

# Westmore Asset Management Firm Brochure - Form ADV Part 2A

*This brochure provides information about the qualifications and business practices of Westmore Asset Management. If you have any questions about the contents of this brochure, please contact us at 347-308-7886 or by email at: [charles.carmona@westmoream.com](mailto:charles.carmona@westmoream.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 Rena Advisors, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Rena Advisors, LLC's CRD number is: 164431*

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

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## **Item 2: Material Changes**

The material changes in this brochure from the last annual updating amendment of Rena Advisors, LLC on 03/07/2023 are described below. Material changes relate to Rena Advisors, LLC's policies, practices, or conflicts of interests only.

- Items 4 and 5 have been updated to reflect that Rena Advisors, LLC may refer clients to third party investment advisers. Please refer to these sections.
- Item 4 and 5 have been updated to reflect that Rena Advisors, LLC will offer Business Strategy Consulting Services on a limited basis. Please refer to these sections.
- Item 5 has been amended to reflect that Rena Advisors, LLC will not charge performance-based fees.
- Item 5 has been amended to reflect that Investment Supervisory fees will be billed to the client. Rena Advisors, LLC will not direct deduct fees from client accounts.

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## **Item 4: Advisory Business**

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

Rena Advisors, LLC is a Limited Liability Company organized in the state of New York. The firm was formed in May of 2012, and the principal owner is Charles P. Carmona. The firm will primarily conduct business under the name Westmore Asset Management.

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

Rena Advisors, LLC (hereinafter "RA") offers the following services to advisory clients:

#### ***Investment Supervisory Services***

RA offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. RA 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. Investment Supervisory Services include, but are not limited to, the following:

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

RA evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. If preferred by the client, RA will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

#### ***Selection of Other Advisers***

RA may direct clients to third-party investment advisers. Before selecting other advisers for clients, RA will verify that all recommended advisers are properly licensed, notice filed, or exempt in the states where RA is recommending the adviser to clients.

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

RA generally limits its money management to mutual funds, equities, bonds, fixed income, debt securities, ETFs, real estate, hedge funds, REITs, private placements, private equities, commodities, and government securities. RA may use other securities as well to help diversify a portfolio when applicable. RA may also advise the client on other assets, such as real estate or operating companies owned by the client, when requested.

## ***Business Strategy Consulting Services***

Rena Advisors may offer business strategy consultancy services. However, due to complexity, this service is offered on a limited basis at the discretion of the Advisor.

Rena Advisors will provide the following services but not be limited to:

- a) Strategic Planning: Assisting in the development of long-term business strategies, identifying growth opportunities, and optimizing business models.
- b) Risk Management: Evaluating and managing potential risks and uncertainties that could impact the Company's financial performance or operations.
- c) Corporate Governance: Advising on best practices for corporate governance, board structure, and shareholder relations.

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

RA offers the same suite of services to all of its clients. However, specific client financial plans and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent RA from properly servicing the client account, or if the restrictions would require RA to deviate from its standard suite of services, RA reserves the right to end the relationship.

## **D. Wrap Fee Programs**

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and any other administrative fees. RA does not participate in any wrap fee programs.

## **E. Amounts Under Management**

RA has \$49,270,590 in assets under management, \$32,197,591 in discretionary assets and \$17,072,999 in non-discretionary assets as of July 2023.

## **Item 5: Fees and Compensation**

### **A. Fee Schedule**

#### ***Investment Supervisory Services Fees***

Total Assets Under Management	Annual Fee
All Assets Under Management	0.90%

These fees are negotiable and in limited circumstances may be a fixed fee depending upon the needs of the client and complexity of the situation. The final fee schedule is attached as Exhibit II of the Investment Advisory Contract. Fees are paid monthly or quarterly in arrears, and clients may terminate their contracts with five days' written notice. Because fees are charged in arrears, no refund policy is necessary. Clients may terminate their accounts without penalty within 5 business days of signing the advisory contract.

#### ***Business Strategy Consulting Fees***

The rate for strategy consulting fees is \$750 per hour, negotiable at the Advisor's discretion. The total fee will be memorialized in the client agreement.

Client will also reimburse Adviser for all reasonable travel, lodging, meals, and other prior approved out-of-pocket expenses incurred or paid by the Adviser in connection with the performance of its services.

#### ***Selection of Other Advisers Fees***

RA may direct clients to third-party investment advisers. RA will receive its standard fee on top of the fee paid to the third party adviser. The notice of termination requirement and payment of fees for third-party investment advisers will depend on the specific third-party adviser selected.

### **B. Payment of Fees**

#### ***Payment of Investment Supervisory Fees***

Adviser will send a bill directly to Client to be paid by check or wire transfer. Fees are paid quarterly in arrears.

#### ***Payment of Business Strategy Consulting Fees***

Client to billed monthly in arrears for work completed during the previous month. Client to pay by wire transfer or check.

Clients may terminate the Agreement without penalty or fee within 5 business days of signing the advisory contract. Thereafter, the Client or Advisor may terminate the Agreement by providing a 30-day written notice to the other Party. In the event of termination, client will be billed for services rendered to the date of termination.

### **C. Clients Are Responsible For Third Party Fees**

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

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

RA collects its fees in arrears. It does not collect fees in advance.

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

Employees of RA are not compensated by commissions.

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

RA does not charge performance-based fees.

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

RA generally provides management supervisory services to the following types of clients:

- ❖ High-Net-Worth Individuals

### ***Minimum Account Size***

There is an account minimum, \$5,000,000, which may be waived by the investment advisor, based on the needs of the client and the complexity of the situation.

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

### **A. Methods of Analysis and Investment Strategies**

#### ***Methods of Analysis***

RA's methods of analysis include charting analysis, fundamental analysis, technical analysis, and cyclical analysis.

*Charting analysis* involves the use of patterns in performance charts. RA uses this technique to search for patterns used to help predict 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.

*Technical analysis* involves the analysis of past market data; primarily price and volume.

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

#### ***Investment Strategies***

RA uses long term trading, short term trading, margin transactions, and options writing (including covered options, uncovered options, or spreading strategies).

**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***

**Charting analysis** strategy involves using and comparing various charts to predict long and short term performance or market trends. The risk involved in solely using this method is that only past performance data is considered without using other methods to crosscheck data. Using charting analysis without other methods of analysis would be making the assumption that past performance will be indicative of future performance. This may not be the case.

**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.

**Technical analysis** attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not work long term.



*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, it changes the very cycles they are trying to take advantage of.

### ***Investment Strategies***

Long term trading is designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Short term trading, margin transactions, and options writing generally hold greater risk and clients should be aware that there is a material risk of loss using any of those strategies.

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

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

RA generally seeks investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international equity markets. However, it will utilize margin transactions, and options writing. Short sales, margin transactions, and options writing generally hold greater risk of capital loss and clients should be aware that there is a material risk of loss using any of those strategies.

**Mutual Funds:** Investing in mutual funds carries the risk of capital loss. Mutual funds are not guaranteed or insured by the FDIC or any other government agency. You can lose money investing in mutual funds. All mutual funds have costs that lower investment returns. They can be of bond “fixed income” nature (lower risk) or stock “equity” nature (mentioned above).

**Equity** investment generally refers to buying shares of stocks by an individual or firms in return for receiving a future payment of dividends and capital gains if the value of the stock increases. There is an innate risk involved when purchasing a stock that it may decrease in value and the investment may incur a loss.

**Treasury Inflation Protected/Inflation Linked Bonds:** The Risk of default on these 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.

**Fixed Income** is an investment that guarantees fixed periodic payments in the future that may involve economic risks such as inflationary risk, interest rate risk, default risk, repayment of principal risk, etc.

**Debt securities** carry risks such as the possibility of default on the principal, fluctuation in interest rates, and counterparties being unable to meet obligations.

**Stocks & Exchange Traded Funds (ETF):** Investing in stocks & ETF's carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Investments in these securities are not guaranteed or insured by the FDIC or any other government agency.

**Real Estate** funds face several kinds of risk that are inherent in this sector of the market. Liquidity risk, market risk and interest rate risk are just some of the factors that can influence the gain or loss that is passed on to the investor. Liquidity and market risk tend to have a greater effect on funds that are more growth-oriented, as the sale of appreciated properties depends upon market demand. Conversely, interest rate risk impacts the amount of dividend income that is paid by income-oriented funds.

**Hedge Funds** are not suitable for all investors and involve a high degree of risk due to several factors that may contribute to above average gains or significant losses. Such factors include leveraging or other speculative investment practices, commodity trading, complex tax structures, a lack of transparency in the underlying investments, and generally the absence of a secondary market.

**REITs** have specific risks including valuation due to cash flows, dividends paid in stock rather than cash, and the payment of debt resulting in dilution of shares.

**Private placements** carry a substantial risk as they are largely unregulated offerings not subject to securities laws.

**Private equity** investments tend to be more expensive and can therefore reduce the return on the investment. Private equity investments also require a large initial investments as well as a relatively long committed period in order to attain significant returns.

**Commodities** include a speculative risk that may drive up or down the price of the security above the actual value.

**Precious Metal ETFs** (Gold, Silver, Palladium Bullion backed "electronic shares" not physical metal): Investing in precious metal ETFs carries the risk of capital loss.

**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 other types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

**Short term trading** risks include liquidity, economic stability and inflation.

**Margin transactions** use leverage that is borrowed from a brokerage firm as collateral.

**Options writing** involve a contract to purchase a security at a given price, not necessarily at market value, depending on the market.

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

## **Item 9: Disciplinary Information**

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

There are no criminal or civil actions to report.

### **B. Administrative Proceedings**

There are no administrative proceedings to report.

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

There are no self-regulatory organization proceedings to report.

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

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

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

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

Neither RA nor its representatives are registered as or have pending applications to become a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor.

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

Neither RA nor its representatives have any material relationships to this advisory business that would present a possible conflict of interest.

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

RA may direct clients to third-party investment advisers, but does not get compensated by them. Clients will pay RA its standard fee in addition to the standard fee for the advisers to which it directs those clients. This relationship will be memorialized in each contract between RA and each third-party advisor. The fees will not exceed any limit imposed by any regulatory agency. RA will always act in the best interests of the client, including when determining which third-party investment adviser to recommend to clients. RA will ensure that all recommended advisers are licensed or notice filed in the states in which RA is recommending them to clients.

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

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

We have 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. Our Code of Ethics is available free upon request to any client or prospective client.

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

RA does not recommend that clients buy or sell any security in which a related person to RA or RA has a material financial interest.

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

From time to time, representatives of RA may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of RA 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. RA will always document any transactions that could be construed as conflicts of interest and will always transact client business before their own 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 RA may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of RA 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. RA will always transact client's transactions before its own when similar securities are being bought or sold.

## **Item 12: Brokerage Practices**

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

The Custodian will be chosen based on the security of the client assets, their relatively low transaction fees and access to securities. RA will never charge a premium or commission on transactions, beyond the actual cost imposed by Custodian.

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

RA 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***

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

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

RA allows clients to direct brokerage; however, RA may recommend custodians. RA may be unable to achieve most favorable execution of client transactions if clients choose to direct brokerage. This may cost clients money because without the ability to direct brokerage RA may not be able to aggregate orders to reduce transactions costs resulting in higher brokerage commissions and less favorable prices. Not all investment advisers allow their clients to direct brokerage.

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

RA maintains the ability to block trade purchases across accounts. Block trading may benefit a large group of clients by providing RA the ability to purchase larger blocks resulting in smaller transaction costs to the client. Declining to block trade can cause more expensive trades for clients.

## **Item 13: Reviews of Accounts**

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

Client accounts are reviewed at least quarterly only by Charles P. Carmona, Managing Member. Charles P. Carmona is the chief advisor and is instructed to review clients' accounts with regards to their investment policies and risk tolerance levels. All accounts at RA are assigned to this reviewer.

### **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).

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

Each client will receive at least monthly from the custodian, a written report that details the client's account including assets held and asset value which will come from the custodian.

## **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)**

RA does not receive any economic benefit, directly or indirectly from any third party for advice rendered to RA clients.

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

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

## **Item 15: Custody**

RA, with client written authority, has limited custody of client's assets through direct fee deduction of RA's fees only. If the client chooses to be billed directly by the Custodian, RA would have constructive custody over that account and must have written authorization from the client

to do so. Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy.

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

For those client accounts where RA provides ongoing supervision, the client will periodically give RA written discretionary authority over the client's accounts with respect to securities to be bought or sold and the amount of securities to be bought or sold. Details of this relationship are fully disclosed to the client before any advisory relationship has commenced. The client provides RA discretionary authority via a limited power of attorney in the Investment Advisory Contract and in the contract between the client and the custodian.

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

RA 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**

RA does not require nor solicit prepayment of more than \$1,200 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

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

Neither RA nor its management have any financial conditions that are likely to reasonably impair our ability to meet contractual commitments to clients.

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

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