

**Item 1 Cover Page**

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**This brochure provides information about the qualifications and business practices of Carta Financiera SA. If you have any questions about the contents of this brochure, please contact us at the phone number listed above. 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. Registration (e.g. “registered investment advisor”) does not imply a certain level of skill or training.**

**Additional information about Carta Financiera SA is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Item 2 Material Changes**

### ITEM 3: TABLE OF CONTENTS

#### BROCHURE

<u>ITEM 3 TABLE OF CONTENTS.....</u>	<u>Error! Bookmark not defined.</u>
<u>ITEM 4 ADVISORY BUSINESS .....</u>	<u>4</u>
<u>ITEM 5 FEES AND COMPENSATION .....</u>	<u>5</u>
<u>ITEM 6 PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT .....</u>	<u>6</u>
<u>ITEM 7 TYPES OF CLIENTS .....</u>	<u>6</u>
<u>ITEM 8 METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS .....</u>	<u>6</u>
<u>ITEM 9 DISCIPLINARY INFORMATION .....</u>	<u>9</u>
<u>ITEM 10 OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS .....</u>	<u>9</u>
<u>ITEM 11 CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING .....</u>	<u>10</u>
<u>ITEM 12 BROKERAGE PRACTICES .....</u>	<u>10</u>
<u>ITEM 13 REVIEW OF ACCOUNTS .....</u>	<u>11</u>
<u>ITEM 14 CLIENT REFERRALS AND OTHER COMPENSATION .....</u>	<u>11</u>
<u>ITEM 15 CUSTODY .....</u>	<u>12</u>
<u>ITEM 16 INVESTMENT DISCRETION .....</u>	<u>12</u>
<u>ITEM 17 VOTING CLIENT SECURITIES .....</u>	<u>12</u>
<u>ITEM 18 FINANCIAL INFORMATION .....</u>	<u>13</u>

## **ITEM 4 ADVISORY BUSINESS**

### **A. Background**

Carta Financiera has been in business since February 2014. Our full legal name is Carta Financiera SA and it is incorporated in the British Virgin Islands. We primarily conduct our business under the name Carta Financiera (hereinafter “Adviser”).

#### **Principal Owners:**

The SEC requires owners of over 25% be documented and available to the public. Carta Financiera SA is wholly owned by Carta Financiera LLC, a Florida company. Miguel Angel Boggiano owns 55% of Carta Financiera LLC and Tomas Olivera owns 45% of Carta Financiera LLC.

### **B. Advisory Services offered by the Adviser**

#### **Advisory Services:**

Adviser provides a variety of investment management services offerings to clients. It specializes in Equities Trend Following and Managed Futures.

#### **Portfolio Management:**

##### Discretionary Investment Management Services

Adviser provides investment management services on a discretionary basis. Adviser may also refer clients to a commodity trading adviser for a managed futures strategy (see Item 14 below). This choice depends upon the client’s individual needs. Adviser assesses the client’s individual needs based upon the information provided.

If a client participates in our discretionary investment management services, client will grant Adviser discretionary authority to manage the client’s account. Discretionary authorization allows the Adviser to determine the asset allocation, specific securities and the amount and manner in which securities are bought and sold for the client’s account. Client’s execution of the Investment Management Agreement (“IMA”) grants this discretionary authority. We do NOT have the ability to make withdrawals from the client’s accounts, except for fees due under the IMA.

Adviser has developed a Trend Following strategy executed on clients’ accounts at a qualified custodian. In order to do so, clients’ grant a Limited Power of Attorney to Adviser to trade in the account in order to capture equities movements with the use of different moving averages and trendlines in the US-listed equities markets. Even though there is some degree of discretion on the strategy, programmatic rules are established so that the program may be described as 70% automated and 30% discretionary.

Adviser’s trading strategy is not a “robo-advisor” and does not rely entirely on algorithmic trading platforms. Rather, Adviser provides discretionary trading strategies based on certain programmed trends and triggers. Adviser trades individual securities listed on the US exchanges based on the results of Adviser’s momentum-based Trend Following strategy.

##### Selection of third-party advisers

Adviser also offers Managed Futures services. As such, it allocates clients’ funds in different CTA programs that execute their own strategies with the own rules. Adviser supervises the performance and

results of these programs in order to introduce changes if needed. Adviser exercises discretion over the selection of the CTAs. One of the CTAs that may be selected is a related CTA, Carta US Citizens, LLC, a registered Commodity Trading Adviser as described more fully below.

Adviser also manages two private investment pool called CF Managed Futures Ltd and Carta Futures LLC. These pools are established for and owned by non-US investors and do not offer securities to US investors.

As of July 24, 2023, Adviser has 0 clients and manages \$0 in assets.

## **ITEM 5 FEES AND COMPENSATION**

### **Fees and other charges**

#### **Individually Managed Accounts:**

Fees for individually managed accounts are priced as follows:

**2% Annual Management Fee calculated on a daily basis**

**20% Success Fee on a quarterly basis (Qualified Clients and non-US Persons)**

All asset based fees are deducted by the qualified custodian of record as indicated in the client agreement. Fees are deducted daily based upon the value of the account calculated by the custodian on a daily basis.

All fees paid to Adviser for investment advisory services are separate and distinct from the expenses charged by third-party managers and Investment Companies to their shareholders. These fees and expenses are described to the client in separate disclosures. These fees will generally include third-party management fees, an Investment Company management fee, other fund expenses, and in some situations a possible distribution fee.

Adviser will provide investment advisory services and portfolio management services but will not provide custodial or other administrative services. At no time will Adviser accept or maintain custody of a client's funds or securities except for authorized fee deduction. The Client may contact the Custodian directly for disbursements, or account record changes, and may also do so in writing to the custodian. Adviser may act at the client's convenience to facilitate such written communications to the Custodian, provided that such action is not construed to be custody of client assets.

Client is responsible for all custodial and securities execution fees charged by the custodian and executing broker-dealer. Fees paid to Adviser are separate and distinct from the custodian and execution fees.

Clients may request to terminate their advisory contract with Adviser, in whole or in part, by providing advance written notice. Upon termination, any fees paid in advance will be prorated to the date of termination and any excess will be refunded to client through the Custodian. Client's advisory agreement with the Advisor is non-transferable without Client's written approval.

#### ***Fee Deduction Disclosure:***

Where Adviser deducts its management fee from client accounts utilizing a qualified custodian, the Adviser is required to meet the following requirements.

- a. Possess written authorization from the client to deduct advisory fees from an account held by a qualified custodian;

b. The firm must send the qualified custodian a written invoice detailing the fee amount to be deducted from the client account; and,

c. The firm must send the client a written invoice itemizing the fee, the invoice must detail any formulae used to calculate the fee, the time period covered by the fee and the amount of assets under management on which the fee was based. This may be included with the clients' quarterly performance report.

## **ITEM 6 PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

Adviser charges some accounts Performance Based Fees ("PBF"). Adviser may simultaneously manage perhaps with similar objectives that do not wish to participate in a PBF. This is called "side-by-side management". PBFs and side-by-side management may create conflicts of interest. Adviser identifies and describes some of these conflicts in the following paragraphs.

PBFs create an incentive for Adviser to make riskier or more speculative investments than might otherwise be made in the absence of PBF. In order to address this conflict of interest, a senior officer of Adviser periodically reviews client accounts to ensure investments are suitable and that the account is being managed according to the client's investment objectives and risk tolerance.

PBFs may also create an incentive for Adviser to overvalue investments that lack a market quotation. In order to address such conflict, it is the policy of Adviser to "fairly value" any investments, which do not have a readily ascertainable value. However, Adviser generally defer to the client's custodians' appraised value of assets where there is no readily available market price quotation.

Side-by-side management might provide an incentive for Adviser to favor accounts for which Adviser receive a PBF. For example, Adviser may have an incentive to allocate limited investment opportunities to PBF based clients rather than those who pay asset based fees. To address this conflict of interest, Adviser generally trades accounts that follow similar investment strategies as a group. If there are instances when it is inefficient or unfeasible to fill the order for all accounts, Adviser attempts to allocate the trades based upon factors such as relative value, open or targeted exposure levels, or other manner unrelated to the fee calculation.

## **ITEM 7 TYPES OF CLIENTS**

Clients will typically be individuals, but they may also be corporations, partnerships or limited liability companies.

Adviser has a minimum investment account balance of \$50,000.

## **ITEM 8 METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

### **A. Investment Strategies and Methods of Analysis**

#### Equities Strategy:

We screen the whole universe of US listed names and look for specific criteria. These set ups are entirely or almost entirely systematic.

For a downward trend we look for companies that trade both below their 50 and 200 days moving averages, that have a Market Cap about \$2 billion and that have P/E Ratios above 50.

We also look for overvaluation. Thus, we screen for companies with a Price-to-Sales above 10, that lose money and are below their 50 days moving average.

There is a degree of discretion regarding position sizing, stops and leverage.

#### Managed Futures Strategy:

We choose different programs based on their historical and expected correlation. The program chosen for each customer will depend upon each customer's investment objectives and risk tolerance.

## **B. RISKS**

**General Risks.** Investing in securities always involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives can or will be met. Past performance is in no way an indication of future performance. We also cannot assure that third parties will satisfy their obligations in a timely manner or perform as expected or marketed.

**General Market Risk.** Investment returns will fluctuate based upon changes in the value of the portfolio securities. Certain securities held may be worth less than the price originally paid for them, or less than they were worth at an earlier time.

**Common Stocks.** Investments in common stocks, both directly and indirectly through investment in shares of ETFs, may fluctuate in value in response to many factors, including, but not limited to, the activities of the individual companies, general market and economic conditions, interest rates, and specific industry changes. Such price fluctuations subject certain strategies to potential losses. During temporary or extended bear markets, the value of common stocks will decline, which could also result in losses for each strategy.

**Portfolio Turnover Risk.** High rates of portfolio turnover could lower performance of an investment strategy due to increased costs and may result in the realization of capital gains. If an investment strategy realizes capital gains when it sells its portfolio investments, it will increase taxable distributions to you. High rates of portfolio turnover in a given year would likely result in short-term capital gains and under current tax law you would be taxed on short-term capital gains at ordinary income tax rates, if held in a taxable account.

**Non-Diversified Strategy Risk.** Some investment strategies may be non-diversified (e.g., investing a greater percentage of portfolio assets in a particular issuer and owning fewer securities than a diversified strategy). Accordingly, each such strategy is subject to the risk that a large loss in an individual issuer will cause a greater loss than it would if the strategy held a larger number of securities or smaller positions sizes.

**Model Risk.** Financial and economic data series are subject to regime shifts, meaning past information may lack value under future market conditions. Models are based upon assumptions that may prove invalid or incorrect under many market environments. We may use certain model outputs to help identify

market opportunities and/or to make certain asset allocation decisions. There is no guarantee any model will work under all market conditions. For this reason, we include model related results as part of our investment decision process but we often weigh professional judgment more heavily in making trades or asset allocations.

**ETF Risks**, including Net Asset Valuations and Tracking Error. An ETF's performance may not exactly match the performance of the index or market benchmark that the ETF is designed to track because 1) the ETF will incur expenses and transaction costs not incurred by any applicable index or market benchmark; 2) certain securities comprising the index or market benchmark tracked by the ETF may, from time to time, temporarily be unavailable; and 3) supply and demand in the market for either the ETF and/or for the securities held by the ETF may cause the ETF shares to trade at a premium or discount to the actual net asset value of the securities owned by the ETF. Certain ETF strategies may from time to time include the purchase of fixed income, commodities, foreign securities, American Depositary Receipts, or other securities for which expenses and commission rates could be higher than normally charged for exchange-traded equity securities, and for which market quotations or valuation may be limited or inaccurate. Clients should be aware that to the extent they invest in ETF securities they will pay two levels of advisory compensation – advisory fees charged by Adviser plus any advisory fees charged by the issuer of the ETF. This scenario may cause a higher advisory cost (and potentially lower investment returns) than if a Client purchased the ETF directly. An ETF typically includes embedded expenses that may reduce the ETF's net asset value, and therefore directly affect the ETF's performance and indirectly affect a Client's portfolio performance or an index benchmark comparison. Expenses of the ETF may include investment advisor management fees, custodian fees, brokerage commissions, and legal and accounting fees. ETF expenses may change from time to time at the sole discretion of the ETF issuer. ETF tracking error and expenses may vary.

**Inflation, Currency, and Interest Rate Risks.** Security prices and portfolio returns will likely vary in response to changes in inflation and interest rates. Inflation causes the value of future dollars to be worth less and may reduce the purchasing power of an investor's future interest payments and principal. Inflation also generally leads to higher interest rates, which in turn may cause the value of many types of fixed income investments to decline. In addition, the relative value of the U.S. dollar-denominated assets primarily managed by Adviser may be affected by the risk that currency devaluations affect Client purchasing power.

**Liquidity Risk.** Liquidity is the ability to readily convert an investment into cash to prevent a loss, realize an anticipated profit, or otherwise transfer funds out of the particular investment. Generally, investments are more liquid if the investment has an established market of purchasers and sellers, such as a stock or bond listed on a national securities exchange. Conversely, investments that do not have an established market of purchasers and sellers may be considered illiquid. Your investment in illiquid investments may be for an indefinite time, because of the lack of purchasers willing to convert your investment to cash or other assets.

**Legislative and Tax Risk.** Performance may directly or indirectly be affected by government legislation or regulation, which may include, but is not limited to: changes in investment advisor or securities trading regulation; change in the U.S. government's guarantee of ultimate payment of principal and interest on certain government securities; and changes in the tax code that could affect interest income, income characterization and/or tax reporting obligations, particularly for options, swaps, master limited partnerships, Real Estate Investment Trust, Exchange Traded Products/Funds/ Securities. We do not engage in tax planning, and in certain circumstances a Client may incur taxable income on their investments without a cash distribution to pay the tax due. Clients and their personal tax advisors are responsible for how the transactions in their account are reported to the IRS or any other taxing authority.



**Foreign Investing and Emerging Markets Risk.** Foreign investing involves risks not typically associated with U.S. investments, and the risks may be exacerbated further in emerging market countries. These risks may include, among others, adverse fluctuations in foreign currency values, as well as adverse political, social and economic developments affecting one or more foreign countries. In addition, foreign investing may involve less publicly available information and more volatile or less liquid securities markets, particularly in markets that trade a small number of securities, have unstable governments, or involve limited industry. Investments in foreign countries could be affected by factors not present in the U.S., such as restrictions on receiving the investment proceeds from a foreign country, foreign tax laws or tax withholding requirements, unique trade clearance or settlement procedures, and potential difficulties in enforcing contractual obligations or other legal rules that jeopardize shareholder protection. Foreign accounting may be less transparent than U.S. accounting practices and foreign regulation may be inadequate or irregular.

**Information Security Risk.** We may be susceptible to risks to the confidentiality and security of its operations and proprietary and customer information. Information risks, including theft or corruption of electronically stored data, denial of service attacks on our website or websites of our third-party service providers, and the unauthorized release of confidential information are a few of the more common risks faced by us and other investment advisers. Data security breaches of our electronic data infrastructure could have the effect of disrupting our operations and compromising our customers' confidential and personally identifiable information. Such breaches could result in an inability of us to conduct business, potential losses, including identity theft and theft of investment funds from customers, and other adverse consequences to customers. We have taken and will continue to take steps to detect and limit the risks associated with these threats.

**Tax Risks.** Tax laws and regulations applicable to an account with Adviser may be subject to change and unanticipated tax liabilities may be incurred by an investor as a result of such changes. In addition, customers may experience adverse tax consequences from the early assignment of options purchased for a customer's account. Customers should consult their out tax advisers and counsel to determine the potential tax-related consequences of investing.

**Advisory Risk.** There is no guarantee that our judgment or investment decisions on behalf of particular any account will necessarily produce the intended results. Our judgment may prove to be incorrect, and an account might not achieve her investment objectives. In addition, it is possible that we may experience computer equipment failure, loss of internet access, viruses, or other events that may impair access to accounts' custodians' software. Adviser and its representatives are not responsible to any account for losses unless caused by Adviser breaching our fiduciary duty.

**Dependence on Key Employees.** An accounts success depends, in part, upon the ability of our key professionals to achieve the targeted investment goals. The loss of any of these key personnel could adversely impact the ability to achieve such investment goals and objectives of the account.

## **ITEM 9 DISCIPLINARY INFORMATION**

Clients should be aware that neither Adviser nor its management person has had any legal or disciplinary events, currently or in the past.

## **ITEM 10 OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

Adviser is under common ownership with a related registered commodity trading adviser ("CTA"), Carta US Citizens, LLC. Carta US Citizens and Adviser are commonly owned by Carta Financiera LLC. Carta US Citizens provides managed futures and commodity trading advisory services to clients, including

clients referred by Adviser. Adviser receives compensation for clients referred to Carta US Citizens and Adviser's parent company also benefits financially from clients referred from Adviser to Carta US Citizens.

Accordingly, a conflict of interest exists where Adviser refers clients to Carta US Citizens. Adviser maintains a compliance manual and code of ethics (discussed below) to address the conflicts of interest arising from such transactions.

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

Adviser is a foreign registered investment advisor registered with the SEC and has adopted a Code of Ethics that sets forth the basic policies of ethical conduct for all managers, officers, and employees of the adviser. In addition, the Code of Ethics governs personal trading by each employee of Adviser deemed to be an Access Person and is intended to ensure that securities transactions effected by Access Persons of Adviser are conducted in a manner that avoids any conflict of interest between such persons and clients of the adviser or its affiliates. Adviser collects and maintains records of securities holdings and securities transactions effected by Access Persons. These records are reviewed to identify and resolve conflicts of interest. Adviser maintains a code of ethics and they will provide a copy to any client or prospective client upon request.

Adviser and/or its investment advisory representatives may from time to time purchase or sell products or investments that they may recommend to clients. Additionally, as described above, a conflict of interest exists where Adviser refers clients to Carta US Citizens. Adviser has adopted a Code of Ethics that sets forth the basic policies of ethical conduct for all managers, officers, and employees of the adviser.

In addition, the Code of Ethics governs personal trading by each employee of Adviser deemed to be an Access Person and is intended to ensure that securities transactions effected by Access Persons of Adviser are conducted in a manner that avoids any actual or potential conflict of interest between such persons and clients of the adviser or its affiliates.

Adviser collects and maintains records of securities holdings and securities transactions effected by Access Persons. These records are reviewed to identify and resolve potential conflicts of interest. Adviser's Code of Ethics is available upon request.

## **ITEM 12 BROKERAGE PRACTICES**

Adviser has an established relationship with a broker-dealer/custodian that the Advisor will recommend to clients for custody or client transactions. Adviser suggests this broker-dealer/custodian be used based on execution and custodial services offered, cost, quality of service and industry reputation. Adviser has also considered factors such as commission price, speed and quality of execution, client management tools, and convenience of access for both the Advisor and client in making its suggestion.

As an investment adviser, Adviser has a fiduciary duty to seek best execution for client transactions. While best execution is difficult to define and challenging to measure, there is some consensus that it does not solely mean the achievement of the best price on a given transaction. Rather, it appears to be a collective consideration of factors concerning the trade in question. Such factors include the security being traded, the price of the trade, the speed of the execution, apparent conditions in the market, and the specific needs of the client.

Adviser recommends that all clients use a particular broker-dealer for execution and/or custodial services. The broker-dealer is recommended based on criteria such as, but not limited to, reasonableness of commissions charged to the client, tools and services made available to the client and the Adviser, and convenience of access to the account trading and reporting. The client will provide authority to Adviser to direct all transactions through that broker-dealer in the investment advisory agreement.

In the event that client selects a broker-dealer separate from the broker-dealer recommended by Adviser, Adviser reserves the right to accept the investment management engagement or decline the engagement at its discretion.

## **B. Aggregation of Trades**

Adviser may combine orders into block trades when more than one account is participating in the trade. This blocking or bunching technique must be equitable and potentially advantageous for each such account (e.g. for the purposes of reducing brokerage commissions or obtaining a more favorable execution price).

Block trading is performed when it is consistent with the duty to seek best execution and is consistent with the terms of Adviser's investment advisory agreements. Equity trades are blocked based upon fairness to client, both in the participation of their account, and in the allocation of orders for the accounts of more than one client. Allocations of all orders are performed in a timely and efficient manner. All managed accounts participating in a block execution receive the same execution price (average share price) for the securities purchased or sold in a trading day.

Any portion of an order that remains unfilled at the end of a given day will be rewritten on the following day as a new order with a new daily average price to be determined at the end of the following day. Due to the low liquidity of certain securities, broker availability may be limited. Open orders are worked until they are completely filled, which may span the course of several days. If an order is filled in its entirety, securities purchased in the aggregated transaction will be allocated among the accounts participating in the trade in accordance with the allocation statement.

If an order is partially filled, the securities will be allocated pro rata based on the allocation statement. Adviser may allocate trades in a different manner than indicated on the allocation statement (non-pro rata) only if all managed accounts receive fair and equitable treatment.

## **ITEM 13 REVIEW OF ACCOUNTS**

Accounts are reviewed periodically, not less than annually, with the client. Additionally, clients receive regular account statements showing the performance of the account.

## **ITEM 14 CLIENT REFERRALS AND OTHER COMPENSATION**

Adviser receives a solicitor fee from commodity trading advisers ("CTA") to which the Adviser refers clients for managed futures strategies. The amount of the solicitor fee that Adviser receives is disclosed to clients before executing the service agreement with the CTA.

Adviser will not pay another person or entity for referring or soliciting US clients for Adviser.

## **ITEM 15 CUSTODY**

Adviser exercises limited custody over the client's funds by direct debit management fees from the account. Where Adviser deducts its management fee from client accounts utilizing a qualified custodian, the Adviser satisfies the following requirements:

- a. Adviser must possess written authorization from the client to deduct advisory fees from an account held by a qualified custodian;
- b. Adviser must send the qualified custodian a written invoice detailing the fee amount to be deducted from the client account; and,
- c. Adviser must send the client a written invoice itemizing the fee, the invoice must detail any formulae used to calculate the fee, the time period covered by the fee and the amount of assets under management on which the fee was based. This may be included with the client's quarterly performance report.

The client will also receive written statements no less than quarterly from the custodian. Adviser encourages clients to carefully review their account statements for any inaccuracies. Any discrepancies should be immediately brought to the firm's attention.

## **ITEM 16 INVESTMENT DISCRETION**

Adviser generally has discretion over the selection and amount of securities to be bought or sold in client accounts without obtaining prior consent or approval from the client. However, these purchases or sales may be subject to specified investment objectives, guidelines, or limitations previously set forth by the client and agreed to by Adviser in an investment policy statement.

Discretionary authority will only be authorized upon full disclosure to the client. The granting of such authority will be evidenced by the client's execution of an Investment Advisory Agreement containing all applicable limitations to such authority. All discretionary trades made by Adviser will be in accordance with each client's investment objectives and goals and consistent with the Investment Policy statement.

The Client must understand that gains and losses are realized by discretionary activity and that these are taxable events, and that the client has authorized such activity in granting discretion. While some sensitivity to taxation is possible with discretion, if the client requires control of the taxable events, a non-discretionary approach is needed and therefore recommended, and this would require that the client's investment contract indicate the account is non-discretionary.

## **ITEM 17 VOTING CLIENT SECURITIES**

Adviser will not vote, nor advise clients how to vote, proxies for securities held in client accounts. The client clearly keeps the authority and responsibility for the voting of these proxies. Also, Adviser cannot give any advice or take any action with respect to the voting of these proxies. The client and Adviser agree to this by contract.

For accounts subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), the plan fiduciary specifically keeps the authority and responsibility for the voting of any proxies for securities held in plan accounts. Also, Adviser cannot give any advice or take action with respect to the voting of these proxies.

## **ITEM 18 FINANCIAL INFORMATION**

Adviser does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.

Adviser has discretionary authority over client accounts and is not aware of any financial condition that will likely impair its ability to meet contractual commitments to clients. If Adviser does become aware of any such financial condition, this brochure will be updated and clients will be notified.