

Item 1 – Cover Page

BCI SECURITIES, INC.

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Date of Brochure: November 30, 2023

This Brochure provides information about the qualifications and business practices of Bci Securities, Inc. (hereinafter “Bci Securities,” the “Firm,” or “we”). If you have any questions about the content of this Brochure, please contact the Firm’s Chief Compliance Officer, M. Carolina Rivas, at the telephone number provided above or email us at crivas@bcisecurities.com or Compliance@bcisecurities.com.

The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Bci Securities is presently registered as an investment adviser with the SEC and notice filed with the State of Florida Office of Financial Regulation Division of Securities (“OFR”), which means that the Firm must provide the OFR with a copy of the Form ADV and accompanying amendments Bci Securities files with the SEC . The fact that Bci Securities is “registered” does not imply any level of skill or training. You should not make a determination to hire or retain any adviser based solely on the fact that the adviser is registered.

Additional information about Bci Securities is available on the SEC’s Web site at www.adviserinfo.sec.gov. The SEC’s Web site also provides information about any persons affiliated with Bci Securities who are registered as investment adviser representatives of the Firm.

Item 2 – Material Changes

In this Item, we are required to summarize the material changes that were made since the previously issued annual Brochure. Since the Firm's last brochure, it has included the following material changes:

Item 7. Types of Clients

The Firm amended this item to increase the minimum required account value for advisory accounts (other than the Program accounts) to \$500,000.00 and to clarify that this required minimum is initial and ongoing and does not apply to accounts which fall below the minimum as the result of market fluctuations or fees.

Item 10. Other Financial Industry Activities and Affiliations

The Firm amended this item to indicate it has an arrangement with J.P. Morgan Investment Management Inc. ("JPM") to provide model portfolio recommendations the Firm may offer its clients as part of its managed account offering. We also amended this item to disclose that this arrangement presents a conflict of interest because the Firm's parent, BCI, has a strategic partnership with JPM and therefore, when the Firm recommends JPM portfolios, both JPM and BCI benefit.

The Firm also amended this item to indicate it has a relationship with HSBC Securities (USA) Inc., a third-party fund distributor for whom we will act as a sub-distributor of certain UCITS funds and to disclose that this relationship presents a conflict of interest because we receive funds and may recommend these funds over others that do not pay us such fees. We also amended this item to disclose that our parent, BCI, also has a relationship with HSBC, which presents a conflict of interest because when the Firm recommends these funds, HSBC and our parent benefit.

You may obtain a copy of our current Brochure any time by contacting our Firm's Chief Compliance Officer at the telephone number listed on the cover page of this Brochure.

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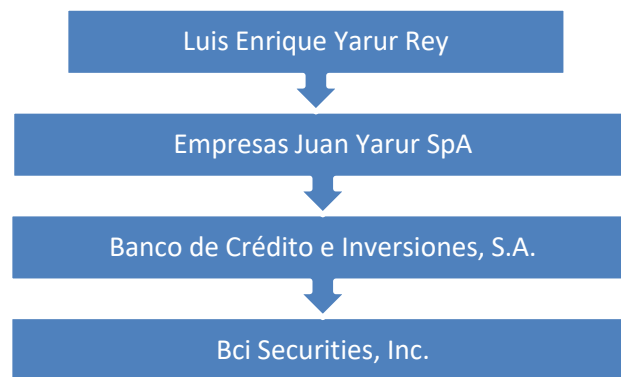
Item 4 – Advisory Business

A. Business Commencement Date

Bci Securities was incorporated in July of 2011 in the State of Florida to offer brokerage and investment management services.

B. Ownership

Banco de Crédito e Inversiones, S.A. (“BCI”), a Chilean bank, is the majority shareholder of Bci Securities. Empresas Juan Yarur SpA, a Chilean holding company, is the majority shareholder of Banco de Crédito e Inversiones. Mr. Luis Enrique Yarur Rey is the majority shareholder of Empresas Juan Yarur SpA. Following is a depiction of the Firm’s ownership structure in a hierarchical chart:



C. Services

NON-DISCRETIONARY RELATIONSHIPS. The Firm offers non-discretionary advisory services tailored to the client’s financial situation and objectives. Clients are asked to provide the Firm with information with respect to their current financial holdings, investment objectives, risk tolerance, liquidity needs, and time horizon. Based on the information provided, we recommend an investment strategy or changes to the client’s existing portfolio that we believe are suitable. Recommendations typically focus on the purchase or sale of private equity funds.

The Firm has no authority to effect transactions in the client’s account. If the client accepts a recommendation to purchase a security, the client enters into the requisite agreements with the issuer or custodian to arrange for the transaction. The Firm has an ongoing responsibility to evaluate the performance of the recommended investments and make additional buy and sell recommendations to the client when we believe the investment style or strategy, risk philosophy, or performance is inconsistent with the client’s profile and objectives.

WRAP FEE PROGRAM ACCOUNTS. Through a Wrap Fee Program (the “Program”), the Firm provides personalized discretionary as well as non-discretionary investment management services as well as a series of diversified asset allocation models that range from conservative to aggressive. With respect to the asset allocation models, we collect information from the client about his/her financial profile, investment objectives, and any desired investment restrictions. From that information, we recommend a model we believe is most suitable, consistent with the client’s profile.

The Firm, in its capacity as a broker/dealer, serves as the Program Broker for these accounts. The Firm charges the client a “wrap fee” for the advisory services offered as well as the execution of transactions in the advisory account by the Program Broker. For these Program accounts, we place the transactions and use Pershing LLC (“Pershing” or the “Clearing Firm”) as the executing broker and custodian. The “wrap fee” includes Pershing’s execution and custody services. We might not be able to obtain the most favorable price if we are unable to aggregate or batch the trades from these accounts with other client trades. In addition, the Program may cost the client more than purchasing the recommended securities through us in a brokerage-only relationship. See Item 5 below, which provides a fee schedule for the Program. Additional information about the Program is available in the Appendix I Wrap Fee Program Brochure.

SUB-ADVISORY SERVICES. The Firm provides to its affiliate non-discretionary asset allocation and reallocation signals for certain types of model portfolios, as agreed to by the parties.

THIRD-PARTY ADVISORY AGREEMENTS. The Firm may select a third-party registered investment adviser to manage an entire or part of a portfolio on a full discretionary basis. The terms of these agreements are set forth in detail in the Appendix I Wrap Fee Program Brochure.

INVESTMENT PRODUCT TYPES. Generally, the Firm’s investment advice is confined to the following universe of securities and products:

- Exchange listed securities
- Securities traded over-the-counter
- Securities issued by foreign issuers, including foreign sovereign debt instruments
- Corporate debt securities, including commercial paper
- U.S. government securities
- Mutual funds (foreign and domestic)
- Exchange-traded funds (not including inverse or leveraged ETFs)
- Private equity funds
- Private placements, including Private Placements in Real Estate Investment Trusts (“REITs”)
- Hedge funds/Structure Products/Options

D. Assets Under Management

/As of December 31, 2022, in the Wrap Fee Program Accounts, we were managing approximately \$215,635,701 in assets on a non-discretionary basis (where we make recommendations to the client and arrange for the transactions in the account if the client approves the recommendations). We were also managing \$165,291,542 in assets on a discretionary basis. Of that amount, \$106,128,796 were invested in the discretionary model portfolios.

Item 5 – Fees and Compensation

A. Fees Non-Discretionary Relationships

For the non-discretionary advisory services that are outside of the Wrap Fee Program, generally the Firm charges an annualized fifty basis points (0.50 percent) of the value of the accounts. For purposes of calculating the fee, the “accounts” mean the aggregate value of the client’s securities or monies invested in accounts or funds recommended to the client by us during the term of the Agreement. Fees are charged quarterly and in arrears. Fees are based on the value of the accounts as of the last business day of each calendar quarter. By way of example, if the total market value of the client’s non-discretionary accounts is \$1,000,000 on the last day of the calendar quarter, the *quarterly* fee will be 0.0125% of the \$1,000,000. The advisory services commence on the date on which the advisory agreement is signed by you and us. For the first calendar quarter, fees will be adjusted *pro rata* based on the number of calendar days in the quarter for which the advisory agreement was effective. We will charge a *pro rata* fee in the event the advisory services are terminated on a day other than the last business day of the calendar quarter. In that event, the full amount of the *pro rata* fee will be due and payable upon termination of the service. No fee will be charged if the agreement for services is terminated within five (5) business days of signing the agreement. We send a quarterly invoice to the client for fees due. Invoices must be paid within 15 days of delivery.

WRAP FEES. As is further described in our Wrap Fee Program Brochure, for the Wrap Fee Program accounts, the client pays a “wrap fee” for the advisory services offered by us and the execution of transactions in the advisory account. Generally, for the discretionary and non-discretionary portfolio management services, we charge an annualized fee between 1.00% and 2.00% according to the following schedule:

AUM	Annualized Fee (%)
Up to \$1,000,000	2.00%
1,000,001 – 2,000,000	1.75%
2,000,001 – 3,000,000	1.50%
3,000,001 – 5,000,000	1.25%
5,000,001 and up	1.00%

"AUM" means the market value of the client’s assets under our management. The fees listed in the schedule above are annualized figures. Fees will be charged quarterly and in arrears. The quarterly fee will be based upon the market value of all assets held within the client's managed accounts on the last business day of the calendar quarter. The advisory services commence on the date on which the advisory agreement is signed by us. For the first calendar quarter, fees will be adjusted *pro rata* based on the number of calendar days in the quarter for which the advisory agreement was effective. We will charge a *pro rata* fee in the event the advisory services are terminated on a day other than the last business day of the calendar quarter. In that event, the full amount of the *pro rata* fee will be due and payable upon termination of the service. No fee will be charged if the agreement for services is terminated within five (5) business days of signing the agreement.

For the wrap fee program accounts, the client's account will be debited for the above-mentioned fees. We collect the fees from the amount of any contribution or transfer, from available cash in the client's account, or by liquidating the client's assets held in the client's account in an amount equal to the fees that are due. Where the client has entered into a full discretionary agreement with a third-party registered investment adviser, Pershing will pay a portion of the wrap fee deducted from the client's account to the third-party registered investment adviser and a portion to the Firm. The custodian has no responsibility to verify the accuracy of the fee calculation.

FEE CONSIDERATIONS. The management fees set forth above are based on the aggregate value of the assets invested by the client and are not dependent on the amount of trading in the account or the advice given over any particular time period. In determining whether to establish an advisory account, the client should be aware that the overall cost to the client may be higher than the client might incur by purchasing separately the types of securities recommended by us or available in the Program. The advisory fees may be particularly comparatively higher when there are a low number of transactions in the advisory account. Our advisory services might not be suitable for clients whose accounts have fewer than a certain number of transactions per year or for clients who simply want to purchase individual securities through a brokerage-only relationship. (See also the Lower Fee Disclosure below.) To meaningfully compare the cost of our advisory services with unbundled services, the client should ask us about and consider the portfolio turnover rate.

FEE MODIFICATIONS. We may adjust the fee schedule upon thirty (30) days' prior written notice to the client.

LOWER FEE DISCLOSURE. Lower fees for comparable management services may be available from other sources. Additionally, with respect to our services, fees are often negotiated for family members of our employees. Fees may also be negotiated for other advisory clients depending on such factors as whether a relationship exists with an affiliate and the type and duration of such relationship, and the amount invested. Moreover, as indicated above, you may be able to purchase securities through us in a brokerage-only relationship or through another broker-dealer where you incur a one-time commission on the purchase and do not thereafter pay ongoing advisory fees. The total fees you pay, then, in a brokerage-only relationship may very well be less than the advisory fees charged by us in connection with the purchase of the same securities. Thus, some clients may pay more or less than others for the same or similar services. A client of ours who has a brokerage-only relationship with us could purchase the same or similar securities outside of our advisory program and only incur a commission or markup or markdown on the purchase. That client would not incur an ongoing advisory fee for monitoring and advice during the advisory relationship.

B. Termination of Service

Upon written notice to us, within five (5) business days of entering into an agreement with us, the client will have the right of termination without penalty or payment of fees. The Firm will refund any payment that has been made. Thereafter, either we or the client may terminate the agreement upon thirty (30) days' written notice to the other party. Additionally, we may immediately terminate the service if the value of the client's accounts declines below the minimum set forth in Item 7 of this Brochure or if we file for protection under applicable bankruptcy laws or a protective decree is issued under the Securities Investor Protection Act.

C. Other Fees

Advisory fees charged by us are separate and distinct from fees and expenses and other related costs that will be incurred by the client. Where we, in our capacity as a broker/dealer, place a trade in the advisory account through Pershing, we will not charge the client a commission in connection with such transaction. Pershing, however, may charge brokerage-related fees. In addition, for all advisory services we offer (including the Program accounts) our fees do not cover: (1) sales loads, sales charges, management fees, administrative fees, account maintenance fees, and other fees that may be charged by the custodian (if any), and/or by the distributor, issuer or fund issuing the securities purchased and sold within the Program accounts; (2) administrative fees, such as wire fees, charged by us or Pershing for the clearance and settlement of the trades executed in the accounts; (3) certain odd-lot differentials; (4) transfer taxes; (5) postage and handling fees; (6) advisory fees and expenses of mutual funds (including money market funds), closed-end investment companies, ETFs, or other managed investments, if any, that are held in the accounts; or (7) interest charged by any custodian or lender on loans taken. The client is solely responsible for paying all such charges. The Firm may receive a portion of interest charged against loans taken. Please see item # 9 section F.1 of Appendix I Wrap Fee Program Brochure for more information.

In addition, certain funds (including mutual funds and private equity funds) and certain exchange-traded funds (“ETFs”) pay management fees to their investment advisers, which reduce their respective assets. To the extent that the client's portfolio has investments in funds or ETFs, the client may pay two levels of advisory fees for the management of their assets: one directly to the Firm, and the other indirectly to the managers of those funds and ETFs held in their portfolios. Read the applicable prospectus or other offering documents for a description of the fees and charges.

Generally, the Firm does not receive commission revenue generated from transactions executed in the advisory accounts but may receive ongoing servicing fees (also known as 12b-1 fees), which are paid by certain mutual funds and are based on client assets that are invested in the funds.

D. Broker-Dealer Charges

Item 12 further describes the factors that we consider in selecting broker/dealers for client transactions and determining the reasonableness of their compensation (*e.g.*, commissions).

Item 6 – Performance-Based Fees and Side-By-Side Management

We do not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

Item 7 – Types of Clients

We offer advisory services to individuals, including high net worth individuals, banks, trusts, estates, or charitable organizations, or corporations or other business entities domiciled or residing in the United States or abroad.

When subscribing to the advisory services offered by us (other than the Program accounts), generally there is an initial and ongoing minimum required account value of US\$500,000. Subscription to the Program accounts requires a minimum investment of US\$100,000. If the value of a client's account declines below the minimum required account value during the advisory relationship for reasons other

than market fluctuation or deduction of advisory fees (e.g. withdrawals by the client) , we reserve the right to require the client to deposit additional monies or securities to bring the account value up to the minimum. The Firm may terminate the advisory relationship for failure to maintain the minimum account value. In some special cases, account minimums may be waived or negotiated.

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

A. Methods of Analysis

When formulating investment advice, we may utilize any one or more of the following security analysis methods:

- **Fundamental Analysis.** Fundamental analysis is a method of attempting to measure a security's underlying value and potential for future growth (its intrinsic value) by examining economic, financial and other qualitative and quantitative factors directly related to the issuer/company as well as company-specific factors (like financial condition, management, and competition). The adviser compares the intrinsic value with the security's current price, with the aim of determining what position to take with the security (i.e., buy, sell or hold). Fundamental analysis has a number of risks: the analysis may be compromised by incorrect or stale data; the analysis method typically does not consider the influence of random events and acts of God; and, the market may fail to reach expectations of perceived value.
- **Technical Analysis.** Technical analysis is a method of evaluating a security by researching the statistics generated by market activity for that security, such as volume and prices over time. Technical analysis assumes that market psychology influences trading in a way that enables predicting when a stock will rise or fall. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts or computer programs to identify and project price trends. These methods can be highly subjective and analysts can make contradictory predictions from the same data. Additionally, while technical analysts believe that relational patterns they detect will be repeated under similar future market conditions, market conditions consist of many factors and any change to one factor can cause significant changes to the security's price. Further, technical analysts assume that all market factors are known to and considered by all market participants; although, in fact, we know that is not always true.
- **Cyclical Analysis.** Cyclical analysis involves the analysis of business cycles to find favorable conditions for buying and/or selling a particular security. Cyclical analysts assume that the markets react in cyclical patterns which, once identified, can be leveraged to produce performance. The risk in pursuing this strategy is that the markets do not always repeat cyclical patterns. An additional risk is that if too many investors begin to implement this strategy, then it changes the very cycles these investors are attempting to exploit.

We also utilize the services of third-party service providers or investment advisory firms in the formulation of asset allocation signals to the model portfolios.

Bci Securities does not represent, warrant, or imply that any analysis method employed by the Firm can or will successfully identify market tops or bottoms. No analysis method has been proven to insulate clients from losses due to market fluctuations, corrections or declines.

B. Investment Strategies

The primary investment strategy we employ is a long-term “buy and hold” strategy. To a lesser extent, we might also make short-term purchases for the account. The particular strategies

employed will depend upon the individual needs and risk tolerance of the client. A short description of each of these strategies follows:

- Buy and Hold. Generally, a long-term purchase is a purchase of a security or investment product with a view to holding the security or product for more than one year. Trade commissions are reduced by buying and selling less often and taxes are often reduced or deferred by holding positions longer. We typically will follow a buy and hold strategy when pursuing a global fixed income strategy, an emerging markets investment strategy, or a global equity markets investment strategy.
 - A global fixed income strategy involves participating in the broad global movement of fixed income markets through purchasing investment grade fixed-income securities that are listed or traded on recognized markets. The objective of this strategy is to generate current income and capital growth.
 - An emerging markets strategy involves investing in stocks or bonds issued by companies and government entities in developing countries, such as in Latin America, Eastern Europe, Africa and Asia. Typically, there is a medium- to long-term holding period and there can be high volatility.
 - A global equity markets investment strategy seeks long-term growth in equity securities of U.S. and non-U.S. companies that we believe are priced below their intrinsic values but are still fundamentally solid and are likely to appreciate. While we do not target issuers of a particular size, most issuers will have larger capitalizations.
- Short-term purchases. A short-term purchase is a purchase of a security or investment product with the intent of possibly selling it within one year of its purchase.

The concept of asset allocation or spreading investments among a number of asset classes (e.g., large cap stocks vs. small cap stocks; corporate bonds vs. government debt instruments), plays a prominent role in executing an investment strategy. Asset allocation seeks to achieve diversification of assets in order to reduce the risk associated with investing all or a significant portion of a client's portfolio in one asset class. We believe that risk reduction is a key element to long-term investment success.

Our investment strategies do not include frequent trading (which focuses on opportunistic trades and holding the investment product for only a short period of time), short selling, buying on margin, or option writing.

C. Risks

1. General Risks

Investing in securities involves risk of loss that clients should be prepared to bear. Different types of investments involve varying degrees of risk and there can be no assurance that any specific investment or investment strategy will either be suitable or profitable for a client's investment portfolio. Past performance is not indicative of future results. A client should not assume that the future performance of any specific investment, investment strategy, or product will be profitable or equal to past or current performance levels. We cannot assure that the investment objectives of any client will be realized.

2. Special Risks

While investing in any security involves risk, investing in some types of securities carries special risks. A summary of the special risks associated with some types of securities we

may recommend is provided below. Please note that the following summaries are general in nature and do not include an explanation of all risks associated with a given security type.

- a. Bonds. Bonds are subject to credit risk, which is the risk of default associated with the issuer. Bonds are also subject to interest rate risk or the risk that changes in interest rates during the term of the bond might affect the market value of the bond prior to the call or maturity date. Investors should also consider inflation risk, which is the risk that the rate of the yield to call or maturity will not provide a positive return over the rate of inflation for the period of the investment.
- b. Foreign-Issued Securities. Debt and equity investments associated with foreign countries may involve increased volatility and risk due to, without limitation:
 - Political Risk. Many foreign countries are undergoing, or have undergone in recent years, significant political change that has affected government policy, including changes in the regulation of industry, trade, financial markets, and foreign and domestic investment. The relative instability of these political systems leaves these countries more vulnerable to economic hardship, public unrest or popular dissatisfaction with reform, political or diplomatic changes, social instability, or changes in government policies. For investors, the results may include confiscatory taxation, exchange controls, compulsory reacquisition, nationalization or expropriation of foreign-owned assets without adequate compensation, or the restructuring of certain industry sectors in a way that could adversely affect investments in those sectors.
 - Sovereign Risk. Strikes, the imposition of exchange controls, or declarations of war may prevent or impede repayment of funds due from a particular country.
 - Economic Risk. The economies of these countries may be more vulnerable to rising interest rates and inflation. Investments may be negatively affected by rates of economic growth, corporate profits, domestic and international flows of funds, external and sovereign debt, dependence on international trade, and sensitivity to world commodity prices. Additionally, a change in tax regime may result in the sudden imposition of arbitrary or additional taxes.
 - Currency Risk. The weakening of a country's currency relative to the U.S. dollar or to other benchmark currencies will negatively affect the dollar value of an instrument denominated in that currency.
 - Credit Risk. Issuers and obligors of sovereign and corporate debt may be unable to make timely coupon or principal payments, thereby causing the underlying debt or loan to enter into default.
 - Liquidity Risk. Natural disasters as well as economic, social, and political developments in a country may cause a decrease in the liquidity of investments related to that country, making it difficult to sell quickly, and/or subjecting the seller to substantial price discounts.

The nature and extent of these risks vary from country to country, among investment instruments, and over time.

- c. Emerging Market Securities. Investments and transactions in products linked to issuers and obligors incorporated, based, or principally engaged in business in emerging markets countries carry increased risk and volatility. In addition to the political, sovereign,

economic, currency, credit, and liquidity risks described above, emerging market securities can be subject to the following risks:

- Market Risk. The financial markets can lack transparency, liquidity, efficiency.
 - Regulatory Risk. There may be less government supervision and regulation of business. The supervision that may be in place may be subject to manipulation or control. Disclosure and reporting requirements may be minimal or non-existent.
 - Legal Risk. The process of legal reform may not proceed at the same pace as market developments, which could result in uncertainty. Legislation to safeguard the rights of private ownership may not yet be in place.
 - Settlement and Clearing Risk. The registration, recordkeeping and transfer of instruments may be carried out manually, which may cause delays.
- d. Cash Equivalents. Cash equivalents are the most liquid investment assets with low risk and low returns. Cash equivalents are short-term fixed income assets with maturity of 3 months or less. However, these assets are subject to interest rate risk. Interest rates may fluctuate due to certain events taking place in the world including but not limited to economic events, geopolitical or social instability (global, regional or local), currency, interest rate and commodity price changes, and government or governmental agency responses to economic or political conditions.
- e. Mutual Funds. Most mutual funds fall into one of three main categories — money market funds, bond funds (also called "fixed income" funds), and stock funds (also called "equity" funds). Generally, the higher the potential return, the higher the risk of loss. A fund's investment objective and its holdings are influential factors in determining risk. Past performance is not a reliable indicator of future performance. Reading the prospectus will help you to understand the risk associated with that particular fund.

Different mutual fund categories have inherently different risk characteristics. For example, a bond fund faces credit risk, interest rate risk, and prepayment risk. Bond values are inversely related to interest rates. If interest rates rise, bond values will go down and vice versa.

Overall "market risk" poses the greatest potential danger for investors in stocks funds. Stock prices can fluctuate for a broad range of reasons — such as the overall strength of the economy or demand for particular products or services. A sector stock fund (which invests in a single industry, such as telecommunications) is at risk that its price will decline due to developments in its industry. A stock fund that invests across many industries is more sheltered from this risk.

For most funds, investors must pay sales charges, annual fees, and other expenses regardless of how the fund performs. And, depending on the timing of their investment, investors may also have to pay taxes on any capital gains distribution they receive.

- f. Private Equity Funds. Private Equity Funds may be affected by various forms of risk, including:
- Long-term Investment. Unlike mutual funds, which generally invest in publicly-traded securities that are relatively liquid, private equity funds generally invest in large amounts of illiquid securities from private companies. Depending on the strategy used, private real estate funds will have illiquid underlying investments that

may not be easily sold, and investors may have to wait for improvements or development before redemptions are permitted. Given the illiquid nature of the underlying purchases made by private equity and private real estate managers, private equity and private real estate funds are considered long-term investments. Private equity funds are generally set up as ten- to fifteen-year investments with little or no provision for investor redemptions. Private real estate funds are generally seven- to ten-year investments and also have limited provisions for redemptions. With long-term investments, you should consider your financial ability to bear large fluctuations in value and hold these investments over a number of years.

- *Difficult Valuation Assessment.* The portfolio holdings in private equity and private real estate funds may be difficult to value because they are not usually quoted or traded on any financial market or exchange. Consequently, no easily available market prices for most of a fund's holdings are available. Additionally, it may be hard to quantify the impact a manager has had on the underlying investments until those investments are sold.
 - *Lack of Liquidity.* Private equity and private real estate funds are not "liquid" (they cannot be sold or exchanged for cash quickly or easily), and the interests are typically non-transferable without the consent of a fund's managing member. As a result, private equity and private real estate funds are generally only suitable for sophisticated investors who have carefully considered their financial ability to hold these investments for the long term.
 - *Capital Call Default Consequences.* Answering capital calls to provide managers with the pledged capital is a contractual obligation of each investor. Failure to meet this requirement in a timely manner could result in significant adverse consequences, including, without limitation, the forfeiture of the defaulting investor's interest in the fund.
 - *Leverage.* Private equity and private real estate funds may use leverage in connection with certain investments or participate in investments with highly leveraged capital structures. Although the use of leverage may enhance returns and increase the number of investments that can be made, leverage also involves a high degree of financial risk and may increase the exposure of such investments to risks such as rising interest rates, downturns in the economy, or deterioration in the condition of the underlying assets.
 - *Lack of Transparency.* Private equity and private real estate funds are not required to provide investors with information about their underlying holdings or provide periodic pricing and valuation information. This lack of information may make it more difficult for investors to evaluate the risks associated with the funds.
 - *Manager Risk.* Private equity and private real estate fund managers have absolute investment authority over their funds. The fund's investment returns are due, in large part, to the managers' skill and expertise. If a key manager departs, the returns of the fund may be adversely affected.
 - *Regulation.* Private equity and private real estate funds are subject to fewer regulatory requirements than mutual funds and other registered investment company products and thus may offer fewer legal protections than you would have if you invested in more traditional investments.
- g. *Private Placements.* The most common risk for Private Placements is the limited information about the issuer and management, and limited financial reporting. The

offering document, sometimes called a private placement memorandum or term sheet, likely will contain limited information on the company's business (and may not be provided at all if the offering is sold only to accredited investors). And since many private placement securities are issued by companies that are not required to file financial reports, you may have difficulties finding out how the company is doing and gauging how your private placement is likely to perform over time. You generally must be an "[accredited investor](#)" to invest in a private placement. This means, broadly speaking, that you must have a net worth (excluding your primary residence) of over \$1 million—either alone or with a spouse. Or you must have income exceeding \$200,000 over each of the last two years (\$300,000 with a spouse), along with a reasonable expectation that you will earn the same amount during the current year. Also, keep in mind that private placement securities are considered "restricted" securities and cannot be resold without registration or an exemption from registration – features that make them difficult to sell (illiquid) and may negatively impact the price at which you are able to sell them. In addition, the issuer typically does not have an obligation to provide liquidity to investors by buying the securities back when the investor wants to sell.

Certain private offering may be linked to real estate investments. Underlying real estate assets may include categories such as shopping centers, apartment buildings, office buildings, hotels, hospitals, and mortgages secured by real estate. Some portfolios may invest principally in one real estate sector or in a specific geographic region. The three types of real estate-related offerings include:

- Equity-based real estate portfolios that invest in or own real estate with income principally from rents collected;
- Mortgage-related investments that invest in financial instruments secured by mortgages on real estate; and
- Hybrid investments that combine the investment strategies of both.

There are, generally, five categories of real estate-related offerings that the Firm may engage in, representing varying degrees of relationship between the offering and the underlying real estate assets as follows:

Situation 1: The private offering of shares in a “feeder fund” of other funds where the funds’ underlying portfolios are diversified but one or more of the underlying portfolios is invested in or intends to invest in real estate assets. The customers are foreign or domestic.

Situation 2: The private offering of shares in a feeder fund of other funds where the underlying portfolio of one of the funds is invested in or intends to be invested in real estate assets. The customers are foreign or domestic.

Situation 3: The private offering of shares in a feeder fund of other funds where all or a substantial portion of the underlying portfolios of such other funds are invested in or intend to be invested in real estate assets. The customers are foreign or domestic.

Situation 4: The offshore private offering of shares of a fund that intends to acquire, own, develop and dispose of real estate assets. All customers are foreign (non-U.S.) customers.

Situation 5: The domestic private offering of shares of a fund that intends to acquire, own, develop and dispose of real estate assets. All customers are U.S. customers.

These products are “complex,” in that they present an additional risk to investors because their characteristics add a further dimension to the investment decision process. To the extent that the instrument is tied to real estate assets, special risks may be present and these risks need to be understood and considered before recommending the product to the customer. Special risks may include such things as:

1. negative cash flow
 2. high vacancies or low occupation rates
 3. adverse national real estate trends
 4. changes in supply and demand fundamentals
 5. problem tenants
 6. bankruptcy, financial difficulty or lease default of a major tenant
 7. hidden structural problems
 8. lack of liquidity
 9. the unpredictable nature of the real estate market
 10. concentration in a particular real estate sector
 11. exposure to real estate sectors in decline
 12. the failure of the fund to qualify as a REIT (in which case the cash available for distribution could materially decrease)
 13. investing in opportunistic properties such as those in undeveloped areas or those which require extensive maintenance
 14. the unavailability of information regarding the specific properties or real estate sectors making up the portfolio (i.e., investing in a “blind pool” offering)
 15. property appraisals being inherently subjective leading to overvalued properties
- h. Principal-protected Notes. The principal guarantee is subject to the credit-worthiness of the guarantor. In addition, principal protection levels can vary. While some products guarantee 100 percent return of principal, others guarantee as little as 10 percent. In most cases, the principal guarantee only applies to notes that are held to maturity. Issuers may (but are not obligated to) provide a secondary market for certain notes but, depending on demand, the notes may trade at significant discounts to their purchase price and might not return all of the guaranteed amount. Some principal-protected notes have complicated pay-out structures that can make it hard for an adviser to accurately assess their risk and potential for growth.
- i. Exchange-traded Funds (“ETFs”). An ETF is a type of investment company (usually, an open-end fund or unit investment trust) containing a basket of stocks. Typically, the objective of an ETF is to achieve returns similar to a particular market index, including sector indexes. An ETF is similar to an index fund in that it will primarily invest in securities of companies that are included in a selected market. Unlike traditional mutual funds, which can only be redeemed at the end of a trading day, ETFs trade throughout the day on an exchange. Like stock mutual funds, the prices of the underlying securities and

the overall market may affect ETF prices. Similarly, factors affecting a particular industry segment may affect ETF prices that track that particular sector.

ETF performance may not exactly match the performance of the index or market benchmark that the ETF is designed to track because (i) the ETF will incur expenses and transaction costs not incurred by any applicable index or market benchmark, (ii) certain securities comprising the index or market benchmark tracked by the ETF may, from time to time, temporarily be unavailable, and (iii) 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.

- j. Hedge Funds. Hedge funds often engage in leveraging and other speculative investment practices that may increase the risk of investment loss. A hedge fund's performance can be volatile. An investor could lose all or a substantial portion of his or her investment. There may be no secondary market for the investor's interest in the fund. The hedge fund can be highly illiquid and there may be restrictions on transferring interests in the fund. Hedge funds are not required to provide periodic pricing or valuation information to investors. Hedge funds may have complex tax structures. There may be delays in distributing important tax information. Hedge funds are not subject to the same regulatory requirements as mutual funds. Hedge funds often charge high fees. The fund's high fees and expenses may offset the fund's trading profits.

Prior to entering into an investment advisory agreement with us, a client should carefully consider: (i) committing to management only those assets that the client believes will not be needed for current purposes and that can be invested on a long-term basis; (ii) that volatility from investing in the market can occur; and (iii) that, over time, the value of the client's portfolio may fluctuate and may, at any time, be worth more or less than the amount originally invested.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding certain legal or disciplinary events related to the adviser or the adviser's management. Neither Bci Securities nor any of its management personnel has been subject to any such legal or disciplinary events.

Item 10 – Other Financial Industry Activities and Affiliations

Bci Securities is also a broker-dealer registered with the SEC and with the Financial Industry Regulatory Authority, and with the OFR. Our investment advisory personnel are also registered with us in a brokerage capacity as representatives.

- A. Neither the Firm nor any management person of the Firm is registered or has an application pending to register as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of any of the foregoing entities.
- B. The Firm has arrangements that are material to its business with Bci Asset Management Administradora General de Fondos S.A. ("BAM"), which is a foreign entity affiliated with us through common ownership. When a client is wishing to subscribe to a model portfolio.
- C. The ultimate owners of Bci Securities have an inherent financial interest in us recommending the portfolio models generated by our affiliate because we pay our affiliate based on the amount of assets invested in the models maintained by the affiliate. This is a conflict of interest. To help mitigate this conflict, the Chief Compliance Officer or other designated supervisor periodically

reviews model portfolio recommendations to determine whether those recommendations are suitable. Comprehensive reviews of the advisory accounts are performed at least annually.

In addition, BAM may act as a managing partner or underwriter of certain private placements the Firm may offer to clients, and for which the Firm may receive a share of the compensation for such sales. This is also a conflict of interest. To help mitigate this conflict, the Firm has implemented policies and procedures governing such offerings and which include provisions for review of such offerings by a designated principal.

- D. We also offer asset allocation and reallocation signals for our portfolio models to one of our foreign affiliates for a fixed fee. Our foreign affiliate might offer the models to their clients for a fee that is greater or lower than the fee we charge for our Program accounts.
- E. We have networking agreements with Bci Miami Branch and City National Bank (“CNB”) whereby we pay a percentage of our revenue to Bci Miami Branch and to CNB based on the advisory accounts introduced by them to us. Bci Miami Branch and CNB are affiliates of Bci Securities under common control.
- F. The Firm has an arrangement with J.P. Morgan Investment Management Inc. (“JPM”) to provide recommendations to the Firm in the form of model investment portfolios the Firm may offer its clients as part of its managed account offering. These are described in the Firm’s Wrap Program Brochure. The Firm’s parent, BCI, has a strategic partnership with JPM and therefore, when the Firm recommends JPM portfolios, both JPM and BCI benefit.
- G. The Firm has an arrangement with HSBC Securities (USA) Inc. (“HSBC” or the “Distributor”) pursuant to which the Firm will act as a sub-distributor of Undertakings for Collective Investment in Transferable Securities (“UCITS”) through two HSBC funds: (1) the HSBC Global Investment Fund (“HGIF”) and (2) the HSBC Global Liquidity Funds plc (“HGLF”). BCI, the Firm’s parent, also has an agreement with HSBC. As such, when the Firm recommends these two funds, both HSBC and BCI benefit. In addition, the Firm will receive fees from the Distributor on a quarterly basis, as a percentage of share class management fees (retail only). This arrangement creates an inherent conflict in that we have a financial interest in recommending these funds over other funds that do not pay us these additional fees.

Item 11 – Code of Ethics

Securities industry regulations require that advisory firms provide their clients with a general description of the advisory firm's Code of Ethics. We have adopted a Code of Ethics that sets forth the governing ethical standards and principles of the Firm. It also describes our policies regarding the following: the protection of confidential information, including the client's nonpublic personal information; the review of the personal securities accounts of certain personnel of the Firm for evidence of manipulative trading, trading ahead of clients, and insider trading; trading restrictions; training of personnel; reporting of code of ethics violations; and recordkeeping. All of our supervised persons must acknowledge the terms of the Code of Ethics upon hire and as amended.

Subject to satisfying the Firm’s policies and applicable laws, Firm personnel may trade for their own accounts in securities that are recommended to and/or purchased for the Firm’s clients. The Code of Ethics is designed to permit personnel to invest for their own accounts while assuring that their personal transaction activity does not interfere with making decisions in the best interest of advisory clients or implementing those decisions. Neither the Firm nor any associated person of the Firm who (a) has access to nonpublic information regarding clients' securities transactions, (b) is involved in making securities

recommendations to clients, or (c) has access to securities recommendations that are not public (collectively, the "Access Persons") is permitted to trade in or engage in a securities transaction to his or her advantage over that of a client. Access Persons are prohibited from buying or selling securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public upon reasonable inquiry. Access Persons may not execute transactions in their personal accounts ahead of a client's transaction in the same security unless under certain limited circumstances. Because the Code of Ethics in some circumstances permits employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored by the Firm's Chief Compliance Officer in an effort to prevent conflicts of interest between Bci Securities and our clients. Other conflicts of interest are addressed elsewhere in this brochure.

Our clients or prospective clients may obtain a copy of the Firm's Code of Ethics by contacting the Chief Compliance Officer at the address or telephone number specified on the cover page and requesting a copy.

Item 12 – Brokerage Practices

A. Selection of Broker/Dealer

1. **General Considerations.** When a client retains us to manage an account on a discretionary basis, the client grants us the authority to select the broker/dealer(s) that will be used to place and execute the transactions in the advisory accounts. It is our policy and practice to strive for the best price and execution that are competitive in relation to the value of the transaction ("best execution"). In selecting a broker, dealer or other intermediary, we consider such factors that in good faith and judgment we deem reasonable under the circumstances. In observance of its fiduciary duty, on at least an annual basis the Firm will conduct a review to determine whether the Firm is meeting its duty of best execution.
2. **Discretionary and Program Accounts.** For the discretionary accounts and Program accounts, we generally handle all brokerage activity in our capacity as a broker/dealer. We generally act in an agency capacity and direct brokerage to our clearing firm, Pershing . (Note that clients who establish a wrap fee account with us must agree to select us as the securities broker/dealer and Pershing as their custodian.) Not all advisers require their clients to direct brokerage to a particular broker/dealer. By directing brokerage, the client may be unable to achieve the most favorable execution and this practice may cost clients more money.
3. **Selection Factors.** We have evaluated certain factors in determining to act as the broker/dealer of record and direct transactions to the Clearing Firm. Listed below are the chief conclusions we drew from our evaluation of this arrangement with Pershing:
 - We have an expertise in the markets and types of securities desired.
 - Generally, we do not receive a commission for transactions in the advisory accounts.
 - The Clearing Firm has the ability to execute transactions in the desired markets.
 - The Clearing Firm is a qualified custodian.
 - The proximity of the Firm traders to the advisory staff facilitates the communication process and allows for rapid handling of execution instructions.
 - Costs, including ticket charges and other service charges are competitive with other clearing firms providing similar services.

- The Clearing Firm provides speedy, efficient, and accurate execution, clearance and settlement.
 - The Clearing Firm's customer service team is responsive to the Firm.
 - The Firm and the Clearing Firm are committed to technology and the security of confidential information.
 - There is no indication that the Clearing Firm would be unable to fulfill its financial responsibilities or is at risk for financial insolvency.
 - The Clearing Firm's reputation and integrity are paramount to its success.
4. Non-discretionary Accounts. For the non-discretionary accounts, we do not act as broker-dealer. Rather, we act solely in the capacity of investment adviser. The clients subscribing to our non-discretionary advisory services arrange for transactions in their accounts.
 5. "Soft Dollar" Considerations. A "soft dollar" arrangement occurs when a firm directs its brokerage to a particular broker/dealer that charges brokerage commissions that are higher than they would be for an "execution only" trading relationship in exchange for products or services, such as research. Under such an arrangement, a firm would receive a benefit because it would not have to produce or pay for the products or research. The Firm is not party to any such "soft-dollar" arrangement.

B. Order Aggregation

From time to time, Bci Securities may determine that the purchase or sale of a particular security is appropriate for multiple advisory client accounts, based on a variety of reasons. When this happens, we may determine that it is appropriate in the interests of efficient and effective execution to attempt to execute the trade orders as one or more block trades (*i.e.*, aggregate the individual trade for each account into one or more trade orders). These circumstances may, in turn, give rise to actual or potential conflicts of interest among the accounts for whom the security purchase or sale is appropriate, and among the subset of those accounts actually participating in a block trade, especially if the block trade order results in a partial fill. In order to address these conflicts, we have adopted certain policies and procedures that we follow when aggregating trades in an effort to provide an objective and equitable method of trade allocation so that all clients are treated fairly. The basic objectives of these policies and procedures are as follows:

1. We will only aggregate trades when we believe that the aggregation is consistent with our duty to seek best execution for our clients;
2. We will strive to ensure that no client account is favored over any other client account; and
3. Each account that participates in an aggregated transaction shall participate at the average of the executed share price for that security, with all transaction costs shared on a *pro rata* basis.

C. Trade Error Policy

From time to time, errors may occur in the trading process, including (1) overbuying or overselling of securities, into or out of an account, caused by clerical errors made by our personnel, or (2) buying or selling of securities, into or out of an account, which is in violation of a client's stated investment guidelines that had been previously communicated to us in writing.

In all cases of a trade error caused by us, it is our policy to endeavor to resolve the error in the best interest of the client and adjust the trade as needed in order to put the client's account in such a position as if the error had not occurred. Where our trade error results in a gain, the client is not entitled to this gain. In instances where a trade error correction may generate a capital gain, it is Bci Securities' policy to net gains from trade error corrections against trade error correction losses

on an annual basis. Should there be a surplus at the end of the year, the Firm's management team will determine the adequate disposition of the surplus based on available regulatory guidance and industry practices.

Item 13 – Review of Accounts

NON-DISCRETIONARY RELATIONSHIPS. For the non-discretionary advisory accounts that are outside of our Wrap Fee Program, the Investment Adviser Representative assigned to the account will review the recommended securities at least quarterly. At least annually, the Investment Adviser Representative or a member of Senior Management will meet with the client to discuss and review the performance of the recommended securities and the investment objectives of those securities as well as any material changes to the client's financial, investment, and risk profile. The reviewer will assess whether the recommended securities continue to complement the client's objectives and continue to be consistent with the client's risk profile. The reviewer will determine whether any positions should be reduced or sold and/or whether other securities should be recommended. The reviewer will communicate his/her recommendations to the client.

WRAP FEE PROGRAM ACCOUNTS. Personalized non-discretionary and discretionary managed accounts are reviewed at least annually by a member of Senior Management and/or one or more Investment Adviser Representatives. Quarterly, we review a segment of the advisory accounts to ensure the annual review requirement is met. Also, for personalized discretionary accounts, reviews will be conducted upon a client's specific request. For discretionary accounts, the allocation of each portfolio is adjusted at our discretion in accordance with the account's investment objectives and risk tolerance. For model portfolios, asset reallocations and rebalancing are performed at the discretion of the Investment Committee. With the exception of the "Alpes" and "Sierra" models, which we manage independently, we typically implement the reallocation signals communicated to us by the third-party model provider, unless the client communicates a management restriction that we agree to adopt. At least annually, the Investment Adviser Representative assigned to the account or a member of Senior Management will meet with the advisory client to discuss and review the account's objectives as well as any changes to the client's financial or investment profile. The reviewer will determine whether the objectives of the selected model continue to be consistent with the client's financial profile, investment objectives and restrictions, and risk tolerance.

ANNUAL CLIENT MEETINGS. Meetings may take place in person, by video or audio conference, by telephone, by electronic mail, by regular mail, or by any means of contemporaneous electronic interactive communication. There is no maximum number of accounts that could be assigned to any one employee or/and Investment Adviser Representatives.

STATEMENTS AND REPORTS. The executing broker/dealers and/or custodians who maintain the client accounts will notify the client of any account activity by delivering a confirmation of the transaction to the client. The executing broker/dealer(s) or the custodian(s) will also furnish the client with a monthly or quarterly account activity and position statement.

The executing broker/dealers and/or custodians who maintain the client accounts will notify the client of any account activity by delivering a confirmation of the transaction to the client. The executing broker/dealer(s) or the custodian(s) will also furnish the client with a monthly or quarterly account activity and position statement.

Item 14 – Client Referrals and Other Compensation

A. Economic Benefits

1. 12b-1 Fees. Some mutual funds pay us ongoing servicing fees (also known as 12b-1 fees), which are based on client assets that are invested in those funds.
2. Third-party Investment Adviser Arrangements. For model portfolio accounts, we pay certain third-party investment advisers a smaller percentage of the advisory fees we collect. This arrangement presents a conflict of interest because we receive an economic benefit when we recommend the models generated by those investment advisers to whom we pay less in fees.
3. Non-Purpose Loan Program. We entered into a non-purpose loan program arrangement with our Clearing Firm. Through this program, customers may take a loan pledging assets in their investment accounts as collateral. We may receive up to 75 basis points of the interest charged against these loans. This arrangement creates a conflict of interest because it incentivizes the Firm or its registered person to recommend that a loan be taken with institutions with whom we have a contractual relationship.

Other than these benefits and other benefits already described in this Brochure, neither the Firm, nor any of our employees, receives any other economic benefit, sales awards or other prizes from any outside parties for providing investment advice to our clients.

B. Referral Fees

We have agreements in place with certain entities to pay referral fees to those entities for the referral or introduction of advisory clients to us. There is no differential in the fees charged to the client by us attributable to the arrangement between the referring party and us. In other words, we will not charge a client who is referred by another party any fees other than the fees typically charged to other clients. Generally, through the referral arrangements, we pay to the referring party 20% to 50% of the advisory fees generated by the accounts introduced by the referring party. In all such cases where a referral fee is paid, the client will receive a document identifying the referring party and describing the fee arrangement. Bci Miami Branch and City National Bank (CNB) will receive the referral fee for so long as the introduced client remains our advisory client. Generally, for other referral arrangements, Bci Securities will continue to pay the referral fee for the first three years the client is an advisory client of Bci Securities.

C. Banking Affiliate Considerations

Clients should understand that we have conflicts of interest insofar as certain of our bank affiliates offer loans to our clients. We have an incentive to encourage our clients to obtain loans and to invest the proceeds of the loan with us or place the loan proceeds in one of our managed accounts. Some of our associated persons are also associated with the affiliate bank. These associated persons may receive compensation from the lender in connection with the number of loans generated or the amounts of those loans. This affiliation creates conflicts of interest with respect to the management of your investment account and the recommendations we make to you. Lenders will act to protect their commercial interests, and in the event of a default on the loan, have the authority to liquidate and seize the collateral. The assets managed by us are not used to secure the repayment of these loans. We have an incentive to encourage our clients who borrow money from our affiliate lenders to use money or assets other than the funds invested or managed by us to repay the loan. We also have a disincentive to encourage our client-borrowers to pay off the loan early because our affiliate lender receives interest rate payments on the loan. We manage these conflicts of interest through disclosure to you and by requiring our personnel to make recommendations that they believe are in your best interest.

Item 15 – Custody

Bci Securities is an introducing broker-dealer, and also an SEC Registered Investment Adviser. Bci Securities utilizes Pershing as the custodian of customers' assets. Clients should receive, on at least a quarterly basis, statements from the broker/dealer, bank or other qualified custodian that holds and maintains the client's investment assets. We urge you to carefully review such statements and compare such official custodial records to the reports that we may provide to you. Our reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

In limited instances, clients may pledge securities in their accounts as collateral for loans ("collateral based lending") or transfer funds from their managed advisory account to another financial institution account using the Automated Clearing House network ("ACH"). These activities may trigger the custody rule. When the custody rule is triggered, the Firm as an adviser must:

- Maintain client funds and securities at a Qualified Custodian;
- Have reasonable basis to believe that the Custodian sends account statements directly to the client on at least a quarterly basis;
- If it also sends reports to the client on a regular basis, include a statement urging the client to compare the statement and report and promptly report to the Firm any discrepancies; and
- Undergo an Annual Surprise Examination by an independent public accountant of the assets over which the Firm has custody.

Item 16 – Investment Discretion

Bci Securities offers discretionary and non-discretionary advisory services. We obtain discretionary authority only in connection with the discretionary management services. When a client elects a discretionary management service, the client will sign an agreement that provides us with the discretionary authority. Bci Securities is then authorized to select the securities and the quantities or amounts of securities to be purchased, leveraged, transferred, exchanged, traded and sold consistent with the stated investment objectives and investment restrictions adopted by the client. Bci Securities' discretionary authority is limited by (a) any reasonable restrictions that the client places on the management of the account, and (b) the investing parameters set forth by us and the client, if any. If we deem a proposed restriction unreasonable, we may discontinue the advisory service. Reasonability is based on whether compliance with the restriction(s) will impose a significant time burden on us. We also reserve the right not to accept or terminate management of a client's account if we feel that the client-imposed restrictions would limit or prevent us from meeting and/or maintaining our overall investment strategy for the account.

As described above, we also obtain the authority to designate the broker/dealers or other financial intermediaries through whom transactions in the accounts will be executed, cleared or settled (see Item 12(A) above). Bci Securities may act in an agency capacity and receive a commission on transactions executed in the advisory accounts.

Item 17 – Voting Client Securities

As a matter of Firm policy and practice, we do not have any authority to and do not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all

securities owned by the client. Generally, we do not provide advice to clients regarding the voting of proxies.

Item 18 – Financial Information

We are required in this Item to provide you with certain information or disclosures regarding our financial condition. Following is the information responsive to this Item:

- The Firm does not require prepayment of more than \$500 in fees six months or more in advance.
- There are no financial conditions or commitments that are likely to impair the Firm's ability to meet any contractual or fiduciary commitment to our clients.
- The Firm has not been the subject of a bankruptcy petition.