

# Warbler Advisory Inc.

## Firm Brochure - Form ADV Part 2A

*This brochure provides information about the qualifications and business practices of Warbler Advisory Inc.. If you have any questions about the contents of this brochure, please contact us at (510) 646-1610 or by email at: [hey@warblerlabs.com](mailto:hey@warblerlabs.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.*

*Additional information about Warbler Advisory Inc. is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Warbler Advisory Inc.'s CRD number is: 327608.*

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*Registration as an investment adviser does not imply a certain level of skill or training.*

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## **Item 2: Material Changes**

Warbler Advisory Inc. has not yet filed an annual updating amendment using the Form ADV Part 2A. Therefore, there are no material changes to report.

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## **Item 4: Advisory Business**

### **A. Description of the Advisory Firm**

Warbler Advisory Inc. (hereinafter “Goldfinch Advisers”) is a Corporation organized in the State of Delaware. The firm was formed in June 2023, and the principal owner is Warbler Labs Incorporated.

### **B. Types of Advisory Services**

#### ***Robo-Advisory Portfolio Management Services***

Goldfinch Advisers provides “robo-advisory” portfolio management services through an online interface. This entails the use of algorithm-based portfolio management advice, rather than in-person investment advice. Specifically, Goldfinch Advisers will recommend private credit deals. These automated investment solutions are customized to each client and based on individual characteristics, such as the client’s risk tolerance, income, and current assets, among others. Goldfinch Advisers’ investment advisory personnel oversee the algorithm but may not monitor each client’s account. Clients are encouraged to update their account/questionnaire with any changes in their objectives, risk tolerance, or other pertinent information, as that information factors into the portfolio’s composition.

#### ***Portfolio Management Services***

Goldfinch Advisers may provide advice to a limited number of private investment funds.

The fee schedule for such services are generally described in the Fund’s current disclosure documents. Goldfinch Advisers will provide all disclosure documents to clients of Goldfinch Advisers.

#### ***Subadvisor Services***

Goldfinch Advisers may also act as a subadvisor to advisers unaffiliated with Goldfinch Advisers. These third-party advisers would outsource portfolio management services to Goldfinch Advisers. This relationship will be memorialized in each contract between Goldfinch Advisers and the third-party adviser.

#### ***Services Limited to Specific Types of Investments***

Goldfinch Advisers generally limits its investment advice to fixed income securities and private placements, although Goldfinch Advisers primarily recommends private credit. Goldfinch Advisers may use other securities as well to help diversify a portfolio when applicable.

## ***Written Acknowledgement of Fiduciary Status***

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. We also have a fiduciary duty under the Investment Advisers Act of 1940 with respect to all client accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours. Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

### **C. Client Tailored Services and Client Imposed Restrictions**

Goldfinch Advisers provides online "robo-advisory" portfolio management. Client accounts are generally invested into a multiple private credit deals depending on the client's individual profile and investment objectives. This automated approach factors in client financial situation and risk tolerance, although the algorithms used to provide advisory services are designed to be utilized by Goldfinch Advisers across multiple clients. Clients may not impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs.

### **D. Wrap Fee Programs**

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees and transaction costs. Goldfinch Advisers does not participate in wrap fee programs.

### **E. Assets Under Management**

Goldfinch Advisers has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$0	\$0	August 2023

## Item 5: Fees and Compensation

### A. Fee Schedule

#### *Robo-Advisory Portfolio Management Services Fees*

Total Assets Under Management	Annual Fees
\$0 - \$1,000,000	2.25%
\$1,000,001 - AND UP	2.00%

Goldfinch Advisers uses the average daily value of the account during the billing period for purposes of determining the market value of the assets upon which the advisory fee is based.

Fees are negotiable and the final fee schedule will be memorialized in the client's advisory agreement. Clients may terminate the agreement without penalty for a full refund of Goldfinch Advisers' fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract generally with 14 days' written notice.

#### *Portfolio Management Services Fees*

Goldfinch Advisers may provide advice to a private fund. The advisory fees that Goldfinch Advisers receives for providing those services are set forth in the agreement between Goldfinch Advisers and the Fund.

#### *Subadviser Services Fees*

Goldfinch Advisers may also act as a subadviser to unaffiliated third-party advisers. The notice of termination requirement and payment of fees for subadviser services will depend on the specific third-party investment adviser engaging Goldfinch Advisers as subadviser. This relationship will be memorialized in each contract between Goldfinch Advisers and each third-party adviser. The fees will not exceed any limit imposed by any regulatory agency.

### B. Payment of Fees

#### *Payment of Robo-Advisory Portfolio Management Fees*

Robo-advisory portfolio management fees are withdrawn directly from the client's accounts with client's written authorization on a quarterly basis. Fees are paid in arrears.

### ***Payment of Subadviser Fees***

Subadviser fees may be withdrawn from clients' accounts or clients may be invoiced for such fees, as disclosed in each contract between Goldfinch Advisers and the applicable third-party adviser.

#### **C. Client Responsibility For Third Party Fees**

Clients are responsible for the payment of all third party fees. (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by Warbler Advisory. Please see Item 12 of this brochure regarding broker-dealer/custodian.

#### **D. Prepayment of Fees**

Goldfinch Advisers collects its fees in arrears. It does not collect fees in advance.

#### **E. Outside Compensation For the Sale of Securities to Clients**

Neither Goldfinch Advisers nor its supervised persons accept any compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

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

Goldfinch Advisers does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

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

Goldfinch Advisers generally provides advisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Pooled Investment Vehicles
- ❖ Corporations or Business Entities
- ❖ Other Investment Advisers

There is no account minimum for any of Goldfinch Advisers' services.

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

### A. Methods of Analysis and Investment Strategies

#### *Methods of Analysis*

Goldfinch Advisers' methods of analysis include Fundamental analysis.

**Fundamental analysis** involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

#### *Investment Strategies*

**Robo-advisory services** use algorithms as the basis of the management process. Risks of this approach include, but are not limited to, that the algorithm might rebalance client accounts without regard to market conditions, that the accounts may be automatically rebalances on a more frequent basis or a less frequent basis than the client might expect, and that the algorithm may not address prolonged changes in market conditions. Additionally, clients should be aware that responses to the adviser's suitability questionnaire are typically the sole basis for the portfolio's allocation.

**Investing in private credit involves a risk of loss that you, as a client, should be prepared to bear.**

### B. Material Risks Involved

#### *Methods of Analysis*

**Fundamental analysis** concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

#### *Investment Strategies*

**Long term trading** is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**



## C. Risks of Specific Securities Utilized

Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below are not guaranteed or insured by the FDIC or any other government agency.

**Fixed income** investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best known type of fixed income security. In general, the fixed income market is volatile and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal.

**Private placements** carry a substantial risk as they are subject to less regulation than are publicly offered securities, the market to resell these assets under applicable securities laws may be illiquid, due to restrictions, and the liquidation may be taken at a substantial discount to the underlying value or result in the entire loss of the value of such assets.

**Private credit** investments are subject to credit, liquidity, and interest rate risk. In the event of any default by a borrower you will bear a risk of loss of principal and accrued interest on such loan, which could have a material adverse effect on your investment. An investment may become defaulted for a variety of reasons, including non-payment of principal or interest, as well as breaches of contractual covenants. Credit risks associated with the investments include (among others): (i) the possibility that earnings of a borrower may be insufficient to meet its debt service obligations; (ii) a borrower's assets declining in value; and (iii) the declining creditworthiness, default, and potential for insolvency of a borrower during periods of rising interest rates and economic downturn.

The majority, if not all, of a client's interest in private credit deals will be purchased through decentralization applications and evidenced by the issuance of a non-fungible token ("NFT"). An NFT is a digital, cryptographic token on a blockchain that certifies a unique asset. NFTs are issued through smart contracts. A smart contract operates by a pre-defined set of rules (i.e., "if/then statements") that allows it to automatically execute computer code. Such actions taken by the pre-defined set of rules are not necessarily contractual in nature, but are intended to eliminate the need for a third party to carry out code execution on behalf of users, making the system decentralized, while empowering coders to create a wide range of applications layering together different smart contracts. Since smart contracts typically cannot be stopped or reversed, vulnerabilities in their programming and design can have damaging effects. If any such vulnerabilities or flaws

come to fruition, smart contract-based assets, including those held by clients or our custodian, may suffer negative publicity, be exposed to security vulnerabilities, decline significantly in value, and lose liquidity over a short period of time.

In some cases, smart contracts can be controlled by one or more “admin keys” or users with special privileges, or “super users.” These users could unilaterally make changes to the smart contract, enable or disable features on the smart contract, change how the smart contract receives external inputs and data, and make other changes to the smart contract. If any such super user or group of core members unilaterally make adverse changes to a smart contract, the design, functionality, features and value of the smart contract, its related assets may be harmed. These super users can also become targets of hackers and malicious attackers. If an attacker is able to access or obtain the super user privileges of a smart contract, or if a smart contract’s super-users take actions that adversely affects the smart contract, clients who hold and transact in the affected assets may experience decreased functionality and value of the applicable assets, up to and including a total loss of the value of such assets.

**Past performance is not indicative of future results. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **Item 9: Disciplinary Information**

### **A. Criminal or Civil Actions**

There are no criminal or civil actions to report.

### **B. Administrative Proceedings**

There are no administrative proceedings to report.

### **C. Self-regulatory Organization (SRO) Proceedings**

There are no self-regulatory organization proceedings to report.

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

### **A. Registration as a Broker/Dealer or Broker/Dealer Representative**

Neither Goldfinch Advisers nor its representatives are registered as, or have pending applications to become, a broker/dealer or a representative of a broker/dealer.

## **B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor**

Neither Goldfinch Advisers nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

## **C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

Christopher Jarrett Robins is a lawyer. He will not offer these services to Goldfinch Advisers clients.

An affiliate of Goldfinch Advisers underwrites assets that may or may not be deemed securities that are recommended and purchased on behalf of Goldfinch Advisers clients. This presents a conflict of interest in that Goldfinch Advisers or its related persons may receive more compensation from investment in a security in which Goldfinch Advisers or a related person has a material financial interest than from other investments. Client approval will not be sought for client investment in such recommendations; however, Goldfinch Advisers always acts in the best interest of the client consistent with its fiduciary duties.

## **D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections**

Goldfinch Advisers does not utilize nor select third-party investment advisers.

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

## **A. Code of Ethics**

Goldfinch Advisers has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Goldfinch Advisers' Code of Ethics is available free upon request to any client or prospective client.

## **B. Recommendations Involving Material Financial Interests**

Goldfinch Advisers and its associated persons may have material financial interests in issuers of securities that Goldfinch Advisers may recommend for purchase or sale by clients. For example, an affiliate of Goldfinch Advisers underwrites assets that may or may not be deemed securities that are recommended to Goldfinch Advisers clients.

This presents a conflict of interest in that Goldfinch Advisers or its related persons may receive more compensation from investment in a security in which Goldfinch Advisers or a related person has a material financial interest than from other investments. Client approval will be sought for client investment in such recommendations and, if granted, such approval will be binding. Goldfinch Advisers always acts in the best interest of the client consistent with its fiduciary duties and clients are not required invest in such investments if they do not wish to do so.

## **C. Investing Personal Money in the Same Securities as Clients**

From time to time, representatives of Goldfinch Advisers may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of Goldfinch Advisers to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. Goldfinch Advisers will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

## **D. Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, representatives of Goldfinch Advisers may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of Goldfinch Advisers to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, Goldfinch Advisers will never engage in trading that operates to the client's disadvantage if representatives of Goldfinch Advisers buy or sell securities at or around the same time as clients.

## **Item 12: Brokerage Practices**

### **A. Factors Used to Select Custodians and/or Broker/Dealers**

Custodians/broker-dealers will be recommended based on Goldfinch Advisers' duty to seek "best execution," which is the obligation to seek execution of securities transactions for a client on the most favorable terms for the client under the circumstances. Clients will not necessarily pay the lowest commission or commission equivalent, and Goldfinch Advisers may also consider the market expertise and research access provided by the broker-dealer/custodian, including but not limited to access to written research, oral communication with analysts, admittance to research conferences and other resources provided by the brokers that may aid in Goldfinch Advisers' research efforts. Goldfinch Advisers will never charge a premium or commission on transactions, beyond the actual cost imposed by the broker-dealer/custodian.

Goldfinch Advisers may require clients to use Wilmington Savings Fund Society Bank.

#### ***1. Research and Other Soft-Dollar Benefits***

Goldfinch Advisers receives no research, product, or services other than execution from broker-dealers or custodians in connection with client securities transactions ("soft dollar benefits").

#### ***2. Brokerage for Client Referrals***

Goldfinch Advisers receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

#### ***3. Clients Directing Which Broker/Dealer/Custodian to Use***

Goldfinch Advisers will require clients to use a specific broker-dealer to execute transactions. Not all advisers require clients to use a particular broker-dealer.

### **B. Aggregating (Block) Trading for Multiple Client Accounts**

If Goldfinch Advisers buys or sells the same securities on behalf of more than one client, then it may (but would be under no obligation to) aggregate or bunch such securities in a single transaction for multiple clients in order to seek more favorable prices, lower brokerage commissions, or more efficient execution. In such case, Goldfinch Advisers would place an aggregate order with the broker on behalf of all such clients in order to ensure fairness for all clients; provided, however, that trades would be reviewed periodically to ensure that accounts are not systematically disadvantaged by this policy. Goldfinch Advisers would determine the appropriate number of shares and select the appropriate brokers consistent with its duty to seek best execution.

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

### **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

Robo-advisory portfolio management accounts are not reviewed by Goldfinch Advisers, save for automated allocation revisions. Clients are encouraged to update their account with any change in their objectives, risk tolerance, or other pertinent information, as that information factors into the portfolio's composition.

### **B. Factors That Will Trigger a Non-Periodic Review of Client Accounts**

Robo-advisory portfolio management accounts do not undergo non-periodic review by Goldfinch Advisers, although allocations may change based on material market, economic, or political events and/or changes to the client's profile in accordance with Goldfinch Advisers' automated portfolio management.

### **C. Content and Frequency of Regular Reports Provided to Clients**

Robo-advisory portfolio management clients will receive at least quarterly a written report that details the client's account including assets held and asset value.

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

### **A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)**

Goldfinch Advisers receives compensation via its arrangement with its underlying subadvisers, but otherwise does not receive any economic benefit from any other third party for advice rendered to Goldfinch Advisers' clients.

### **B. Compensation to Non - Advisory Personnel for Client Referrals**

Goldfinch Advisers does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

## **Item 15: Custody**

When advisory fees are deducted directly from client accounts at client's custodian, Goldfinch Advisers will be deemed to have limited custody of client's assets and must have written authorization from the client to do so. Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy.

## **Item 16: Investment Discretion**

Goldfinch Advisers provides discretionary investment advisory services to clients. The advisory contract established with each client sets forth the discretionary authority for trading. Where investment discretion has been granted, Goldfinch Advisers generally manages the client's account and makes investment decisions without consultation with the client as to when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, what securities to buy or sell, or the price.

## **Item 17: Voting Client Securities (Proxy Voting)**

Goldfinch Advisers will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

## **Item 18: Financial Information**

### **A. Balance Sheet**

Goldfinch Advisers neither requires nor solicits prepayment of more than \$1,200 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet with this brochure.

### **B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients**

Neither Goldfinch Advisers nor its management have any financial condition that is likely to reasonably impair Goldfinch Advisers' ability to meet contractual commitments to clients.

### **C. Bankruptcy Petitions in Previous Ten Years**

Goldfinch Advisers has not been the subject of a bankruptcy petition in the last ten years.