

**Item 1 – Cover Page**



**FINIAT, LLC**

**Form ADV Part 2A Disclosure Brochure**

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**November 14, 2023**

**This Form ADV Part 2A Brochure (“Brochure”) provides information about the qualifications and business practices of FINIAT, LLC (“FINIAT”). If you have any questions about the contents of this brochure, please contact us at 352-729-2739. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority. Registration with the SEC does not imply that FINIAT or any individual providing investment advisory services on behalf of FINIAT possess a certain level of skill or training.**

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

## Item 2 – Material Changes

This item discusses specific material changes to FINIAT, LLC (“FINIAT” or the “Firm”) which are described further in its Form ADV Part 2A Disclosure Brochure (or “Brochure”) herein. As this Brochure represents the initial filing for registration as an investment adviser with the U.S. Securities and Exchange Commission (“SEC”), the Firm does not have any information to communicate in this item.

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## Item 4 – Advisory Business

**FINIAT, LLC (“FINIAT”, the “Firm” or the “Adviser”)**, a is a privately held limited liability company organized under the laws of Florida. As of the date of this Brochure, the Firm is applying for registration as an investment adviser with the with the U.S. Securities and Exchange Commission (“SEC”) under the “Internet Adviser” provision. Robert Bandy is the founder, owner, Chief Executive Officer (“CEO”) and Chief Investment Officer (“CIO”) of FINIAT.

As of date of this Brochure, FINIAT does not manage any regulatory assets under management (“RAUM”) on a discretionary or non-discretionary basis. Our Firm does not provide continuous oversight of portfolios for which we render advisory services.

The following paragraphs describe our services and fees. Refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs. As used in this Form ADV Part 2A Brochure (or “Brochure”), the words “we,” “our,” and “us” refer to FINIAT and the words “you,” “your,” and “Client” refer to you as either a client or prospective client of our Firm.

### **Portfolio Management Services & Types of Investments**

FINIAT offers advisory services exclusively to clients through web-based applications that are part of our Firm’s proprietary online platform. Through our interactive web-based application, clients may accept the investment portfolio models and follow-on signals which provide ongoing investment orders or use our proprietary online platform to design their own proprietary models independently with the use of our technology resources. In the latter circumstances, clients input their desired investment strategies, asset mix, portfolio allocations and risk tolerance to implement portfolio models.

#### *Outsourced Chief Investment Officer (“OCIO”) Services.*

FINIAT offers customized OCIO services for financial institutions, including registered investment advisers and other institutional investors. For more information on FINIAT’s OCIO Services, visit our website at <https://www.finiat.com>.

#### *Portfolio Models/Investment Signals*

FINIAT provides both portfolio models along with investment instructions (or “signals”) to clients for use with the products or service offerings made available through their organization. The portfolio models are developed using our Firm’s technology platform whereas the signals are created through the use of our quantitative modeling programs.

FINIAT provides portfolio models/investment signals to our clients, which are primarily other financial institutions including SEC and state registered investment advisors, in manner that is customized based on their needs and investment strategies. FINIAT does not maintain discretionary or non-discretionary investment authority for our client’s underlying investor accounts that utilize the signals furnished. In providing the signals to our clients (each an “investment adviser” and collectively “investment advisers”), FINIAT performs these services through a contractual arrangement in which the fiduciary obligation resides with the primary investment adviser of the underlying clients’ accounts.

### *White Label ETFs*

FINIAT offers its proprietary investment strategies as a service to other sponsors of ETFs that are interested in innovative ideas to offer to investors. For more information, visit our website at <https://finiat.com>.

### *Wrap Programs*

FINIAT does not serve as a portfolio manager or sponsor of any WRAP fee program ("WRAP Program"). FINIAT however, may provide advisory services to investment managers that do participate as a portfolio manager and/or sponsor of a WRAP Program.

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

FINIAT generally limits its investment advice and/or money management techniques offered to equities, including exchange traded funds ("ETFs"), common stocks, master limited partnerships ("MLPs"), and fixed income securities, including bonds, exchange traded notes ("ETNs"), convertible securities, and securities issued by the U.S. government or agencies thereunder. FINIAT may use other securities as well to help diversify a portfolio where necessary. In designing their portfolio models independent of our direct investment management services, clients are also limited to the similar mix of securities attendant to FINIAT-created portfolio models.

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

Due to the nature of FINIAT's advisory services, which can invest in a number of different securities and security types at any time, the client may impose only reasonable investment restrictions and other guidelines or limitations on our Firm. Such latitude however may be restricted in situations where FINIAT is engaged with clients to provide investment signals to registered investment companies, such as ETFs that are governed by prospectus requirements and other pooled investment vehicles that are subject to offering documents that set limitations for investors. Where applicable, a restriction or limitation request will not be honored if it is fundamentally inconsistent with FINIAT's investment philosophy, but such client may be directed to design their portfolio models independently with the use of our Firm's technology resources and ongoing web-based investment signals that are aligned with the client's guidelines, restrictions and/or limitations. It is in FINIAT's sole and absolute discretion whether or not to accept such restrictions, guidelines or limitations.

### **Conflicts of Interests**

Securities Transactions. Due to inherent differences amongst FINIAT client account objectives, benchmarks, time horizons, platforms, and fees, a conflict exists whereupon the execution of securities transactions for certain accounts may negatively impact securities values of other client portfolios resulting in varying performance results.

Portfolio Composition. FINIAT investment personnel provide web-based portfolio construction and ongoing investment signals for clients while other clients are permitted to engage our services to develop their own portfolio models using our proprietary portfolio management technology. A conflict exists whereupon our Firm's investment personnel is dedicated to providing signals that are designed to meet the original composition of

portfolios that were constructed by FINIAT whereas independently created models are designed without our Firm's direct input. As such, a conflict exists in which our Firm's investment personnel and support team has allocated more time to certain clients for which FINIAT develops the original portfolio model than is the case for independently created models.

*Incentive Fees.* A conflict exists where FINIAT is providing advisory services to clients that may compensate our with an incentive or performance-based fees as our Firm also provides advisory services to clients that do not provide us with performance-based fees. The management of performance-based fee client accounts and non-performance-based fee client accounts (or "side-by-side management") creates an incentive for our Firm to have preferential treatment for the performance-based fee accounts. To mitigate this conflict, FINIAT maintains policies and procedures governing side-by-side management practices (as also described in Item 6 below).

## **Item 5 – Fees and Compensation**

### **Outsourced Chief Investment Officer ("OCIO") Services**

The fees and compensation payable to FINIAT for Portfolio Model is based upon the percentage of assets under advisement ("AUA") in the underlying written agreement. OCIO services through FINIAT are customized to the specific investment offering and require a greater degree of consultation with the client than do other services offered by our Firm.

In these circumstances, FINIAT develops both the underlying portfolio models used for the product or service offering as well as ongoing signals used in the portfolio management of the investment. Fees range based on the complexity of advisory services furnished to the client. For example, while the asset-based fees for clients vary, the charges assets are greater where upon the portfolio model construction and ongoing signals provided include individual securities, such as common stocks, in comparison to the exclusive use of ETFs for model composition. Another component of the overall management fee is based upon the sophistication of the technology frequency required to exercise the client's portfolio models which, in general, mandates that FINIAT personnel and its technology resources which correlates to higher levels of time expenditure thereby increasing cost of services. Fees typically range from .70 (.70%) basis points to 200 (2.00%) basis points of AUA plus, where attained, an additional 20% of profits where our Firm has achieved the incentive fee established.

### **Portfolio Models/Investment Signals**

FINIAT offers the portfolio models that our Firm develops as a customized service for clients who, in turn, may use the portfolio models themselves for their investment offerings as a standalone service or utilize the portfolio models along with on itself or in combination with FINIAT's ongoing investment signal services. The services inclusive of Portfolio Models and Investment Signals are made accessible to our clients through a licensing agreement and the applicable fees vary based on the complexity and scope of services facilitated by our Firm. The fees themselves are assessed as a percentage of the AUA for the product or service offerings for which the model(s)/signals are supplied for our institutional clients and, while negotiable, typically range from .05%-0.70%.

## **White Labeled Exchange Traded Funds (“ETFs”)**

FINIAT provides advisory services for ETFs for which the sponsor uses our portfolio models and ongoing investment signals for ETFs they serve as investment manager or, as an alternative, leverage our proprietary technology to develop portfolio models and use our software to exercise follow-on investment signals. Commonly, these ETFs are referred to as “White Labeled ETFs” and for providing such services to the investment managers and/or sponsor, FINIAT assesses fees that range from 0.15% to 0.50% of the AUA attendant to the product or service offering managed by our clients. Such fees imposed by FINIAT do not include the fees assessed by the investment manager and other relevant charges or expenses imposed on such ETFs including administration, custodial, marketing, and distribution service fees. Generally, these fees are generated to compensate the ETF investment manager and services provided to the fund that are facilitated by other financial institutions who receive payment from the fund as described in the applicable prospectus and statement of additional information. The sponsor of the ETFs imposes other charges including acquired fund fees and expenses that vary in terms of the assessed level basis points and total annual fund operating expenses that also range depending on the investment product offering. For more information about fees, expenses and charges, investors should refer to the fee table in the applicable prospectus.

## **Separately Managed Accounts**

FINIAT offers its advisory services to registered investment advisers (“RIAs”) that serve as the primary investment adviser for separately managed accounts (“SMAs”) or WRAP Program Accounts.

FINIAT does not directly offer its advisory services to clients other than institutional investors and therefore does not maintain relationships with any “retail investors” (as that term is defined by the SEC) directly. Advisory fees are charged by the RIA and/or WRAP Sponsor and investors should review the offering materials that describe the services provided and attendant fees. Further, SMAs and WRAP Program Accounts may impose additional charges inclusive of commissions for trade executive services, third-party management fees for non-proprietary ETFs, custodial fees and technology fees are not assessed directly by the RIA but will be absorbed by the client as applicable.

For SMAs/WRAP Program Accounts, FINIAT charges fees based upon a percentage of the AUA for the offering which, while negotiable, typically range from .05%-2.00%.

## **Additional Fees and Expenses**

Fees other than the asset-based fees discussed above may be imposed by FINIAT including technology fees, platform fees or user fees (together “Other Fees”). These Other Fees will be contingent upon the individualized platform or service offerings and shall be disclosed in the written agreement between FINIAT and the client (or other interested entity where a tri-party is required).

## **Custodian, Trading, and Other Costs**

All fees paid to FINIAT for investment advisory services (whether primary investment adviser or sub-adviser) are separate and distinct from transaction fees charged by RIAs,

WRAP Program Sponsors, ETF Managers and broker-dealers associated with the purchase and sale of equity securities and options. Other fees charged to investors in addition to the Firm's management fee (which may be inclusive of the Sub-Adviser's fee) include transaction fees, deferred sales charges, wire transfer fees, documentation preparation fees, operating expenses for the registered investment companies or other pooled investment vehicles offering(s), acquired fund fees and expenses. Moreover, management fees do not generally include the services of any co-fiduciaries, accountants, broker dealers or attorneys that may be engaged.

### **Termination and Refunds**

FINIAT does not deduct investment management fees directly from its clients. Clients may terminate their agreement with our Firm under the applicable terms and provisions of the contract. Clients are invoiced by FINIAT under the terms of the agreement; however, our Firm will provide a refund where subject under such agreements which generally required 30 days advanced notice in writing from our clients.

### **Payment of Fees**

FINIAT does not deduct any fees directly from its clients but will transmit an invoice in accordance with the terms and provision of the applicable contractual agreement. As such, fees owed to FINIAT by our clients may be paid in advance or arrears and on either a monthly or quarterly basis.

### **Important Additional Information**

FINIAT, in its sole and absolute discretion, retains the right to modify fees paid by clients subject to proper notification in writing and in advance of 30 days. In addition, the fees assessed by FINIAT in exchange for the advisory services it renders is determined on a client-by-client basis which includes, among other, the size, complexity and nature of the advisory services provided. As a general standard, FINIAT retains the fees outlined in the Firm's investment management agreement without material changes made except in extraordinary circumstances such as a substantial increase or decrease in assets managed or implementation of more complex investment strategy.

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

FINIAT, under specific contractual arrangements with our clients, may be entitled to a performance-based or incentive fee which typically, if achieved, results in our Firm being compensation an additional 20% of the AUA in excess of our standard advisory fee.

FINIAT does maintain policies and procedures relevant to side-by-side management which refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees.

Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account and are available to investors meeting established criteria (i.e., "qualified clients" as defined under the Advisers Act). It is possible that clients of FINIAT may impose performance-based fees for certain product offerings for which our Firm

provides portfolio models and/or ongoing investment signals. FINIAT does not receive any remuneration in the form of an incentive fee for its services to such clients.

## **Item 7 – Types of Clients**

FINIAT provides investment management services through an investment management agreement with other financial institutions, including insurance companies, registered investment advisers, collective investment trust (under an agreement with the sponsor), hedge funds, pooled investment vehicles, and registered investment companies. FINIAT does not provide customized investment advice to individuals, high net worth individuals, pension and profit-sharing plans, trusts, estates, charitable organizations, corporations and other types of business entities; however, such investors typically invest in the SMAs or WRAP Program Accounts offered by FINIAT's clients directly.

### **Engaging the Services of FINIAT**

All financial institutions, including SEC and state-registered investment advisers, must first execute an investment management agreement that provides FINIAT with instructions and conditions for rendering OCIO services, portfolio model development and/or web-based investment signals.

### **Conditions for Advising Clients**

FINIAT does not open advisory accounts for our Firm's clients. FINIAT relies upon the client to open advisory services or establish fund offerings for which our Firm then provides OCIO or other services. FINIAT does not require a minimum account size for which it will provide advisory services nor does our Firm mandate a minimum dollar amount in advisory fees per annum; however, our Firm's clients may otherwise impose a minimum account size or dollar amount in advisory fees to their investors, FINIAT reserves the right to refuse any client engagement for any reason at its sole discretion.

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

### **Methods of Analysis**

FINIAT utilizes a proprietary web-based technology that produces quantitative models and investment signal generation which are then delivered electronically to our clients. FINIAT does not directly provide portfolio management to our clients but rather furnishes signals that our clients, in turn, use to perform account management for their respective clients.

FINIAT's web-based technology is designed to process large amounts of data, including high-level information regarding global economies, financial markets, and issuer or security level details, and other pertinent items. FINIAT uses this data to extract the essential components necessary to develop real and analytical signals that are used to inform the composition and ongoing allocation of portfolio models developed internally by our Firm or for which our clients may independently create with the assistance of FINIAT's technology.

FINIAT's technology uses analytics that are unbiased and exclusively data driven to generate factors using our proprietary methods rather than otherwise commonly used factors that are attendant to less customized modeling, such as:

- Factor investing: Targets the specific drivers of return—like value, size, and momentum—to create portfolios; and
- Risk parity: Aims to balance portfolios by allocating assets based on risk rather than capital.

In pursuit of its goal to proactively anticipate and adapt to rapidly changing market conditions, FINIAT's quantitative model development strives to compensate for the limitations of traditional modeling through its in-house capacity to harness the following criteria in our analytical approach towards investing:

1. **Quantitative Analysis (Statistical and Econometric Modeling):** Our approach heavily relies on advanced statistical and econometric models. We employ techniques such as multivariate regression, time-series analysis, and machine learning algorithms to analyze financial data. This involves assessing factors and/or latent variables as well as fundamentals and characteristics specific to the asset. The goal is to identify patterns and relationships that are not readily apparent, enabling us to forecast market trends and stock movements with higher precision.
2. **(Dynamic Asset Allocation):** This strategy is grounded in adaptive asset allocation models, which adjust portfolio compositions in response to market volatility and economic indicators. We utilize methods such as Markov Regime Switching models and dynamic conditional correlation analysis to identify shifts in market conditions. This approach allows for real-time portfolio adjustments, ensuring that asset allocation remains optimal in varying market scenarios.
3. **(Optimization and Diversification):** Managing portfolios with a broad range of stocks (70 to 150) derived from ETFs, we utilize portfolio optimization techniques like mean-variance optimization and stochastic programming. These methods help in achieving an efficient frontier, balancing the trade-off between risk and return. We also apply diversification strategies, using tools like principal component analysis and cluster analysis to ensure that the portfolio is not overly concentrated in certain sectors or risk factors.

In conducting its analysis, FINIAT generally utilizes the following sources of data and information: proprietary quantitative models, economic reports, Thomson Reuters, financial publications, annual reports, prospectuses, and filings with the U.S. Securities and Exchange Commission, data services, and company press releases.

FINIAT provides advisory services solely to Institutional Investors and therefore are not customized to the specific profiles of a singular Retail Investor as that term is defined by the SEC. Our Firm, therefore, does not make its securities recommendations based on a thorough review of an investor's/client's objectives, financials, and risk tolerances as is customarily enacted by advisers that tailor their advisory services to individual clients. FINIAT will make its investment strategies available through our Firm's licensed proprietary investment management software which is delivered to clients exclusively through web-based applications.

FINIAT has developed and managed investment strategies including the following specific investment offerings for use with clients:

- Domestic Equity
- Global Equity
- Domestic Fixed Income
- Balanced Portfolio
- Core Portfolio
- Growth Portfolio
- Value Portfolio
- Dividend Income Portfolio

## **Risks Associated with Investment Strategies and Methods of Analysis**

In analyzing securities, FINIAT uses quantitative models to generate investment signals for its clients based upon methods that rely on the assumption that the companies whose securities the client(s) purchases and sells, the rating agencies that review these securities, and other publicly available sources of information about these securities, are providing accurate and unbiased data. While the Firm is alert to indications that data may be incorrect, there is always the risk that FINIAT's analysis may be compromised by inaccurate or misleading information.

*Quantitative Tools Risk.* FINIAT's investment techniques generally incorporate and/or rely upon, quantitative models that rely upon an disciplined, consistent rules-based algorithm with an overlay of adaptive technology. There is no guarantee that these models will generate accurate forecasts, reduce risks, or otherwise produce the intended results.

*Investment Risk.* Investing in securities involves risk of loss that each client should be prepared to bear. The value of a client's investment may be affected by one or more of the following risks, any of which could cause a client's portfolio return, the price of the portfolio's shares or the portfolio's yield to fluctuate.

*Market and Geopolitical Risk.* The value of portfolio assets will fluctuate as the stock or bond market fluctuates. The value of investments may decline, sometimes rapidly and unpredictably, simply because of economic changes or other events that affect large portions of the market. Furthermore, the increasing interconnectivity between global economies and financial markets increases the likelihood that events or conditions in one region or financial market may adversely impact issuers in a different country, region or financial market. Securities in a portfolio may underperform due to inflation (or expectations for inflation), interest rates, global demand for particular products or resources, natural disasters, pandemics, epidemics, terrorism, regulatory events and governmental or quasi-governmental actions.

*Interest Rate Risk.* Changes in interest rates will affect the value of a portfolio's investments in fixed income securities. When interest rates rise, the value of investments in fixed income securities tend to fall and this decrease in value may not be offset by higher income from new investments. Interest rate risk is generally greater for fixed income securities with longer maturities or durations.

*Credit Risk.* An issuer, obligor or guarantor of a fixed income security, or the counterparty to a derivatives or other contract, may be unable or unwilling to make timely payments of interest or principal, or to otherwise honor its obligations. The issuer or guarantor may default causing a loss of the full principal amount of a security. The degree of risk for a

particular security may be reflected in its credit rating. There is the possibility that the credit rating of a fixed income security may be downgraded after purchase, which may adversely affect the value of the security. Investments in fixed income securities with lower ratings tend to have a higher probability that an issuer will default or fail to meet its payment obligations.

*Allocation Risk.* The allocation of investments among different asset classes may have a significant effect on portfolio value when one of these asset classes is performing more poorly than the others. As investments will be periodically reallocated, there will be transaction costs which may be, over time, significant.

*Valuation Risk.* Valuation risk is the risk that an entity suffers a loss when trading an asset or a liability due to a difference between the accounting value and the price effectively obtained in the trade. In other words, valuation risk is the uncertainty about the difference between the value reported in the balance sheet for an asset or a liability and the price that the entity could obtain if it effectively sold the asset or transferred the liability (the so-called “exit price”).

*Highly Volatile Markets.* The prices of financial instruments can be highly volatile. Price movements of forward and other derivative contracts are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies.

*Tail Risk.* Tail risk, sometimes called “fat tail risk,” is the financial risk of an asset or portfolio of assets moving more than three standard deviations from its current price, above the risk of a normal distribution. Tail risks include low-probability events arising at both ends of a normal distribution curve, also known as tail events.

*Active Trading Risk.* Active trading of securities may also increase the portfolio’s realized capital gains or losses, which may affect the taxes you pay as an investor.

*Hedging Transactions.* While an investor may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for the investor than if it had not engaged in any such hedging transactions.

*Liquidity Risk.* Liquidity risk exists when particular investments are difficult to purchase or sell, possibly preventing the investment manager or registered investment adviser from selling out of such illiquid securities at an advantageous price.

*Temporary Investments Risk.* To respond to adverse market, economic, political or other conditions, it is possible that the portfolio may invest 100% of its total assets, without limitation, in high-quality short-term debt securities and money market instruments. These short-term debt securities and money market instruments include: shares of money market mutual funds, commercial paper, certificates of deposit, bankers’ acceptances, and U.S. Government securities.

*Issuer Specific Risk.* The value of an equity security or debt obligation may decline in response to developments affecting the specific issuer of the security or obligation, even if the overall industry or economy is unaffected. These developments may comprise a variety of factors, including, but not limited to, management issues or other corporate disruption,

political factors adversely affecting governmental issuers, a decline in revenues or profitability, an increase in costs, or an adverse effect on the issuer's competitive position.

*Concentrated Portfolios Risk.* Certain investment strategies focus on particular asset classes, countries, regions, industries, sectors or types of investments. Concentrated portfolios are an aggressive and highly volatile approach to trading and investing. Concentrated portfolios hold fewer different stocks than a diversified portfolio and are much more likely to experience sudden dramatic price swings.

*Sector Risk.* Sector focus risk is the possibility that securities within the same sector will decline in price due to sector-specific market or economic developments.

*ESG Risk.* The ESG investment strategy limits the types and number of investment opportunities available and, as a result, the strategy may underperform other strategies that do not have an ESG focus.

### **Risks Associated with Specific Securities Utilized**

*Equity Securities:* The major risks associated with investing in equity securities relate to the company's capitalization, quality of the company's management, quality and cost of the company's services, the company's ability to manage costs, efficiencies in the manufacturing or service delivery process, management of litigation risk and the company's ability to create shareholder value (e.g., increase the value of the company's stock price).

*Exchange Traded Funds (ETFs) Risks.* ETFs are subject to risks similar to those of stocks. Investment returns will fluctuate and are subject to market volatility, so that when shares are sold they may be worth more or less than their original cost. ETF shares are bought and sold at market price (not Net Asset Value) and are not individually redeemed from the fund. The cost of investing in the Fund will be higher than the cost of investing directly in the ETFs in which it invests and may be higher than other mutual funds that invest directly in stocks and bonds.

*Inverse ETF Risk.* Inverse ETFs in which the Fund may invest seek to provide the inverse daily return of a particular index or group of securities. Over time, the Inverse ETF's returns may differ dramatically from the returns of the underlying index or group of securities. Longer holding periods and market volatility will exacerbate the differences in the Inverse ETF's returns compared to those of the index or group of securities. It is possible that an Inverse ETF may decline in value even when the value of the index or group of securities falls.

*Leveraged ETF Risk.* Investing in leveraged ETFs will amplify the Fund's gains and losses. Most leveraged ETFs "reset" daily. Due to the effect of compounding, their performance over longer periods of time can differ significantly from the performance of their underlying index or benchmark during the same period of time.

*Equity Mutual Funds Risks.* The major risks associated with investing in equity mutual funds is similar to the risks associated with investing directly in equity securities, including market risk, which is the risk that investment returns will fluctuate and are subject to market volatility, so that an investor's shares, when redeemed or sold, may be worth more or less than their original cost. Other risks include the quality and experience of the portfolio management team and its ability to create fund value by investing in securities that have positive growth, the amount of individual company diversification, the type and amount of

industry diversification and the type and amount of sector diversification within specific industries. In addition, mutual funds tend to be tax inefficient and therefore investors may pay capital gains taxes on fund investments while not having yet sold their shares in the fund.

*Initial Public Offerings Risk.* Investment in companies that have recently completed initial public offerings (“IPOs”) are subject to market risk including the possible loss of principals. These stocks are unseasoned equities lacking trading history, a track record of reporting to investors and widely available research coverage which may result in extreme price volatility.

*SPAC Risk.* Special Purpose Acquisition Companies (“SPACs”) are companies that may be unseasoned and lack a trading or operational history, a track record of reporting to investors, and widely available research coverage. Investments of SPACs through an IPO are common acquisition method. IPOs are thus often subject to extreme price volatility and speculative trading. These stocks may have above-average price appreciation in connection with the IPO. In addition, IPOs may share similar illiquidity risks of private equity and venture capital. The free float shares held by the public in an IPO are typically a small percentage of the market capitalization. The ownership of many IPOs often includes large holdings by venture capital and private equity investors who seek to sell their shares in the public market in the months following an IPO when shares restricted by lock-up are released, causing greater volatility and possible downward pressure during the time that locked-up shares are released. Public stockholders of SPACs may not be afforded a meaningful opportunity to vote on a proposed initial business combination because certain stockholders, including stockholders affiliated with the management of the SPAC, may have sufficient voting power, and a financial incentive, to approve such a transaction without support from public stockholders. As a result, a SPAC may complete a business combination even though a majority of its public stockholders do not support such a combination.

*Swaps Risks.* Investments in swaps (e.g. security based swaps) may involve greater risks than if an ETF or Mutual Fund had invested in the reference obligation directly. In addition to the risks applicable to derivatives generally, swaps (e.g. interest rate swaps, credit default swaps) involve special risks because they may be difficult to value and may be more susceptible to liquidity and credit risk.

*Fixed Income Mutual Funds Risks.* In addition to the risks associated with investing in equity mutual funds, fixed income mutual funds also carry the following risks: (1) Credit Risk – the risk that a company or bond issuer may fail to pay principal and interest payments in a timely manner; (2) Interest Rate Risk – the risk that the market value of the bonds will go down when interest rates rise; and (3) Prepayment Risk – the risk that a bond will be paid off early.

*Convertible Securities Risk.* Convertible securities subject each applicable investment that utilizes these instruments to the risks associated with both fixed income securities and equity securities. If a convertible security’s investment value is greater than its conversion value, its price likely increases when interest rates fall and decrease when interest rates rise. If the conversion value exceeds the investment value, the price of the convertible security will tend to fluctuate directly with the price of the underlying equity security.

*High Yield Bond Risk.* Lower-quality bonds, known as “high yield” or “junk” bonds, present a significant risk for loss of principal and interest. These bonds offer the potential for higher return, but also involve greater risk than bonds of higher quality, including an increased possibility that the bond’s issuer, obligor or guarantor may not be able to make its payments of interest and principal (credit quality risk). If that happens, the value of the bond may

decrease, and the Fund's share price may decrease and its income distribution may be reduced. An economic downturn or period of rising interest rates (interest rate risk) could adversely affect the market for these bonds and reduce the Fund's ability to sell its bonds (liquidity risk). Such securities may also include "Rule 144A" securities, which are subject to resale restrictions. The lack of a liquid market for these bonds could decrease the Fund's share price

*Indexed Funds Risks.* Indexed Funds have the potential to be affected by "tracking error risk" which means a deviation from a stated benchmark index. Since the core of a portfolio may attempt to closely replicate a benchmark, the source of the tracking error (deviation) may come from a "sample index" that may not closely align the benchmark. In addition, while many index mutual funds are known for their potential tax efficiency and higher "qualified dividend income" (QDI) percentages, there are assets classes within these funds or holding periods that may not benefit. Shorter holding periods, as well as commodities and currencies that may be part of a fund's portfolio, may be considered "non-qualified" under certain tax code provisions.

*Options Risks.* There are numerous risks associated with transactions in options on securities or securities indexes. A decision as to whether, when and how to use options involves the exercise of skill and judgment, and even a well-conceived transaction may be unsuccessful to some degree because of market behavior or unexpected events. In the case of index options, the client incurs basis risk between the performance of the underlying portfolio and the performance of the underlying index. For example, the underlying portfolio may decline in value while the underlying index may increase in value, resulting in a loss on the call option while the underlying portfolio declines as well.

*Managed Futures Risks.* Investments in long and short positions in commodity futures contracts, currency forward contracts, swaps and other derivatives can be volatile and may be less liquid than other securities and more sensitive to the effects of varied economic conditions.

*Alternative Investments Risks.* The performance of alternative investments (e.g., commodities, futures, hedge funds; funds of hedge funds, private equity or other types of limited partnerships) can be volatile. Alternative investments generally involve various risk factors and liquidity constraints, a complete discussion of which is set forth in the offering documents of each specific alternative investment. Due to the speculative nature of alternative investments a client must satisfy certain income or net worth standards prior to investing.

*Cash/Cash Equivalents Risk.* When a substantial portion of a portfolio is held in cash or cash equivalents, there is the risk that the value of the cash account, including interest, will not keep pace with inflation, thus reducing purchasing power over time.

*Foreign (Non-U.S.) Risk.* A portfolio's investments in securities of Non-U.S. (or foreign) issuers may involve more risk than those of U.S. issuers. These securities may fluctuate more widely in price and may be less liquid due to adverse market, economic, political, regulatory or other factors.

*Emerging Markets Risk.* Securities of companies in emerging markets may be more volatile than those of companies in developed markets. By definition, markets, economies and government institutions are generally less developed in emerging market countries.

Investment in securities of companies in emerging markets may entail special risks relating to the potential for social instability and the risks of expropriation, nationalization or confiscation. Investors may also face the imposition of restrictions on foreign investment or the repatriation of capital and a lack of hedging instruments.

*Currency Risk.* Fluctuations in currency exchange rates may negatively affect the value of a portfolio's investments or reduce its returns.

*Derivatives Risk.* Certain strategies involve the use of derivatives to create market exposure. Derivatives may be illiquid, difficult to price and leveraged so that small changes may produce disproportionate losses for a client's portfolio and may be subject to counterparty risk to a greater degree than more traditional investments. Because of their complex nature, some derivatives may not perform as intended. As a result, a portfolio may not realize the anticipated benefits from a derivative it holds, or it may realize losses. Derivative transactions may create investment leverage, which may increase a portfolio's volatility and may require the portfolio to liquidate portfolio securities when it may not be advantageous to do so.

*Capitalization Risk.* The earnings and prospects of micro-cap, small-cap and medium-cap sized companies are more volatile than larger companies and may experience higher failure rates than larger companies. Large-capitalization companies may be less able than smaller capitalization companies to adapt to changing market conditions. Large-capitalization companies may be more mature and subject to more limited growth potential compared with smaller capitalization companies. During different market cycles, the performance of large capitalization companies has trailed the overall performance of the broader securities market.

### **Additional Risks**

*Cybersecurity Risk.* The computer systems, networks and devices used by a registered investment adviser on behalf of its clients and its applicable service providers to carry out routine business operations employ a variety of protections designed to prevent damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches. Despite the various protections utilized by advisers and their service providers, systems, networks, or devices potentially can be breached. Cybersecurity breaches can include unauthorized access to systems, networks, or devices; infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. Cybersecurity breaches may cause disruptions and impact a business operations, potentially resulting in financial losses.

*Key Person Risk.* FINIAT is a small organization led by Robert Bandy, who serves as as CEO and CIO, and is primarily responsible for performing and overseeing several key functions including: (i) development of investment strategies and new product offerings; (ii) business development and client engagement; (iii) supervision of personnel; (iv) trading and research; and (v) operational risk assessments and service provider selection/monitoring. This fact of course leads to "key person risk," or the risk that something could happen to Mr. Bandy that negatively affects your portfolio and, in more severe situations, disrupt the continuation of firm services. To address key man risk, the Firm has undertaken succession planning yet investors should also consider that the composition of personnel within an organization may change over time or a firm may cease operations due to loss of key personnel (or "Key Person

Event”). When a Key Person Event occurs, there is a risk that new personnel or a successor organization may achieve less success than their predecessors.

*Geo-political conflicts.* International conflicts has led to, and is currently expected to continue to cause, disruption, instability and volatility in global markets and industries that could negatively impact the investment offering’s ability to achieve its pursued objectives. For example, the United States government and other governments have imposed severe sanctions and export controls against Russia and Russian interests and threatened additional sanctions and controls. The ultimate impact of such measures and Russia’s potential response to such measures as well as the effect of the conflict between Russia and Ukraine and the recent Israel-Hamas conflict on global economic and commercial activity and conditions and on the operations, financial condition and performance of the Fund, its portfolio companies or any particular industry, business, currency or country and the duration and severity of those effects, is impossible to predict and could adversely affect the Fund and its portfolio company investments.

*Pandemic Risk.* The recent COVID-19 pandemic has caused and continues to cause disruptions in economies and individual companies and volatility in financial markets throughout the world, including those in which advisers’ prospective investors or existing customers (collectively, “Clients”) invest. The impact of the pandemic and resulting economic disruptions may negatively impact the Clients and the performance of their portfolios due to, among other things, (i) interruption of business operations resulting from travel restrictions, reduced consumer spending, and quarantines of employees, customers and suppliers in areas affected by the outbreak, (ii) closures of manufacturing facilities, warehouses and logistics supply chains, and (iii) uncertainty about the duration of the virus’ impact on global financial markets. Governments and central banks throughout the world have responded to the pandemic and resulting economic disruptions with a variety of fiscal and monetary policy changes, including direct capital infusions into companies and other issuers, new monetary policy tools and lower interest rates, but the ultimate impact of these efforts is uncertain. It is not possible to determine the duration or severity of the disruption in financial markets or the long-term economic impact of the COVID-19 pandemic, or other future epidemics or pandemics, which may adversely affect the Clients’ performance and investment strategies and significantly reduce available investment opportunities.

*Legal or Legislative Risk.* Legislative changes or court rulings may impact the value of investments or the securities’ claim on the issuer’s assets and finances.

## **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a potential investor’s/client’s evaluation of FINIAT or the integrity of its management. FINIAT has no information applicable to this Item.

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

Registered investment advisers are required to disclose all material facts regarding other financial industry activities and affiliation that would be material to a potential investor’s/client’s evaluation of FINIAT. FINIAT has no information applicable to this Item.

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

### **Code of Ethics**

FINIAT has adopted a Code of Ethics that is designed to adhere to the principles set forth in Rule 204A-1 of the Investment Advisers Act of 1940 (“Advisers Act”) and to prevent violations of federal securities laws. FINIAT’s Code of Ethics is predicated on the principle that our Firm owes a fiduciary duty to its clients. Accordingly, FINIAT expects its management and its employees (collectively, “Supervised Persons”) to act with honesty, integrity and professionalism and to adhere to federal securities laws. All Supervised Persons of FINIAT and any other person who provides advice on behalf of FINIAT and is subject to our Firm’s control and supervision are required to adhere to the FINIAT-mandated Code of Ethics. At all times, FINIAT and its Supervised Persons must (i) place client interests ahead of FINIAT’s interests or their own personal interest; (ii) engage in personal investing that is in full compliance with FINIAT’s Code of Ethics; and (iii) avoid taking advantage of their position. A copy of FINIAT’s Code of Ethics is available to any client or prospective client upon request. For a copy, please contact FINIAT’s Chief Compliance Officer (“CCO”) at 352-729-2739.

### **Recommendations Involving Material Financial Interest**

FINIAT or its Supervised Persons may through personal securities accounts maintain a financial interest in an issuer or investment product offering that would ultimately benefit the Firm or individuals employed by the Firm through greater remuneration in comparison to other similar investments. Any actions taken by Supervised Persons to achieve the financial incentives presented under such situations, including purchasing the issuer or product in their personal accounts (or accounts of household members) are prohibited as they are inherently in contravention of our Firm’s Code of Ethics and FINIAT’s fiduciary duty.

To mitigate this risk, each Supervised Person deemed an “Access Person” of our Firm is mandated to provide quarterly brokerage account statements to the CCO for review on a quarterly basis.

### **Prohibition on Use of Insider Information**

FINIAT has also adopted policies and procedures to prevent the misuse of “insider” information. A copy of FINIAT’s Insider Trading policies and procedures is available to any client or prospective client upon request. For a copy of FINIAT’s Insider Trading policies and procedures, please contact our Firm’s CCO at 352-729-2739.

### **Participation or Interest in Client Transactions**

FINIAT or individuals associated with our Firm may buy, sell, or hold in their personal securities accounts the same securities that FINIAT, through its web-based applications, recommend to our clients. To minimize conflicts of interest, and to maintain its fiduciary responsibility for its clients, FINIAT has established the following policy: Access Persons (in accordance with the Firm’s internal compliance procedures) may place trades in the same securities provided their transactions are on the same side of the market as the recommendation to the client(s), Access Persons must report such transactions and holdings on a quarterly basis to the CCO.

## **Item 12 – Brokerage Practices**

### **Brokerage Selection**

FINIAT does not recommend broker-dealers or custodians to its clients. Clients themselves are responsible for selecting broker-dealers and custodians.

### **Order Aggregation/ Trade Allocation**

FINIAT does not accept trading authority on behalf of its clients. Therefore, the clients of FINIAT are responsible for the order routing and trade executions of securities recommendations provided to them via our Firm's web-based applications. In doing, so clients are responsible for meeting the best execution obligations attendant to trading portfolio securities.

### **Trade Errors**

FINIAT does not accept trading authority on behalf of its clients. Therefore, FINIAT will not experience trade errors.

### **Research/Soft Dollar Benefits**

FINIAT does not receive "soft dollar" benefits from any custodian/broker-dealers. Soft dollar benefits are certain research and other products, or services provided to advisers by broker-dealers in exchange for executing transactions through that particular broker-dealer. This creates a conflict of interest for firms that receive them.

## **Item 13 – Review of Accounts**

### **Account Reviews**

FINIAT does not furnish account level reviews for its clients. FINIAT, however, does provide general oversight of the proprietary technology used to generate investments signals that are accessible to clients via its website platform.

### **Reports**

FINIAT does not provide reporting services for its clients on an account level basis. FINIAT does maintain reporting internally for the investment signals generated on behalf of its clients.

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

FINIAT does not receive any economic benefits such as sales awards or other prizes from any non-client for providing investment advisory services to the Firm's clients. FINIAT also does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

## **Item 15 – Custody**

FINIAT does not accept custody of client account assets or funds.

## **Item 16 – Investment Discretion**

FINIAT does not maintain investment discretionary authority for its clients.

## **Item 17 – Voting Client Securities**

FINIAT does not accept voting authority for securities held in portfolios for which our Firm provides investment signals.

## **Item 18 – Financial Information**

FINIAT is required in this Item to provide investment advisory clients with certain financial information or disclosures about their financial condition.

### **Prepayment of Fees**

FINIAT does not require or accept prepayment of more than \$1,200 in fees six months or more in advance and a balance sheet is not required to accompany our Firm's Brochure.

### **Financial Condition**

FINIAT is not required to provide financial information in this Brochure because we do not require the prepayment of more than \$1,200 in fees and six or more months in advance and we do not have a financial condition or commitment that impairs our ability to meet contractual and fiduciary obligations to clients. Furthermore, we have never been the subject of a bankruptcy proceeding.