the client or Vault may terminate the Firm's services without penalty at any time. The Firm determines the amount to be refunded to the client, if any, by subtracting its fees earned as of the time of termination from any amounts collected in advance as of the time of termination. A Client may terminate service for any reason by contacting his/her investment adviser or the compliance officer at 1.310.990.2522, by oral or written notice.

E. Lower Fees for Comparable Service

Lower fees for comparable services may be available from other sources.

ITEM 6: PERFORMANCE-BASED FEES, SIDE-BY-SIDE MANAGEMENT, AND FULCRUM FEES

Vault does charge performance-based fees (*i.e.*, fees calculated based on a share of capital gains upon or capital appreciation of the funds or any portion of the funds of an advisory client). Consequently, Vault does not engage in side-by-side management of accounts that are charged a performance-based fee with accounts that are charged another type of fee (such as fees based on the client's assets under management). As described above, Vault provides its services for a fixed fee, hourly charges and/or based upon a percentage of assets under management, in accordance with SEC Rule 205(a)(1). Performance-based fees can only be charged in accordance with CCR section 260.234. Fulcrum fees may be assessed on an account by account basis, and may not be more than the maximum permissible by law, and must be disclosed to client in writing before account/any transaction tied to fulcrum fees is approved for trading.

ITEM 7: TYPES OF CLIENTS

Vault provides advisory services primarily to individuals and high net worth individuals, as well as to families, trusts, estates and profit-sharing plans, charitable organizations, and other business entities.

The minimum account size for Investment Management Services is generally \$1,000,000. However, Vault may accept smaller portfolios or maintain portfolios whose value has fallen below \$1,000,000 at the Firm's discretion.

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

A. Methods of Analysis

In formulating investment advice and managing assets, Vault analyzes economic factors such as the supply of money, various interest rates, and commodity prices to help forecast the future economic environment. This in turn guides the Firm's asset allocation decisions and the selection of investments suitable for particular investment portfolios. Political factors are considered in those areas that impact the overall economic environment. Client should be aware that investing in securities involves risk of loss that they should be prepared to bear.

B. Investment Strategies

The primary investment strategy used to implement any investment advice given to clients is asset allocation. Based on the Firm's economic forecast and client-driven factors such as desired rate of return, aversion to risk, investment time horizon, tax consequences, and other constraints, investments are diversified across different asset classes and investment styles.

C. Risk of Loss

Investing in securities involves a significant risk of loss, and all investments have certain risks that are borne by the investor. Vault's methods of analysis and investment strategies aim to keep the risk of loss in mind.

Some of risks of loss a client should be aware of include, but are not limited, to the following:

1. **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.
2. **Market Risk:** The price of a stock, bond, mutual fund or other security 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.
3. **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.
4. **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
5. **Political and Legislative Risks:** Companies face a complex set of laws and circumstances in each country in which they operate. The political and legal environment can change rapidly and without warning, with significant impact, especially for companies operating outside of the United States.

6. 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.
7. 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.
8. 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.
9. 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.

ITEM 9: DISCIPLINARY INFORMATION

Registered investment advisers such as Vault are required to disclose all material facts regarding any legal or disciplinary event that would be material to a client's or prospective client's evaluation of the Firm or the integrity of its management. Vault has not been subject to any such legal or disciplinary event, and thus has no information to disclose with respect to this Item.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Neither Vault, nor any member of its management, is registered as a futures commission merchant, commodity pool operator or commodity trading advisor.

The Firm is pending its Broker Dealer registration and does not have any affiliation with any related person who is a commodity pool operator, commodity trading adviser or futures commission merchant, banking or thrift institution, accounting firm, law firm, insurance company or agency, pension consultant, real estate broker or dealer, or an entity that creates or packages limited partnerships.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

A. Code of Ethics Summary

The principals and staff of Vault have adopted a Code of Ethics for the purpose of instructing its personnel in their ethical obligations and to provide rules for their personal securities transactions. The Firm owes a duty of loyalty, fairness and good faith towards its clients, and the obligation to adhere not only to the specific provisions of the Code but to the general principles that guide the Code. The Code of Ethics covers a range of topics that may include: general ethical principles, receipt and giving of gifts, reporting personal securities trading, exceptions to reporting securities trading, reportable securities, initial public offerings and private placements, reporting ethical violations, distribution of the Code of Ethics, review and enforcement processes, amendments to Form ADV and supervisory procedures. We will provide a copy of the Code of Ethics to any client or prospective client upon request.

B. Participation or Interest in Client Transactions and Personal Trading

Vault may enter into any principal transactions or agency cross transactions on behalf of client accounts. Principal transactions occur where an adviser, acting as principal for its own account, buys securities from or sells securities to an advisory client. Agency cross transactions occur where a person acts as an investment adviser in relation to a transaction in which the adviser, or an affiliate of the adviser, acts as broker for both the advisory client and for another person on the other side of the transaction.

Neither Vault nor any of its employees act as general partner in a partnership in which clients are solicited to invest or as an investment adviser to a mutual fund or other investment company that is recommended to clients. Based upon a client's stated objectives, Vault may, under certain circumstances, recommend the purchase or sale of securities in which the Firm or its affiliates have an interest. Such recommendations will only be made to the extent that they are reasonably believed to be in the best interests of the client. Additionally, as part of Vault's fiduciary duty to clients, the Firm and its associated persons will endeavor at all times to put the interests of the clients first, and at all times are required to adhere to the Firm's Code of Ethics.

The Firm's principals and staff may have positions in securities that we also recommend to clients. Vault's recommendations to clients may differ from client to client, based on each client's unique circumstances. The Firm may also recommend purchase of a security for one client while recommending the sale of that security for another. However, as a fiduciary Vault aims to act for the benefit of clients and place clients' interests before its own. Client transactions have priority over transactions in securities and other investments of which our principals and staff may own. Principals and staff may participate with clients in block trades. Principals and staff must adhere to the Firm's Personal Trading Policy at all times.

To help mitigate any real or potential conflicts of interest associated with these practices, the Chief

Compliance Officer of Vault reviews employee trades involving reportable securities each quarter and holding reports annually. The personal trading reviews help ensure that the personal trading of employees does not affect the markets, and that clients of the Firm receive preferential treatment. Since most employee trades are small mutual fund trades or exchange-traded fund trades, the transactions generally do not affect the securities markets. It should be noted, that under the Firm's Code of Ethics employees of the Firm are not required to report transactions involving open-ended mutual funds to the Firm's Chief Compliance Officer and some employees may hold outside brokerage accounts consisting of non-reportable securities, which consequently are not subject to the Chief Compliance Officer's quarterly transactions review.

Timing of Trade Orders

All trades, for clients, staff and principals must be submitted through the central trading process, in which all orders are submitted together and executed at the market price. This mitigates the potential for favoritism or abuse.

ITEM 12: BROKERAGE PRACTICES

A. Selection Criteria

The Firm's Oversight Committee is responsible for identifying and approving broker-dealers to use in executing trades for client accounts. The committee considers various factors in selecting a broker, including:

- Financial Condition;
- Acceptable record keeping;
- Ability to obtain best price;
- Knowledge of market, securities and industries; · Commission structure; and Reputation and integrity.

The CCO is responsible for periodically conducting a formal review of the Firm's custodial relationships.

B. Research and Other Soft Dollar Benefits

The Firm does not have any arrangements to receive soft dollar benefits in connection with client securities transactions.

However, Vault may receive products and services from Interactive Brokers (IB), that may be used to service all or a substantial number of our clients' accounts, including clearing/custodial services.

As a fiduciary, we endeavor to act in our clients' best interests at all times. Our recommendation that clients maintain their assets in accounts at IB is based solely on the nature, cost or quality of custody, clearing and brokerage services provided by IB regardless of any other products or services which may be provided to the Firm. We are aware, however, that the availability of some of the foregoing products and services may create a potential conflict of interest.

C. Brokerage for Client Referrals

Vault does not have any arrangements to receive client referrals from any broker- dealer or third party. Additionally, and as explained more fully in Item 14 below, Vault does not give or receive economic benefits for referring or referred clients.

D. Directed Brokerage

The Firm does not require clients to execute transactions through a specified broker-dealer. However, we generally recommend that investment management accounts be maintained at IB. Clients should be aware that, in the event a client directs the brokerage to be used for transactions, the Firm may be limited in our ability to negotiate commissions/markups, obtain volume discounts, or best execution in some transactions. Clients may pay higher transaction costs as a result of a broker-directed account by a client.

E. Aggregation of Orders

Vault may aggregate ("block trade") sale and purchase orders with other client accounts that have similar orders being made at the same time under the management of the Firm, if in the Firm's judgment aggregation is reasonably likely to result in an overall economic benefit to the client. Such benefits may include better transaction prices and lower trade execution costs. If all aggregate orders do not fill at the same price, Vault may cause the client and each

similar order to pay or receive the average prices at which the orders were filled. If such orders cannot be fully executed under prevailing market conditions, Vault may allocate the securities traded among clients and each similar order in a manner which it considers equitable, taking into account, the size of the order placed, the client's cash position, investment objective of the account, size of the order and liquidity of the security.

ITEM 13: REVIEW OF ACCOUNTS

A. Review of Accounts and Reviewers

The Firm's managed accounts are reviewed on an other-than-periodic basis, with regard to the overall asset allocation of the portfolio and in light of the client's Investment Policy Statement. The Review triggers for our reviews are explained below.

Reviews are conducted by Vault's professional staff, all of whom are Supervised Persons.

B. Review Triggers

The Firm's managed accounts are reviewed with regard to the overall asset allocation of the portfolio and in light of the client's Investment Policy Statement. Triggers for investment reviews include:

- Deposits or withdrawals
- Changes in the Firm's investments as determined by the investment committee
- Changes in the client's situation or in the client's objectives
- Re-balancing of accounts.

C. Regular Reports

Vault typically sends written quarterly reports to all Investment Management Services clients. The reports include Investment Portfolio Holdings Summaries and Performance Reports. For accounts, assets or other investments that a client does not want to be actively managed by the Firm, Vault will not generally provide performance reports for these "Unmanaged" accounts, assets or other investments. Additionally, the Firm may not provide holding summaries for all client accounts. Clients are urged to carefully compare statements sent by the Firm with statements sent by other third parties, such as those sent by the client's custodian.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

In general, it is our policy that we do not pay referral fees to independent persons or firms ("Solicitors") for introducing clients to us. However, we have in the past and it is possible that in the future the Firm may enter into a referral arrangement.

If we pay a referral fee, we require the Solicitor to provide the prospective client with a copy of this document (our Firm Disclosure Brochure) and a separate disclosure statement that includes the following information:

- the Solicitor's name and relationship with our Firm;
- the fact that the Solicitor is being paid a referral fee;
- the amount of the fee; and
- whether the fee paid to us by the client will be increased above our normal fees in order to compensate the Solicitor.

As a matter of Firm practice, the advisory fees paid to us by clients referred by solicitors are not increased as a result of any referral relationship. It is Vault's policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

ITEM 15: CUSTODY

Pursuant to Rule 206(4)-2 of the Advisers Act, because the Firm has the authority and ability to debit its fees directly from clients' accounts, Vault is deemed to have "constructive custody" of accounts in which advisory fees are deducted. In some cases, Vault may also be deemed to have constructive custody over accounts in which a "Standing Letter of Authorization" (SLOA) to direct funds to a third party has been added to the account.

Our policy is to not have custody of client assets beyond the "constructive custody" arising from debiting fees or accepting a third-party SLOA that meets all the conditions in SEC No-Action Letter 2/21/17.

To mitigate any potential conflicts of interests, all client assets are maintained with an independent qualified custodian. Furthermore, clients will receive statements on at least a quarterly basis directly from the qualified custodian that holds and maintains their assets. Clients are urged to carefully review all custodial statements and compare them to the quarterly statements provided by Vault. Vault's statements may vary slightly from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

We do not accept "Standing (SLOA)" authorization from clients to disburse funds to third parties unless the SLOA meets all the conditions in SEC No-Action Letter 2/21/17), specifically that the SLOA does not allow B&F to designate or change the identity, address or any other information about the third party.

ITEM 16: INVESTMENT DISCRETION

A. Discretionary Authority; Limitations

Unless otherwise agreed upon at the inception of the client relationship and memorialized in writing, most Investment Management Services rendered by Vault are done on a discretionary basis. In exercising its discretionary authority, Vault has the ability to determine the type and number of securities to be transacted and whether a client's purchase or sale should be combined with those of other clients and traded as a "block." Such discretion is to be exercised in a manner consistent with each client's stated investment objectives, risk tolerance, and time horizon, as outlined in the client's Investment Policy Statement. In addition, Vault's authority to trade securities may be limited in certain circumstances by applicable legal and regulatory requirements. Clients are permitted to impose reasonable limitations on Vault's discretionary authority, including restrictions on investing in certain securities or types of securities. All such limitations, restrictions, and investment guidelines must be communicated to Vault in writing.

Limited Power of Attorney

By signing Vault's Client Agreement, clients authorize Vault to exercise discretionary authority with respect to all Investment Management Service transactions involving the client's account (excluding any assets or accounts that are designated as "Unmanaged" per client direction). Pursuant to such agreement, Vault is designated as the client's attorney-in-fact with discretionary authority to effect investment transactions in the client's account. This limited power of attorney authorizes the Firm to give instructions to third parties for servicing client's account. Clients should note that for all "Unmanaged" accounts or assets, the Firm will not exercise discretionary authority and, importantly, will not take responsibility for the suitability of these investments as they relate to the client's investment objectives.

ITEM 17: VOTING CLIENT SECURITIES

Vault's policy and practice is to not vote proxies on behalf of its clients and therefore, the Firm shall have no obligation to take any action or render any advice with respect to the voting of proxies solicited by or with respect to issuers of securities held in a client's

account, unless the account is an ERISA account, and such authority has not been delegated to another named fiduciary in the plan's written documents. Consequently, clients retain the responsibility for receiving and voting all proxies for securities held within the client's account.

While Vault employees may answer client questions regarding proxy voting matters to assist the client in determining how to vote the proxy, the final decision of how to vote the proxy rests with the client. Vault shall not be deemed to have proxy voting authority solely because of providing advice or information about a particular proxy vote to a client.

For ERISA clients requiring the Firm to vote proxies, we may agree to do so on a case-by-case basis, at our sole discretion. Vault's proxy voting policy requires that we vote proxies in the best interest of our clients. We reserve the right to charge an additional fee of \$2,000 per year or 0.25 percent per year of the account value, whichever is greater. We will record each proxy vote that we make and relay each to the client in a reasonable amount of time.

ITEM 18: FINANCIAL INFORMATION

Vault does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance and therefore is not required to provide, and has not provided, a balance sheet. Furthermore, Vault does not have any financial commitments that may impair its ability to meet contractual and/or fiduciary obligations to clients. Finally, the Firm has not been the subject of a bankruptcy proceeding.