

CacheTech Inc.

Part 2A Form ADV: Firm Brochure

August 16, 2023

701 S Main, Suite #400  
Logan, UT 84321

This brochure provides information about the qualifications and business practices of CacheTech Inc. and its registered investment adviser representatives. Any questions about the contents of this brochure may be directed to CacheTech Inc. by calling (435) 919-6985 or by emailing Dylan Nielson, Chief Compliance Officer, [dylan@cachetech.io](mailto:dylan@cachetech.io). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. Registration does not imply a certain level of skill or training. Additional information about CacheTech Inc. also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The site may be searched by a unique identifying number known as a CRD number. CacheTech's CRD number is 327688.

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## **ITEM 2 MATERIAL CHANGES**

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This version of Part 2A of Form ADV (“Firm Brochure”), dated August 16, 2023, is our initial brochure document. It contains information about our business practices as well as a description of potential conflicts of interest relating to our advisory business that could affect a client’s account with us. We are providing this material in accordance with Rule 204-3 of the Investment Advisers Act of 1940, which requires a registered investment adviser to provide a written disclosure statement upon entering into an advisory relationship.

### **Full Brochure Available**

We will provide the latest version of the Firm Brochure as necessary when updates or new information are added, at any time, without charge. To request a complete copy of our Firm Brochure, contact us by telephone at (435) 919-6985 or by email to Dylan Nielson, Chief Compliance Officer, at [dylan@cachetech.io](mailto:dylan@cachetech.io).

We may, at any time, update this brochure. We expect to update this brochure no less than annually.

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## **ITEM 4 ADVISORY BUSINESS**

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### **A. FIRM DESCRIPTION**

CacheTech Inc, (“CacheTech”, “CT”, or the “Firm”) is organized as a Delaware limited liability company that was founded in June 2023.

The principal owner of CacheTech is S. Craig Adams. The Chief Compliance Officer is Dylan Nielson.

### **B. TYPES OF ADVISORY SERVICES**

#### **Registered Investment Advisors – Lead Advisors**

CacheTech offers an all-encompassing service that includes operational, investment, and technology support to registered investment advisors (“Lead Advisors”) through our custom software CacheTech Advisor Solutions. Below are the services we provide under this:

- Portfolio Management – Lead Advisors can use CacheTech’s proprietary investment models or develop their own. Lead advisors can also use CacheTech’s investment team to help find other third-party managers.
- Technology – CacheTech Advisor Solutions is a technology platform that allows Lead Advisors to run their business more efficiently. Our platform includes CRM, Tasks, Reporting, Document Storage, Billing, Trading, and Workflows.
- Trade Support – Traders at CacheTech can execute trades on behalf of Lead Advisors. Traders will also rebalance accounts at the discretion of the Lead Advisor. Proprietary CacheTech Models will be rebalanced at the discretion of CacheTech’s investment team.
- Billing – CacheTech can execute billing on behalf of the Lead Advisor.
- Operational Support – CacheTech will help the Lead Advisor with new account opening, adding standing instructions, updating client information, and other operational items.
- Financial Planning – CacheTech can help Lead Advisor aggregate data and draft financial plans for their underlying clients.

The level of engagement by CacheTech is determined by the Lead Advisor. There are no separate tiers for these services, and everything is all-inclusive.

For proprietary investment models CT generally limits its money management to equities, bonds, options, fixed income and debt securities, ETFs, structured notes, alternative investments, private placements, and open and closed end mutual funds. CT may use other securities as well to help diversify a portfolio when applicable. CT may concentrate portfolios in what we deem to be the most appropriate places to allocate money into. This is based on our strategies, indicators, and proprietary analysis.

Prior to engaging CT to provide any of the wealth management services, CT requires a written financial service agreement (“FSA”) signed by the Lead Advisor prior to the engagement of services. The FSA outlines the services and fees the Lead Advisor will incur pursuant to the FSA with CT.

## **C. TAILORED RELATIONSHIPS**

Lead Advisors can select which models their underlying clients are invested in. Lead Advisors may also impose restrictions in investing in certain securities for their underlying clients. These can be done through the CacheTech platform. Lead Advisors will need to update these restrictions whenever they receive new information from their underlying clients if applicable.

## **D. WRAP FEE PROGRAMS**

CacheTech does not offer a wrap program and is not a sponsor to any wrap programs.

## **F. ASSETS UNDER MANAGEMENT**

Pending registration with the SEC CacheTech will have an estimated \$500,000,000 in assets under management on a discretionary basis.

# **ITEM 5 FEES AND COMPENSATION**

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## **A. DESCRIPTION AND BILLING**

The fee is an annual fee based on a percentage of the market value of the underlying client account(s). This is billed quarterly in arrears and is based on the average daily balance of the accounts during the prior quarter multiplied by one-fourth of the annual percentage, (i.e.,  $1\%/4 = .25\%$ ). CT may charge Lead Advisors a management fee of 1% per annum. The fee will be invoiced directly to the Lead Advisor.

The fee charged is subject to negotiation with each Lead Advisor and may differ from Advisor to Advisor. CT reserves the right to negotiate, waive or reduce fees at its discretion. The FSA is valid for terms of one year with automatic one-year renewals. An increase in fees will require a new FSA to be signed by both parties. CT may decrease a Lead Advisor's fee by adding an exhibit to the original FSA.

## **B. OTHER FEES AND PAYMENTS**

There may be additional fees or charges that result from the maintenance of or trading within an underlying client's account. These are fees that are imposed by third parties in connection with investments made through an underlying client's account, including but not limited to: Exchange/SEC fees, no-load mutual fund 12(b)-1 distribution fees, certain deferred sales charges on previously purchased mutual funds, margin interest, brokerage and execution fees, and IRA and Qualified Retirement Plan fees. Underlying clients will incur brokerage and other transaction costs. For more information on this please see Item 12 – Brokerage Practices.

## **C. TERMINATION POLICY**

If an underlying client terminates their account, the management fee for the current quarter is due. The fee charged will be pro rata based on the average daily balance of the account during the quarter including up to the termination date.

## **D. OTHER COMPENSATION**

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

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

### **A. PERFORMANCE-BASED COMPENSATION**

CT does not charge any performance-based fees. However, some of our employees are also registered with Adams Wealth Management (AWM) as investment advisors and they may receive performance-based fees from clients of Adams Wealth Management.

### **B. SIDE-BY-SIDE MANAGEMENT**

“Side-by-Side Management” refers to a situation in which the same adviser manages accounts that are billed based only on a percentage of assets under management and at the same time manages other accounts for which fees are performance-based.

Some of CT’s investment adviser representatives manage accounts that provide for a performance allocation (Clients of AWM) alongside accounts that do not (Clients of CT). Accounts that pay performance-based fees reward the adviser based on the performance in those accounts. As a result, performance-based fee arrangements likely provide a heightened incentive for the adviser to make investments that present a greater potential for return but also a greater risk of loss and that may be more speculative than if only asset-based fees were applied. On the other hand, an adviser will likely have an interest in engaging in relatively safe investments when managing accounts that pay a fee based on a percentage of assets under management.

To help mitigate this conflict of interest these investment advisors generally help with the general management of CT but do not meet with Lead Advisors or oversee day-to-day operations of underlying accounts. This helps reduce the occurrence of Side-by-Side Management on a daily basis and helps mitigate conflicts of interest.

## **ITEM 7 TYPES OF CLIENTS**

CT provides investment advisory services to registered investment advisors and does not have account minimums.

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

### **A. METHODS OF ANALYSIS**

CT may utilize one or more of the following methods of analysis when providing investment

advice to its clients:

**Fundamental analysis** concentrates on factors that determine a company's value and expected future earnings. It involves analyzing its financial statements and health, its management and competitive advantages and its competitors and markets. Fundamental analysis is performed on historical and present data but with the goal of making financial forecasts. There are several possible objectives: to conduct a company stock valuation and predict its probable price evolution; to make a projection on its business performance; to evaluate its management and make internal business decisions and to calculate its credit risk. 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.

**Cyclical analysis** assumes that markets react in cyclical patterns which, once identified, can be leveraged to provide performance. Cyclical analysis of economic cycles is used to determine how these cycles affect the returns of an investment, an asset class or an individual company's profits. Cyclical analysis is a time-based assessment which incorporates past and present performance to determine future value. Cyclical risks exist because the broad economy has been shown to move in cycles, from periods of peak performance followed by a downturn, then a trough of low activity. The risks of this strategy are two-fold: (1) the markets do not always repeat cyclical patterns; and (2) if too many investors begin to implement this strategy, it changes the very cycles of which they are trying to take advantage.

**Economic analysis** is used to determine the economic environment over a certain time horizon. This involves following and updating historic economic data such as U.S. gross domestic product and consumer price index as well as monitoring key economic drivers such as employment, inflation and money supply for all the world's major economies.

**Quantitative analysis** is used for measurable factors, as distinguished from qualitative considerations such as the character of management or the state of employee morale.

## **B. INVESTMENT STRATEGIES**

CT may utilize the following investment strategies when implementing investment advice given to clients:

**Long Term Purchases** – Securities are purchased with the expectation that the value of those securities will grow over a relatively long period, generally greater than one year. Long-term purchases may be affected by unforeseen long-term changes in the company in which a client is invested or in the overall market. Long-term trading is designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes. Due to its nature, the long-term strategy can expose clients to various other 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, and political/regulatory risk.

**Short Term Purchases** – Securities are purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations. Short term trading generally holds greater risk. Frequent trading can affect investment performance due to increased brokerage and other



transaction costs and taxes.

The investment strategies summarized above represent CT's current intentions. Depending on conditions and trends in the securities markets and the economy in general, CT may pursue any objectives, employ any investment techniques or strategies, or purchase any type of security that it considers appropriate and in the best interests of the client, whether described herein.

**Capital Preservation** - Capital Preservation seeks to preserve capital and provide income as an alternative to traditional bond portfolios. The portfolio attempts to mitigate some of the inherent risks associated with fixed income (i.e., interest rate, credit risk, and currency). It can also invest a small percentage into commodity ETFs and equity ETFs to help mitigate the risks associated with fixed income. The portfolio can invest in more traditional bonds which typically do well when interest rates fall, and less traditional bonds which can do well when rates rise. Capital Preservation will attempt to outperform a 20/80 blend of the S&P 500 and Aggregate Bond Index. Some but not all of the risks associated with this strategy include market risk, interest rate risk, inflation risk and currency risk.

**Balanced** - The Balanced portfolio seeks to invest in broad asset classes including equity, fixed-income, commodity, and inverse-related ETFs, depending on our proprietary relative strength and quantitative algorithms. If our indicators predict a downtrend in the equity or fixed-income space, the portfolio can be moved partially or entirely to cash in order to preserve the principal investment. The Balanced portfolio will attempt to outperform a 60/40 blend of the S&P 500 and Aggregate Bond Index. Some but not all of the risks associated with this strategy include market risk, interest rate risk, inflation risk and currency risk.

**Protected Growth** - This is our hedged growth portfolio, which selects assets based on proprietary relative strength and quantitative algorithms. In addition to traditional equity sectors, this portfolio can be invested in fixed-income, commodity, inverse-related, domestic and international sector specific ETFs, in order to try and achieve the best possible return. If our indicators predict a downtrend, the portfolio can be moved partially or entirely to cash in order to preserve your principal investment. Protected Growth will attempt to outperform an 80/20 blend of the S&P 500 and Aggregate Bond Index each year. Some but not all of the risks associated with this strategy include market risk, interest rate risk, inflation risk and currency risk.

**Aggressive Growth** - Selects specific market sectors with high growth potential in the current market environment by using a rules-based, qualitative and quantitative investment methodology with the objective of maximizing returns. If our indicators signal a downtrend, a portion of the portfolio can be moved to cash in order to preserve your principal investment. Attempts to outperform the S&P 500 index. Some but not all of the risks associated with this strategy include market risk, interest rate risk, inflation risk and currency risk.

**Dividend Equity** - Dividend Equity is an individual stock portfolio seeking to provide a high, growing monthly dividend income stream through dividend distributions. The strategy invests in high-quality, fundamentally sound public companies with a steady history of dividend payouts and high annual dividend growth. The portfolio targets a 5% dividend yield and 5% year-over-year dividend growth. It secondarily emphasizes capital appreciation. Some but not all of the risks associated with this strategy include market risk, interest rate risk, inflation risk, currency risk, and business risk.

**Opportunistic Equity** - Our Opportunistic Equity strategy seeks to achieve capital appreciation by building a concentrated portfolio of quality companies with competitive advantages and the potential for sustainable long-term growth. We employ a combination of quantitative screening followed by bottom up fundamental and technical analysis, unconstrained by market cap, size, or industry, which results in a high conviction, go anywhere strategy. As part of our process, we utilize risk management methods in an attempt to lower correlation to the broad market and increase risk adjusted returns. The strategy is unconstrained and opportunistic, providing us with the flexibility to focus on securities and industries, both domestic and international, that are poised to experience greater earnings growth and price appreciation. Some but not all of the risks associated with this strategy include market risk, interest rate risk, inflation risk, currency risk, and business risk.

## **C. RISK OF LOSS**

**Clients need to be aware that investing in securities involves the risk of loss of the principal.**

Every method of analysis has its own inherent risks. To perform an accurate market analysis CT must have access to current/new market information. CT has no control over the dissemination rate of market information; therefore, unbeknownst to CT, certain analyses may be compiled with outdated market information, severely limiting the value of CT's analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by CT) will be profitable or equal any specific performance level(s). CT does not represent, warrant, or imply that its 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. Notwithstanding CT's method of analysis or investment strategy, the assets within the client's portfolio are subject to risk of devaluation or loss. The client should be aware that there are many different events that can affect the value of the client's assets or portfolio including, but not limited to, changes in financial status of companies, market fluctuations, changes in exchange rates, trading suspensions and delays, economic reports, and natural disasters.

All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic, and social conditions may trigger market events.

- **Inflation Risk:** When any type of inflation is present, a dollar will be worth more today than a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Prepayment Risk:** The returns on the collateral for the deal can change dramatically at times if the debtors prepay the loans earlier than scheduled.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e., interest rate). This primarily relates to fixed income securities.
- **Business Risk:** This risk is associated with a particular industry or a particular company within an industry.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Tax-Loss Harvesting Risk:** Tax-loss harvesting involves certain risks, including, among others, the risk that the new investment could have higher costs than the original investment and could introduce portfolio tracking error into your accounts. There may also be unintended tax implications.
- **Equity Securities.** The value of equity securities are subject to market risk, including changes in economic conditions, growth rates, profits, interest rates and the market's perception of these securities. While offering greater potential for long-term growth, equity securities are more volatile and riskier than some other forms of investment.
- **Exchange Traded Funds ("ETF").** ETFs represent an interest in a passively managed portfolio of securities selected to replicate a securities index, such as the S&P 500 Index or the Dow Jones Industrial Average, or to represent exposure to a particular industry or sector. Unlike open-end mutual funds, the shares of ETFs and closed-end investment companies are not purchased and redeemed by investors directly with the fund, but instead are purchased and sold through broker-dealers in transactions on a stock exchange. Because ETF and closed-end fund shares are traded on an exchange, they may trade at a discount from or a premium to the net asset value per share of the underlying portfolio of securities. In addition to bearing the risks related to investments in equity securities, investors in ETFs intended to replicate a securities index bear the risk that the ETF's performance may not correctly replicate the performance of the index. Investors in ETFs, closed-end funds and other investment companies bear a proportionate share of the expenses of those funds, including management fees, custodial and accounting costs, and other expenses. Trading in ETF and closed-end fund shares also entails payment of brokerage commissions and other transaction costs.
- **Mutual Fund Shares.** Some of the risks of investing in mutual fund shares include: (i) the price to invest in mutual fund shares is the fund's per share net asset value (NAV) plus any shareholder fees that the fund imposes at the time of purchase (such as sales loads), (ii) investors must pay sales charges, annual fees, and other expenses regardless of how the fund performs, and (iii) investors typically cannot ascertain the exact make-

up of a fund's portfolio at any given time, nor can they directly influence which securities the fund manager buys and sells or the timing of those trades.

- **Fixed Income Securities Risk.** Prices of fixed income securities tend to move inversely with changes in interest rates. Typically, a rise in rates will adversely affect fixed income security prices. The longer the effective maturity and duration of the client's portfolio, the more the portfolio's value is likely to react to interest rates. For example, securities with longer maturities sometimes offer higher yields, but are subject to greater price shifts as a result of interest rate changes than debt securities with shorter maturities. Some fixed income securities give the issuer the option to call, or redeem, the securities before their maturity dates. If an issuer calls its security during a time of declining interest rates, we might have to reinvest the proceeds in an investment offering a lower yield, and therefore might not benefit from any increase in value as a result of declining interest rates. During periods of market illiquidity or rising interest rates, prices of callable issues are subject to increased price fluctuation.
- **Real Estate Related Securities Risk.** Investing in real estate related securities includes, among others, the following risks: possible declines in the value of real estate; risks related to general and local economic conditions, including increases in the rate of inflation; possible lack of availability of mortgage funds; overbuilding; extending vacancies of properties; increases in competition, property taxes and operating expenses; changes in zoning laws; costs resulting from cleanup of, and liability to third parties for damages resulting from environmental problems; casualty or condemnation losses; uninsured damages from floods, earthquakes or other natural disasters; limitations on and variations in rents; and changes in interest rates. Investing in Real Estate Investment Trusts ("REITs") involves certain unique risks in addition to those risks associated with investing in the real estate industry in general. REITs are dependent upon management skills, are not diversified, and are subject to heavy cash flow dependency, default by borrowers and self-liquidation.
- **Alternative Investments Risks.** Alternative investments, including (but not limited to) investment partnerships, alternative mutual funds, non-traditional ETFs, managed futures, and/or real estate (related) investments may also present unique risks, such as decreased liquidity and transparency and increased complexity. Alternative investments typically use derivative instruments (such as options, futures, or index-based instruments) and/or leveraging strategies. The use of derivative instruments involves multiple risks, as discussed in more detail above. In addition, to the extent that the alternative investment uses commodities (or commodity-based derivatives) as part of its investment strategy, the investment return may also vary as a result of fluctuations in the supply and demand of the underlying commodities. Certain alternative investments may be less tax efficient than others. Additional risks may include style-specific risk, speculative investment risk, concentration risk, correlation risk, credit risk and lower-quality debt securities risk, equity securities risk, financial services companies' risk, interest rate risk, non-diversification risk, small- and mid-cap company risk, and special risks of mutual funds and/or ETFs, among others.
- **Municipal Bond Risk.** Municipal securities issuers may face local economic or business conditions (including bankruptcy) and litigation, legislation or other political events that could have a significant effect on the ability of the municipality to make payments on the

interest or principal of its municipal bonds. In addition, because municipalities issue municipal securities to finance similar types of projects, such as education, healthcare, transportation, infrastructure and utility projects, conditions in those sectors can affect the overall municipal bond market. Furthermore, changes in the financial condition of one municipality may affect the overall municipal bond market. The municipal obligations in which clients invest will be subject to credit risk, market risk, interest rate risk, credit spread risk, selection risk, call and redemption risk and tax risk, and the occurrence of any one of these risks may materially and adversely affect the value of the Client's assets or profits.

- **Structured Products Risk.** Structured products are designed to facilitate highly customized risk-return objectives. This is accomplished by taking a traditional security, such as a conventional investment grade bond, and replacing the usual payment features (e.g., periodic coupons and final principal) with non-traditional payoffs derived not from the issuer's own cash flow, but from the performance of one or more underlying assets. The payoffs from these performance outcomes are contingent in the sense that if the underlying assets return "x", then the structured product pays out "y". This means that structured products closely relate to traditional models of option pricing, though they may also contain other derivative types such as swaps, forwards and futures, as well as embedded features such as leveraged upside participation or downside buffers. Structured products include all risks from options, plus additional risks including but not limited to counterparty risk, liquidity risk, pricing risk, and credit risk of the issuer.
- **Portfolio Margin Risk.** Portfolio margin allows an account to have increased leverage above the typical Regulation T Margin amount. Increased leverage can create greater losses or greater gains depending on market conditions. Accounts with portfolio margin may have different requirements when compared to Regulation T Margin accounts. Requirements for portfolio margin are calculated by the custodian using proprietary risk modeling. Because of the complexity, it may be difficult for clients to understand the margin requirements in their account. Clients should consult with their custodian for all of the requirements and risks associated with a portfolio margin account.
- **Margin Transactions.** Margin transactions use leverage that is borrowed from a brokerage firm as collateral. When losses occur, the value of the margin account may fall below the brokerage firm's threshold thereby triggering a margin call. This may force the account holder to either allocate more funds to the account or sell assets in a shorter time frame than desired.
- **Options Transactions.** Option transactions involve a contract to purchase a security at a given price, not necessarily at market value, depending on the market. This strategy includes the risk that an option may expire out of the money resulting in minimal or no value, as well as the possibility of leveraged loss of trading capital due to the leveraged nature of stock options.
- **Short Sales.** Short sales entail the possibility of infinite loss. An increase in the applicable securities price will result in a loss and, over time, the market has historically trended upwards.
- **Short Term Trading.** Short term trading risks include liquidity, economic stability, and inflation, in addition to the long-term trading risks listed above, Frequent trading can affect

investment performance, particularly through increased brokerage and other transaction costs and taxes.

While this information provides a synopsis of the events that may affect a Lead Advisor's underlying client's investments, this listing is not exhaustive. Although CT's methods of analysis and investment strategies do not present any significant or unusual risks, all investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Lead Advisors should understand that there are inherent risks associated with investing and depending on the risk occurrence; underlying clients may suffer LOSS OF ALL OR PART OF THE CLIENT'S PRINCIPAL INVESTMENT.

#### **D. RECOMMENDATION OF SPECIFIC TYPES OF SECURITIES**

CT does not primarily recommend a type of security. Investments may include, but are not limited to, exchange listed securities, fixed-income securities, structured notes, over-the-counter securities, foreign securities, options, derivatives, money market funds, real estate investment funds ("REITs") and other pooled investment vehicles, such as open and closed end mutual funds or ETF's.

### **ITEM 9 DISCIPLINARY INFORMATION**

Registered investment advisers are required to disclose any legal or disciplinary events that are material to a Lead Advisor's or Lead Advisor's evaluation of our advisory business or the integrity of our management. Neither CT nor have any of its management persons been involved in legal or disciplinary events that are related to past or present investment clients.

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

#### **A. FINANCIAL INDUSTRY ACTIVITIES**

CT is not a registered broker-dealer and does not have an application pending to register as a broker-dealer. Furthermore, none of CT's management or supervised persons is a registered representative of, nor has an application pending to register as a representative of, a broker-dealer.

#### **B. FINANCIAL INDUSTRY AFFILIATIONS**

CT is not a registered Futures Commission Merchant and does not have an application pending to register as such. Adams Wealth Management ("AWM") is a registered investment advisor and is owned by S. Craig Adams, Cormac Murphy and Riley Crosbie. AWM is registered with the Commodity Futures Trading Commission ("CFTC") as a Commodity Pool Operator ("CPO") and is a member of the National Futures Association. As part of this registration, S. Craig Adams, Riley Crosbie, Cormac Murphy, and Dylan Nielson are listed as principals of AWM. Further, Cormac Murphy, and Dylan Nielson are registered as Associated

Persons of AWM. Additionally, AIM Defined Investment Fund LLC and Fairway Investment Fund will be listed as commodity pools operated by AWM in its capacity as a CFTC-registered CPO.

### **C. OTHER MATERIAL RELATIONSHIPS**

Adams Wealth Management (“AWM”) is a registered investment advisor and is owned by S. Craig Adams, Cormac Murphy and Riley Crosbie. These same members are also owners of CacheTech. However, CacheTech only provides services to Lead Advisors where AWM provides services to individuals, high net worth individuals, family offices, etc. Because each firm services two completely different client segments this helps eliminate most conflicts of interest. Below are other material relationships that may lead to potential conflicts of interest.

AWM serves as the Managing Member or Manager and for a number of different private funds. Below is a list of AWM’s current private funds.

- AIM Ventura Co-Invest I
- AIM Ventura Co-Invest II
- AIM Real Asset Opportunities Fund
- Fairway Investment Fund
- AIM Defined Investment Fund

Because AWM is the Managing Member of these funds and receives a portion of the management fee and performance fee there is an incentive for owners of CacheTech, who are also owners of AWM, to refer Lead Advisors or their underlying clients to these funds. However, it is at the discretion of the Lead Advisor when determining which investment options are most suitable for their underlying clients. Additionally, the following entities have material relationships that Lead Advisors should be aware of:

- AIM Ventura Capital Fund Management, LLC – Serves as the Manager of AIM Ventura Capital Fund. This entity is owned partly by AWM and Greg Cole who is an employee of CT.
- Fairway Fund GP, LLC – Serves as the one of the Managers of Fairway Investment Fund and AWM is the only owner of this entity.
- AIM Opportunity Zone Fund VII GP, LLC - Serves as the Manager of AIM Opportunity Zone Fund VII and AWM is the only owner of this entity.

Lastly, AWM is also a licensed insurance agent. The owners of CT may also refer Lead Advisors and their underlying clients to AWM to purchase insurance products. CT will only do this if directed by the Lead Advisor.

### **D. OTHER INVESTMENT ADVISERS**

As described above the owners of CT are also owners of AWM. However, each firm serves two distinct types of clients. Conflicts of interest exist relating to the items listed above.

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

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### **A. DESCRIPTION OF CODE OF ETHICS**

In view of the foregoing and applicable provisions of relevant law, CT has adopted a Code of Ethics in its Policies and Procedures Manual. The Code of Ethics contains the following general standards:

- Always place the interest of clients first
- Always act in an honest and ethical manner
- Always maintain confidentiality of client information
- Fully comply with applicable laws, rules, and regulations of federal, state and local governments
- Proactively promote ethical and honest behavior

The Code of Ethics was also created to specify and prohibit certain types of transactions deemed to create conflicts of interest (or the potential for or the appearance of such conflicts), and to establish reporting requirements and enforcement procedures relating to personal trading by CT personnel. We will provide a copy of our Code of Ethics to any client or prospective client upon request.

### **B. PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS**

CT can recommend to Lead Advisors, or buy or sell for client accounts, securities in which the firm or a related person has a material financial interest. Currently, this only applies to the private funds listed in Item 10. The conflicts around these funds and how they are addressed can also be found in Item 10.

### **C. PROPRIETARY / SIMULTANEOUS TRADING**

At times, CT or its affiliated persons may buy or sell securities for their own accounts that it has also recommended to Lead Advisors and/or underlying clients. However, any purchase or sale of a security by CT or a related person will be subject to CT's fiduciary duty. From time to time, representatives of CT may buy or sell securities for themselves at or around the same time as CT's client accounts. CT will always document any transactions that could be construed as conflicts of interest. To mitigate or remedy any conflicts of interest or perceived conflicts of interest, CT will monitor its proprietary and personal trading reports for adherence to its Code of Ethics.

## **ITEM 12 BROKERAGE PRACTICES**

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### **A. SELECTION AND RECOMMENDATION**

CT will typically use the broker that the Lead Advisor holds their underlying client accounts



with. However, CT has a duty to select brokers, dealers and other trading venues that provide best execution for our Lead Advisors and their underlying clients. The duty of best execution requires an investment adviser to seek to execute securities transactions for clients in such a manner that the client's total cost or proceeds in each transaction is the most favorable under the circumstances, taking into account all relevant factors. The lowest possible commission, while very important, is not the only consideration. The brokers dealers that CT has selected are Schwab Advisor Services division of Charles Schwab & Co., Inc. (Schwab), Fidelity Investments, Inc. (Fidelity), Interactive Brokers (IB), and ICapital Securities LLC.

It is our policy to seek best execution in all portfolio trading activities for all investment disciplines and products, regardless of whether commissions are charged. This applies to trading in any instrument, security or contract including equities, bonds, and forward or derivative contracts.

Our standards and procedures governing best execution are set forth in several written policies. Generally, to achieve best execution, we consider the following factors, without limitation, in selecting brokers and intermediaries: (1) execution capability; (2) order size and market depth; (3) availability of competing markets and liquidity; (4) trading characteristics of the security; (5) availability of accurate information comparing markets; (6) quantity and quality of research received from the broker dealer; (7) financial responsibility of the broker-dealer; (8) confidentiality; (9) reputation and integrity; (10) responsiveness; (11) recordkeeping; (12) ability and willingness to commit capital; (13) available technology; and (14) ability to address current market conditions. CT regularly evaluates the execution, performance and risk profile of the broker-dealers it uses.

## **B. RESEARCH AND OTHER SOFT DOLLAR BENEFITS**

While CT uses research to benefit all clients in its investment decision-making process, some clients may be paying for research and brokerage services while not necessarily receiving the direct benefit of these services whereas other clients may be receiving a direct benefit while not paying for these services. CT is not required to weigh any of these factors equally. We believe that receipt of research and brokerage services provides a benefit to you, regardless of whether it is direct or indirect, by assisting the Firm in its overall investment decision-making process. Research services received through soft dollar arrangements are in addition to and not in lieu of the services required to be performed by CT. The investment management fee that you pay us is not reduced as a consequence of the receipt of such supplemental research information.

CT currently recommends that clients use one of the five custodians: Charles Schwab & Co., Inc., National Financial Services LLC (Fidelity), Interactive Brokers LLC, and ICapital Securities LLC.

### **Charles Schwab & Co.**

Charles Schwab & Co., Inc. Advisor Services provides CT with access to Charles Schwab & Co., Inc. Advisor Services' institutional trading and custody services, which are typically not available to Charles Schwab & Co., Inc. Advisor Services retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are

maintained in accounts at Charles Schwab & Co., Inc. Advisor Services. Charles Schwab & Co., Inc. Advisor Services includes brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. For CT client accounts maintained in its custody, Charles Schwab & Co., Inc. Advisor Services generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through Charles Schwab & Co., Inc. Advisor Services or that settle into Charles Schwab & Co., Inc. Advisor Services accounts.

Charles Schwab & Co., Inc. Advisor Services also makes available to CT other products and services that benefit CT but may not benefit its clients' accounts. These benefits may include national, regional or CT specific educational events organized and/or sponsored by Charles Schwab & Co., Inc. Advisor Services. Other potential benefits may include occasional business entertainment of personnel of CT by Charles Schwab & Co., Inc. Advisor Services personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist CT in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts, if applicable), provide research, pricing information and other market data, facilitate payment of CT's fees from its clients' accounts (if applicable), and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of CT's accounts. Charles Schwab & Co., Inc. Advisor Services also makes available to CT other services intended to help CT manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, and human capital consultants, insurance and marketing. In addition, Charles Schwab & Co., Inc. Advisor Services may make available, arrange and/or pay vendors for these types of services rendered to CT by independent third parties. Charles Schwab & Co., Inc. Advisor Services may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to CT. CT is independently owned and operated and not affiliated with Charles Schwab & Co., Inc. Advisor Services.

### **National Financial Services LLC**

CT participates in the institutional advisor program (the "Program") offered by National Financial Services LLC (Fidelity). Fidelity offers independent investment advisor services which include custody of securities, trade execution, clearance and settlement of transactions. CT receives some benefits from Fidelity through its participation in the Program.

As part of the Program, CT may recommend Fidelity to clients for custody and brokerage services. There is no direct link between CT's participation in the Program and the investment advice it gives to its clients, although CT receives economic benefits through its participation

in the Program that are typically not available to Fidelity retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving CT participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have CT's fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to CT by third party vendors. Fidelity may also pay for business consulting and professional services received by CT's related persons. Some of the products and services made available by Fidelity through the Program may benefit CT but may not benefit its client accounts. These products or services may assist CT in managing and administering client accounts, including accounts not maintained at Fidelity. Other services made available by Fidelity are intended to help CT manage and further develop its business enterprise. The benefits received by CT or its personnel through participation in the Program do not depend on the number of brokerage transactions directed to Fidelity. As part of its fiduciary duties to clients, CT endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by CT or its related persons in and of itself creates a conflict of interest and may indirectly influence CT's choice of Fidelity for custody and brokerage services.

### **Interactive Brokers LLC**

CT participates in the institutional advisor program (the "Program") offered by Interactive Brokers ("IB"). IB offers independent investment advisor services which include custody of securities, trade execution, clearance and settlement of transactions. CT receives some benefits from IB through its participation in the Program.

As part of the Program, CT may recommend IB to clients for custody and brokerage services. There is no direct link between CT's participation in the Program and the investment advice it gives to its clients, although CT receives economic benefits through its participation in the Program that are typically not available to IB retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving CT participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have CT's fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to CT by third party vendors. IB may also pay for business consulting and professional services received by CT's related persons. Some of the products and services made available by IB through the Program may benefit CT but may not benefit its client accounts. These products or services may assist CT in managing and administering client accounts, including accounts not maintained at IB. Other services made available by IB are intended to help CT manage and further develop its business enterprise. The benefits received by CT or its personnel through participation in the Program do not depend on the number of brokerage transactions directed to IB. As part of its fiduciary duties

to clients, CT endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by CT or its related persons in and of itself creates a conflict of interest and may indirectly influence the CT's choice of IB for custody and brokerage services.

### **ICapital Securities LLC**

CT participates in the institutional advisor program (the "Program") offered by ICapital Securities LLC ("IC"). IC offers independent investment advisor services which include custody of securities, trade execution, clearance and settlement of transactions. CT receives some benefits from IC through its participation in the Program.

As part of the Program, CT may recommend IC to clients for custody and brokerage services. There is no direct link between CT's participation in the Program and the investment advice it gives to its clients, although CT receives economic benefits through its participation in the Program that are typically not available to IC retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving CT participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to CT by third party vendors. IC may also pay for business consulting and professional services received by CT's related persons. Some of the products and services made available by IC through the Program may benefit CT but may not benefit its client accounts. These products or services may assist CT in managing and administering client accounts, including accounts not maintained at IC. Other services made available by IC are intended to help CT manage and further develop its business enterprise. The benefits received by CT or its personnel through participation in the Program do not depend on the number of brokerage transactions directed to IC. As part of its fiduciary duties to clients, CT endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by CT or its related persons in and of itself creates a conflict of interest and may indirectly influence the CT's choice of IC for custody and brokerage services.

### **D. BROKERAGE FOR CLIENT REFERRALS**

CT does not receive client referrals from third parties for recommending the use of specific broker-dealer brokerage services.

### **E. DIRECTED BROKERAGE**

Securities transactions are executed by brokers selected by CT at its discretion and without the consent of clients. CT generally will not recommend, request, or require clients to direct the Firm to execute transactions through a specified broker-dealer. Not all investment advisers require their clients to direct brokerage.

### **F. ORDER AGGREGATION**

CT may, at times, aggregate sale and purchase orders of securities (“block trading”) for advisory accounts with similar orders in order to obtain the best pricing averages and minimize trading costs. This practice is reasonably likely to result in administrative convenience or an overall economic benefit to the client. Clients also benefit relatively from better purchase or sale execution prices, or beneficial timing of transactions or a combination of these and other factors. Aggregate orders will be allocated to client accounts in a systematic non-preferential manner. CT may aggregate or “bunch” transactions for a client’s account with those of other clients in an effort to obtain the best execution under the circumstances.

#### **G. TRADE ERROR POLICY**

CT maintains a record of any trading errors that occur because of an error by CT. Errors that result from incorrect information given by the Lead Advisor to CT about the underlying client will be borne by the Lead Advisor. Losses that result from a trading error made by CT will be borne by CT. CT may elect to allow underlying clients to keep gains that result from a trade error caused by CT.

### **ITEM 13 REVIEW OF ACCOUNTS**

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#### **A. PERIODIC REVIEW**

CT reviews underlying client accounts on an ongoing basis. CT will work with Lead Advisors to help them determine which investment options are most appropriate for their underlying client based on the financial information the Lead Advisors provide to CT. Accounts are reviewed by the Trading & Operations Specialist to ensure they are in line with the assigned model and other factors, as designated by the Lead Advisor. The frequency of the review is dependent upon our internal reporting system that marks accounts that deviate from target models based on factors that may be specific to those models. Accounts that stay within their tolerance bands may not be reviewed by CT as frequently as accounts that do not.

#### **B. REPORTS**

Lead Advisors will have access to CacheTech Advisor Solutions. From here Lead Advisors can run reports as frequently as they like to review underlying client accounts, transactions, performance, etc.

Underlying clients may receive confirmations of purchases and sales in their accounts and will receive, at least quarterly, statements containing account information such as account value, transactions, and other relevant information. Confirmations and statements are prepared and delivered by the custodian.

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

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#### **A. ECONOMIC BENEFITS FROM OTHERS**

CT receives some economic benefits from brokers. A description of these benefits can be found in Item 12 Brokerage Practices.

## **B. COMPENSATION TO UNAFFILIATED THIRD PARTIES**

As of the date of this Brochure document CT and its related persons have no arrangements with unaffiliated third parties in order to market the firm or its investment strategies.

## **ITEM 15 CUSTODY**

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### **A. CUSTODIAN OF ASSETS**

Custody means holding, directly or indirectly, client funds or securities, or having any authority to obtain possession of them.

Custody is also disclosed in Form ADV because CT has authority to transfer money from underlying client account(s), which constitutes a standing letter of authorization (SLOA). Accordingly, CT will follow the safeguards specified by the SEC rather than undergo an annual audit.

While CT does not have physical custody of underlying client funds or securities, payments of fees may be paid by the custodian from the custodial brokerage account that holds underlying client funds pursuant to the underlying client's account application. In certain jurisdictions, the ability of CT to withdraw its management fees from the underlying client's account may be deemed custody. Prior to permitting direct debit of fees, each underlying client provides written authorization permitting fees to be paid directly from the custodian.

As part of the billing process, the underlying client's custodian is advised of the amount of the fee to be deducted from that underlying client's account. On at least a quarterly basis, the custodian is required to send to the underlying client a statement showing all transactions within the account during the reporting period. The custodian does not calculate the amount of the fee to be deducted and does not verify the accuracy of CT's advisory calculation. Therefore, it is important for Lead Advisors and underlying clients to carefully review their custodial statements to verify the accuracy of the calculation. Lead Advisors should contact CT directly if they believe that there may be an error in their statement.

### **B. ACCOUNT STATEMENTS**

Lead Advisors should know that underlying client statements will be mailed or made available electronically by the broker-dealer or custodian. The Lead Advisor has access to these statements, and they should be reviewed. Lead Advisors should compare asset values, holdings, and fees on the statement to that in the account statement issued the previous period.

## **ITEM 16 INVESTMENT DISCRETION**

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CT has full discretionary authority to supervise and direct the investments of an underlying client's accounts. Lead Advisors grant this authority upon execution of CT's FSA. This authority is for the purpose of making and implementing investment decisions, without the Lead Advisor or underlying client's prior consultation. All investment decisions are made in accordance with

the assigned models as dictated by the Lead Advisor. Other than management fees, which CT will receive directly from the custodian, CT's discretionary authority does not give authority to take or have possession of any assets in the underlying client account or to direct delivery of any securities or payment of any funds held in the account to CT. Furthermore, CT's discretionary authority by agreement does not allow it to direct the disposition of such securities or funds to anyone except the account owner.

## **ITEM 17 VOTING CLIENT SECURITIES**

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CT will not and does not have authority to vote on client, underlying clients, or employee securities.

## **ITEM 18 FINANCIAL INFORMATION**

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### **A. BALANCE SHEET REQUIREMENT**

Except as otherwise described, CT is not the qualified custodian for client funds or securities and does not require prepayment of fees of more than \$1,200 per client, six (6) months or more in advance.

### **B. FINANCIAL CONDITION**

CT does not have any financial impairment that would preclude the Firm from meeting contractual commitments to clients.

### **C. BANKRUPTCY PETITION**

CT has not been the subject of a bankruptcy petition at any time during the last 10 years.