

# TransGlobal Advisory LLC

## Firm Brochure - Form ADV Part 2A

*This brochure provides information about the qualifications and business practices of TransGlobal Advisory LLC. If you have any questions about the contents of this brochure, please contact us at (626) 447-7888 or by email at: [info@transglobaladvisory.com](mailto:info@transglobaladvisory.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.*

*Additional information about TransGlobal Advisory LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). TransGlobal Advisory LLC's CRD number is: 168709.*

185 W Chestnut Ave  
Monrovia, CA 91016  
(626) 447-7888  
Fax (626) 737-6035  
[info@transglobaladvisory.com](mailto:info@transglobaladvisory.com)  
[www.transglobaladvisory.com](http://www.transglobaladvisory.com)

*Registration does not imply a certain level of skill or training.*

Version Date: 11/10/2023

## **Item 2: Material Changes**

The material changes in this brochure from the last annual updating amendment of TransGlobal Advisory LLC on March 16, 2023, are listed below. Material changes relate to TransGlobal Advisory LLC's policies, practices or conflicts of interests.

- TransGlobal Advisory LLC now utilizes a Wrap Fee Program. (Items 4 and 5)
- TransGlobal Advisory LLC expanded language related to digital assets (cryptocurrencies). (Items 4 and 8)
- TransGlobal Advisory LLC now recommends Morgan Stanley as a custodian. (Item 12)
- TransGlobal Advisory LLC has added a private fund. (Items 4, 7, 8, 10, 11 and 15)
- TransGlobal Advisory LLC has added Yong Wang the chief compliance officer.
- TransGlobal Advisory LLC has updated Items 4 and 5 to describe services and fees associated with cash management services through a third party.
- TransGlobal Advisory LLC generally charges an annual fee of 0.25% for accounts strictly invested in fixed income securities. (Item 5)
- TransGlobal Advisory LLC offers estate planning services to clients. (Items 4 & 5)
- TransGlobal Advisory LLC charges an annual fee of 0.25% of the value of the client's FICA account if a client participates in the FICA cash management program. (Item 5)
- TransGlobal Advisory LLC no longer offers hourly fees. (Items 4 & 5)
- TransGlobal Advisory LLC has added pension consulting services. (Items 4 & 5)

## Item 3: Table of Contents

### Contents

Item 2: Material Changes .....	ii
Item 3: Table of Contents .....	1
Item 4: Advisory Business .....	4
A. Description of the Advisory Firm.....	4
B. Types of Advisory Services .....	4
C. Client Tailored Services and Client Imposed Restrictions .....	9
D. Wrap Fee Programs .....	9
E. Assets Under Management .....	9
Item 5: Fees and Compensation .....	10
A. Fee Schedule .....	10
B. Payment of Fees .....	13
C. Client Responsibility For Third Party Fees.....	16
D. Prepayment of Fees.....	16
E. Outside Compensation For the Sale of Securities to Clients .....	17
Item 6: Performance-Based Fees and Side-By-Side Management.....	17
Item 7: Types of Clients .....	18
Item 8: Methods of Analysis, Investment Strategies, & Risk of Loss.....	18
A. Methods of Analysis and Investment Strategies.....	18
B. Material Risks Involved.....	19
C. Risks of Specific Securities Utilized .....	20
Item 9: Disciplinary Information .....	24
A. Criminal or Civil Actions .....	24
B. Administrative Proceedings.....	24
C. Self-regulatory Organization (SRO) Proceedings .....	24
Item 10: Other Financial Industry Activities and Affiliations .....	24
A. Registration as a Broker/Dealer or Broker/Dealer Representative .....	24
B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor.....	24

C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests .....	25
D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections .....	27
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .	27
A. Code of Ethics .....	27
B. Recommendations Involving Material Financial Interests .....	27
C. Investing Personal Money in the Same Securities as Clients .....	28
D. Trading Securities At/ Around the Same Time as Clients' Securities .....	28
Item 12: Brokerage Practices .....	28
A. Factors Used to Select Custodians and/or Broker/Dealers .....	28
1. Research and Other Soft-Dollar Benefits .....	30
2. Brokerage for Client Referrals.....	30
3. Clients Directing Which Broker/Dealer/Custodian to Use .....	30
B. Aggregating (Block) Trading for Multiple Client Accounts.....	30
Item 13: Review of Accounts .....	30
A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews .....	30
B. Factors That Will Trigger a Non-Periodic Review of Client Accounts .....	31
C. Content and Frequency of Regular Reports Provided to Clients .....	31
Item 14: Client Referrals and Other Compensation .....	31
A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes) .....	31
B. Compensation to Non – Advisory Personnel for Client Referrals .....	31
Item 15: Custody .....	31
Item 16: Investment Discretion .....	32
Item 17: Voting Client Securities (Proxy Voting).....	32
Item 18: Financial Information .....	33
A. Balance Sheet .....	33
B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients .....	33
C. Bankruptcy Petitions in Previous Ten Years .....	33
Item 19: Requirements For State Registered Advisers.....	33

A. Principal Executive Officers and Management Persons; Their Formal Education and Business Background..... 33

B. Other Businesses in Which This Advisory Firm or its Personnel are Engaged and Time Spent on Those (If Any) ..... 33

C. Calculation of Performance-Based Fees and Degree of Risk to Clients..... 33

D. Material Disciplinary Disclosures for Management Persons of this Firm..... 34

E. Material Relationships That Management Persons Have With Issuers of Securities (If Any) ..... 34

## **Item 4: Advisory Business**

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

TransGlobal Advisory LLC (hereinafter “TGA”) is a Limited Liability Company organized in the State of California. The firm was formed in May 2013, and the principal owner is Philip Hu. The firm was approved as an investment advisory firm in September 2014.

If the client has not received a copy of the brochure documents at least 48 hours prior to signing an agreement, the client has five business days in which to cancel the agreement, without penalty.

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

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

TGA offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. TGA creates an Investment Policy Statement for each client, which outlines the client’s current situation (income, tax levels, and risk tolerance levels) and then constructs a plan to aid in the selection of a portfolio that matches each client's specific situation. Portfolio management services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment policy
- Asset selection
- Regular portfolio monitoring

TGA evaluates the current investments of each client with respect to their risk tolerance levels and time horizon, and then decides which investment strategy should be used. TGA will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction. TGA’s investment objective is to help our clients reach their individualized goals with the least amount of assumed risk possible. TGA looks to maximize our clients’ portfolio return within our client’s specific risk. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client. In some instances, TGA’s discretionary authority in making these determinations may be limited by conditions imposed by a client (in investment guidelines or objectives, or client instructions otherwise provided to TGA).

TGA seeks to provide that investment decisions are made accordance with the fiduciary duties owed to its accounts and without consideration of TGA’s economic, investment or other financial interests. To meet its fiduciary obligations, TGA attempts to avoid, among other things, investment or trading practices that systematically advantage or disadvantage certain client portfolios, and accordingly, TGA’s policy is to seek fair and

equitable allocation of investment opportunities/transactions among its clients to avoid favoring one client over another over time. It is TGA's policy to allocate investment opportunities and transactions it identifies as being appropriate and prudent, including initial public offerings ("IPOs") and other investment opportunities that might have a limited supply, among its clients on a fair and equitable basis over time.

In addition, TGA provides Non-Discretionary, Non-Trading Management portfolio management services to clients. With this service TGA will not have discretionary authority and will not purchase or sell securities. It is up to clients to implement transitions since TGA will not enter trades on behalf of the client.

In connection with our portfolio management services, we offer advice to our clients on buying and selling digital assets through platforms operated by Interactive Brokers LLC's ("IBKR") platform, which are provided by Paxos Trust (a New York Limited Trust Company licensed by the New York Department of Financial Services), which is specifically licensed to engage in virtual currency services.

### ***Pension Consulting Services***

TGA offers consulting services to pension or other employee benefit plans (including but not limited to 401(k) plans). Pension consulting may include, but is not limited to:

- identifying investment objectives and restrictions
- providing guidance on various assets classes and investment options
- recommending money managers to manage plan assets in ways designed to achieve objectives
- monitoring performance of money managers and investment options and making recommendations for changes
- recommending other service providers, such as custodians, administrators and broker-dealers
- creating a written pension consulting plan

These services are based on the goals, objectives, demographics, time horizon, and/or risk tolerance of the plan and its participants.

### ***Financial Planning***

Financial plans and financial planning may include but are not limited to: investment planning; life insurance; tax concerns; retirement planning; college planning; and debt/credit planning. Please see description of these services below.

Investment Planning-Discretionary Investment management with ETF, Mutual funds, stocks, bonds and options. The asset allocation is based on clients risk tolerance.

Life insurance- Give clients insurance product recommendation based on their financial planning needs.

Tax concerns- work with CPA to address clients' tax concern within their financial plan.

Retirement planning- work with a Third Part Administrator ("TPA") and CPA to create the most suitable retirement plan for clients based on their financial planning needs. A TPA is an organization that manages many of the day-to-day administrative services for the employee retirement plans.

College planning-offer clients ESA, 529, and insurance living benefit to assist with clients college planning needs.

Debt/credit planning-Review clients assets, liabilities, and cashflow within their financial plan. Provide suggestions on strategies to improve cashflow.

The Financial Planning Agreement contains the entire agreement between the parties and may not be modified or amended except in writing as executed by both parties. Client may terminate the Agreement within five (5) business days of signing, without penalty, and with full refund of the advisor's fees. The Financial Planning Agreement shall continue in effect until the earlier of (i) IA's delivery of a financial plan to Client or (ii) termination by either party by giving to the other written notice. In the case of early termination prior to completion of the plan, IA will deliver upon termination that portion of the plan that has been prepared.

In offering financial planning, a conflict exists between the interests of the investment adviser and the interests of the client. The client is under no obligation to act upon the investment adviser's recommendation, and, if the client elects to act on any of the recommendations, the client is under no obligation to effect the transaction through the investment adviser. This statement is required by California Code of Regulations, 10 CCR Section 260.235.2.

### ***Family Office Services***

TGA family office offers a total financial and non-financial solutions with a wider range of services, to meet the needs for high-net-worth clients. Financial services for high-net worth clients includes investment management, insurance planning, tax planning, estate planning, and strategic financial planning. Non-financial services include philanthropy activity assistance, family monitoring, education planning assistance, lifestyle management assistance, legal counsel coordination. Please see description of these services below:

Investment management-Discretionary Investment management with ETF, Mutual funds, stocks, bonds and options. The asset allocation is based on client's risk tolerance.

Insurance Planning- Recommend clients products of life, health, disability, long-term care, and property and casualty insurance, to help client mitigate risk when an



uncontrollable event takes place and to protect clients' family and business interest from financial hardship during an unforeseen catastrophe.

Tax planning- work with CPA to address clients' tax concern, including cross-border tax planning, federal, state & local income tax planning, charitable tax planning and structuring, and Tax planning for trusts & estates.

Estate Planning- work with attorney to help clients arrange the ways to dispose their estate during their life and after death. Through use of living trust, life insurance, and beneficiary designation, TGA helps clients avoid probate while minimizing gift, estate and generation skipping transfer and income tax.

Strategic financial planning – Help client with closely-held business valuation & exit strategy.

Philanthropy Activity Assistance – Help client make an impact through education on philanthropy, development of philanthropic mission statement, and monitor of the foundation.

Family Monitoring- Help clients to facilitate the family meeting, to develop and implement the mission statement, and to establish the family governance system.

Education Planning Assistance – Help clients for development of individual and family education plans as well as trustee and beneficiary mentoring

Lifestyle management assistance – Assist clients with liability restructuring and guide them with acquisition and financing or lifestyle assets.

Legal counsel coordination – Provide clients with legal counsel on real estate, trust planning, patent and family law.

### ***Cash Management Services***

TGA makes available to clients the FICA For Advisors cash management program ("FICA Program") offered by StoneCastle Network, LLC ("StoneCastle"), an affiliate of StoneCastle Cash Management, LLC. The FICA Program allows customers to deposit funds in accounts at banks, savings institutions and credit unions (collectively, "Insured Depositories") in a manner that maintains full insurance of the funds by the Federal Deposit Insurance Corporation ("FDIC") or National Credit Union Administration ("NCUA"), whichever is applicable. Funds will be deposited within StoneCastle's network of Insured Depositories ("Deposit Network"). TGA will assist clients in signing up for this program and facilitating the transfer of funds between the client's like-titled brokerage accounts and the FICA account.

## ***Estate Planning***

TGA will offer Estate Planning services to clients to assist with general information as it applies to review of existing plans, gathering information needed to provide outside firms in the creation of documents, and updating existing plans for client. Depending on the client's needs and desires for estate planning document review, preparation, or updates we will engage with a third-party service or estate planning attorneys. However, TGA will generally recommend EncorEstate Planning Software for this service. Clients are not required to utilize a third-party service that we may recommend, and they may receive similar services from other professionals at a similar or lower cost. Fees associated with the service will be in addition to the fees that clients may already pay and are disclosed in Item 5, and within the agreement that clients sign upon engaging in this service.

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

TGA generally limits its investment advice to mutual funds, fixed income securities, real estate funds (including REITs), insurance products including annuities, equities, private placements, options, ETFs (including ETFs in the gold and precious metal sectors), digital assets (ex. cryptocurrencies and tokens), treasury inflation protected/inflation linked bonds and non-U.S. securities. TGA may use other securities as well to help diversify a portfolio when applicable.

TGA uses long term trading, short term trading, and options trading (including covered options, uncovered options, or spreading strategies).

TGA's use of options trading generally holds greater risk, and clients should be aware that there is a material risk of loss using any of those strategies.

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

**Options 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. Option transactions also involve risks including but not limited to economic risk, market risk, sector risk, idiosyncratic risk, political/regulatory risk, inflation (purchasing power) risk and interest rate risk.

An uncovered option is a type of options contract that is not backed by an offsetting position that would help mitigate risk. The risk for a "naked" or uncovered put is not unlimited, whereas the potential loss for an uncovered call option is limitless.

**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.

Clients do not need to pay any additional fees except mutual fund/ ETF management fees if they utilize Interactive Brokers LLC and Charles Schwab & Co as custodians.

Transglobal Advisory LLC is a manager of Typhos Structured Alpha LP, a private fund. TGA will recommend investments in this private fund to those clients for which investment in the fund is in the client's best interest.

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

TGA will tailor a program for each individual client. This will include an interview session to get to know the client's specific needs and requirements as well as a plan that will be executed by TGA on behalf of the client. TGA may use "model portfolios" together with a specific set of recommendations for each client based on their personal restrictions, needs, and targets. Clients may not impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs.

We implement the six steps financial planning process and help client create a comprehensive financial/investment plan for risk management.

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

TGA acts as portfolio manager for and sponsor of a wrap fee program, which is an investment program where the client pays one stated fee that includes management fees, transaction costs, and certain other administrative fees. However, this brochure describes TGA's non-wrap fee advisory services; clients utilizing TGA's wrap fee portfolio management should see TGA's separate Wrap Fee Program Brochure. TGA manages the investments in the wrap fee program but does not manage those wrap fee accounts any differently than it would manage non-wrap fee accounts. TGA receives the advisory fee set forth in Item 5 below as a management fee under the wrap fee program. Please also see Item 5 and Item 12 of this brochure.

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

TGA has the following assets under management:

<b>Discretionary Amounts:</b>	<b>Non-discretionary Amounts:</b>	<b>Date Calculated:</b>
\$18,071,558	\$0	December 2022

## Item 5: Fees and Compensation

*Lower fees for comparable services may be available from other sources.*

### A. Fee Schedule

#### *Portfolio Management Fees*

\*For accounts 100K and up\*

Stocks, bonds, mutual funds, ETFs, REITs, money market, options, and/or limited partnership.

Total Assets Under Management	Annual Fees
\$100,000 - \$499,999	1.75%
\$500,000 - \$999,999	1.50%
\$1,000,000 - \$9,999,999	1.25%
≥ \$10,000,000	1.00%

These fees are generally negotiable, and the final fee schedule is attached in the investment advisory agreement. Fees may be negotiable from the above schedule solely at the discretion of Advisor. TGA may use margin accounts. TGA won't use margin to buy additional securities, and fee will be based on the net value of the account, not the value of the assets under management.

For accounts strictly invested in fixed income securities, TGA generally charges an annual fee of 0.25%. This fee is negotiable and creates a conflict of interest because TGA has an incentive to not recommend fixed income securities because of the decreased compensation.

#### *Pension Consulting Services Fees*

The rate for pension consulting services is between 0.5% and 0.75% of the plan assets for which TGA is providing such consulting services. These fees are negotiable.

#### *Financial Planning Fees*

Investment planning, insurance planning, tax planning, education planning, retirement planning, and estate planning

Financial Planning	Fees
Fixed	\$5000

For Washington State clients, TGA will only charge clients for fees that are earned and will not charge (or will provide refund) for unearned portion of the fixed fee based on the actual number of hours spent by TGA on the particular financial planning engagement.

These fees are generally negotiable, and the final fee schedule is attached in the financial planning agreement. Fees may be negotiable from the above schedule solely at the discretion of Advisor.

### ***Family Office Management Fees***

\*For accounts 10MM and up\*

Investment management, Insurance planning, Tax planning, Education planning, Estate planning, Strategic financial planning, Philanthropy activity assistance, Lifestyle management assistance, Family Monitoring, and Legal counsel coordination.

Services	Annual Fees
Family Office Service with portfolio management	1.5%
Family Office Service with Monitoring	0.75%
Family Office Service with TPS ETF Only	0.75%

These fees are generally negotiable, and the final fee schedule is attached in the family office agreement. Fees may be negotiable from the above schedule solely at the discretion of Advisor.

### ***Performance-Based Portfolio Management Fees***

Total Assets	Annual Management Fee (On all assets managed)	Annual Performance Fee (On capital appreciation)
All Assets	1.00%	20%

Qualified Clients will pay an annual fee of 1.00% of assets under management along with a 20% performance fee based on capital appreciation. If the portfolio rises in value,

then the client will pay 20% on that increase in value, but if the portfolio drops in value, then the client will not incur a new performance fee until the portfolio reaches the last highest value, adjusted for withdrawals and deposits, which is generally known as a "high water mark."

The performance fee is also contingent upon returns for the applicable client account(s) exceeding a certain threshold; this is known as a hurdle rate. Specifically, performance fees are only assessed on returns (capital appreciation, including dividends and interest, but net of TGA's advisory fee) greater than 6% per year. Custodial fees, transaction fees, and certain other third-party fees are assessed to the client and are not a reduction of returns for the purposes of the hurdle rate. The hurdle is otherwise pre-tax.

In general, a "Qualified Client" is:

- (1) a natural person or company who at the time of entering into such agreement has at least \$1,100,000 under the management of the investment adviser;
- (2) a natural person or company who the adviser reasonably believes at the time of entering into the contract: (A) has a net worth of jointly with his or her spouse of more than \$2,200,000 excluding the value of the client's primary residence; or (B) is a qualified purchaser as defined in the Investment Company Act of 1940, §2(a)(51)(A) (15 U.S.C. 80a-2(51)(A)); or
- (3) a natural person who at the time of entering into the contract is: (A) An executive officer, director, trustee, general partner, or person serving in similar capacity of the investment adviser; or (B) An employee of the investment adviser (other than an employee performing solely clerical, secretarial, or administrative functions with regard to the investment adviser), who, in connection with his or her regular functions or duties, participates in the investment activities of such investment adviser, provided that such employee has been performing such functions and duties for or on behalf of the investment adviser, or substantially similar function or duties for or on behalf of another company for at least 12 months.

Performance fees will only be charged in accordance with the provisions of California Code of Regulations Section 260.234.

### ***Payment of Pension Consulting Services Fees***

Pension consulting fees are withdrawn directly from the client's accounts with client's written authorization. Fees are paid quarterly.

### ***Private Fund Fees***

Condition	Annual Fees
Fixed Annual Fee	1.00% of Assets Under Management
Performance Based Fee	20% of Profit which exceeds an annualized return of 6% (the "Hurdle Rate")

### ***Cash Management Fees***

TGA charges an annual fee of 0.25% of the value of the client's FICA account if a client participates in the FICA cash management program. This fee will be deducted monthly in arrears from the client's account by the account custodian based on the average daily balance of the account. This fee is negotiable and is separate and in addition to TGA's portfolio management fee.

### ***Estate Planning Fees***

The fees associated with estate planning are separate and vary upon the services requested by the client. These fees may be in addition to your financial planning or advisory fees or offered as a one-time service to a non-financial planning or non-advisory client. The fee will be disclosed within the agreement signed by TGA and the Client.

## **B. Payment of Fees**

### ***Payment of Portfolio Management Fees***

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

When advisory fees are deducted directly from client accounts at client's custodian, TGA will be deemed to have limited custody of client's assets. Because client fees will be withdrawn directly from client accounts, in states that require it, TGA will:

- (A) Possess written authorization from the client to deduct advisory fees from an account held by a qualified custodian.
- (B) Send the qualified custodian written notice of the amount of the fee to be deducted from the client's account and verify that the qualified custodian sends invoices to the client.

(C) Send the client a written invoice itemizing the fee upon or prior to fee deduction, including the formula used to calculate the fee, the time period covered by the fee and the amount of assets under management on which the fee was based.

Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy. These invoices will also contain the fee calculation itself. Clients are urged to compare the account statements they received from custodian with those they received from TGA.

At account inception, the fee will be prorated for the remainder of the current billing period and is based on the value of the account as of the end of billing period after the majority of assets are transferred.

At account termination, the fee will be prorated for the duration between the end of last billing period and the date of termination and is based on the value of the account as of the date of termination.

Fees for portfolio management are asset-based management fee, collected in arrears. Clients may terminate the agreement without penalty and for a full refund of TGA's fees within five business days of signing the investment advisory contract or family office agreement. Thereafter, clients may terminate the investment management agreement and family office agreement generally within 30 days' written notice. Upon termination of the contract, the final fees will be charged prorated based upon the number of days the account was open.

### ***Payment of Financial Planning Fees***

Financial planning fees are paid in advance. Upon completion, TGA will deliver the plan to the client. [In the case of early termination prior to completion of the plan, TGA will deliver upon termination that portion of the plan that has been prepared.]

Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy. Clients are urged to compare the account statements they received from custodian with those they received from TGA.

There is a difference between financial planning fee and asset management fees. Financial planning fee is up to \$5000 for fixed fee per plan, negotiable with clients. Asset management fee is charged at the end of every quarter. For example, \$1M portfolio with 1% portfolio management fee will be charged a 0.25 asset management fee as the end of each quarter, based on account value. 100% of the financial planning fee is paid in advance and that payment is made by check.



### *Payments of Family Office Service fee*

Fees for family office services are paid quarterly and are based on the gross market value of asset in the account on the last business day of the previous quarter. Fees are withdrawn directly from the client's accounts with client's written authorization or sent an invoice directly to client paid by check.

When family office fees are deducted directly from client accounts at client's custodian, TGA will be deemed to have limited custody of client's assets. Because client fees will be withdrawn directly from client accounts, in states that require it, TGA will:

- (A) Possess written authorization from the client to deduct advisory fees from an account held by a qualified custodian.
- (B) Send the qualified custodian written notice of the amount of the fee to be deducted from the client's account and verify that the qualified custodian sends invoices to the client.
- (C) Send the client a written invoice itemizing the fee upon or prior to fee deduction, including the formula used to calculate the fee, the time period covered by the fee and the amount of assets under management on which the fee was based.

Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy. These invoices will also contain the fee calculation itself. Clients are urged to compare the account statements they received from custodian with those they received from TGA.

TGA uses the value of the account as of the last business day of the billing period, after taking into account deposits and withdrawals, for purposes of determining the market value of the assets upon which the fee is based.

At account inception, the fee will be prorated for the remainder of the current billing period and is based on the value of the account as of the end of billing period after the majority of assets are transferred.

At account termination, the fee will be prorated for the duration between the end of last billing period and the date of termination and is based on the value of the account as of the date of termination.

Fees for family office are asset-based management fee, collected in arrears. Clients may terminate the agreement without penalty and for a full refund of TGA's fees within five business days of signing the investment advisory contract or family office agreement. Thereafter, clients may terminate the investment management agreement and family office agreement generally within 30 days' written notice. Upon termination of the

contract, the final fees will be charged prorated based upon the number of days the account was open.

There is a difference between financial planning fee and asset-based management fees on portfolio management and family office. Financial planning fee is up to \$5000 for fixed fee per plan, negotiable with clients. 100% of the financial planning fee is paid in advance by check. Asset-based management fees for either portfolio management or family office are charged at the end of every quarter. For example, \$1M asset under management with 1% portfolio management fee will be charged a 0.25% asset management fee as the end of each quarter, based on account value. Asset-based management fees are paid in arrears.

### ***Payment of Performance-Based Fees***

Performance-based fees are withdrawn directly from the client's accounts with client's written authorization. Fees are paid on an annual basis in arrears.

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

This brochure describes TGA's non-wrap fee advisory services; clients utilizing TGA's wrap fee portfolio management should see the separate Wrap Fee Program Brochure for additional details regarding third party fees. Client accounts not participating in the wrap fee program are responsible for the payment of all third-party fees (i.e., custodian fees, commissions, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by TGA. Please see Item 12 of this brochure regarding broker/custodian.

## **D. Prepayment of Fees**

We do not accept prepayment fees for portfolio management or family office services.

### ***Fee Prepayment for Financial Planning***

If this Agreement is terminated prior to completion of the financial planning services, then client will be responsible for paying the prorated fee for work completed but unpaid (if any) at the time termination becomes effective. TGA will deliver upon termination that portion of the plan that has been prepared.

Refunds for fees paid in advance will be returned within fourteen days to the client via check or return deposit back into the client's account.

Fixed fees that are collected in advance will be refunded based on the prorated amount of work completed at the point of termination.

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

Many supervised persons of TGA are registered representatives of a broker-dealer and/or insurance agents. In these roles, they accept compensation for the sale of investment products to TGA clients.

### ***1. This is a Conflict of Interest***

Supervised persons may accept compensation for the sale of investment products, including asset-based sales charges or service fees from the sale of mutual funds to TGA's clients. This presents a conflict of interest and gives the supervised person an incentive to recommend products based on the compensation received rather than on the client's needs. When recommending the sale of investment products for which the supervised persons receive compensation, TGA will document the conflict of interest in the client file and inform the client of the conflict of interest.

### ***2. Clients Have the Option to Purchase Recommended Products from Other Brokers***

Clients always have the option to purchase TGA recommended products through other brokers or agents that are not affiliated with TGA.

### ***3. Commissions are not TGA's primary source of compensation for advisory services***

Commissions are not TGA's primary source of compensation for advisory services.

### ***4. Advisory Fees in Addition to Commissions or Markups***

Advisory fees that are charged to clients are not reduced to offset the commissions or markups on investment products recommended to clients.

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

TGA manages accounts that are billed on performance-based fees (a share of capital gains on or capital appreciation of the assets of a client) as well as accounts that are NOT billed on performance-based fees. Managing both kinds of accounts at the same time presents a conflict of interest because TGA or its supervised persons have an incentive to favor accounts for which TGA and its supervised persons receive a performance-based fee. TGA addresses the conflicts by ensuring that clients are not systematically advantaged or disadvantaged due to the presence or absence of performance-based fees. TGA seeks best execution and upholds its fiduciary duty for all clients.

Clients that are paying a performance-based fee should be aware that investment advisers have an incentive to invest in riskier investments when paid a performance-based fee due to the higher risk/higher reward attributes.

## Item 7: Types of Clients

TGA generally provides advisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Pooled Investment Vehicles
- ❖ Pension and Profit-Sharing Plans
- ❖ Charitable Organizations
- ❖ Corporations or Business Entities

There is an account minimum of \$100,000, which may be waived by TGA at its discretion.

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

### A. Methods of Analysis and Investment Strategies

#### *Methods of Analysis*

TGA's methods of analysis include Cyclical analysis, Fundamental analysis and Quantitative analysis.

**Cyclical analysis** involves the analysis of business cycles to find favorable conditions for buying and/or selling a security.

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

**Quantitative analysis** deals with measurable factors as distinguished from qualitative considerations such as the character of management or the state of employee morale, such as the value of assets, the cost of capital, historical projections of sales, and so on.

#### *Investment Strategies*

TGA uses long term trading, short term trading, and options trading (including covered options, uncovered options, or spreading strategies).

TPS Structured Alpha 2x: The strategy uses the diversified portfolio of asset classes as collateral seeking to harvest the spread between implied and realized volatility through

actively selling options on S&P 500 Index (SPX) with 2x leverage. To aim to mitigate the risk, the strategy will temporarily exit the market to avoid possible volatility spikes utilizing a proprietary timing signal. A Performance Based Fee will be charged to this strategy and is only available for qualified clients (a separate questionnaire will be provided to identify)

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

## **B. Material Risks Involved**

### *Methods of Analysis*

**Cyclical analysis** assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with 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, then it changes the very cycles these investors are trying to exploit.

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

**Quantitative analysis** Investment strategies using quantitative models may perform differently than expected as a result of, among other things, the factors used in the models, the weight placed on each factor, changes from the factors' historical trends, and technical issues in the construction and implementation of the models.

### *Investment Strategies*

TGA's use of options trading generally holds greater risk, and clients should be aware that there is a material risk of loss using any of those strategies.

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

**Options 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 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.

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

### **C. Risks of Specific Securities Utilized**

TGA's use of margin transactions and options trading generally holds greater risk of capital loss. Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) are not guaranteed or insured by the FDIC or any other government agency.

**Mutual Funds:** Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond "fixed income" nature or stock "equity" nature.

**Equity** investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.

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

**Exchange Traded Funds (ETFs):** An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance. Precious Metal ETFs (e.g., Gold, Silver, or Palladium Bullion backed "electronic shares" not physical metal) specifically may be negatively impacted by several unique factors, among them (1) large sales by the official sector which own a significant portion of aggregate world holdings in gold and other

precious metals, (2) a significant increase in hedging activities by producers of gold or other precious metals, (3) a significant change in the attitude of speculators and investors.

**Real estate** funds (including REITs) face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.

**Annuities** are a retirement product for those who may have the ability to pay a premium now and want to guarantee they receive certain monthly payments or a return on investment later in the future. Annuities are contracts issued by a life insurance company designed to meet requirement or other long-term goals. An annuity is not a life insurance policy. Variable annuities are designed to be long-term investments, to meet retirement and other long-range goals. Variable annuities are not suitable for meeting short-term goals because substantial taxes and insurance company charges may apply if you withdraw your money early. Variable annuities also involve investment risks, just as mutual funds do.

**Options** are contracts to purchase a security at a given price, risking that an option may expire out of the money resulting in minimal or no value. An uncovered option is a type of options contract that is not backed by an offsetting position that would help mitigate risk. The risk for a “naked” or uncovered put is not unlimited, whereas the potential loss for an uncovered call option is limitless. Spread option positions entail buying and selling multiple options on the same underlying security, but with different strike prices or expiration dates, which helps limit the risk of other option trading strategies. Option transactions also involve risks including but not limited to economic risk, market risk, sector risk, idiosyncratic risk, political/regulatory risk, inflation (purchasing power) risk and interest rate risk.

**Structured products**, are securities derived from, based on, or linked to a single security, a basket of securities, an index, a commodity or group of commodities, a foreign currency or group of foreign currencies, changes to prevailing interest rates, a debt issuance, or other underlying or reference asset. Structured products generally do not represent ownership of any portfolio of assets but instead the product issuer’s promise to pay, which is linked to the performance of the underlying or reference asset. Most structured products offer the potential to pay an interest or coupon rate above the prevailing market rate and are used as tools by high-net-worth investors for portfolio diversification. Structured products provide investors with highly targeted investments that are tied to a specific risk profile, return requirements and market expectations. Structured products can be in the form of certificates of deposit issued by a bank and protected by FDIC insurance (subject to applicable limits), which are often called “structured CDs”, or in the

form of a note or other debt security (“structured note”), which is not FDIC insured and may or may not otherwise offer any principal protection.

**Non-U.S. securities-** present certain risks such as currency fluctuation, political and economic change, social unrest, changes in government regulation, differences in accounting and the lesser degree of accurate public information available.

**Digital Assets (ex. cryptocurrencies and tokens)** are a digital representation of value that functions as a medium of exchange, a unit of account, or a store of value, but it does not have legal tender status. Digital assets are not backed nor supported by any government or central bank. The price of digital assets is completely derived by market forces of supply and demand, and it is more volatile than traditional currencies and financial assets. Investing in digital assets comes with significant risk of loss that a client should be prepared to bear, including, but not limited to, volatile market price swings or flash crashes, market manipulation, economic, regulatory, technical, and cybersecurity risks. In addition, digital asset markets and exchanges are not regulated with the same controls or customer protections available in equity, option, futures, or foreign exchange investing. Associated risks include:

- **Volatility Risk:** Digital assets are a speculative and volatile investment asset. Investors should be prepared for volatile market swings and prolonged bear markets. Digital assets can have higher volatility than other traditional investors such as stocks and bonds and market movements can be difficult to predict.
- **Economic Risk:** The economic risk associated with digital assets are in the lack of widespread or continuing digital assets adoption. The market and investors could decide that digital assets should not be valued at the current market capitalization due to a variety of factors.
- **Regulatory Risk:** Digital asset could be banned or highly regulated by governments that would deter investors from buying or holding digital assets.
- **Technical Risk:** Digital assets are a dynamic network with a codebase that is updated to add new security and functionality features. The updated code that is merged by the core developers could potentially have an error that threatens the security or functionality of the digital asset network.
- **Cybersecurity Risk:** Digital asset exchanges and wallets have been hacked and digital assets have been stolen in the past. This is a potential risk that clients must be comfortable with when investing and holding digital currency. Theft is less likely when holding digital assets at a qualified custodian in offline systems (cold storage) with institutional security and controls.
- **Protocol and Governance Risk:** Tokens are a relatively recent technological innovation. Bitcoin is widely considered to be the first popular Token and was invented in 2009. Other Tokens in which we may invest were created after Bitcoin. There can be no assurance that the Token industry will continue in its current form. Tokens are generally created and supported by an underlying blockchain or protocol, such as the Bitcoin Protocol or the Ethereum Protocol. Any malfunction, malicious attack, breakdown or abandonment of the network may have an adverse effect on the Token’s protocol or network which could lead to loss of value of the Token. Moreover, advances in cryptography, or technical advances such as the development of quantum computing, could present risks to the



Tokens by rendering ineffective the cryptographic consensus mechanism that underpins a Token's protocol. There can be no assurance that changes or 19 developments in Token protocols will not adversely impact your Account. The protocols on which Tokens are based are generally open source (permissionless) software. Any user can download the software, modify it and then propose that users and miners of a specific Token adopt the modification. When a modification is introduced and a substantial majority of users and miners consent to the modification, the change is implemented and the Token's protocol and network remains uninterrupted. However, if less than a substantial majority of users and miners consent to the proposed modification, and the modification is not compatible with the software prior to its modification, the consequence would be what is known as a "fork" (i.e., "split") of the Token's network (and the Blockchain), with one prong running the pre-modified software and the other running the modified software. The effect of such a fork would be the existence of two versions of the Token's network running in parallel, but with each version's Token lacking interchangeability

- **Custodial and Exchange Risk.** The trading of Tokens is fragmented across several different exchanges. These exchanges are targets for distributed denial of services attacks (referred to as "DDoS Attacks") and other hacking attempts. Certain Token exchanges have experienced trading disruptions due to fraud, failure, security breaches and DDoS Attacks. In 2014, Mt. Gox, based in Japan and the then-largest Bitcoin exchange, was hacked and over \$450 million worth of Bitcoin was stolen, causing Mt. Gox to file for bankruptcy protection. In 2016, Bitfinex, an exchange based in Hong Kong, reported that approximately \$65 million worth of Bitcoin had been stolen during a security breach. In 2018, Coincheck, an exchange based in Japan, reported that approximately \$400 million worth of NEM tokens were stolen during a security breach. There can be no assurance that your Account Tokens will not be adversely affected by an attack on a Token exchange. Client accounts will hold Tokens in one or more digital "wallet" that Chimera Wealth, in its sole discretion, deems appropriate for any such Token. These wallets or accounts will be held at a qualified custodian. Storage of a Token in the digital wallet generally represents the public address associated with the underlying Blockchain, which is known as the "public key." In order to transfer a Token to or from the digital wallet, the controller of the wallet must also have the unique, private numerical code, often referred to as the "private key." To the extent a private key in respect of any Token is lost, destroyed, accessed by a third party or otherwise compromised and no backup of the private key is accessible, the Account or its custodian will be unable to transfer the Token held in the public wallet address associated with that private key. Consequently, such Tokens will effectively be lost, which could adversely affect the value of your portfolio. The custodian may periodically store Tokens in "hot wallets" which are connected to the internet to facilitate transactions in Tokens. Tokens stored in "hot wallets" may be more susceptible to theft or compromise than Tokens stored in other digital wallets. There can be no assurance the Token storage process will not be compromised.

**Hedge Funds** often engage in leveraging and other speculative investment practices that may increase the risk of investment loss; can be highly illiquid; are not required to provide periodic pricing or valuation information to investors; may involve complex tax structures and delays in distributing important tax information; are not subject to the same regulatory requirements as mutual funds; and often charge high fees. In addition, hedge funds may invest in risky securities and engage in risky strategies.

**Private Equity Funds:** In addition to the risks associated with hedge funds, there are risks specifically associated with investing in private equity. Capital calls can be made on short notice, and the failure to meet capital calls can result in significant adverse consequences, including but not limited to a total loss of investment.

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

## **Item 9: Disciplinary Information**

*Clients can obtain the disciplinary history, if any, of TGA and its representatives from the Massachusetts Securities Division upon request. Please also see below for a discussion of applicable disciplinary history.*

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

There are no criminal or civil actions to report.

### **B. Administrative Proceedings**

There are no administrative proceedings to report.

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

There are no self-regulatory organization proceedings to report.

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

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

TGA is under common control with Globalink Securities, Inc., a broker-dealer. Therefore, many supervised persons of TGA are registered representatives of Globalink Securities, Inc. and receive compensation for the sale of securities.

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

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

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

Many supervised persons of TGA are registered representatives of Globalink Securities Inc. and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. TGA always acts in the best interest of the client, including with respect to the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of TGA in such individual's capacity as a registered representative.

Many supervised persons of TGA are independent licensed insurance agents and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. TGA always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to utilize the services of any representative of TGA in connection with such individual's activities outside of TGA.

Philip Chengkuo Hu, Diane Shiou-Ing Liou, Paymin Irene Chang, Sichen Li and Bill Jianting Liou are a real estate brokers or dealer and from time to time, may offer clients advice or products from those activities and clients should be aware that these services may involve a conflict of interest.

TGA always acts in the best interest of the client and clients are in no way required to utilize the services of any representative of TGA in connection with such individual's activities outside of TGA.

Philip Chengkuo Hu is General Partner and Bill Jianting Liao is real estate and mortgage licensed under Golden Star d.b.a. Transglobal lending, a loan service company. Golden Star d.b.a. Transglobal lending is a broker for mortgage and commercial loan and is a servicing company for private lending (peer to peer lending) where they act as the middleman and recommend clients to Golden Star d.b.a. Transglobal lending. This presents a conflict of interest in that TGA or its related persons may receive more compensation from investment in the fund than from other investments. Nevertheless, TGA acts in the best interest of the client consistent with its fiduciary duties and clients are not required to invest if they do not wish to do so.

Golden Star, Inc. dba Transglobal Lending is a related company under common control with TGA. Golden Star provides lending services, however, these lending services are not offered to advisory clients of TGA.

Transglobal Advisory LLC is a manager of Typhos Structured Alpha LP, a private fund. TGA will recommend investments in this private fund to those clients for which

investment in the fund is in the client's best interest. This presents a conflict of interest in that TGA or its related persons may receive more compensation from investment in the fund than from other investments. Nevertheless, TGA acts in the best interest of the client consistent with its fiduciary duties and clients are not required invest in the private fund if they do not wish to do so.

ChihHan Chen is a managing member and owner at Typhos Investment Management LLC, an exempt reporting adviser that acts as the advisor to Typhos Structured Alpha LP, a private fund (as referenced above).

Qi Fang is the CEO of Q & Q Life Insurance Agency.

Shu Hsin Hsieh is a president at Faye Financial Inc..

Philip C. Hu is the President of Transglobal Retirement Services Inc. He spends approximately 10 hours per month on this activity.

Philip C. Hu is the President of Transglobal Private Lending. He spends approximately 5 hours per month on this activity.

Philip C. Hu is the President of Transglobal Payroll Services Inc. He spends approximately 5 hours per month on this activity.

Philip C. Hu is the Manager of Transglobal Tax Services LLC. He spends approximately 10 hours per month on this activity.

Philip C. Hu is the President of Transglobal Education Group. He spends approximately 5 hours per month on this activity.

All material conflicts of interest under California Code of Regulations Section 260.238(k) are disclosed regarding the investment adviser, its representatives or any of its employees, which could be reasonable expected to impair the rendering of unbiased and objective advice.

Transpacific Financial, Inc is a related insurance company under common control with TGA. The offer and sale of insurance products by supervised persons of Transpacific Financial, Inc. are not made in their capacity as a fiduciary, and products are limited to only those offered by certain insurance providers. Transpacific Financial, Inc. addresses this conflict of interest by requiring its supervised persons to act in the best interest of the client at all times, including when acting as an insurance agent. Transpacific Financial, Inc. periodically reviews recommendations by its supervised persons to assess whether they are based on an objective evaluation of each client's risk profile and investment objectives rather than on the receipt of any commissions or other benefits. Transpacific Financial, Inc. will disclose in advance how it or its supervised persons are compensated and will disclose conflicts of interest involving any advice or service provided. At no time will there be tying between business practices and/or services (a condition where a client

or prospective client would be required to accept one product or service conditioned upon the selection of a second, distinctive tied product or service). No client is ever under any obligation to purchase any insurance product. Insurance products recommended by Transpacific Financial, Inc.'s supervised persons may also be available from other providers on more favorable terms, and clients can purchase insurance products recommended through other unaffiliated insurance agencies.

Shuning Li is the owner/manager of Wintory Wealth LLC.

Patricia Harris is an accountant at Chang & Deka.

Patricia Harris is an advisor at Intuit.

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

TGA does not utilize nor select third-party investment advisers.

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

#### **A. Code of Ethics**

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

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

Transglobal Advisory LLC is a manager of Typhos Structured Alpha LP, a private fund. TGA will recommend investments in this private fund to those clients for which investment in the fund is suitable. This presents a conflict of interest in that TGA or its related persons may receive more compensation from investment in the fund than from other investments. Nevertheless, TGA acts in the best interest of the client consistent with its fiduciary duties and clients are not required invest in the private fund if they do not wish to do so.

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

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

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

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

## **Item 12: Brokerage Practices**

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

Custodians/broker-dealers will be recommended based on TGA's duty to seek "best execution," which is the obligation to seek execution of securities transactions for a client on the most favorable terms for the client under the circumstances. Clients will not necessarily pay the lowest commission or commission equivalent, and TGA may also consider the market expertise and research access provided by the broker-dealer/custodian, including but not limited to access to written research, oral communication with analysts, admittance to research conferences and other resources provided by the brokers that may aid in TGA's research efforts. TGA will never charge a premium or commission on transactions, beyond the actual cost imposed by the broker-dealer/custodian. TGA will require clients to use specific broker-dealer(s) to execute transactions and it is TGA's policy that all clients must utilize a broker-dealer approved by TGA. Not all advisers require their clients to direct brokerage. TGA will require that clients use a specific broker-dealer to execute transactions. By directing brokerage, TGA may be unable to achieve most favorable execution of client transactions which could cost clients money in trade execution. Not all advisers require or allow their clients to direct brokerage.

TGA will require clients to use Interactive Brokers LLC, Charles Schwab & Co., Inc. Advisor Services or Morgan Stanley.

Charles Schwab & Co., Inc. Advisor Services provides TGA 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 TGA 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 TGA other products and services that benefit TGA but may not benefit its clients' accounts. These benefits may include national, regional or TGA 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 TGA 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 TGA 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 TGA'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 TGA's accounts. Charles Schwab & Co., Inc. Advisor Services also makes available to TGA other services intended to help TGA 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 TGA 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 TGA. TGA is independently owned and operated and not affiliated with Charles Schwab & Co., Inc. Advisor Services.

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

TGA receives no research, product, or services other than execution from a broker-dealer or third-party in connection with client securities transactions ("soft dollar benefits").

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

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

TGA may have an incentive to select or recommend a broker-dealer based on our interest in receiving the research or other products or services, rather than on your clients' interest in receiving most favorable execution.

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

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

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

If TGA buys or sells the same securities on behalf of more than one client, then it may (but would be under no obligation to) aggregate or bunch such securities in a single transaction for multiple clients in order to seek more favorable prices, lower brokerage commissions, or more efficient execution. In such case, TGA would place an aggregate order with the broker on behalf of all such clients in order to ensure fairness for all clients; provided, however, that trades would be reviewed periodically to ensure that accounts are not systematically disadvantaged by this policy. TGA would determine the appropriate number of shares and select the appropriate brokers consistent with its duty to seek best execution, except for those accounts with specific brokerage direction (if any). Additionally, if TGA does not aggregate securities in a single transaction for multiple clients when buying or selling the same securities on behalf of more than one client, then TGA may be unable to achieve most favorable execution of client transactions, which could cost clients money in trade execution.

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

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

All client accounts for TGA's advisory services provided on an ongoing basis are reviewed at least quarterly by Yong Wang, Chief Compliance Officer, with regard to clients' respective investment policies and risk tolerance levels. All accounts at TGA are assigned to this reviewer.



All financial planning accounts are reviewed upon financial plan creation and plan delivery by Yong Wang, Chief Compliance Officer. There is only one level of review for financial planning, and that is the total review conducted to create the financial plan.

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

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

With respect to financial plans, TGA's services will generally conclude upon delivery of the financial plan.

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

Each client of TGA's advisory services provided on an ongoing basis will receive a quarterly report detailing the client's account, including assets held, asset value, and calculation of fees. This written report will come from the custodian.

Each financial planning client will receive the financial plan upon completion.

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

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

Other than benefits as described in Item 12 above, TGA does not receive any economic benefit, directly or indirectly from any third party for advice rendered to TGA clients.

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

TGA does not compensate non-advisory personnel (solicitors) for client referrals.

### **Item 15: Custody**

When advisory fees are deducted directly from client accounts at client's custodian, TGA will be deemed to have limited custody of client's assets. Because client fees will be withdrawn directly from client accounts, in states that require it, TGA will:

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

(B) Send the qualified custodian written notice of the amount of the fee to be deducted from the client's account and verify that the qualified custodian sends invoices to the client.

(C) Send the client a written invoice itemizing the fee upon or prior to fee deduction, including the formula used to calculate the fee, the time period covered by the fee and the amount of assets under management on which the fee was based.

Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy. Clients are urged to compare the account statements they received from custodian with those they received from TGA.

Golden Star, Inc. dba Transglobal Lending is a related company under common control with TGA. Golden Star provides lending services, however, these lending services are not offered to advisory clients of TGA.

TGA may also be deemed to have custody over the funds and securities invested in the pooled investment vehicle that TGA manages.

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

TGA provides discretionary and non-discretionary portfolio management services to clients. The investment management agreement established with each client sets forth the discretionary authority for trading and clients will execute a limited power of attorney to evidence discretionary authority. Where investment discretion has been granted, TGA generally manages the client's account and makes investment decisions without consultation with the client as to when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, what securities to buy or sell, or the price per share. In some instances, TGA's discretionary authority in making these determinations may be limited by conditions imposed by a client (in investment guidelines or objectives, or client instructions otherwise provided to TGA).

In addition, TGA provides Non-Discretionary, Non-Trading Management portfolio management services to clients. With this service TGA will not have discretionary authority and will not purchase or sell securities. It is up to clients to implement transitions since TGA will not enter trades on behalf of the client.

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

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

## **Item 18: Financial Information**

### **A. Balance Sheet**

TGA neither requires nor solicits prepayment of more than \$500 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet with this brochure.

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

Neither TGA nor its management has any financial condition that is likely to reasonably impair TGA's ability to meet contractual commitments to clients.

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

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

## **Item 19: Requirements for State Registered Advisers**

### **A. Principal Executive Officers and Management Persons; Their Formal Education and Business Background**

The education and business backgrounds of TGA's current management persons, Philip Chengkuo Hu, Diane Shiou-Ing Liou, Joseph Lee, Chinhan Chen and Yong Wang can be found on the Form ADV Part 2B brochure supplements for those individuals. Form ADV Part 2B will be delivered in conjunction with Form ADV Part 2A.

### **B. Other Businesses in Which This Advisory Firm or its Personnel are Engaged and Time Spent on Those (If Any)**

Other business activities for each relevant individual can be found on the Form ADV Part 2B brochure supplement for each such individual.

### **C. Calculation of Performance-Based Fees and Degree of Risk to Clients**

TGA accepts performance-based fees, fees based on a share of capital gains on or capital appreciation of the assets of a client.

Total Assets	Annual Management Fee (On all assets managed)	Annual Performance Fee (On capital appreciation)
All Assets	1.00%	20%

Clients that are paying a performance-based fee should be aware that investment advisers have an incentive to invest in riskier investments when paid a performance-based fee due to the higher risk/higher reward attributes

#### **D. Material Disciplinary Disclosures for Management Persons of this Firm**

No management person at TGA or TGA has been found liable in an arbitration claim or been found liable in a civil, self-regulatory organization, or administrative proceeding that is material to the client's evaluation of the firm or its management.

#### **E. Material Relationships That Management Persons Have with Issuers of Securities (If Any)**

See Item 10.C and 11.B.