

*The financial advisors of Drawbridge Capital, LLC are also registered representatives with securities offered through LPL Financial, a legally unaffiliated entity and a FINRA/SIPC member broker/dealer.*

**Item 1 Cover**

**Page**

Registered as: Drawbridge Capital, LLC

CRD No. 128636



Doing Business As: Drawbridge Capital &  
Drawbridge Asset Management

Registered Investment Advisor | CRD No. 128636  
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**March 2023**

**NOTICE TO PROSPECTIVE CLIENTS: READ THIS DISCLOSURE BROCHURE IN ITS ENTIRETY**

All the material within this Brochure must be reviewed by those who are considering becoming a client of our firm. This Brochure provides information about the qualifications and business practices Drawbridge Capital, LLC, doing business as Drawbridge Capital & Drawbridge Asset Management. If you have any questions about the contents of this Brochure, please contact us at (918) 493-4190 or through our website at <http://www.drawbridge.capital>. In accordance with federal and state regulations, this Brochure is on file with the appropriate securities regulatory authorities as required. The information provided within this Brochure is not to be construed as an endorsement or recommendation by state securities authorities in any jurisdiction within the United States, or by the United States Securities and Exchange Commission. 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. Drawbridge Capital, LLC is an SEC registered investment advisor based in the state of Oklahoma. Registration of a registered investment advisor does not imply any level of skill or training. Additional information about Drawbridge Capital, LLC also is available on the SEC's Web Site at [www.advisorinfo.sec.gov](http://www.advisorinfo.sec.gov).

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### **Item 3 – Material Changes**

As of this filing the firm has two Material Changes to add to the report:

Effective 01/01/2023, Monty Dossman has taken over Chief Investment Officer (CIO) role due to the resignation of the previous CIO, Glenn Fogle.

Effective 01/01/2023, Gary Stanislawski has assumed responsibility as Chief Compliance Officer (CCO) role due to the resignation of the previous CCO, Mitch Robinson.

We will ensure that clients receive a summary of any material 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.

Currently, our disclosure brochure may be requested by contacting us at (918) 493-4190 or at [customerservice@Regentfs.com](mailto:customerservice@Regentfs.com)

We welcome visitors to our website at <https://www.drawbridge.capital> for a comprehensive overview of our firm and the professional services we offer.

Additional information about Drawbridge Capital, LLC is also available via the SEC's website [www.advisorinfo.sec.gov](http://www.advisorinfo.sec.gov). The SEC's website also provides information about any persons affiliated with Drawbridge Capital who are registered, or are required to be registered, as IARs of Drawbridge Capital.

### **Item 4 – Advisory Business**

#### **The Firm**

Drawbridge Capital, LLC is located in Tulsa, Oklahoma and was originally established in 2017, held under common ownership with Regent Financial Services, Inc by Gary Stanislawski.

Investment advisory services were initially offered via Regent Financial Services, Inc from 2015 to 2017, then via Drawbridge Capital in 2017 when the firm was established as a state-level registered investment advisor, and via Drawbridge Capital as an SEC-registered investment advisory firm since March, 2019. Services provided initially included only personal financial planning, then expanded in 2015 to include asset management, and expanded again in 2018 when Drawbridge Capital became the sole provider of investment advisory services to the membership of TTCU Federal Credit Union, an Oklahoma based NCUA insured credit union.

Personal financial planning provided is consistent with a client's financial status, investment objectives, and tax status. An individualized financial plan may include, but is not limited to, information regarding retirement and social security planning, education planning, planning for major purchases and life events, benefits analysis, life insurance, disability insurance, long-term care, final expense needs, estate planning, and inheritance planning. A financial plan may also include generic recommendations as to general types of investment products or securities that may be appropriate for the client to purchase given his/her financial situation and objectives. The client is under no obligation to purchase securities through the IAR (IAR). However, if the client desires to purchase securities in order to implement his/her financial plan, the IAR may execute such transactions in his/her capacity as a registered representative of LPL Financial LLC (LPL), a separate, legally unaffiliated entity which is an SEC registered broker/dealer and member of the Financial Regulatory Authority ("FINRA") and the Securities Investors Protection Corporation ("SIPC"). Financial plans will not include information with respect to liability risks.

Asset management investment advisory services are provided within discretionary (with permission) and non-discretionary fee-based investment advisory services for compensation primarily to individual clients and high-net worth individuals and corporate clients based on the individual goals, objectives, time horizon, and risk tolerance of each client. Institutional clients are provided investment advisory services through Drawbridge Asset Management, a division of Drawbridge Capital, LLC. Portfolio management services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Investment policy
- Asset selection
- Regular portfolio monitoring

The IARs associated with Drawbridge Capital are appropriately licensed and authorized to provide advisory services and continue to serve as registered representatives of LPL. Any securities transactions executed by IARs of Drawbridge Capital LLC, including those acting for the benefit of TTCU members, acting in their capacity of a registered representative of LPL shall be directed to LPL for execution. However, clients retain the right to execute securities transaction through the broker/dealer of their choice. Any and all material conflicts of interest are disclosed herein.

Some of Drawbridge Capital's IARs may utilize a third-party asset management program (TAMP) to allocate either all or certain segments of their clients' investments. In most cases where a TAMP is used, Drawbridge Capital has discretion to determine which TAMP and/or which strategy will be used to manage the client's investment, including discretion to change those selections at any time. As a result, these client accounts are included in the calculation of Drawbridge Capital's regulatory assets under management.

## **Management Team**

### **Gary M. Stanislawski CFP<sup>®</sup>, CKA - Owner, President, & Chief Compliance Officer**

Gary M. Stanislawski CFP<sup>®</sup> is the sole owner and president of Drawbridge Capital, LLC. He is also a registered principal with LPL, offering securities transactions on a commission basis. He works with individuals and businesses to provide investment, retirement and estate planning services. Gary is a Certified Financial Planner<sup>®</sup>, Certified Kingdom Advisor, and past President of the Financial Planning Association of Tulsa.

Gary was awarded a four-year ROTC scholarship and attended Oregon State University where he received his Bachelor of Science degree in Business Administration. Upon graduation, Gary entered the Air Force and subsequently earned his wings as a pilot in 1984. Gary flew for eight years, flying such planes as the B-52 and the B-1 Bomber, and has approximately 2000 hours of flying time. Gary also holds a Master of Arts degree from Oral Roberts University.

In 2008, Gary was elected to the Oklahoma State Senate and served as Caucus Chairman, Chairman of the Education Committee, Vice Chairman of the Appropriations Subcommittee on Education and also served on the following committees: the Business, Commerce and Tourism Committee, Rules Committee, Appropriations Committee, and Appropriations Subcommittee on Finance. In addition, Gary has served his community as past president of Jenks Public School's Board of Education, member of the Jenks Public School Foundation Board, member of the Planned Giving Committee of the Parent Child Center, member of the board of directors for Glory House, a local women's shelter, and member of India Missions, a group that reaches out to bring health and wholeness to the people of India.

Gary and his wife Dayna have been married for over 40 years and have two children, Shawn and Kristie. He currently attends Victory Church where he has previously served six years as the Sunday School Superintendent.

## **LPL Financial Sponsored Asset Management Programs and Platforms**

- **Strategic Wealth Management (SWM) – I & II**

Drawbridge Capital, through its IARs, provides ongoing investment advice and management on assets held within clients' custodial Strategic Wealth Management (SWM) accounts held at LPL Financial, which support investment advisory services provided to clients by Drawbridge Capital. In a SWM I, account certain transactions / ticket charges are passed on to the client whereas in a SWM II account such fees are included in the asset management fee. Drawbridge Capital may negotiate a higher fee for a SWM II account due to use of individual securities and the potential for higher trading activity. Each client's trading frequency will be evaluated as part of their initial and annual review to determine the most cost-effective program. The combined total fee will not exceed 2.0%. More specific account information and acknowledgements are further detailed in the account opening documents.

IARs provide advice on the purchase and sale of various types of investments, such as mutual funds, exchange-traded funds ("ETFs"), variable annuity subaccounts, real estate investment trusts ("REITs"), equities, and fixed income securities. The initial advice is tailored to the individual needs of the client to help them to meet their financial goals, and accounts are reviewed on a regular basis and rebalanced as necessary, all based on each client's investment objective and profile.

Generally, there is no minimum account balance required for a SWM account. In certain instances, Drawbridge Capital may require a minimum account size. Drawbridge Capital offers asset management on a discretionary basis. As of December 2022, the firm has \$145,033,568 of discretionary assets.

- **Optimum Market Portfolios (OMP)**

The Optimum Market Portfolios (OMP) program is a professionally managed mutual fund asset allocation program that provides ongoing investment advice and management. The OMP program offers various model portfolios designed by LPL's Research Department to be consistent with various investment objectives. Portfolios include up to six Optimum Funds which represent the following asset classes: large growth, large value, small/mid growth, small/mid value, international, and fixed income. Drawbridge Capital's IARs obtain financial data from each client, assist the client in determining the suitability of the OMP program, and help to select an appropriate fund portfolio program; LPL Financial then manages the underlying Optimum Funds on a discretionary basis consistent with the portfolio program objectives. LPL Financial does not directly manage fund assets on behalf of any particular client.

LPL follows an asset allocation investment style in constructing portfolios for the program. Asset allocation methodology is implemented by combining investments representing various asset classes that react differently to varying market conditions. Thus, if one asset class reacts negatively to certain market events, the potential exists for another asset class to react positively. As with any investment strategy, there is no guarantee that the use of an asset allocation strategy will produce favorable results. Drawbridge Capital IARs are responsible for educating the client about this investment style in advance of opening the account by explaining the various asset classes (e.g., large cap growth, large cap value, etc.) being used within the selected portfolio. This educational process continues throughout the time that

the client maintains the account.

OMP is one of several portfolio platforms centrally managed by LPL Financial. OMP enables advisors of Drawbridge Capital to manage client assets with diversified asset allocation models, professional money management, and automatic rebalancing.

A minimum account value of \$1,000 is required for OMP, but systematic contributions are required for account sizes below \$10,000.

- **Model Wealth Portfolios (MWP)**

The Model Wealth Portfolios (MWP) program is a unified managed account program that provides ongoing investment advice and management. Drawbridge Capital's IARs obtain financial data from each client, assist the client in determining the suitability of the MWP program, and help to select an appropriate investment objective. The IAR will have discretion to select one or multiple model portfolio(s) consistent with the client's stated investment objective that are designed by a portfolio strategist: LPL's Research Department, a third-party investment strategist, an institutional strategist, or the IAR. IARs have discretion to choose among the available models designed by LPL or outside strategists. The portfolio strategist is responsible for selecting and making changes to the investment vehicles within a model portfolio. Portfolios can include mutual funds, exchange-traded funds, exchange-traded notes, closed-end funds, equities, or fixed-income securities. The client will authorize LPL to act on a discretionary basis to purchase and sell various securities consistent with the stated investment objective and to liquidate previously purchased securities. The client will also authorize LPL to effect rebalancing for MWP accounts.

MWP is one of several portfolio platforms centrally managed by LPL Financial. MWP enables advisors of Drawbridge Capital to manage client assets with outsourced asset allocation, manager selection, portfolio monitoring, trading, and automatic rebalancing.

The lowest minimum account value for an MWP portfolio is \$10,000.

- **Personal Wealth Portfolios (PWP)**

The Personal Wealth Portfolios (PWP) wrap program is a unified managed account program that provides ongoing investment advice and management through LPL and the IAR. The program utilizes asset allocation portfolios designed by LPL's Research Department including a combination of mutual funds, exchange-traded funds (ETFs), as well as investment models provided by third party money managers, which typically consist of equity and fixed income securities but may include investment company securities. LPL's Research Department selects the mutual funds, ETFs and investment models to be made available in a portfolio. Drawbridge Capital's IARs obtain the financial data from each client, assist the client in determining the suitability of the PWP program, and help to select an appropriate investment objective. The IAR, or client with the assistance of the IAR, selects a portfolio based on the client's investment objective and then selects among the mutual funds, ETFs and/or models available in the portfolio. If client authorizes the IAR to take discretion to make such selections on client's behalf, the discretionary authority will be set out in the account agreement and application signed by the client.

Neither LPL nor a third-party money manager directly provides advisory services to the clients of Drawbridge Capital with the exception of the Muni Model/Sleeve. If the Muni Model is selected, the PWP advisor does provide individualized discretionary advisory services with respect to that sleeve. Otherwise, the third-party money managers selected by LPL Financial for a particular program manage

the portfolio without regard for any particular client of Drawbridge Capital. Drawbridge Capital is solely responsible for the advisory services provided and selecting the proper portfolio of third-party money managers.

Drawbridge Capital is not acting as a cash solicitor for LPL Financial or other third-party money managers.

A minimum account value of \$250,000 is required for PWP.

- **Guided Wealth Portfolios (GWP)**

The Guided Wealth Portfolios (GWP) program is a centrally managed, algorithm-based investment program, made available to users and clients through a web-based, interactive account management portal (“Investor Portal”). Investment recommendations are generated through proprietary, automated, computer algorithms (collectively, the “Algorithm”) of FutureAdvisor, Inc., based upon model portfolios constructed by LPL and selected for the account as described below (such model portfolio selected for the account, the “Model Portfolio”). Communications concerning GWP are intended to occur primarily through electronic means (including but not limited to, through email communications or through the Investor Portal), although Drawbridge Capital’s IARs will be available to discuss investment strategies, objectives or the account in general in person or via telephone.

A preview of the program (the “Educational Tool”) is generally provided for a period of up to forty-five (45) days to help users determine whether they would like to become advisory clients and receive ongoing financial advice from LPL, FutureAdvisor and Drawbridge Capital by enrolling in the advisory service (the “Managed Service”). The Educational Tool is intended to be used for educational and informational purposes only. Additional details about the Educational Tool and Managed Service can be found in the GWP program brochure. Users of the Educational Tool are not considered to be advisory clients of LPL, FutureAdvisor or Drawbridge Capital, do not enter into an advisory agreement with LPL, FutureAdvisor or Drawbridge Capital, do not receive ongoing investment advice or supervisions of their assets, and do not receive any trading services.

A minimum account value of \$5,000 is required to enroll in and become a client of the Managed Service.

- **Manager Access Select (MAS)**

The Manager Access Select (MAS) wrap program provides access to the investment advisory services and/or model portfolios of third-party professional portfolio management firms for the individual management of client accounts. Two alternative platforms are available: the Separately Managed Account (SMA) platform and the Model Portfolio (MP) platform. LPL acts as the investment advisor; Drawbridge Capital’s IARs obtain the financial data from each client to assist in determining the suitability of the MAS program, an appropriate investment objective, and risk/return preferences. In addition, the IAR will identify any restrictions on the management of the account and select an investment strategy and portfolio manager (within the SMA platform) or select a model portfolio provided by LPL’s Research Department or third-party investment advisors (within the MP platform). The IAR will provide initial and ongoing advice and monitoring regarding the portfolio manager services within both platforms. The portfolio manager manages client’s assets on a discretionary basis.

A minimum account value of \$25,000 is required for MAS, however, in certain instances, the minimum account size may be lower or higher.

- **Manager Access Network (MAN)**

The Manager Access Network is a dual contract platform in which clients, typically high-net-worth investors, have access to a variety of third-party institutional portfolio managers at significantly lower account minimums. By using separate account managers, clients can access a higher level of specialization and service through the ownership of individual securities. A broad range of portfolio managers and multiple investment styles are available, including equity, fixed income, asset classes, mutual funds, ETFs, and specialty strategies. Clients contract directly with portfolio managers, granting them discretionary authority with respect to the account and activity conducted therein, and contract with Drawbridge Capital separately to provide advisory services. LPL provides only brokerage, custodial, and administrative services to the account. Due diligence and portfolio monitoring is not provided by LPL's Research Department.

Minimum account balances vary by portfolio manager, but typically start between \$100,000 and \$250,000.

### **Financial Planning Services**

Drawbridge Capital, through its IARs, may provide personal financial planning tailored to the individual needs of each client for their retirement and/or non-retirement account(s). The services take into account information collected from the client such as financial status, investment objectives and tax status, among other data. Fees for such services are negotiable and detailed in the client agreement. The financial plan may include generic recommendations as to general types of investment products or specific securities which may be appropriate for the client to purchase given his/her financial situation and objectives. The client is under no obligation to act upon the investment advisor's recommendation or purchase such securities. However, if the client desires to purchase securities in order to implement his/her financial plan, IARs of Drawbridge Capital may make a variety of products available in their capacity as registered representatives of LPL Financial. This may result in the payment of normal and customary commissions, advisory fees or other types of compensation to Drawbridge Capital and the IAR.

A conflict exists between the interests of the investment advisor and the interests of the client. Depending on the type of account/investments that could be used to implement a financial plan, such compensation includes (but is not limited to): advisory fees, commissions, mark-ups and mark-downs, transaction charges, confirmation charges; small account fees; mutual fund 12b-1 fees; mutual fund sub-transfer agency fees; hedge fund, managed futures, and variable annuity investor servicing fees; retirement plan fees; fees in connection with an insured deposit account program; marketing support payments from mutual fund, annuity and insurance sponsors; administrative servicing fees for trust accounts; referral fees; compensation for directing order flow; and bonuses, awards or other things of value offered by Drawbridge Capital to the IAR. To the extent that an IAR recommends that client invest in products and services that will result in compensation being paid to Drawbridge Capital and the IAR, this presents a conflict of interest. This compensation to IAR and Drawbridge Capital may be more or less depending on the product or service that IAR recommends. Therefore, the IAR may have a financial incentive to recommend that a financial plan be implemented using a certain product or service over another product or service.

- A conflict exists between the interests of the investment advisor and the interests of the client.
- A client is under no obligation to act upon the investment advisor's recommendation.



- If the client elects to act on any of the recommendations, the client is under no obligation to affect the transaction through the investment advisor.

Such conflicts are mitigated by an IAR's fiduciary duty to act in the best interest of their client.

Financial planning is made available to all clients as either a comprehensive service or separately that may or may not result in a written plan. The amount of time required per plan can vary greatly depending on the scope and complexity of an individual engagement. A particular client's financial plan will include the relevant types of planning specific to their needs and objectives such as:

- **Retirement** – planning an investment strategy with the objective of providing inflation-adjusted income for life.
- **College / Education** – planning to pay the future college / education expenses of a child or grandchild.
- **Major Purchase** – Evaluation of the pros and cons of home ownership versus renting as well as buying or leasing a car, for example.
- **Divorce** – planning for the financial impact of divorce such as change in income, retirement benefits and tax considerations.
- **Insurance Needs** – planning for the financial needs of survivors to satisfy such financial obligations as housing, dependent child care and spousal arrangements as well as education.
- **Final Expenses** – planning to leave assets to cover final expenses such as funeral, debts and potential business continuity.
- **Estate Planning** – planning that focuses on the most efficient and tax friendly option to pass on an estate to a spouse, other family members or a charity.
- **Cash Flow/ Budget Planning** – planning to manage expenses against current and projected income.
- **Wealth Accumulation** – planning to build wealth within a portfolio that takes into consideration risk tolerance and time horizon.
- **Tax Planning** – planning a tax efficient investment portfolio to maximize deductions and offsetting losses.
- **Investment Planning** – planning an investment strategy consistent with a particular objective, time horizons and risk tolerances.
- **Inheritance Planning** – planning for a tax efficient method to pass wealth to the next generation.
- **Employee and Government Benefits Analysis** – analysis of the cost and premiums as well as the pre-and post-retirement coverage options.
- **Social Security Planning** – analysis of expected benefits at retirement, disability or death as well as qualification criteria and age based considerations.

## Hourly Consulting Services

Drawbridge Capital, through its IARs, may provide consulting services on an hourly basis. These services may include analyses of the above topics or any other specified topic, as selected by the client in the consulting agreement. The services consider information collected from the client such as financial status, investment objectives and tax status, among other data. The IARs may or may not deliver to the client a written analysis or report as part of the services. The IARs tailor the hourly consulting services to the individual needs of the client. The engagement terminates upon final consultation with the client.

## Retirement Plan Consulting

IARs of Drawbridge Capital may assist clients that are trustees or other fiduciaries to retirement plans (“Plans”) by providing fee-based consulting and/or advisory services. IARs may perform one or more of the following services, as selected by the client in the client agreement:

- Assistance in the preparation or review of an investment policy statement (“IPS”) for the Plan based upon consultation with client to ascertain Plan’s investment objectives and constraints.
- Acting as a liaison between the Plan and service providers, product sponsors or vendors.
- Ongoing monitoring of investment manager(s) or investments in relation to the criteria specified in the Plan’s IPS or other written guidelines provided by the client to IAR.
- Preparation of reports describing the performance of Plan investment manager(s) or investments, as well as comparing the performance to benchmarks.
- Ongoing recommendations, for consideration and selection by client, about specific investments to be held by the Plan or, in the case of a participant-directed defined contribution plan, to be made available as investment options under the Plan.
- Education or training for the members of the Plan investment committee with regard to various matters, including plan features, retirement readiness matters, service on the committee, and fiduciary responsibilities.
- Assistance in enrolling Plan participants in the Plan, including conducting an agreed upon number of enrollment meetings. As part of such meetings, IARs may provide participants with information about the Plan, which may include information on the benefits of Plan participation, the benefits of increasing Plan contributions, the impact of pre-retirement withdrawals on retirement income, the terms of the Plan and the operation of the Plan.

If the Plan makes available publicly traded employer stock (“company stock”) as an investment option under the Plan, IARs do not provide investment advice regarding company stock and are not responsible for the decision to offer company stock as an investment option. In addition, if participants in the Plan may invest the assets in their accounts through individual brokerage accounts, a mutual fund window, or other similar arrangement, or may obtain participant loans, IARs do not provide any individualized advice or recommendations to the participants regarding these decisions.

In addition, if the client elects to engage an IAR to perform ongoing investment monitoring and ongoing investment recommendation services to a Plan subject to ERISA in the client agreement, such services will constitute “investment advice” under Section 3(21)(A)(ii) of ERISA. Therefore, the IARs will be deemed a “fiduciary” as such term is defined under Section 3(21)(A)(ii) of ERISA in connection with

those services. Clients should understand that to the extent the IAR is engaged to perform services other than ongoing investment monitoring and recommendations, those services are not “investment advice” under ERISA and therefore, the IAR will not be a “fiduciary” under ERISA with respect to those other services.

From time to time the IAR may make the Plan or Plan participants aware of and may offer services available from IAR that are separate and apart from the services provided under Retirement Plan Consulting. Such other services may be services to the Plan, to a client with respect to client's responsibilities to the Plan and/or to one or more Plan participants. In offering any such services, the IAR is not acting as a fiduciary under ERISA with respect to such offering of services. If any such separate services are offered to a client, the client will make an independent assessment of such services without reliance on the advice or judgment of the IAR. Such service may include:

- Assistance with investment education seminars and meetings for Plan participants. Such meetings may be on a group or individual basis and may include information about the investment options under the Plan (e.g., investment objectives, risk/return characteristics, and historical performance), investment concepts (e.g., diversification, asset classes, and risk and return), and how to determine investment time horizons and assess risk tolerance. Such meetings do not include specific investment advice about investment options under the Plan as being appropriate for a particular participant.
- Assistance at client's direction in making changes to investment options under the Plan.
- As part of the ongoing investment recommendation service set out above, assistance in identifying investment options in connection with the “broad range” requirement of Section 404(c) of the Employee Retirement Income Security Act of 1974 (“ERISA”).
- As part of the ongoing investment recommendation service set out above, assistance in identifying an investment fund product or model portfolio in connection with the definition of a “Qualified Default Investment Alternative” (“QDIA”) under ERISA.
- Assistance with the preparation, distribution and evaluation of Request for Proposals, finalist interviews, and conversion support in connection with vendor analysis and service provider support.
- Preparation of comparisons of Plan data (e.g., regarding fees and services and participant enrollment and contributions) to data from the Plan's prior years and/or a benchmark group of similar plans.
- Assistance in identifying the fees and other costs borne by the Plan for, as specified by client, investment management, recordkeeping, participant education, participant communication and/or other services provided with respect to the Plan.

## **Institutional Equity Strategies**

Drawbridge Capital manages several concentrated US equity strategies targeted to institutional clients. The minimum account size for these strategies is \$1 million, which has been waived for clients of Drawbridge IARs. Typically holding fewer than 35 positions with wide latitude on cash and sector weights, these strategies may at times be considered “non-diversified.” They should be expected to demonstrate significant tracking error against their benchmarks. The investment objectives of each strategy are to consistently generate positive risk-adjusted returns (alpha) and lower correlation to the broad US equity market in comparison with its benchmark.

## **Other Considerations**

Neither the firm nor any IAR are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.

Advisory agreements may not be assigned or transferred in any manner by any party without the written consent of all parties receiving or rendering services hereunder; provided that Advisor may assign an agreement upon consent of the client. An advisory agreement may be terminated by any party effective upon receipt of written notice to the other parties. The client will be entitled to a prorated refund of any pre-paid quarterly account fee based upon the number of days remaining in the quarter after the termination date.

Clients need to understand that in the event of death or incapacity during the term of an advisory agreement, the authority of Drawbridge Capital under an advisory agreement shall remain in full force and effect until such time as Drawbridge Capital is notified otherwise in writing by the authorized representative of a client or a client's estate. Termination of an advisory agreement will not affect the liabilities or obligations of the parties from transactions initiated prior to termination.

Economic commentaries and research provided by LPL are provided at no cost and not contingent upon the amount of business processed through LPL.

The IAR may receive additional cash or non-cash compensation from advisory product sponsors or TAMPs. Such compensation may not be tied to the sales of any products. Compensation may include such items as gifts valued at less than \$100 annually, an occasional dinner or ticket to a sporting event, or reimbursement in connection with educational meetings or marketing or advertising initiatives.

## **Item 5 – Fees and Compensation**

### **Asset Management Fees**

IARs are restricted to providing services and charging fees based in accordance with the descriptions detailed in this document and the account agreement. However, the exact service and fees charged to a particular client are dependent upon the representative that is working with the client. IARs are instructed to consider the individual needs of each client when recommending an advisory platform. Investment strategies and recommendations are tailored to the individual needs of each client.

The specific manner in which fees are charged is established in a client's written agreement up to 2% of assets under management as of the last business day of the previous quarter. Clients can determine to engage the services of Drawbridge Capital on a discretionary basis. The firm's annual investment advisory fee shall be based upon a percentage (%) of the market value and type of assets placed under the firm's management to be charged quarterly in advance, and Drawbridge Capital representatives may at their discretion negotiate a fee in accordance with the below fee schedule.

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

## Fee Schedule

Total Assets Under Management	Maximum Annual Fee
\$15,000 - \$99,999*	2.00%
\$100,000 - \$249,999	1.90%
\$250,000 - \$499,999	1.80%
\$500,000 - \$999,999	1.65%
\$1,000,000 - \$1,999,999	1.50%
\$2,000,000 - \$2,999,999	1.40%
\$3,000,000 - \$3,999,999	1.30%
\$4,000,000 – \$4,999,999	1.20%
\$5,000,000 +	1.10%

\*If an account falls below \$15,000, the client may be asked to terminate the account.

Asset management account fees are payable quarterly in advance. Clients may terminate the agreement without penalty for a full refund of the Drawbridge Capital fees within five (5) business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract generally with 30 days' written notice. Clients are not charged additional fees by LPL for participating in any of the individual advisory programs.

The account's custodian calculates and deducts the advisory fee quarterly in advance; Drawbridge Capital does not directly deduct fees but is paid by the qualified custodian. If the advisory agreement is terminated before the end of the quarterly period, client is entitled to a pro-rated refund of any pre-paid quarterly advisory fee based on the number of days remaining in the quarter after the termination date, which will be processed by the custodian.

The IAR receives compensation as a result of a client's participation in an LPL program. Depending on, among other things, the size of the account, changes in its value over time, the ability to negotiate fees or commissions, and the number of transactions, the amount of this compensation may be more or less than what the IAR would receive if the client participated in other programs, whether through LPL or another sponsor, or paid separately for investment advice, brokerage and other services.

LPL serves as program sponsor, investment advisor, and broker/dealer for the LPL advisory programs. Drawbridge Capital and LPL may share in the account fee and other fees associated with program accounts. Associated persons of an IAR may also be registered representatives of LPL. Lower fees for comparable services may be available from other sources.

If the IAR utilizes a TAMP to manage all or any part of the client's account, the client will likely be required to enter into a separate agreement with the TAMP. The TAMP agreement will govern the terms under which the advisory fee will be collected, in which case Drawbridge Capital's investment management agreement will only specify the fee it will collect from the TAMP. Specifically, the TAMP will collect a unified fee and forward the fee specified on Drawbridge Capital's investment management agreement with the client to Drawbridge Capital.

## Financial Planning Fees

Financial planning is generally provided for a fixed fee based on an estimated number of hours, but in some cases financial planning may be offered on an actual hourly basis. Financial planning fees and payment schedules are negotiated but generally require 50% up front and the balance upon completion. In the event that a client terminates the services they will be entitled to a refund of any unearned fees by subtracting the earned fees from the amount paid up front. Drawbridge Capital does not require or solicit prepayment of more than \$500 in fees per client six months or more in advance.

Financial planning fees are payable by check to Drawbridge Capital. The fee for hourly billing is generally \$150 an hour and fixed fees generally range from \$250 to \$5,000 depending on the complexities and the extent of the planning provided. In certain cases, a fixed fee of greater than \$5,000 may be warranted.

## Hourly Consulting Fees

The hourly consulting fee will be based on the type of services to be provided, experience and expertise, and the sophistication and complexity of the client's financial circumstances. The hourly fee is generally \$150 an hour. The total estimated fee, as well as the ultimate fee that we charge, is based on the scope and complexity of the specific engagement. A higher or lower fee may apply under extenuating circumstances and requires approval by the Chief Compliance Officer.

Our fixed fee is based on the number of expected hours multiplied by \$150. Individual complexities will determine the fixed fee charged based on the number of hours estimated to complete the plan but not billed based on actual hours. Clients are not "fit" into a particular service level, but a plan is designed specific to each individual client and their unique circumstances. The following criteria will be considered as appropriate when determining the number of hours expected to create a client-specific financial plan.

- Total Income (wages, investment, business, alimony, rental, etc.)
- Net Worth
- Marital Status
- Tax Bracket
- Assets Under Management
- Children
- Education Costs
- Timeframe
- Risk Tolerance
- Objectives
- Account Types and Holdings
- Investment Experience
- Budget
- Expected Number of Meetings / Phone Conferences
- Amount of Material Required to Review
- Number of Accounts
- Type of Holdings

Payment for hourly consulting is to: Drawbridge Capital. Payment for services is generally due upon completion of each hourly session. If a client terminates services, they will be entitled to a refund of any unearned fees by subtracting the earned fees from any amount pre-paid, if applicable.

## Retirement Plan Consulting Fees

Drawbridge Capital offers the following optional flat fee arrangement for retirement plan and pension consulting agreements. The determined annual fee will be increased each year with a cost of living adjustment of an agreed upon percentage.

- Frequency (monthly, quarterly, annually, or other)
- Timing (fees will be charged quarterly in advance, or arrears)
- Method (based on the value of plan assets in the method determined by the third party payer, or based on the value of the plan assets at the beginning of quarter, or end of quarter).

The minimum flat fee range is generally between \$2,000 - \$5,000 annually depending on the size, complexity and services offered.

Fees will be paid by the investment provider or other third party, and/or out of Plan Assets, in accordance with the third party's policies accepted by Sponsor," or "Invoice Plan Sponsor directly at Sponsor's address.

## Commission Compensation

IARs of Drawbridge Capital may also be registered representatives of LPL Financial LLC, an unaffiliated entity and FINRA/SIPC member broker/dealer.

LPL Financial as a broker/dealer charges brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). LPL enables Drawbridge Capital to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. LPL Financial commission rates are generally discounted from customary retail commission rates. However, the commission and transaction fees charged by LPL may be higher or lower than those charged by other custodians and broker/dealers. Clients may direct their brokerage transactions at a firm other than LPL. Advisory fees are generally not reduced to offset commissions or markups. Please see Item 12 for additional information regarding brokerage practices.

Clients can engage certain representatives of the firm, in their individual capacities as registered representatives of LPL, an SEC registered and FINRA/SIPC member broker-dealer, in order to purchase investment products in a brokerage account established through LPL. LPL will charge brokerage commissions to effect securities transactions, a portion of which LPL Financial shall pay to the firm's representatives, as applicable. The brokerage commissions charged by LPL may be higher or lower than those charged by other broker/dealers.

The firm generally does not receive more than 50% of its revenue from advisory clients as a result of commissions or other compensation for the sale of investment products the firm recommends to its clients. When the firm's representatives sell an investment product on a commission basis, the firm does not charge an advisory fee in addition to the commissions paid by the client for such product in order to address this conflict of interest. In addition to the disclosures contained herein, the fee structure is discussed with clients prior to any transactions. When providing services on an advisory fee basis, Drawbridge Capital's representatives do not also receive commission compensation for such advisory services (except for any ongoing 12b-1 trailing commission compensation that may be received as discussed below). However, a client may engage the firm to provide investment management services for an advisory fee and purchase an investment product from the firm's representatives on a separate and additional commission basis.

With respect to 12b-1 fees in general, Drawbridge Capital makes every effort to avoid 12b-1 fees in client accounts. Any recommendation for the purchase of an investment product that has 12b-1 fees associated with it is solely based on client's needs and the overall investment goals of the client. Drawbridge Capital takes its fiduciary duty seriously. In some cases, creating a portfolio that meets the client's goals, objectives and tolerance levels does lead Drawbridge Capital to recommend securities have 12b-1 fees but the recommendation of those products is based on client need and not on commissions to be received as a result of the purchase.

The recommendation that a client purchase a commission product from LPL presents a conflict of interest, as the receipt of commissions provides an incentive to recommend investment products based on commissions received, rather than on a client's need. However, IARs of Drawbridge Capital have a fiduciary duty to act in the best interests of their clients. No client is under any obligation to purchase any commission products from LPL Financial. The firm's Chief Compliance Officer, Gary Stanislawski, is available to address any questions that a client or prospective client may have regarding this conflict of interest.

### **Other Considerations**

When dealing with investment advisory clients and services, IARs have an affirmative duty of care, loyalty, honesty and good faith to act in the best interests of their clients. IARs should fully disclose all material facts concerning any conflict that arise with their clients and should avoid even the appearance of a conflict of interest.

The firm and IARs must abide by honest and ethical business practices including, but not limited to:

- Not inducing trading in a client's account that is excessive in size or frequency in view of the financial resources and character of the account;
- Making recommendations with reasonable grounds to believe that they are appropriate based on the information furnished by the client;
- Placing discretionary orders only after obtaining client's written trading authorization contained within the advisory agreement or via separate amendment;
- Not borrowing money or securities from, or lending money or securities to a client;
- Not placing an order for the purchase or sale of a security if the security is not registered, or the security or transaction is not exempt from registration in the specific state;

The Firm and the IAR will:

- Allocate securities in a manner that is fair and equitable to all clients.
- Not effect agency-cross transactions for client accounts.

All IARs of Drawbridge Capital are required to sign an acknowledgment of their understanding and acceptance of these terms.

Fees for services are typically based on the value of assets under management and will vary by engagement. The amount of the fee will be set out in the client agreement executed by the client at the time the relationship is established. The advisory fee is negotiable between the IAR and the client and is



payable in advance as described in the client agreement. LPL is responsible for calculating and deducting advisory fees from client accounts held at LPL. Client will provide LPL with written authorization to deduct fees and pay the advisory fees to the RIA firm. The advisory fee is paid directly by LPL to the RIA firm (not the individual). The RIA firm will then share the advisory fee with its advisors/associated persons.

IARs may also be licensed insurance agents. In the capacity of an insurance agent, they may recommend the purchase of certain insurance-related products on a commission basis.

The purchase of a securities and/or insurance commission product presents a conflict of interest, as the receipt of commissions may provide an incentive to recommend investment products based on commissions received, rather than on a particular client's need. No client is under any obligation to purchase any commission products from IAR of the firm. Clients may purchase investment products recommended by investment advisory representatives through other, non-affiliated broker/dealers or insurance agents.

LPL will generally serve as the broker/dealer on transactions in an advisory account. In such case, LPL may charge the client transaction charges in connection with trade execution through LPL.

### **Institutional Equity Strategies**

Assets Under Management	Maximum Annual Fee
\$1 million - \$10 million	1.20%
\$10 million - \$25 million	1.10%
Over \$25 million	0.95%

Fees may vary depending on the size of account, the type of client, and the specific strategy. Management fees on institutional equity accounts are generally charged quarterly in arrears based on the average daily balance in the account during the preceding quarter.

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

None of the advisors at Drawbridge Capital accepts performance-based fees – that is, fees based on a share of capital gains or capital appreciation of assets (such as a client that is a hedge fund or other pooled investment vehicle). Drawbridge Capital does not participate in side-by-side management, where an advisor manages accounts that are both charged a performance-based fee and accounts that are charged another type of fee, such as an hourly or flat fee or an asset-based fee.

### **Item 7 – Types of Clients**

Drawbridge Capital generally provides advice to individuals, high net worth individuals, corporate pension and profit-sharing plans, charitable institutions, foundations, endowments, trust programs, and other U.S. institutions. However, the advisory services offered by Drawbridge Capital are also available to other types of clients as the opportunity may arise.

Advisory Programs account minimums are generally as follows:

- Asset Management: No minimum
- Optimum Market Portfolios Program (OMP): \$1,000, \$10,000 without systematic contributions
- Model Wealth Portfolios Program (MWP): \$10,000
- Personal Wealth Portfolios Program (PWP): \$250,000

- Guided Wealth Portfolios Program (GWP): \$5,000
- Manager Access Select Program (MAS): \$25,000 (in certain instances, the minimum account size may be lower or higher).
- Manager Access Network Program (MAN): \$100,000-\$250,000 (in certain instances, the minimum account size may be lower or higher).
- TAMP account minimums would be specified by the TAMP agreement

Institutional equity strategies are typically offered to foundations, endowments, charitable institutions, family offices and high net worth individuals. They may also be offered to other financial institutions and intermediaries. The minimum institutional equity account size is \$1 million.

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

While providing advisory services, IARs of Drawbridge Capital may give general advice or opinions with relation to:

- Equity Securities, both exchange listed and over-the counter;
- Corporate Debt Securities, including commercial paper;
- Certificates of Deposit;
- Municipal Securities;
- Investment Company Securities, including Variable Life Insurance, Variable Annuities, and Mutual Fund Shares;
- United States Government Securities;
- Options Contracts on Securities and Commodities; and/or,
- Interests in Partnerships investing in real estate, oil and gas, and capital equipment leasing.

A client's portfolio may include assets of publicly held companies in the United States and foreign markets. This may include both equities and fixed income assets. Other options may include domestic and foreign debt instruments (i.e. government and corporate bonds), real estate investment trusts and mutual funds or private placements that invest in natural resources or managed futures (markets such as, but not limited to, currency, commodity, agriculture and energy).

Each market may function and change in different ways depending on supply and demand, current events and investor behaviors. While our goal is to help increase a client's net worth, there is potential for losses in market, principal, and interest values. These changes may also affect a client's tax situation and filings.

Analysis and strategies are generally based on:

- publicly available data
- a client's net worth and financial profile
- risk tolerance
- goals for investment account funds
- commentary and information obtained from analysts at preferred mutual fund or variable annuity firms

The client's individual investment strategy is tailored to their specific needs and may include some or all of the previously mentioned securities. Each portfolio will be initially designed to meet a particular investment goal, which we determine to be suitable to the client's circumstances. Once the appropriate portfolio has been determined, we regularly review the portfolio and if appropriate, rebalance the

portfolio based upon the client's individual needs, stated goals and objectives. Each client has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio.

The firm may use fundamental analysis and technical analysis, trend analysis and macro analysis in order to formulate investment advice when managing assets. Depending on the analysis the firm will implement a long or short-term strategy based on the particular objectives and risk tolerance of each individual client.

- **Fundamental Analysis** – involves the analysis of financial statements and other information about a company, its industry peers or customers, its management and competitive position. Concentrating on a company's current and expected future earnings and dividends in relation to its current price, it attempts to identify securities that appear likely to offer attractive total return in relation to risks. The risk is that company and industry fundamentals may change, or investor sentiment may deteriorate, preventing the security from reaching expectations of fair value.
- **Technical Analysis** – involves the analysis of past market data, particularly prices, to identify attractive investments. Some techniques, called trend following or price momentum strategies, look for trends with above average probability of continuing; others try to find trends that are likely to reverse. While historically these tendencies have held true for large samples of securities over most time frames, the risk is that any individual security or group of securities for some period may be exceptions to the rule.
- **Macro Analysis** – involves the analysis of business or economic cycles to find attractive opportunities to buy or sell a security. Macro analysis assumes that markets rise and fall with cyclical factors affecting either fundamentals or valuations. Risks include complexity, as many factors affect market prices; weak correlation, as markets do not always respond the same way to cyclical events; and diminishing returns if too many investors seek to exploit the same macro trends.

Investing in securities involves risk of loss that clients should be prepared to bear. Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy will be profitable or equal any specific performance level(s). Past performance is not indicative of future results.

The firms' methods of analysis and investment strategies do not represent any significant or unusual risks however all strategies have inherent risks and performance limitations.

### **Risk of Loss**

- **Market Risk** – the risk that the value of securities may go up or down, sometimes rapidly or unpredictably, due to factors affecting securities markets generally or particular industries.
- **Interest Rate Risk** – the risk that fixed income securities will decline in value because of an increase in interest rates. A bond or a fixed income fund with a longer duration will be more sensitive to changes in interest rates than a bond or bond fund with a shorter duration.
- **Credit Risk** – the risk that an investor could lose money if the issuer or guarantor of a fixed income security is unable or unwilling to meet its financial obligations.
- **Business Risk** – the measure of risk associated with a particular security. It is also known as

unsystematic risk and refers to the risk associated with a specific issuer of a security. Generally speaking, all businesses in the same industry have similar types of business risk. More specifically, business risk refers to the possibility that the issuer of a particular company stock or a bond may go bankrupt or be unable to pay the interest or principal in the case of bonds.

- **Taxability Risk** – the risk that a security that was issued with tax-exempt status could potentially lose that status prior to maturity. Since municipal bonds carry a lower interest rate than fully taxable bonds, the bond holders would end up with a lower after-tax yield than originally planned.
- **Call Risk** – the risk specific to bond issues referring to the possibility that a debt security will be called prior to maturity. Call risk usually goes hand in hand with reinvestment risk because the bondholder may not be able to find an investment that provides the same level of income for similar risk. Call risk is most prevalent when interest rates are falling, as companies trying to save money will usually redeem bond issues with higher coupons and replace them with issues with lower interest rates.
- **Inflationary Risk** – the risk that future inflation will cause the purchasing power of cash flow from an investment to decline.
- **Liquidity Risk** – the possibility that an investor may not be able to buy or sell an investment as and when desired or in sufficient quantities.
- **Market Risk** – the risk that will affect all securities in the same manner caused by some factor that cannot be controlled by diversification.
- **Reinvestment Risk** – the risk that falling interest rates will lead to a decline in cash flow when principal and interest payments are reinvested at lower rates.
- **Social/Political** – the possibility of nationalization, unfavorable government action or social changes resulting in a loss of value.
- **Legislative Risk** – the risk of a legislative ruling resulting in adverse consequences.
- **Currency/Exchange Rate Risk** – the risk of a loss from changes in the value of one currency against another.

### Types of Investments (Examples, not limitations)

- **Mutual Funds** – a pool of funds collected from many investors for the purpose of investing in securities such as stocks, bonds, money market instruments and similar assets.
  - **Open-End Mutual Funds** – a type of mutual fund that does not have restrictions on the amount of shares the fund will issue and will buy back shares when investors wish to sell. Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond “fixed income” nature (lower risk) or stock “equity” nature
  - **Closed-End Mutual Funds** – a type of mutual fund that raises a fixed amount of capital through an initial public offering (IPO). The fund is then structured, listed and traded like a stock on a stock exchange.

Clients should be aware that closed-end funds available within the program are not readily marketable. In an effort to provide investor liquidity, the funds may offer to repurchase a certain percentage of shares at net asset value on a periodic basis. Thus, clients may be unable to liquidate all or a portion of their shares in these types of funds.

- **Alternative Strategy Mutual Funds** – Certain mutual funds available in the program invest primarily in alternative investments and/or strategies. Investing in alternative investments and/or strategies may not be suitable for all investors and involves special risks, such as risks associated with commodities, real estate, leverage, selling securities short, the use of derivatives, potential adverse market forces, regulatory changes and potential illiquidity. There are special risks associated with mutual funds that invest principally in real estate securities, such as sensitivity to changes in real estate values and interest rates and price volatility because of the fund's concentration in the real estate industry.
- **Leveraged and Inverse ETFs, ETNs and Mutual Funds** – Leveraged ETFs, ETNs and mutual funds, sometimes labeled “ultra” or “2x” for example, are designed to provide a multiple of the underlying index's return, typically on a daily basis. Inverse products are designed to provide the opposite of the return of the underlying index, typically on a daily basis. These products are different from and can be riskier than traditional ETFs, ETNs and mutual funds. Although these products are designed to provide returns that generally correspond to the underlying index, they may not be able to exactly replicate the performance of the index because of fund expenses and other factors. This is referred to as tracking error. Continual re-setting of returns within the product may add to the underlying costs and increase the tracking error. As a result, this may prevent these products from achieving their investment objective. In addition, compounding of the returns can produce a divergence from the underlying index over time, in particular for leveraged products. In highly volatile markets with large positive and negative swings, return distortions are magnified over time. Because of these distortions, these products should be actively monitored, as frequently as daily, and are generally not appropriate as a long-term holding. To accomplish their objectives, these products use a range of strategies, including swaps, futures contracts and other derivatives. Some of these products may not be diversified and can be based on commodities or currencies. These products may have higher expense ratios and be less tax- efficient than more traditional ETFs, ETNs and mutual funds.
- **Unit Investment Trust (UIT)** – An investment company that offers a fixed, unmanaged portfolio, generally of stocks and bonds, as redeemable "units" to investors for a specific period of time. It is designed to provide capital appreciation and/or dividend income. UITs can be resold in the secondary market. A UIT may be either a regulated investment corporation (RIC) or a grantor trust. The former is a corporation in which the investors are joint owners; the latter grants investors proportional ownership in the UIT's underlying securities.
- **Equity** – investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environment.
- **Exchange Traded Funds (ETFs)** – an ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance. Precious Metal ETFs (e.g., Gold, Silver, or Palladium Bullion backed “electronic shares” not physical metal) specifically may be negatively impacted by several unique factors, among them (1) large sales by the official sector which own a significant portion of aggregate world holdings in gold

and other precious metals, (2) a significant increase in hedging activities by producers of gold or other precious metals, (3) a significant change in the attitude of speculators and investors.

- **Exchange-Traded Notes (ETNs)** – An ETN is a senior unsecured debt obligation designed to track the total return of an underlying market index or other benchmark. ETNs may be linked to a variety of assets, for example, commodity futures, foreign currency and equities. ETNs are similar to ETFs in that they are listed on an exchange and can typically be bought or sold throughout the trading day. However, an ETN is not a mutual fund and does not have a net asset value; the ETN trades at the prevailing market price. Some of the more common risks of an ETN are as follows. The repayment of the principal, interest (if any), and the payment of any returns at maturity or upon redemption are dependent upon the ETN issuer's ability to pay. In addition, the trading price of the ETN in the secondary market may be adversely impacted if the issuer's credit rating is downgraded. The index or asset class for performance replication in an ETN may or may not be concentrated in a specific sector, asset class or country and may therefore carry specific risks.
- **Fixed Income** – investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best known type of fixed income security. In general, the fixed income market is volatile and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.
- **Options** – Certain types of option trading are permitted in order to generate income or hedge a security held in the program account; namely, the selling (writing) of covered call options or the purchasing of put options on a security held in the program account. Client should be aware that the use of options involves additional risks. The risks of covered call writing include the potential for the market to rise sharply. In such case, the security may be called away and the program account will no longer hold the security. The risk of buying long puts is limited to the loss of the premium paid for the purchase of the put if the option is not exercised or otherwise sold by the program account.
- **Options Trading/Writing** – is a securities transaction that involves buying or selling (writing) an option. If you write an option and the buyer exercises the option, you are obligated to purchase or deliver a specified number of shares at a specified price at the expiration of the option regardless of the market value of the security at expiration of the option. Buying an option gives you the right to purchase or sell a specified number of shares at a specified price until the date of expiration of the option regardless of the market value of the security at expiration of the option. Our investment strategies, with respect to options will, vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio.
- **Structured Products** – Structured products are securities derived from another asset, such as a security or a basket of securities, an index, a commodity, a debt issuance, or a foreign currency. Structured products frequently limit the upside participation in the reference asset. Structured

products are senior unsecured debt of the issuing bank and subject to the credit risk associated with that issuer. This credit risk exists whether or not the investment held in the account offers principal protection. The creditworthiness of the issuer does not affect or enhance the likely performance of the investment other than the ability of the issuer to meet its obligations. Any payments due at maturity are dependent on the issuer's ability to pay. In addition, the trading price of the security in the secondary market, if there is one, may be adversely impacted if the issuer's credit rating is downgraded. Some structured products offer full protection of the principal invested, others offer only partial or no protection. Investors may be sacrificing a higher yield to obtain the principal guarantee. In addition, the principal guarantee relates to nominal principal and does not offer inflation protection. An investor in a structured product never has a claim on the underlying investment, whether a security, zero coupon bond, or option. There may be little or no secondary market for structured products and information regarding independent market pricing may be limited. This is true even if the product has a ticker symbol or has been approved for listing on an exchange. Tax treatment of structured products may be different from other investments held in the account (e.g., income may be taxed as ordinary income even though payment is not received until maturity). Structured CDs that are insured by the FDIC are subject to applicable FDIC limits.

- **Hedge Funds and Managed Futures** – Hedge and managed futures funds are available for purchase in the program by clients meeting certain qualification standards. Investing in these funds involves additional risks including, but not limited to, the risk of investment loss due to the use of leveraging and other speculative investment practices and the lack of liquidity and performance volatility. In addition, these funds are not required to provide periodic pricing or valuation information to investors and may involve complex tax structures and delays in distributing important tax information. Client should be aware that these funds are not liquid as there is no secondary trading market available. At the absolute discretion of the issuer of the fund, there may be certain repurchase offers made from time to time. However, there is no guarantee that client will be able to redeem the fund during the repurchase offer.
- **Annuities** – are a retirement product for those who may have the ability to pay a premium now and want to guarantee they receive certain monthly payments or a return on investment later in the future. Annuities are contracts issued by a life insurance company designed to meet requirement or other long-term goals. An annuity is not a life insurance policy. Variable annuities are designed to be long-term investments, to meet retirement and other long-range goals. Variable annuities are not suitable for meeting short-term goals because substantial taxes and insurance company charges may apply if you withdraw your money early. Variable annuities also involve investment risks, just as mutual funds do. If client purchases a variable annuity that is part of the program, client will receive a prospectus and should rely solely on the disclosure contained in the prospectus with respect to the terms and conditions of the variable annuity. Client should also be aware that certain riders purchased with a variable annuity may limit the investment options and the ability to manage the subaccounts.
- **Non-U.S. Securities** – present certain risks such as currency fluctuation, political and economic change, social unrest, changes in government regulation, differences in accounting and the lesser degree of accurate public information available.
- **Margin Accounts** – Client should be aware that margin borrowing involves additional risks. Margin borrowing will result in increased gain if the value of the securities in the account go up by more than the interest expense but will result in increased losses if the value of the securities in the account goes down. The custodian, acting as the client's creditor, will have the authority to liquidate all or part of the account to repay any portion of the margin loan, even if the timing would be disadvantageous to the client. For performance illustration purposes, the margin interest charge will be treated as a withdrawal and will, therefore, not negatively impact the performance figures reflected on the

quarterly advisory reports.

- **Long-Term Purchases** – are securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.
- **Short-Term Purchases** – are securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations.

Other investment types may be included as appropriate for a particular client and their respective trading objectives.

## **Institutional Equity Strategies**

Drawbridge's institutional equity strategies share some common traits: (1) concentrated portfolios with 35 or fewer holdings, (2) high active share (above 90%), and (3) high tracking error against their benchmarks. Each strategy is expected to deliver higher returns than its benchmark, lower correlation to the broad US equity market. Specifically, over most rolling 36-month periods each is expected to have higher alpha, Sharpe ratio and Sortino ratio along with lower R-squared.

**Growth strategies.** We seek to own companies experiencing accelerating earnings growth – acceleration that is material, unanticipated and sustainable – coupled with strong price momentum. We want to own companies where business is clearly getting better and investors have begun to recognize this improvement, but consensus expectations are still too low.

**Value strategies.** We seek value across several measures (such as price to earnings, sales, or book value) relative to the market and to each company's ten-year history, where there is also a catalyst to drive earnings or multiples higher. We target companies where valuation is objectively and broadly attractive and investor sentiment appears to be too negative.

**Blend strategies.** Portfolios benchmarked against a core index hold stocks with either compelling growth or value characteristics.

**Investment Process.** We employ proprietary screens that assess trends in reported financial results and historical price behavior to narrow the universe of US-listed equities to a manageable number of prospects. We then rank the results according to proprietary relative strength factors.

We buy companies where we expect returns significantly greater than the benchmark and we have high conviction in the probability of a favorable outcome. We build concentrated portfolios of high potential stocks while managing company-specific risks with the goal of outperforming benchmarks while providing superior diversification to the client's total portfolio.

**Sell Discipline.** We strive to sell losing positions quickly while holding on to winners as long as possible. We do not set price targets because we are neither prescient nor presumptuous on matters of predicting future earnings or valuations. Sales may be triggered for technical reasons (deteriorating price performance).

## **Item 9 – Disciplinary Information**

Registered investment advisors are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of an advisory firm or the integrity of a firm's management. Any such disciplinary information for the company and the company's IARs would



be provided herein and publicly accessible by selecting the Investment Advisor Search option at <http://www.advisorinfo.sec.gov>.

There are no legal or disciplinary events to disclose.

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

IARs of Drawbridge Capital may receive compensation for the sale of securities, insurance and/or other investment products in their capacity as either a registered representative of LPL or an appointed agent of an unaffiliated insurance agency. Insurance products will only be offered in states where they are properly licensed.

A conflict of interest may arise as these other activities may create an incentive to recommend products based on the compensation structure. However, IARs have a fiduciary duty to act in the best interests of their clients and such potential conflicts of interest are subject to review by the Chief Compliance Officer.

In general, IARs of Drawbridge Capital spend up to approximately 60% of their time providing advisory services, approximately 30% of their time in the capacity of a registered representative of LPL and approximately 10% of their time as an insurance agent.

Neither Drawbridge Capital nor any of the management persons are registered or has a registration pending to register as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

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

Drawbridge Capital maintains a Code of Ethics, which serves to establish a standard of business conduct for all employees that are based upon fundamental principles of openness, integrity, honesty and trust. The code of ethics includes guidelines regarding personal securities transactions of its employees and IARs. The code of ethics permits employees and IARs or related persons to invest for their own personal accounts in the same or different securities that an IAR may purchase for clients in program accounts. This presents a potential conflict of interest because trading by an employee or IARs in a personal securities account in the same or different security on or about the same time as trading by a client could potentially disadvantage the client. Drawbridge Capital addresses this conflict of interest by requiring in its code of ethics that employees and IARs report certain personal securities transactions and holdings to the Chief Compliance Officer for review.

Neither Drawbridge Capital nor a related person recommends to clients, or buys or sells for client accounts, securities in which the client or a related person has a material financial interest.

An investment advisor is considered a fiduciary. As a fiduciary, it is an investment advisor's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. We have a fiduciary duty to all clients. Our fiduciary duty is considered the core underlying principle for the Code of Ethics which also includes Insider Trading and Personal Securities Transactions Policies and Procedures. Drawbridge Capital requires our supervised persons to conduct business with a high level of ethical standards and to comply with all federal and state securities laws. Upon employment or affiliation and at least annually thereafter, supervised persons sign an acknowledgement that they have read, understand, and agree to comply with our Code of Ethics. Our firm and supervised persons must conduct business in an honest, ethical, and fair manner and avoid circumstances that might negatively affect or appear to affect our duty of loyalty to our clients. This disclosure is provided to give our clients a summary of our Code of Ethics. However,

if a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.

### **Item 12 – Brokerage Practices**

Drawbridge Capital receives non-soft dollar support services and/or products from LPL, many of which assist Drawbridge Capital to better monitor and service accounts maintained at LPL. These support services and/or products may be received without cost, at a discount, and/or at a negotiated rate, and may include the following:

- investment-related research;
- pricing information and market data;
- software and other technology that provide access to client account data;
- compliance and/or practice management-related publications;
- consulting services;
- attendance at conferences, meetings, and other educational and/or social events;
- marketing support;
- computer hardware and/or software; and,
- other products and services used in furtherance of investment advisory business operations.

These support services are provided to Drawbridge Capital based on the overall relationship between Drawbridge Capital and LPL. It is not the result of soft dollar arrangements or any other express arrangements with LPL that involves the execution volume of client transactions executed with LPL. Clients do not pay more for services as a result of this arrangement. There is no corresponding commitment made by Drawbridge Capital to LPL or any other entity to invest any specific amount or percentage of client assets in any specific securities as a result of the arrangement.

These non-soft dollar services are a benefit to Drawbridge Capital because the firm does not have to produce or pay for the research, products or services. Consequently, Drawbridge Capital may have an incentive to select, recommend or expand the brokerage services of LPL as a result of receiving the research or other products or services, rather than on our clients' interest in receiving most favorable execution. Our firm examined this potential conflict of interest when we chose to enter into the relationship with LPL and we have determined that the relationship is in the best interest of our firm's clients and satisfies our fiduciary obligations, including our duty to seek best execution.

Although the non-soft dollar investment research products and services that may be obtained by our firm will generally be used to service all of our clients, a brokerage commission paid by a specific client may be used to pay for research that is not used in managing that specific client's account.

LPL charges brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). LPL enables us to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. LPL commission rates are generally discounted from customary retail commission rates. However, the commission and transaction fees charged by LPL may be higher or lower than those charged by other custodians and broker/dealers.

Clients may pay a commission to LPL that is higher than another qualified broker dealer might charge to effect the same transaction. Where we determine in good faith that the commission is reasonable in relation to the value of the brokerage and research services received in seeking best execution, the

determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although Drawbridge Capital will seek competitive rates to the benefit of all clients, Drawbridge Capital may not necessarily obtain the lowest possible commission rates for specific client account transactions.

Our recommendation of LPL to our clients is based on our clients' interests in receiving best execution and the level of competitive, professional services LPL provides. Our firm does not receive client brokerage commissions (or markups or markdowns) to obtain research or other products or services. Neither does our firm receive brokerage commissions for client referrals.

Securities transactions in advisory accounts are generally executed through LPL as the qualified custodian and broker/dealer. IARs of Drawbridge Capital may also maintain advisory accounts at other third-party custodians or utilize TAMPs. If a client elects a custodian other than LPL, Drawbridge Capital anticipates a payment structure similar to the structure already established with LPL. In the event a TAMP is used, the TAMP agreement will specify the custodial relationship.

IARs do not maintain discretionary authority in determining the broker/dealer with whom orders for the purchase and sale of securities are placed for execution or the commission rates at which such transactions are affected.

Each client that chooses LPL will be required to establish an account at LPL. Please note that not all firms have this requirement.

For advisory services, Drawbridge Capital may aggregate transactions in equity and fixed income securities for a client with other clients to improve the quality of execution. When transactions are so aggregated, the actual prices applicable to the aggregated transactions will be averaged, and the client account will be deemed to have purchased or sold its proportionate share of the securities involved at the average price obtained. Drawbridge Capital may determine not to aggregate transactions, for example, based on the size of the trades, number of client accounts, the timing of trades, and the liquidity of the securities and the discretionary or non-discretionary nature of the trades. If Drawbridge Capital does not aggregate orders, some clients purchasing securities around the same time may receive a less favorable price than other clients. This means that this practice of not aggregating may cost clients more money.

Clients may direct their brokerage transactions at a firm other than LPL. Client directed brokerage may cost clients more money. For example, in a directed brokerage account, clients may pay higher brokerage commissions because Drawbridge Capital may not be able to aggregate orders to reduce transaction costs, or clients may receive less favorable prices.

Certain IARs may have received a repayable or forgivable loan from LPL in order to assist with transitioning their business onto the LPL custodial platform. If such an economic benefit applies, there is a conflict of interest in recommending to clients that they use LPL as a custodian. However, to the extent an IAR recommends that a client use LPL for such services, it is because they believe that it is in a client's best interest to do so based on the quality and pricing of the execution, benefits of an integrated platform for brokerage and advisory accounts, and other services provided by LPL.

## **Institutional**

Institutional equity accounts are not restricted to LPL. Drawbridge may maintain trading relationships

with several broker-dealers, selected on criteria including execution capability and speed, bid/offer prices, commission costs, financial strength and reputation and other services (such as research) provided for the benefit of clients.

**Aggregation of Orders.** In most cases purchases and sales of securities for client accounts will be aggregated to obtain best execution, to negotiate more favorable commissions or to allocate net prices equitably across clients. All clients who purchase or sell a security on any given day will receive the same average net price unless the client has given specific trading instructions. Drawbridge's aggregation and allocation procedures are designed to promote fairness across client accounts and to conform to applicable regulatory principles.

**Soft Dollar Practices.** "Soft dollars" refers to the provision of products and services by a broker to an investment advisor without an explicit cash payment and in exchange for commission revenue generated by the advisor from transactions in client accounts. Examples of research may include information and analyses on companies, industries, markets, the economy, geopolitics and other topics. The value of research and additional products and services provided to our clients and the firm is one factor we consider when selecting or recommending a broker. These benefits may influence our selection of one broker over another, and at times we may pay a higher commission or forego best execution prices in order to receive these products and services.

**Directed Brokerage.** Clients are not obligated to execute transactions through brokers we select or alongside other clients. A client who limits or directs the firm's trading may not receive best execution or best prices and may pay more in transaction costs than other clients.

### **Item 13 – Review of Accounts**

Drawbridge Capital has established a system of periodic portfolio reviews and regular client meetings. During client meetings, IARs of Drawbridge Capital may recommend changes to the client's investment portfolio and discuss economic, market and legislative changes. These periodic reviews provide the client with an opportunity to ask questions about other financially related topics.

Client review periods vary between 3 months to 1 year depending on market conditions, the client's needs and changes in investment objectives. Occasionally a review may result in a "no change" recommendation. If a client has a change in their financial situation Drawbridge Capital will perform a review to make sure that the portfolio is appropriate for the client and meets the cash needs of the client at the time. Clients are provided, at least quarterly, with written transaction confirmation notices and account statements directly from the broker-dealer/custodian and/or program sponsor.

Portfolio reviews are conducted on an ongoing basis by Gary Stanislawski, the Chief Compliance Officer, or his delegate. All advisory clients are advised that it remains their responsibility to inform Drawbridge Capital of any changes in their investment objectives and/or financial situation. All clients are encouraged to review financial planning issues (to the extent applicable), investment objectives and account performance with their IAR on an least an annual basis in person or via telephone.

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

Drawbridge Capital receives an economic benefit from LPL such as, financial assistance or the sponsorship of conferences and educational sessions, marketing support, incentive awards, payment of travel expenses, and tools to assist IARs in providing various services to clients.

Drawbridge Capital receives client referrals from TTCU employees through the contractual relationship

with TTCU. Drawbridge Capital does not compensate TTCU employees for those referrals. Any compensation received by TTCU employees is provided by TTCU and in accordance with TTCU policies.

Drawbridge Capital and employees receives additional compensation from product sponsors and TAMPs. However, such compensation may not be tied to the sales of any products. Compensation includes such items as gifts valued at less than \$100 annually, an occasional dinner or ticket to a sporting event, or reimbursement in connection with educational meetings with IAR, client workshops or events, marketing events or advertising initiatives, including services for identifying prospective clients. Product sponsors also pay for, or reimburse Drawbridge Capital for the costs associated with, education or training events that may be attended by IARs and for Drawbridge Capital sponsored conferences and events.

Such gifts represent a potential conflict of interest however IARs of Drawbridge Capital have a fiduciary duty to act in the client's best interest.

Drawbridge Capital may have agreements in place to pay solicitors a portion of advisory fees. Drawbridge Capital does not directly or indirectly compensate any person who is not a supervised person for client referrals, except as noted above.

Certain IARs may have received an economic benefit from LPL in the form of a repayable or forgivable loan. Please see detailed discussion of the conditions and potential conflicts of interest in Item 12 Brokerage Practices.

### **Institutional Equity Strategies**

Drawbridge Capital may have written agreements with unaffiliated individuals to introduce and represent the firm to institutional clients, prospects and consultants, and to perform various marketing, sales and business development initiatives. Such arrangements comply with all regulations and are fully disclosed to clients before entering an institutional Investment Management Agreement. Solicitors receive a portion of management fees generated by clients brought to the firm by their efforts. The involvement of a solicitor does not increase the fees paid by a client.

Drawbridge does not receive any additional compensation beyond that described in this Brochure.

### **Item 15 – Custody**

Drawbridge Capital does not have actual or constructive custody of client funds. LPL will serve as the qualified custodian of client assets on behalf of the Drawbridge Capital. Except as noted below, Drawbridge Capital may also provide advisory services on assets held at different third-party custodians. However, Drawbridge Capital does not yet have a custodial relationship with a custodian other than LPL. In advance of managing assets at an additional custodian, Drawbridge Capital plans to establish a fee payment structure like the structure already established with LPL.

LPL as the qualified custodian sends statements at least quarterly to clients showing all disbursements in accounts including the amount of the advisory fees paid to advisor, the value of client assets upon which advisor's fee was based, and the specific manner in which advisor's fee was calculated. Clients provide direct authorization to LPL permitting advisory fees to be deducted from client advisory account. LPL calculates the advisory fees and deducts them from client's account every quarter.

LPL is responsible for directly calculating and deducting advisory fees from client accounts held at LPL based on instructions provided by the client not the advisor. Client will provide LPL with written authorization to deduct fees and pay the advisory fees to Drawbridge Capital. Drawbridge Capital does not have the direct ability to have management fees withdrawn by the custodian.

Drawbridge Capital urges clients to carefully review the statements provided by the qualified custodian.

### **Institutional**

Drawbridge Capital does not have actual or constructive custody of client funds. While LPL serves as the qualified custodian for Drawbridge retail clients, institutional clients name their custodian subject to approval by Drawbridge. When authorized by written agreement with a client, Drawbridge will directly debit advisory fees from client accounts. Drawbridge reconciles accounts with third party custodians regularly. Clients should also compare statements from Drawbridge with those provided by their custodian and notify us of any discrepancy.

### **TAMP**

Drawbridge Capital does not have actual or constructive custody of client funds. When authorized by written agreement with a client, the TAMP will directly debit advisory fees from client accounts. The TAMP reconciles accounts with third party custodians regularly. Clients should compare statements from Drawbridge with those provided by other sources and notify us of any discrepancy.

### **Item 16 - Investment Discretion**

The client can determine to engage Drawbridge Capital to provide investment advisory services on a discretionary basis. Prior to Drawbridge Capital assuming discretionary authority over a client's account, the client shall be required to grant permission by executing an Advisory Agreement, naming Drawbridge Capital as the client's attorney and agent in fact, granting Drawbridge Capital full authority to buy and/or sell the type and amount of securities on behalf of a client, or otherwise effect investment transactions involving the assets in the client's name found in the discretionary account.

Except as noted below, Drawbridge Capital does not have discretionary authority to determine the broker or dealer to be used for a purchase or sale of securities for a client's account or the commission rates to be paid to a broker or dealer for a client's securities transaction.

Clients who engage Drawbridge Capital on a discretionary basis may, at any time, impose restrictions, in writing, on Drawbridge Capital's discretionary authority (i.e. limit the types/amounts of particular securities purchased for their account, exclude the ability to purchase securities with an inverse relationship to the market, limit or proscribe the use of margin, etc.).

Clients may also elect to have a non-discretionary account where, if accepted, Drawbridge Capital will secure the client's permission prior to effecting any securities transactions in the client's account.

### **Institutional**

The Drawbridge institutional Investment Management Agreement (IMA) provides Drawbridge with discretionary authority to make purchase and sale decisions without obtaining consent or approval from the client for each transaction. This includes the authority to determine the type and amount of securities to be bought or sold, the broker-dealer to execute the transactions and the commissions to be paid. Such

discretionary authority is exercised consistent with written investment objectives and restrictions of the strategy and client.

Clients may choose to restrict the types of securities or specific securities that may be traded, and to direct that transactions be executed through certain broker-dealers, subject to our acceptance. Such guidelines and restrictions must be provided in writing.

Drawbridge will not exercise discretion in any account until the client has authorized such discretion by signing the firm's Investment Management Agreement. Under no circumstances will Drawbridge exercise discretion without the proper authority on file. The new account approval process ensures compliance with these procedures.

### **Item 17 – Voting Client Securities**

As a matter of our policy and practice, Drawbridge Capital generally does not vote client proxies. If a client designates the Advisor to receive proxy materials within the application for a discretionary account, either the IAR will work in coordination with the client or a third-party manager selected or recommended by our firm may vote proxies for clients. Otherwise, clients will receive their proxies or other solicitations directly from their custodian and may contact Drawbridge Capital at (918) 493-4190 or the offering company to discuss any questions they may have with a solicitation or proxy voting issue.

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

Drawbridge Capital may or may not have discretion over client funds as indicated in the advisory agreement. Drawbridge Capital does not require or solicit prepayment of more than \$500 in fees per client, six months or more in advance or otherwise have actual or constructive custody of client funds. There are no financial conditions that are reasonably likely to impair the firm's ability to meet contractual commitments to clients. At no time has Drawbridge Capital been the subject of a bankruptcy petition.

### **Item 19 – Requirements for State Registered Advisors**

IARs of Drawbridge Capital may receive compensation for the sale of securities or other investment products in their capacity as a registered representative of LPL.

Drawbridge Capital currently has one management person: Gary Stanislawski, Owner, President, and Chief Compliance Officer. Education and business background can be found in Item 4 above. He has not been involved in arbitration or material events that require disclosure nor is he compensated for advisory services with performance-based fees.

Gary Stanislawski does not have a relationship or other arrangement with an issuer of securities. Any such financial industry activity and affiliation is disclosed in Item 10 above.

Gary Stanislawski is not engaged in any other business beyond what has been detailed above.