

**Item 1: Cover Page**



**1900 WEALTH MANAGEMENT LLC  
dba 1900 Wealth**

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IARD/CRD Number: 175346

**March 2023**

**This brochure provides information about the qualifications and business practices of 1900 Wealth Management, LLC dba 1900 Wealth. If you have any questions about the contents of this brochure, please contact us at 210-736-7332 or [Richard@1900wealth.com](mailto:Richard@1900wealth.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.**

**1900 Wealth Management, LLC is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training.**

**Additional information about 1900 Wealth Management LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Item 2: Summary of Material Changes**

There have been material changes since the February 9, 2022 Form ADV Part 2 and filed on the IARD system as follows:

Effective May 23, 2022, Matt Richter joined 1900 Wealth as the Senior Vice President – Alternatives to develop and lead our alternative investment platform.

Effective July 29, 2022, 1900 Wealth established 1900 Direct Series, LLC as a fund of funds vehicle for alternative investments opportunities in private equity, venture capital, real estate, oil & gas, etc. As of February 28, 2023, we have registered two series – 1900 Formentera Fund II 2022 series and 1900 Kitsch 2023 series.

On March 13, 2023, we moved into our new office located in the Jefferson Bank building on Broadway. Our new address is 1900 Broadway, Suite 900, San Antonio, TX 78215.

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#### **Item 4: Advisory Business**

1900 Wealth Management LLC *dba* 1900 Wealth, previously known as Monticello Wealth Management, LLC, (“1900 Wealth or Adviser”) offers a variety of advisory services, which include financial planning, consulting, and investment management services. 1900 Wealth also provides investment management, advisory, administrative, and other services with respect to an affiliated pooled investment vehicle. Prior to 1900 Wealth rendering any of the foregoing advisory services, clients are required to enter into one or more written agreements with 1900 Wealth setting forth the relevant terms and conditions of the advisory relationship (the “Advisory Agreement”). 1900 Wealth has been registered as an investment adviser since 2015 and is owned by Jefferson Bank.

While this brochure generally describes the business of 1900 Wealth, certain sections also discuss the activities of its Supervised Persons, which refer to 1900 Wealth’s officers, partners, directors (or other persons occupying a similar status or performing similar functions), employees or any other person who provides investment advice on 1900 Wealth’s behalf and is subject to 1900 Wealth’s supervision or control. 1900 Wealth is a fiduciary and is required to act in a client’s best interest at all times.

#### **Financial Planning and Consulting Services**

1900 Wealth offers clients a broad range of financial planning and consulting services, which may include any or all of the following functions:

- Cash Flow Forecasting
- Trust and Estate Planning
- Investment Consulting
- Insurance Planning
- Retirement Planning
- Risk Management
- Charitable Giving
- Distribution Planning

Typically, these services are only rendered in conjunction with investment portfolio management as part of a comprehensive wealth management engagement (described below in more detail). Certain arrangements will result in a separate consulting agreement or engagement letter for a fee.

In performing these services, 1900 Wealth is not required to verify any information received from the client or from the client’s other professionals (e.g., attorneys, accountants, etc.) and is expressly authorized to rely on such information. 1900 Wealth may recommend clients engage 1900 Wealth for additional related services and/or other professionals to implement its recommendations. Clients are advised that a conflict of interest exists if clients engage 1900 Wealth or its affiliates to provide additional services for compensation. Clients are advised that it remains their responsibility to promptly notify the 1900 Wealth of any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising 1900 Wealth’s recommendations and/or services.

#### **Wealth Management Services**

1900 Wealth provides clients with wealth management services which generally includes a broad range of comprehensive financial planning and consulting services as well as discretionary and non-discretionary management of investment portfolios.

1900 Wealth primarily allocates client assets among various mutual and exchange-traded funds in accordance with their stated investment objectives.

Where appropriate, 1900 Wealth may also provide advice about any type of legacy position or other investment held in client portfolios. Clients may engage 1900 Wealth to manage and/or advise on certain investment products that are not maintained at their primary custodian, such as variable life insurance and annuity contracts and assets held in employer sponsored retirement plans and qualified tuition plans (i.e., 529 plans). In these situations, 1900 Wealth directs or recommends the

allocation of client assets among the various investment options available with the product. These assets are generally maintained at the underwriting insurance company, or the custodian designated by the product's provider.

1900 Wealth tailors its advisory services to meet the needs of its individual clients and seeks to ensure, on a continuous basis, that client portfolios are managed in a manner consistent with those needs and objectives. 1900 Wealth consults with clients on an initial and ongoing basis to assess their specific risk tolerance, time horizon, liquidity constraints and other related factors relevant to the management of their portfolios. Clients are advised to promptly notify 1900 Wealth if there are changes in their financial situation or if they wish to place any limitations on the management of their portfolios. Clients may impose reasonable restrictions or mandates on the management of their accounts if 1900 Wealth determines, in its sole discretion, the conditions would not materially impact the performance of a management strategy or prove overly burdensome to the 1900 Wealth's management efforts.

Clients may wish to transfer into their managed account certain assets held elsewhere and continue to hold these assets without 1900 Wealth charging a fee or providing advice on these assets. These assets are considered "unmanaged" assets and will only be traded when 1900 Wealth receives specific trading instructions from the client to do so. The Client will receive confirmations and statements showing all trading activity in the account(s).

### **Affiliated Pooled Investment Vehicles**

The Firm and certain of its affiliates establish and utilize the Funds (as defined below) for investment purposes on behalf of its clients and other persons, including to facilitate indirect investments by one or more of its advisory clients in pooled investment vehicles and other persons. The Firm regularly recommends that certain of its advisory clients invest in the Fund(s), if and to the extent the Firm deems investments in one or more of the Funds to be suitable and appropriate for such clients (as determined by the Firm in its discretion). The recommendation of investments in the Funds to the Firm's advisory clients involves one or more actual or potential conflicts of interest.

The Firm provides investment management, advisory, administrative, and other services to affiliated pooled investment vehicles (the "Funds") with respect to investments in securities, financial instruments and other assets, including co-investments alongside third-party investment managers and other persons and/or investments in pooled investment vehicles managed, sponsored and operated by third-party investment managers. An affiliate of the Firm serves or acts as general partner, manager or in similar capacity with respect to the Funds and the Firm serves as investment manager with respect to the Funds.

Interests in the Fund(s) typically will be offered and made available primarily to applicable advisory clients of the Firm (subject to suitability and eligibility determinations and requirements), but interests in the Funds may also be offered or made available to other persons and entities (including non-advisory clients) in the sole discretion of the Firm.

Interests in the Funds are privately offered only to eligible clients and other investors pursuant to exemptions under the Securities Act of 1933, as amended, and the regulations promulgated thereunder, and other applicable securities laws. Such Funds are not registered as investment companies pursuant to or in accordance with one or more specific exclusions from the definition of investment company under the Investment Company Act of 1940, as amended.

The Firm recommends investments in the Funds to certain of its advisory clients and such clients may elect to subscribe for interests in the Funds. The Firm faces various conflicts of interest in connection with making such recommendations to clients.

As a matter of practice, fund offering documents with respect to each Fund typically will be provided or made available to prospective investors in such Fund, which generally includes various

disclosures and information regarding the Fund, the investment objective and strategies of such Fund and other matters. Prospective investors should review the information and disclosures set forth in the applicable offering documents of a Fund for detailed information regarding such Fund, and any disclosures or information set forth in this brochure with respect to such Fund are qualified in their entirety by the information in such offering documents.

Each Fund is managed in accordance with the investment objectives, policies, strategies, guidelines and limitations set forth in the applicable subscription documents, limited partnership agreement and other governing documents of such Fund.

Investors generally are not permitted to impose restrictions or limitations on the management or operations of the Fund(s). Notwithstanding the foregoing, the Manager of a Fund may in the future enter into side letter agreements or similar arrangements with one or more investors in a Fund that have the effect of establishing rights under, or altering, modifying, waiving, or supplementing the terms of, the governing documents of the Fund in respect of such investors. Among other things, these agreements may entitle an investor in a Fund to lower fees, information or transparency rights, most favored nations status, notification rights, rights, or terms necessary or advisable in light of particular legal, regulatory or public policy considerations of or related to an investor and/or other preferential rights and terms. Any rights established or any terms of the governing documents of such applicable Fund altered or supplemented in or by a side letter or similar arrangement with an investor will govern solely with respect to such investor notwithstanding any other provision of the governing documents of such applicable Fund related thereto.

### **Sub-Advisory Services**

We currently use various providers as sub-advisers (“Sub-Advisers”) to provide us with access to customized managed investment portfolio options that we can make available to our clients. Our clients work directly with us to gather information about their financial situations, goals, and objectives, including information on their investment time horizon, risk tolerance, and other relevant information and factors. Based on this information, Sub-Advisers will propose an overall strategy that includes investment portfolio recommendations in the form of one or more customized investment portfolios managed by Sub-Advisers. Our representatives will periodically meet with their clients to discuss any changes to their financial situations, goals, and objectives to ensure that the factors upon which recommendations are based continue to remain appropriate and in their best interests.

Sub-Advisers personnel do not possess knowledge of third-party advisory firm’s clients’ individual information or investment goals or objectives to allow it to provide personalized investment advice to such clients. We are responsible for determining appropriate portfolio strategies and, to the extent required, delivering the Sub-Advisers’ Form ADV to clients with assets under management by Sub-Adviser, and the Sub-Advisers’ Privacy Policies. Any modifications to the portfolios managed by Sub-Advisers are affected through the sale of securities in client accounts, which may have tax ramifications to clients.

The Sub-Advisers’ Form ADV provides our clients with a general overview of Sub-Advisers’ services and responsibilities. Clients can obtain more specific information about the process by which portfolios are constructed, how investment strategies are carried out, options to customize investments, investment returns, and other information by discussing with our representatives. We encourage all clients to review the material provided in the Sub-Advisers’ Form ADV and other disclosures provided and discuss any questions related to services offered with their representative to make certain they fully understand the Sub-Advisers’ investment process.

We offer an automated investment program (“iDirect”) through which clients are invested in a range of investment strategies we have constructed and manage, each consisting of a portfolio of exchange-traded funds (“ETFs”) and a cash allocation. The client may instruct us to exclude up to three ETFs from their portfolio. The client’s portfolio is held in a brokerage account opened by the client at Charles Schwab & Co., Inc. (“Schwab Corporation”). We use the Institutional Intelligent

Portfolios® platform (“Platform”), offered by Schwab Performance Technologies (“SPT”), a software provider to independent investment advisors and an affiliate of Schwab Corporation., to operate iDirect. We are independent of and not owned by, affiliated with, sponsored, or supervised by SPT, Schwab Corporation., or their affiliates (together, “Schwab”). We are the client’s investment advisor and primary point of contact with respect to iDirect. We are solely responsible for determining the appropriateness of iDirect for the client, choosing a suitable investment strategy and portfolio for the client’s investment needs and goals, and managing that portfolio on an ongoing basis. We have contracted with SPT to provide us with the Platform, which consists of technology, related trading and account management services for iDirect. The Platform enables us to make iDirect available to clients online and includes a system that automates certain key parts of our investment process (“System”). The System includes an online questionnaire that helps us determine the client’s investment objectives and risk tolerance and select an appropriate investment strategy and portfolio. Clients should note that we recommend a portfolio via the System in response to the client’s answers to the online questionnaire. The client may then indicate an interest in a portfolio that is more conservative or aggressive than the recommended portfolio. We, however, make the final decision and select a portfolio based on all the available information about the client. The System also includes an automated investment engine through which we manage the client’s portfolio on an ongoing basis through automatic rebalancing and tax-loss harvesting (if the client is eligible and elects).

We charge clients a fee for our services as described below under *Item 5 Fees and Compensation*. Our fees are not set or supervised by Schwab. Clients do not pay brokerage commissions or any other fees to Schwab Corporation as part of iDirect. Schwab does receive other revenues, including (i) the profit earned by Charles Schwab Bank, a Schwab affiliate, on the allocation to the Schwab Intelligent Portfolios Sweep Program described in the Schwab Intelligent Portfolios Sweep Program Disclosure Statement; (ii) investment advisory and/or administrative service fees (or unitary fees) received by Charles Schwab Investment Management, Inc., a Schwab affiliate, from Schwab ETFs™ Schwab Funds® and Laudis Funds® that we select to buy and hold in the client’s brokerage account; (iii) fees received by Schwab from third-party ETFs that participate in the Schwab ETF OneSource™ program and mutual funds in the Schwab Mutual Fund Marketplace® (including certain Schwab Funds and Laudus Funds) in the client’s brokerage account for services Schwab provides; and (iv) remuneration Schwab may receive from the market centers where it routes ETF trade orders for execution.

As of December 31, 2022, 1900 Wealth has a total of \$1,559,746,351 of regulatory assets under management. We do not have a wrap program.

## **Item 5: Fees and Compensation**

1900 Wealth offers services for fees based upon assets under management or advisement.

### **Financial Planning Fees**

Financial planning services fees are billed in arrears after the engagement is completed. A typical plan fee is \$1,500; however, the fee could exceed that depending on the complexity. Fees and payment arrangements will be clearly stated in the engagement letter executed between 1900 Wealth and the client.

Factors that are considered when determining the fee, include but are not limited to:

- The scope of the plan, i.e., plans that cover all aspects of the financial plan such as business succession, estate planning, retirement needs, education planning, among others, would warrant a higher fee than a more simplistic situation covering typical financial needs for current money management and retirement.
- Complexity of the financial situation, i.e., trusts, estates, business ownership, tax brackets, and other personal needs

The time/cost will vary from client to client. *In limited circumstances*, the time/cost could potentially exceed the initial estimate. In such cases, we will notify the client and may request that

an additional fee be paid. Under no circumstances will we require prepayment of a fee in excess of \$1,200 six or more months in advance.

In our sole discretion, we may waive, lower, or offset a portion of the financial planning fee in lieu of a portion of the management fee if the client utilizes our asset management services, as previously described. However, the client may act on 1900 Wealth's recommendations by placing securities transactions with any brokerage firm she/he chooses. The client is under no obligation to act on 1900 Wealth's financial planning recommendations. Moreover, if he/she elects to act on any of the recommendations, he/she is under no obligation to implement the financial plan through 1900 Wealth.

1900 Wealth does not provide legal or tax preparation services. Fees charged by other professionals for such services are separate and distinct from planning fees paid to 1900 Wealth. Typically, other professionals will bill the client directly. However, where the client asks 1900 Wealth to engage other professionals on their behalf, these other professionals will bill 1900 Wealth and, in turn, 1900 Wealth will bill the client for additional costs incurred. However, this arrangement will not cause the client to pay professional or advisory fees in excess of normal fees typically charged by either party. 1900 Wealth will not share in any portion of the fees paid to other professionals on the client's behalf. The agreed upon fee and payment arrangements will be established at the beginning of the advisory relationship based upon the scope of the work to be performed and the complexity of the client's financial situation.

The client may terminate the engagement letter by providing notice to 1900 Wealth. The client will incur a pro rata charge for services rendered prior to the termination of the agreement. If the client has pre-paid advisory fees that 1900 Wealth has not yet earned, he/she will receive a prorated refund of those fees.

### **Tax Planning Consulting Services**

Tax planning consulting services fees are based on an hourly negotiable fee of \$350 per hour billed in arrears after the engagement is completed. A typical engagement is 3-6 hours with a fee generally not exceeding \$2,000. Fees and payment arrangements will be clearly stated in the engagement letter executed between the client and 1900 Wealth.

### **Consulting Fees**

1900 Wealth offers certain consulting services for a fee. The range for these fees varies based on the complexity of the relationship. These fees are negotiated as a percentage of assets under management fees or as a flat fee and can be paid on a frequency unique to the relationship. Fees and payment arrangements will be clearly stated in the agreement executed between the client and 1900 Wealth.

### **Wealth Management Fees**

1900 Wealth offers wealth management services for an annual fee based on the amount of assets under the 1900 Wealth's management. This fee generally varies in accordance with the following blended fee schedule:

<b>Advisory Fee Schedule</b>	<b>Annual Rate* (Billed Quarterly)</b>
For the first amount up to \$1,000,000	0.95%
For the next amount from \$1,000,001 to \$2,000,000	0.80%
For the next amount from \$2,000,001 to \$5,000,000	0.65%
For the next amount from \$5,000,001+	0.40%

\*Adviser, in its sole discretion, may negotiate to reduce any fee. Assets under management excludes any non-managed assets held in a managed account. A non-managed asset includes any asset that the client has directed the Adviser to hold and not trade. Employee discounts are at the discretion of the Adviser and 1900 Wealth's Board after termination of employment, whether voluntary or otherwise.



1900 Wealth is a fee-based adviser, not a commission-based adviser. This means we get paid a fee for our investment management services based on the market value of your assets under management at the end of each quarter. We bill our fees quarterly and they are payable in advance. Our fees are negotiable in certain circumstances. Fees can be paid by having them deducted directly from your account. We will provide you with a quarterly fee statement.

Fees are calculated by multiplying one-fourth of the annual fee rate by the total assets under management at the end of the preceding calendar quarter, taking into account any contributions or withdrawals greater than \$50,000 occurring during the quarter on a pro-rated basis and billed in advance. The Adviser or its independent third-party designee will automatically deduct the applicable fees from Client's account in accordance with the Client's account agreement with the Custodian. It is the Client's responsibility to verify the calculation of fees and to notify the Adviser promptly of any errors in computation. Upon notice to the Adviser of any errors in computation of fees, the Adviser shall promptly refund to Client any excess fees collected in error. When advice offered by Adviser involves investments in mutual funds, Clients are hereby advised that all fees paid to Adviser for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds (described in each mutual fund's prospectus) to their shareholders. Clients whose assets are invested in the shares of mutual funds and similar investment products pay both a direct management fee to the investment adviser and an indirect management fee through the product.

Subject to our approval, we may "household assets" which means assets under management of immediate family member Clients or related entity Clients that have been linked together. The Client is responsible for identifying accounts that should be linked for purposes of determining household assets. When individual retirement accounts, Keogh accounts, and retirement plan accounts subject to ERISA are included in "household assets," those types of accounts will receive the lowest tier advisory fee for those "household assets."

The fee for the Schwab automated investment iDirect described above is 0.65% annually of the assets under management. As described in Item 4 Advisory Business, clients do not pay fees to SPT or brokerage commissions or other fees to Schwab Corporation as part of iDirect. Schwab does receive other revenues, including (i) the profit earned by Charles Schwab Bank, a Schwab affiliate, on the allocation to the Schwab Intelligent Portfolios Sweep Program described in the Schwab Intelligent Portfolios Sweep Program Disclosure Statement; (ii) investment advisory and/or administrative service fees (or unitary fees) received by Charles Schwab Investment Management, Inc., a Schwab affiliate, from Schwab ETFs™ Schwab Funds® and Laudus Funds® that we select to buy and hold in the client's brokerage account; (iii) fees received by Schwab from third-party ETFs that participate in the Schwab ETF OneSource™ program and mutual funds in the Schwab Mutual Fund Marketplace® (including certain Schwab Funds and Laudus Funds) in the client's brokerage account for services Schwab provides; and (iv) remuneration Schwab may receive from the market centers where it routes ETF trade orders for execution. Brokerage arrangements are further described below in Item 12 Brokerage Practices.

## **Private Investment Fund Fees and Expenses**

### *1900 Direct Series, LLC and Series LLCs*

The Firm and its affiliates generally are entitled to receive management/administrative fees, performance-based fees (also referred to as profit participation fees or carried interest distributions), and reimbursement of expenses from the Funds, which fees ultimately are borne by the applicable investors in such Funds. If a client of the Firm elects to invest in a Fund, such client will be subject to the administrative/management fees, performance-based fees, and reimbursement of expenses payable to the Firm and its affiliates with respect to such Fund. Information regarding the management fees, performance-based fees, and fund expenses applicable to each Fund is set forth in the applicable offering and governing documents of each Fund and the information set forth below is qualified in its entirety by the information in the applicable offering and governing documents.

Performance-based fees with respect to a Fund typically would be payable from time to time as investments are sold or liquidated or otherwise disposed of. The Firm or an affiliate may waive or reduce the performance-based fees applicable with respect to any investor in a Fund and/or assign all or any part of its right to receive such performance-based fees to any person.

### *Third-Party Private Funds*

From time to time, the Firm makes or recommends investments in one or more private funds managed or sponsored by an unaffiliated third party, including funds established to make an investment in a special portfolio company or group of related portfolio companies. The Firm and its affiliates generally are **not** entitled to receive management/administrative fees, performance-based fees (also referred to as profit participation fees or carried interest distributions), or reimbursement of expenses from these Funds. If a client of the Firm elects to invest in these Funds, such client will be subject to the administrative/management fees, performance-based fees, and reimbursement of Fund expenses, and such fees will be in addition to, and separate and apart from, the advisory fees payable by such client pursuant to the investment advisory agreement with the Firm. Detailed information regarding the management fees, performance-based fees, and expenses applicable to each Fund is set forth in the applicable offering and governing documents of each Fund and the information set forth below is qualified in its entirety by the information in the applicable offering and governing documents. Performance-based fees with respect to a Fund typically would be payable from time to time as investments are sold or liquidated or otherwise disposed of.

### **Fee Discretion**

1900 Wealth may, in its sole discretion, negotiate to charge a lesser fee for clients and employees of 1900 Wealth's affiliated bank, Jefferson Bank, and/or based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing/legacy client relationship, account retention and pro bono activities.

### **Additional Fees and Expenses**

In addition to the advisory fees paid to 1900 Wealth, clients may also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks and other financial institutions (collectively "Financial Institutions"). These additional charges will typically include margin costs, charges imposed directly by a mutual fund in a client's account, as disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. 1900 Wealth's brokerage practices are described at length in Item 12, below.

### **Direct Fee Debit**

Clients generally provide 1900 Wealth with the authority to directly debit their accounts for payment of the investment advisory fees. The Financial Institutions that act as the qualified custodian for client accounts, from which 1900 Wealth retains the authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to 1900 Wealth. Alternatively, clients may elect to have 1900 Wealth send a separate invoice for direct payment.

### **Account Additions and Withdrawals**

Clients may make additions and withdrawals from their account at any time, subject to 1900 Wealth's right to terminate an account. Additions may be in cash or securities provided that 1900 Wealth reserves the right to liquidate any transferred securities or declines to accept particular securities into a client's account. Clients may withdraw account assets on notice to 1900 Wealth, subject to the usual and customary securities settlement procedures. However, 1900 Wealth generally designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. 1900 Wealth may consult with its clients about

the options and implications of transferring securities. Clients are advised that when transferred securities are liquidated, they may be subject to transaction fees, short-term redemption fees, fees assessed at the mutual fund level (e.g., contingent deferred sales charges) and/or tax ramifications.

When advice offered by 1900 Wealth involves investment in mutual funds, Clients are hereby advised that all fees paid to us for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. Further, there may be transaction charges involved with purchasing or selling of securities. 1900 Wealth does not share in any portion of the brokerage fees/transaction charges imposed by the custodian holding the client funds or securities. (See Item 12 Brokerage Practices) The client should review all fees charged by mutual funds, 1900 Wealth, and others, so that the total amount of fees to be paid by the client are fully understood. Clients have the option to purchase investment products 1900 Wealth recommends through other brokers or agents that are not affiliated with us.

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

Affiliates of the Firm are entitled to receive performance-based fees (also referred to as profit participation fees or carried interest distributions) from the Fund(s), which generally are borne by the investors in such Fund(s). The Firm or affiliates thereof may also receive performance-based fees and compensation with respect to certain other clients in the future (including, without limitation, other affiliated pooled investment vehicles established or sponsored by the Firm or an affiliate thereof). The Firm regularly recommends investments in the Fund(s) to certain of its advisory clients. By investing in a Fund, a client generally will become subject to these fees (in the form of management fees and performance-based fees) payable to the Firm and its affiliates by or with respect to such Fund (at the level of the Fund). As a result of the potential for these additional fees, the Firm has a financial incentive to recommend investments in the Funds to its advisory clients and any such recommendation involves a conflict of interest. The Funds provide disclosures regarding material risk factors and conflicts of interest to all prospective investors and each investor is responsible for determining whether or not to subscribe for interests in the Fund(s). In connection with a subscription for an interest in a Fund, each client is required to specifically acknowledge and agree to these and other conflicts of interest.

#### **Item 7: Types of Clients**

1900 Wealth offers services to individuals, pension and profit-sharing plans, trusts, estates, charitable organizations, corporations, affiliated pooled investment vehicles, and business entities.

#### **Minimum Account Requirements**

1900 Wealth does not impose a stated minimum fee or minimum portfolio value for starting and maintaining an investment management relationship.

To invest in a Fund or any other pooled investment vehicle managed or sponsored by the Firm or an affiliate thereof, each investor generally is required to certify that it is, among other things, an "accredited investor", "qualified client", and/or a "qualified purchaser", as such terms are defined under applicable U.S. securities laws.

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

1900 Wealth works with clients to determine their financial goals and objectives, time horizon and risk tolerance to establish a customized model portfolio. Generally, a written investment plan is created for each client. The written plan includes the model portfolio to be used, a description of the investment methodology and a depiction of a wide range of expected allocations over the long term to help set realistic client expectations.

1900 Wealth's investment strategy is based on the well-documented premise that global financial markets are highly efficient and the primary factor affecting the variability of returns is asset

allocation. 1900 Wealth primarily utilizes low-cost ETF's that capture the returns of a broad mix of asset classes both domestic and non-domestic. Academic research indicates the asset allocation mix is the primary determinant of portfolio returns over time.

1900 Wealth recommendations are generally designed as a long-term investment strategy. 1900 Wealth clients usually have a long-term investment horizon of at least five to ten years and often much longer. 1900 Wealth may, however, adjust its recommendations based upon the needs, objectives or preferences of the client. These adjustments based on a client's specific wishes may result in an asset allocation that is less than optimal relative to long term needs but are "behaviorally" acceptable to the client.

## **Risk of Loss**

### *Market Risks*

Investing involves risk, including the potential loss of principal, and all investors should be guided accordingly. The profitability of a significant portion of 1900 Wealth's recommendations and/or investment decisions may depend to a great extent upon correctly assessing the future course of price movements of stocks, bonds and other asset classes. There can be no assurance that 1900 Wealth will be able to predict those price movements accurately or capitalize on any such assumptions.

### *Mutual Funds*

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

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

### *Recommending Securities*

In certain situations, we recommend investments in selected private placements or hedge funds. These types of investments may present unique risks due to the use of leverage and potential lack of liquidity. In addition, such recommendations may be limited only to those clients that are termed as "Accredited Investors" as defined in Rule 205-3 of the Investment Advisers Act of 1940. These types of investments also have varied and unique fee structures. In the event we receive a portion of the fee charged from a third-party manager, the value of a client's assets invested with that manager will be removed from the asset based upon which our fees are calculated and billed. Due to the unique and complex nature of these investments, clients will receive a separate disclosure prior to any investments being made.

### *Illiquid Investments*

Some investments held by clients (including the Funds) may not be able to be sold except pursuant to a registration statement filed under the Securities Act of 1933 or in accordance with Rule 144 or another exemption under the Securities Act of 1933 (and other applicable securities laws). Furthermore, because of the speculative and non-public nature of some investments, the Firm may, from time to time, sell or otherwise dispose of investments (or recommend that clients sell or dispose of investments) that later prove to be more valuable than anticipated at the time of such disposition. Any premature sales or dispositions may prevent clients from realizing as great an overall return on investment as may have been realized if such sales or dispositions had been made at a later date, which may adversely affect investment results of clients.

A client and underlying funds and managers may invest in securities that are subject to legal or other restrictions on transfer. Clients and underlying funds may be contractually prohibited from disposing of such investments for a specified period of time. The sale of restricted and illiquid securities often requires more time and results in higher brokerage charges or dealer discounts and other selling expenses than does the sale of securities eligible for trading on national securities exchanges or in the over-the-counter markets. Restricted securities may sell at a price lower than similar securities that are not subject to restrictions on resale. The market prices, if any, for such investments tend to be volatile and may not be readily ascertainable, and the clients and the underlying funds may not be able to sell them when they desire to do so or to realize what they perceive to be their fair value in the event of a sale.

#### *Investments in Private Investment Funds or Vehicles Managed by a Third Party*

From time to time, the Firm makes (on behalf of the Funds) or recommends investments in one or more investment vehicles managed or sponsored by an unaffiliated third party, including a vehicle established to make an investment in a special portfolio company or group of related portfolio companies. The value and liquidity of an investment in a third-party managed vehicle will be affected by decisions made by such entity's management, and the Firm and its affiliates generally will have no control over such decisions. To the extent that a client invests in a portfolio company through a vehicle managed or sponsored by a third-party, such client may be subject to the fees and incentive allocation (performance-based fees) charged by or applicable to such entity, which may be in addition to the fees, performance-based fees, and expenses to which any client or investor in a Fund may otherwise be subject. As disclosed herein, a Fund is established by the Firm and its affiliates to invest substantially all of its assets in a single underlying fund managed by a third-party investment sponsor or manager.

#### *Valuation Risks*

The Firm may make or recommend investments by clients in companies that are not traded on a recognized securities exchange ("Private Investments"). Private Investments will be recorded in the Firm's or any applicable Fund's books and records (or financial statement) at fair value as determined by the Firm or an affiliate (or an agent thereof) in its discretion and, as a result, there will be uncertainty as to the realizable value of such Private Investments (as the Firm typically will rely on information and statements received by the underlying funds and managers). The fair value of such Private Investments may not be readily determinable. The valuations used by the Firm for a substantial portion, or all of the Private Investments, may often not reflect the most recently available market information (and such valuations generally will be based on information received and obtained from third parties – including underlying managers and underlying funds). The Firm or an underlying manager may engage third-party valuation agents in connection with the valuation of client or other assets from time to time. When estimating fair value, the Firm will apply a methodology based on its judgment of what is appropriate in light of the nature, facts and circumstances of a client's investments. Because such valuations are inherently uncertain, may fluctuate and may be based on estimates, the Firm's determinations of the fair value of one or more Private Investments may differ materially from the actual realizable values of such Private Investments. The process of valuing securities for which reliable market quotations are not available is based on inherent uncertainties and the resulting values may differ from values that would have been determined by other investors or firms or had an active market existed for such securities and will likely differ from the prices at which such securities may ultimately be sold. The Fund's financial condition and results of operations could be adversely affected if the fair value determinations with respect to Private Investments were materially higher than the values that ultimately realized upon the disposition of such Private Investments.

**THE FOREGOING RISKS DO NOT PURPORT TO BE A COMPLETE DESCRIPTION OF ALL OF THE RISKS ASSOCIATED WITH THE FIRM'S INVESTMENT ADVISORY AND FUND MANAGEMENT SERVICES.**

**Item 9: Disciplinary Information**

1900 Wealth has not been involved in any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of its management.

**Item 10: Other Financial Industry Activities and Affiliations**

This item requires investment advisers to disclose certain financial industry activities and affiliations. 1900 Wealth does not have any other financial industry activities or affiliations that need to be disclosed.

**Related Bank**

1900 Wealth is under common control with Jefferson Bank, a family-owned bank that provides broad and diverse banking offerings to individuals and businesses. In the event a client requires banking services, 1900 Wealth recommends Jefferson Bank. 1900 Wealth does not receive any portion of any compensation received by Jefferson Bank and does not receive a referral fee in connection with banking services that Jefferson Bank renders to 1900 Wealth clients. However, because of the common ownership and possible involvement by 1900 Wealth employees with the bank, there exists a conflict of interest to the extent that 1900 Wealth recommends the banking services of Jefferson Bank.

**Item 11: Code of Ethics**

1900 Wealth has adopted a code of ethics in compliance with applicable securities laws ("Code of Ethics") that sets forth the standards of conduct expected of its Supervised Persons. 1900 Wealth's Code of Ethics contains written policies reasonably designed to prevent certain unlawful practices such as the use of material non-public information by 1900 Wealth or any of its Supervised Persons and the trading by the same of securities ahead of clients in order to take advantage of pending orders.

The Code of Ethics also requires certain of 1900 Wealth's personnel to report their personal securities holdings and transactions and obtain pre-approval of certain investments (*e.g.*, initial public offerings, limited offerings). However, 1900 Wealth's Supervised Persons are permitted to buy or sell securities that it also recommends to clients if done in a fair and equitable manner that is consistent with 1900 Wealth's policies and procedures. This Code of Ethics has been established recognizing that some securities trade in sufficiently broad markets to permit transactions by certain personnel to be completed without any appreciable impact on the markets of such securities. Therefore, under limited circumstances, exceptions may be made to the policies stated.

When 1900 Wealth is engaging in or considering a transaction in any security on behalf of a client, no Supervised Person with access to this information may knowingly effect for themselves or for their immediate family (*i.e.*, spouse, minor children and adults living in the same household) a transaction in that security unless:

- the transaction has been completed;
- the transaction for the Supervised Person is completed as part of a batch trade with clients; or
- a decision has been made not to engage in the transaction for the client.

These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

Clients and prospective clients may contact 1900 Wealth to request a copy of its Code of Ethics.



## **Item 12: Brokerage Practices**

### **Recommendation of Broker/Dealers for Client Transactions**

1900 Wealth generally recommends that clients utilize the custody, brokerage and clearing services of Schwab Advisor Services™ (“Schwab”) for investment management accounts. Factors which 1900 Wealth considers in recommending Schwab or any other broker-dealer to clients include their respective financial strength, reputation, execution, pricing, research and service. Schwab may enable 1900 Wealth to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. The commissions and/or transaction fees charged by Schwab may be higher or lower than those charged by other Financial Institutions.

The commissions paid by 1900 Wealth’s clients to Schwab comply with 1900 Wealth’s duty to obtain “best execution.” Clients may pay commissions that are higher than another qualified Financial Institution might charge to effect the same transaction where 1900 Wealth determines that the commissions are 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 Financial Institution’s services, including among others, the value of research provided, execution capability, commission rates and responsiveness. 1900 Wealth seeks competitive rates but may not necessarily obtain the lowest possible commission rates for client transactions.

1900 Wealth periodically and systematically reviews its policies and procedures regarding its recommendation of Financial Institutions in light of its duty to obtain best execution.

### **Software and Support Provided by Financial Institutions**

1900 Wealth may receive without cost from Schwab computer software and related systems support, which allow 1900 Wealth to better monitor client accounts maintained at Schwab. 1900 Wealth may receive the software and related support without cost because 1900 Wealth renders investment management services to clients that maintain assets at Schwab. The software and support is not provided in connection with securities transactions of clients (i.e., not “soft dollars”). The software and related systems support may benefit 1900 Wealth, but not its clients directly. In fulfilling its duties to its clients, 1900 Wealth endeavors at all times to put the interests of its clients first. Clients should be aware, however, that 1900 Wealth’s receipt of economic benefits from a broker/dealer creates a conflict of interest since these benefits may influence 1900 Wealth’s choice of broker/dealer over another that does not furnish similar software, systems support or services.

Specifically, 1900 Wealth may receive the following benefits from Schwab:

- Credits to be used toward qualifying third-party technology expenses;
- Receipt of duplicate client confirmations and bundled duplicate statements;
- Access to a trading desk that exclusively services its institutional traders;
- Access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and
- Access to an electronic communication network for client order entry and account information.

Client accounts enrolled in iDirect are maintained at, and receive the brokerage services of, Charles Schwab & Co., Inc. (“Schwab Corporation”), a broker-dealer registered with the Securities and Exchange Commission and a member of FINRA and SIPC. While clients are required to use Schwab Corporation as custodian/broker to enroll in iDirect, the client decides whether to do so and opens its account with Schwab Corporation by entering into a brokerage account agreement directly with Schwab Corporation we do not open the account for the client. If the client does not wish to place his or her assets with Schwab Corporation, then we cannot manage the client’s account through iDirect. Schwab Corporation may aggregate purchase and sale orders for Funds across accounts enrolled in iDirect, including both accounts for our clients and accounts for clients of other independent investment advisory firms using the Platform. Schwab Advisor Services™ (formerly called Schwab Institutional) is Schwab’s business serving independent investment advisory firms like us. Through Schwab Advisor Services, Schwab Corporation provides us and our clients, both those enrolled in iDirect and our clients not enrolled in iDirect with access to its

institutional brokerage services—trading, custody, reporting, and related services—many of which are not typically available to Schwab Corporation retail customers. Schwab Corporation also makes available various support services. Some of those services help us manage or administer our clients' accounts, while others help us manage and grow our business. Schwab Corporation's support services described below are generally available on an unsolicited basis (we don't have to request them) and at no charge to us. The availability to us of Schwab Corporation's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients. Here is a more detailed description of Schwab Corporation's support services:

Schwab Corporation's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab Corporation's services described in this paragraph generally benefit the client and the client's account.

Schwab Corporation also makes available to us other products and services that benefit us but may not directly benefit the client or its account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or some substantial number of our clients' accounts, including accounts not maintained at Schwab Corporation. In addition to investment research, Schwab Corporation also makes available software and other technology that:

- provide access to client account data (such as duplicate trade confirmations and account statements);
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- provide pricing and other market data;
- facilitate payment of our fees from our clients' accounts; and
- assist with back-office functions, recordkeeping, and client reporting.

Schwab Corporation also offers other services intended to help us manage and further develop our business enterprise. These services include:

- educational conferences and events;
- technology, compliance, legal, and business consulting;
- publications and conferences on practice management and business succession; and
- access to employee benefits providers, human capital consultants, and insurance providers.

Schwab Corporation may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab Corporation may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab Corporation may also provide us with other benefits such as occasional business entertainment of our personnel.

The availability of services from Schwab Corporation benefits us because we do not have to produce or purchase them. We don't have to pay for these services, and they are not contingent upon us committing any specific amount of business to Schwab Corporation in trading commissions or assets in custody. With respect to iDirect, as described above under *Item 4 Advisory Business*, we do not pay SPT fees for the Platform so long as we maintain \$100 Million in client assets in accounts at Schwab Corporation that are *not* enrolled in iDirect. In light of our arrangements with Schwab, we may have an incentive to recommend that our clients maintain their accounts with Schwab Corporation based on our interest in receiving Schwab's services that benefit our business rather than based on the client's interest in receiving the best value in custody services and the most favorable execution of transactions. This is a conflict of interest. We believe, however, that our selection of Schwab Corporation as custodian and broker is in the best interests of our clients. It is primarily supported by the scope, quality, and price of Schwab Corporation's services and not Schwab's services that benefit only us.



## **Brokerage for Client Referrals**

1900 Wealth does not consider, in selecting or recommending broker/dealers, whether 1900 Wealth receives client referrals from the Financial Institutions or other third party.

## **Directed Brokerage**

Clients must open a brokerage account with a Financial Institution in which 1900 Wealth has a relationship that allows it to purchase the securities it recommends on behalf of clients. 1900 Wealth is not affiliated with these Financial Institutions. Not all advisers require clients to direct brokerage to a particular Financial Institution.

## **Trade Aggregation**

When 1900 Wealth invests in open-end mutual funds, transactions for each client generally will be effected independently and not combined or “batched.”

If we make a trade error that results in a loss to a client, we will make the client whole. If we make a trade error that results in a gain to a client, and the gain can be attributed to a client, the client is entitled to keep the gain. If we make a trade error that results in a gain to a client and the gain cannot be attributable to a particular client, Schwab, and not 1900 Wealth, keeps the gain. In that case, if the gain is more than \$100, Schwab will donate the gain to charity. If the gain is less than \$100, Schwab will keep the gain to minimize and offset its administrative time and expense.

## **Item 13: Review of Accounts Account Reviews**

1900 Wealth monitors client portfolios on a continuous and ongoing basis, accounts are rebalanced as needed, and annual reviews with clients are ongoing. Such reviews are conducted by 1900 Wealth’s investment adviser representatives. All investment advisory clients are encouraged to discuss their needs, goals and objectives with 1900 Wealth and to keep 1900 Wealth informed of any changes thereto. 1900 Wealth contacts ongoing investment advisory clients at least annually to review its previous services and/or recommendations to discuss the impact resulting from any changes in the client’s financial situation and/or investment objectives.

## **Account Statements and Reports**

Clients are provided with transaction confirmation notices and regular summary account statements directly from the Financial Institutions where their assets are custodied. From time-to-time or as otherwise requested, clients may also receive written or electronic reports from 1900 Wealth and/or an outside service provider, which contain certain account and/or market-related information, such as an inventory of account holdings or account performance. Clients should compare the account statements they receive from their custodian with any documents or reports they receive from 1900 Wealth or an outside service provider.

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

1900 Wealth does not directly or indirectly compensate any person for client referrals.

## **Other Compensation**

We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors whose clients maintain their accounts at Schwab. These products and services, how they benefit us, and the related conflicts of interest are described above in Item 12. The availability to us of Schwab’s products and services is not based on us giving particular investment advice to you, our client. Although we believe transaction costs are competitive; clients may be able to obtain similar services or products at higher or lower costs if acquired elsewhere.

1900 Wealth is a consultant and general advisor to the General Partner on matters pertaining to the real estate business and the operation of a real estate fund. The General Partner shall pay the Consultant a consulting fee as a flat fee in two stages for the various duties performed. Any client that invested in this real estate fund was provided disclosures regarding the 1900 Wealth relationship at the time of the investment.

## Item 15: Custody

According to the SEC, the Firm will be deemed to have custody if it directly or indirectly holds client funds or securities, has any authority to obtain possession of them, or has the ability to appropriate them. Prepayment of advisory fees in excess of \$1,200 and six months or more in advance for services to be rendered is deemed to be holding customer funds and would require the firm to comply with all regulations, both SEC and State of Texas, that deal with custody of customer funds and securities.

The Firm does **not** have physical custody of our separate account client funds. The Firm shall custody client funds and securities with a broker-dealer, bank, or other “qualified custodian” and the custodian shall send directly to the client a statement, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to the Firm.

The Firm is a sub-adviser to the Jefferson Bank Trust department which is deemed by the SEC to be custody which triggers the annual surprise custody audit requirement to be completed by an independent public accountant and a report, Form ADV-E, is filed by that accountant. The annual surprise custody audit process verifies certain clients account balances.

The firm as general partner of the affiliated private funds managed, the firm has the authority to withdraw assets from the Funds. Therefore, the firm is deemed to have custody of the Funds’ assets. The Funds are audited on an annual basis by a PCAOB-inspected firm as required, with copies of the audited statements going to investors within 180 days of the Funds’ fiscal year-end.

The Advisory Agreement and/or the separate agreement with any Financial Institution generally authorize 1900 Wealth to debit client accounts for payment of 1900 Wealth’s fees and to directly remit those funds to 1900 Wealth in accordance with applicable custody rules. The Financial Institutions that act as the qualified custodian for client accounts, from which 1900 Wealth retains the authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to 1900 Wealth. When we direct deduct fees from client accounts it is deemed by the SEC to be custody; however, a surprise audit is NOT required. Additionally, under government regulations, we are deemed to have custody of a client’s assets if the client authorizes us to instruct Schwab Corporation to deduct our advisory fees directly from the client’s account. This is the case for accounts in iDirect. Schwab Corporation maintains actual custody of clients’ assets. Clients receive account statements directly from Schwab Corporation at least quarterly which are sent to the email or postal mailing address the client provides to Schwab Corporation. Clients should carefully review those statements promptly when received. We also urge clients to compare Schwab Corporation’s account statements to the periodic account statements clients receive from us.

The Firm also has standing letters of authorization (“SLOA”) that are considered custody and require a surprise audit by an independent public accountant if the Firm doesn’t comply with seven conditions of the IAA no-action letter, 2/21/17. The Firm has confirmed that the qualified custodian is in compliance with conditions 1-5 and 7 and the Firm has confirmed compliance with condition 6; therefore, a surprise custody audit is NOT required. The Firm maintains certification from the qualified custodian of its compliance with the SLOA conditions 1-5 and 7. The Firm maintains and reviews its third-party SLOA list, certifies by signing and dating, to maintain compliance with condition 6. Those accounts are reported as custody on the Form ADV Part 1, Item 9. The SLOA seven conditions are as follows:

1. The client provides an instruction to the qualified custodian, in writing, which includes the client’s signature, the third party’s name, and either the third party’s address or the third party’s account number at a custodian to which the transfer should be directed.
2. The client authorizes the investment adviser, in writing, either on the qualified custodian’s form or separately, to direct transfers to the third party either on a specified schedule or from time to time.
3. The client’s qualified custodian performs appropriate verification of the instruction, such as a

signature review or other method to verify the client's authorization, and provides a transfer of funds notice to the client promptly after each transfer;

4. The client has the ability to terminate or change the instruction to the client's qualified custodian.
5. The investment adviser has no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the client's instruction.
6. The investment adviser maintains records showing that the third party is not a related party of the investment adviser or located at the same address as the investment adviser.
7. The client's qualified custodian sends the client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the information.

In addition, as discussed in Item 13, 1900 Wealth may also send periodic supplemental reports to clients. Clients should carefully review the statements sent directly by the Financial Institutions and compare them to those received from 1900 Wealth.

With respect to each Fund, the Firm, or affiliate, is generally deemed to have custody of such Fund's cash and securities for purposes of Rule 206(4)-2 under the Advisers Act. It is expected that most of the holdings of the Funds will be "privately offered securities" as defined in Rule 206(4)-2, which generally are not required to be maintained with a qualified custodian. With respect to any cash or securities (other than privately offered securities) of a Fund, they generally will be held or maintained with one or more qualified custodians selected by the general partner of such Fund from time to time (to the extent required by Rule 206(4)-2). In accordance with Rule 206(4)-2, the Firm or an affiliate (i) engages an independent public accounting firm registered with and subject to inspection by the Public Company Accounting Oversight Board to conduct an audit of the financial statements of each Fund for each fiscal year and (ii) distributes or provides or furnishes copies of such audited financial statements (prepared in accordance with generally accepted accounting principles) to all investors within 120 days (or 180 days, with respect to each Fund) after the end of the fiscal year, but there can be no assurance that the Firm will be successful in this regard. Qualified custodians do not provide account statements directly to investors. The Firm generally expects that the underlying funds owned by the Funds will be subject to annual audits by independent public accounting firms.

### **Item 16: Investment Discretion**

Clients hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

Our discretionary authority includes the ability to do the following without contacting the client:

- Determine the security to buy or sell; and/or
- Determine the amount of the security to buy or sell

Clients give us discretionary authority when they sign an Investment Advisory Agreement with our Firm.

### **Item 17: Voting Client Securities Declination of Proxy Voting Authority**

1900 Wealth does not accept the authority to vote a client's securities (i.e., proxies) on their behalf. Clients receive proxies directly from the Financial Institutions where their assets are custodied and may contact 1900 Wealth at the contact information on the cover of this brochure with questions about any such issuer solicitations.

### **Item 18: Financial Information**

1900 Wealth is not required to disclose any financial information due to the following:

- 1900 Wealth does not require or solicit the prepayment of more than \$1,200 in fees six months or more in advance of services rendered;

- 1900 Wealth does not have a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients; and
- 1900 Wealth has not been the subject of a bankruptcy petition at any time during the past ten years.