

# Freeman Capital Advisors, LLC Firm Brochure - Form ADV Part 2A

*This brochure provides information about the qualifications and business practices of Freeman Capital Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at (336) 914-0888 or by email at: [contact@freemanadvisors.co](mailto:contact@freemanadvisors.co). 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 Freeman Capital Advisors, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Freeman Capital Advisors, LLC's CRD number is: 300025.*

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*Registration as an investment adviser does not imply a certain level of skill or training.*

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## Item 2: Material Changes

Freeman Capital Advisors, LLC has the following material changes to report. Material changes relate to Freeman Capital Advisors, LLC's policies, practices or conflicts of interests

- Freeman Capital Advisors, LLC has updated Item 10.A and 10.C to remove reference to Mr. Williams affiliation with Lincoln Financial.

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## Item 4: Advisory Business

### A. Description of the Advisory Firm

Freeman Capital Advisors, LLC (hereinafter "FCA") is a Limited Liability Company organized in the State of Delaware. The firm was formed in November 2018, and the principal owner is The Freeman Capital Management Holding Group, of which Calvin Williams Jr. has majority ownership.

### B. Types of Advisory Services

#### *Portfolio Management Services*

FCA offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. FCA creates an Investment Policy Statement for each client, which outlines the client's current situation (income, tax levels, and risk tolerance levels). 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

FCA evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. FCA will require 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.

FCA seeks to provide that investment decisions are made in accordance with the fiduciary duties owed to its accounts and without consideration of FCA's economic, investment or other financial interests. To meet its fiduciary obligations, FCA attempts to avoid, among other things, investment or trading practices that systematically advantage or disadvantage certain client portfolios, and accordingly, FCA'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 FCA's policy to allocate investment opportunities and transactions it identifies as being appropriate and prudent among its clients on a fair and equitable basis over time.

#### *Financial Management Program*

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. FCA will use the customer's linked accounts to help the customer

to make better financial decisions both retroactively and proactively. FCA will communicate with the user via human and automated methods to help them make financial management decisions.

FCA may use our artificial intelligence financial planner and/or human planner to provide personalized financial planning advice, including advice relating to debt, such as student loans and credit card debt, mortgages, savings, and retirement (including pensions and social security) and tax-related advice that does not constitute legal advice or advice requiring licensure as a Certified Public Accountant (such advice, collectively is referred to as "Supplementary Services," whether delivered via automated chat or voice chat with the artificial intelligence). Supplementary Services are designed to help clients articulate and quantify goals, organize financial data, identify needs and opportunities, evaluate alternative courses of actions, and determine whether and how FCA can fit into clients' broader financial plans. FCA will base any such advice on information provided by clients regarding, among other things, their age, marital and family status, annual income, employment status, liquid net worth, debt and other investments, investment goals and investment experience during the financial consultation chat with the artificial intelligence platform.

Information provided by clients to FCA's platform will not typically be considered in the future provision of FCA discretionary advisory services unless client also enters such information into FCA platform. FCA's platform will not monitor, or provide continuing advice on, accounts held at institutions other than FCA. Supplementary Services will not include, among other things, a comprehensive financial plan and certain investment topics, such as investments in real estate, may fall outside the scope of the Supplementary Services. Any tax information provided by FCA is not a substitute for the advice of a qualified tax advisor. You should consult with your tax advisor to discuss tax-related concerns.

There can be no assurances that any client's financial goals and objectives will be met through receipt of Supplementary Services. FCA uses an automation and/or artificial intelligence financial planning platform to provide Supplementary Services. Clients will may not always speak to or interface with a human consultants or advisors. In addition, FCA may, in its sole discretion, offer any client, without charge, certain Supplementary Services through electronic chat or audio chat with the artificial intelligence platform, subject to the conditions and limitations described above. Clients are under no obligation to accept or follow any recommendations made by the artificial intelligence financial planning platform as part of the Supplementary Services and neither FCA nor the artificial intelligence financial planning platform will have any discretion over client assets or accounts with respect to implementing any such recommendations. Clients who receive Supplementary Services will continue to receive FCA discretionary advisory services over the internet, with the exception of clients who only receive non-discretionary Supplementary Services and thus do not have a FCA account.

Use of the artificial intelligence financial planning platform in the FCA will entitle a retail client to an unlimited number of interactions with the artificial intelligence financial planning platform per year with the artificial intelligence financial planning platform. In

addition, retail clients will generally receive periodic updates, reminders, and other messages from the artificial intelligence financial planning platform to assist such clients in staying on track to meet their investment goals. These periodic updates, reminders, and messages will not be part of any Supplementary Services that FCA.

Before investing with FCA, or in any investment account, potential clients should consider paying off high-interest debt. Potential clients should also consider the options that are available to them through workplace savings plans provided by their employers.

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

FCA generally limits its investment advice to mutual funds, real estate funds (including REITs), equities, ETFs and treasury inflation protected/inflation linked bonds, although FCA primarily recommends equities and ETFs. FCA may use other securities as well to help diversify a portfolio when applicable.

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

FCA offers the same suite of services to all of its clients. However, specific client investment strategies 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). Clients may not impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs.

### **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, and certain other administrative fees. FCA does not participate in wrap fee programs.

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

FCA has the following assets under management:

<b>Discretionary Amounts:</b>	<b>Non-discretionary Amounts:</b>	<b>Date Calculated:</b>
\$0	\$0	May 2019

## Item 5: Fees and Compensation

### A. Fee Schedule

#### *Portfolio Management Fees*

Total Assets Under Management	Annual Fees
\$0 - \$25,000	0.00%
\$25,001 - AND UP	1.00%

FCA 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 advisory fee is based.

The final fee schedule will be memorialized in the client's advisory agreement. Clients may terminate the agreement without penalty for a full refund of FCA's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract generally with 10 days written notice.

#### *Financial Management Fees*

##### **Fixed Fees**

The fixed rates for the financial management program are:

Plan Fee	Included Services
\$20.00/month	<ul style="list-style-type: none"><li>• One Financial Planning Call</li><li>• Automated Follow Up &amp; Support</li></ul>
\$30.00/month	<ul style="list-style-type: none"><li>• Two Financial Planning Calls</li><li>• Automated Follow Up &amp; Support</li></ul>
\$35.00/month	<ul style="list-style-type: none"><li>• Three Financial Planning Calls</li><li>• Human + Automated Follow Up &amp; Support</li></ul>

Clients may terminate the agreement upon written notice to FCA. Fixed fees for the Financial Management Program will not be refunded. Clients will continue to have access until the end of the month in which services are terminated, as such no refund of fees will be due.

## **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 monthly basis. Fees are paid in arrears.

### *Payment of Financial Management Program Fees*

Financial management program fees are paid via debit or credit card.

Financial management program fees are paid 100% in advance, but never more than six months in advance.

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

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

## **D. Prepayment of Fees**

FCA collects fees for portfolio management in arrears, as indicated above. Fees for Financial Management Program are paid in advance. Fixed fees for the Financial Management Program will not be refunded. Clients continue to have access until the end of the month in which services are terminated, as such no refund of fees will be due.

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

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

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

FCA does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

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

FCA generally provides advisory services to Individuals.



There is no account minimum for any of FCA's services.

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

### A. Methods of Analysis and Investment Strategies

#### *Methods of Analysis*

FCA's methods of analysis include Fundamental analysis, Modern portfolio theory and Quantitative analysis.

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

**Modern portfolio theory** is a theory of investment that attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, each by carefully choosing the proportions of various asset.

**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*

FCA manages different investment strategies, using algorithms, which employ a variety of investment methods relying on technical and fundamental analysis and leveraging the many proprietary pieces of investment technology that we have built. All of our programs are a blend of an absolute return allocation made up of a rotating mix of FCA strategies across equity, income, diversified, and alternative asset classes. Strategy holdings change at the discretion of FCA's Investment Management Team, depending on global asset class strength. It is the most conservative of the FCA All-Strategy allocations. Please find the list of different strategies below:

- Conservative
- Moderate
- Aggressive
- Highly Speculative

For some financial goals and portfolios, FCA recommendations to clients will shift over time, with the recommended allocation gradually shifting as the term of the goal approaches.

When clients deposit to or withdraw money from their FCA account, they are requesting that FCA purchase or sell available assets within their account in amounts that reflect their desired allocation. Similarly, when clients and/or their Advisors adjust a client's allocation, Freeman Capital Advisors will buy and sell Funds to approach the desired allocation.

**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*

**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.

**Modern portfolio theory** assumes that investors are risk averse, meaning that given two portfolios that offer the same expected return, investors will prefer the less risky one. Thus, an investor will take on increased risk only if compensated by higher expected returns. Conversely, an investor who wants higher expected returns must accept more risk. The exact trade-off will be the same for all investors, but different investors will evaluate the trade-off differently based on individual risk aversion characteristics. The implication is that a rational investor will not invest in a portfolio if a second portfolio exists with a more favorable risk-expected return profile – i.e., if for that level of risk an alternative portfolio exists which has better expected returns.

**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*

**FCA uses algorithms** to advise clients and manage their accounts. These algorithms are developed, overseen, and monitored by FCA's investment advisory personnel. When clients sign up for a FCA account, an algorithm, developed by FCA investment advisory personnel, determines FCA's recommended allocation based on inputs from the client. Algorithms also generate advice regarding other investment decisions, including but not limited to allocation selection, savings and withdrawal rates, automatic rebalancing, account type selection, and the amount of cash FCA recommends that retail clients maintain in the bank account they have linked to their FCA account. When clients make deposits or withdrawals from their accounts or donate shares, an algorithm determines the specific securities to trade based on a client's allocation and other directions that they have provided to FCA. Further details on each of these services, including the operation

of the underlying algorithms, are available on FCA website. These algorithms and the artificial intelligence financial planning platform may not perform as intended for a variety of reasons, including but not limited to incorrect assumptions, changes in the market, and/or changes to data inputs. FCA may modify periodically these algorithms, or a computer system's code or underlying assumptions, and these changes may have unintended consequences. Additional information regarding relevant considerations for Clients considering an automated digital investment advisory program (sometimes referred to as a "robo advisor") is contained in the Investor Bulletin from the Securities and Exchange Commission available at [https://www.sec.gov/oiea/investor-alerts-bulletins/ib\\_robo-advisers.html](https://www.sec.gov/oiea/investor-alerts-bulletins/ib_robo-advisers.html).

**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.

**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

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 (lower risk) 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.

**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.

**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.

**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**

### **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 FCA 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 FCA 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**

Calvin Filandus Williams Jr operates an investment company or another pooled investment vehicle. From time to time, he will offer clients advice or products from this activity. Freeman Capital Advisors, LLC always acts in the best interest of the client.

Richard Taborda is an investment adviser representative with another firm, LBT Wealth Management, where he provides financial coaching, financial planning and investment management for a fee. From time to time, he will offer clients advice or products from this activity. Freeman Capital Advisors, LLC always acts in the best interest of the client. Clients are in no way required to utilize the services of any representative of Freeman Capital Advisors, LLC in such individual's outside capacity.

Richard Taborda is a licensed insurance agent and provides insurance related services and products for a commission through LBT Insurance Services. From time to time, he will offer clients advice or products from this activity. Clients should be aware that these services pay a commission and involve a possible conflict of interest, as commissionable products can conflict with the fiduciary duties of a registered investment adviser. Freeman Capital Advisors, LLC always acts in the best interest of the client; including in the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of Freeman Capital Advisors, LLC in their capacity as a licensed insurance agent.

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

FCA 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**

FCA 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. FCA's Code of Ethics is available free upon request to any client or prospective client.

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

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

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

From time to time, representatives of FCA may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of FCA 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. FCA 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 FCA may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of FCA 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, FCA will never engage in trading that operates to the client's disadvantage if representatives of FCA 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 FCA'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 FCA 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 FCA's research efforts. FCA will never charge a premium or commission on transactions, beyond the actual cost imposed by the broker-dealer/custodian.

FCA will require clients to use DriveWealth.

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

FCA receives no research, product, or services other than execution from broker-dealers or custodians in connection with client securities transactions ("soft dollar benefits").

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

FCA 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***

FCA 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 FCA 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, FCA 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. FCA 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).

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

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

#### **Account Reviews**

All client accounts for FCA's advisory services provided on an ongoing basis are reviewed at least annually by Calvin F Williams, CEO, with regard to clients' respective investment policies and risk tolerance levels. All accounts at FCA are assigned to this reviewer.

All financial management program accounts are reviewed upon financial plan creation and plan delivery by Calvin F Williams, CEO. Financial management program clients are provided on-going financial management tools concerning their financial situation until services are terminated by the client or FCA.

### **Portfolio Rebalancing**

FCA periodically rebalances the client's portfolio to make sure that the optimized portfolios stay at the clients determined risk level and adjusts if that risk level changes. It attempts to do this in a tax-efficient fashion while seeking to ensure that the multiple objectives of the client remain feasible. The rebalance algorithm including when and how much should be rebalanced will be determined by FCA's AI Investment Advisor and Investment Services.

## **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 of FCA'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. FCA will also provide at least monthly a separate written statement to the client.

Each financial management program client will receive ongoing financial management services until terminated by the client or FCA.

# **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)**

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



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

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

## **Item 15: Custody**

When advisory fees are deducted directly from client accounts at client's custodian, FCA will be deemed to have limited custody of client's assets 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**

FCA provides discretionary investment advisory services to clients. The advisory contract established with each client sets forth the discretionary authority for trading. Where investment discretion has been granted, FCA 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.

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

FCA 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**

FCA neither requires nor solicits prepayment of more than \$1,200 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 FCA nor its management has any financial condition that is likely to reasonably impair FCA's ability to meet contractual commitments to clients.

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

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