

1. Cover Page



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**March, 2025**

This brochure (this “Brochure”) provides information about the qualifications and business practices of Lobnek Wealth Management, Inc. (“Lobnek” or the “Firm”). If you have any questions about the contents of this Brochure, please contact us at +41 22 718 90 30 or at [lobnekinc@lobnek.com](mailto:lobnekinc@lobnek.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or any state securities authority.

Additional information about Lobnek Wealth Management, Inc. is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

While the Firm and its associated personnel may be registered and/or licensed within a particular jurisdiction, that registration and/or licensing in itself does not imply an endorsement by any regulatory authority, nor does it imply a certain level of skill or training on the part of the Firm or its associated personnel.

## 2. Material Changes

This Brochure contains substantial material changes since the prior version. The last material updates to this Brochure were made in the version dated March 2024, which version was confirmed in the Firm's 2024 Form ADV annual amendments. Therefore, this Item 2 discusses only material changes since the version of the Brochure dated March 2024, which was last confirmed with the submission of the Firm's Form ADV annual amendment dated March 15, 2024. Such material changes include the following:

- Item 1, Cover Page: Change of business address
- Item 4 A, Description of the Firm: FINMA license received 27 March 2024

For future filings, this section of the Brochure may address only those material changes that have occurred since the Firm's last annual update of this Brochure.

The Firm may at any time update this Brochure and either send a copy of its updated Brochure or provide a summary of material changes to its Brochure and an offer to send an electronic or hard copy form of the updated Brochure. Clients may download this Brochure from the SEC's Website: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) or may contact the Firm at +41 22 718 90 30 to request a copy at any time.

As with all Firm documents, clients and prospective clients are encouraged to review this Brochure in its entirety and are encouraged to ask questions at any time prior to or throughout the engagement.

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## 4. Advisory Business

### A. Description of the Firm

The Firm is a wholly owned subsidiary of Lobnek Wealth Management S.A. in Geneva, Switzerland, which is owned 90% by Marc A. Moret.

Lobnek Wealth Management S.A. (the "Mother Company") was founded in 2006 and since then has been rendering investment advisory services to its clients. Lobnek Wealth Management, Inc. ("Lobnek", the "Firm", the "Company") for its part was incorporated in 2013 and has been licensed by the US Securities & Exchange Commission ("SEC") in 2016 as an investment adviser under the Investment Advisers Act of 1940 (the "Advisers Act"). While essentially providing the same services as the Swiss Mother Company, its activity is exclusively dedicated to customers having the status of U.S. persons

In September 2022 Lobnek's Board resolved to establish a branch office of the Company in Geneva, Switzerland. This office has been registered under the name of Lobnek Wealth Management, Inc., Delaware, Geneva Branch (the "Branch") with the Geneva Register of Commerce under the Enterprise Identification Number (IDE) CHE-356.892.648. Through the Branch, Lobnek is extending its business activities in Switzerland, but without establishing a separate legal entity and without changing its current ownership and control. The Branch is licensed as a Portfolio Manager by the Swiss Financial Market Supervisory Authority (FINMA) and supervised by AOOS - Société Anonyme Suisse de Surveillance. It received FINMA approval on 27 March 2024.

Lobnek does not provide legal, accounting or insurance services. With client consent, we may work with other professional advisers, such as accountants, attorneys or insurance representatives to assist with coordination and implementation of accepted strategies. Clients should be aware that these other advisers will charge them separately for their services and these fees will be in addition to the Firm's advisory fees.

### B. Types of Services

Lobnek provides four main categories of service:

- Asset Management
- Private Equity
- Financial Reporting
- Wealth Planning

The Firm provides these services independently from each other. A client can receive asset management services only, or financial reporting services only, or a combination of both. Clients can receive financial reporting services even if they have not contracted Lobnek for asset management services.

#### **Asset Management**

Asset Management is offered to Lobnek's clients on either a discretionary or a non-discretionary basis. The client has the choice to delegate investment decisions to Lobnek (hereafter "Discretionary Asset Management") or to reserve them on his/her own behalf (non-discretionary asset management, hereafter "Advisory Asset Management"). According to his/her choice, he/she will execute the Firm's Discretionary Wealth Management Agreement or Advisory Wealth Management Agreement. Asset Management services are offered based on a limited power of attorney granted to Lobnek to give instructions to the applicable custodian for the client's assets under management. This power allows the Firm to implement investment strategies and trading decisions, such as the purchase or sale of a security, in order to meet stated investment objectives, on behalf of a client's account. This authority will be granted through the client's execution of the custodian of record's Limited Power of Attorney agreement. The custodian will specifically limit the Firm's authority with respect to a client's account to placements of trade orders and requests for deduction of advisory fees.

The Firm's asset management style is focused on risk containment and tends to be conservative. Lobnek manages money on behalf of its clients based on its proprietary investment strategy which uses a core/satellite approach regarding its asset allocation.

The Core Asset Class represents the main portion of the asset allocation, seeking to preserve wealth conservatively. Its management therefore responds to parameters warranting liquidity, minimizing risks and volatility, while aiming at consistent returns over time. The Core Asset Class performance seeks to match the portfolio's benchmark.

The Satellite Asset Class has the purpose to provide supplementary performance contributions, granting opportunities to outperform benchmark(s) over time. It therefore has a more ambitious risk/return profile than the Core Asset Class. The Satellite Asset Class may for example include physical assets, such as real estate, private equity, or investments concentrated in a specific industry or geographic location. As low diversification is one of the characteristics of the Satellite Asset Class, risk has to be considered by way of limiting the capital allocation.

In the case of Discretionary Asset Management, the Firm is allowed to invest the client's funds on his/her behalf according to its proprietary investment strategy, based on a power of attorney granted in its favor by the client on his account with his/her custodian. Lobnek generally performs Core Asset Class management on a discretionary basis. Lobnek may perform Satellite Asset Class management on a discretionary basis with respect to accounts a client has pre-approved for a Satellite Asset Class strategy. Satellite Asset Class assets need to fulfil minimum requirements in terms of liquidity in order to be eligible for Discretionary Asset Management, such appreciation remaining in the Firm's sole discretion. In choosing Discretionary Asset Management services, clients may opt in or out regarding the Firm's discretion for the Satellite Asset Class.

In the case of Advisory Asset Management, the Firm counsels the client with respect to investing his/her funds. While its proprietary investment strategy is the main reference of such advice, the Firm also may respond to specific client requests that are not explicitly covered by its strategy. The final investment decision remains always with the client for Advisory Asset Management services. The Firm may be mandated to ensure the execution of the respective transactions, based on a power of attorney granted in its favor by the client with respect to his account with his/her custodian.

In the case of Advisory Asset Management, Lobnek may propose certain Satellite Asset Class investments to the client, which remain entirely subject to the client's approval. Satellite Asset Class assets need to meet certain requirements in order to be eligible under the Firm's Advisory Asset Management, such appreciation remaining in the Firm's sole discretion.

Other Satellite Asset Class assets may correspond to specific client wishes and affinities, and some of them may also predate a client's engagement with Lobnek (Client Satellite Assets). Lobnek refrains from advising on such Client Satellite Assets.

For Advisory Asset Management services, clients determine, according to their own preference, the size and proportion of the portfolio-allocation to the Satellite Asset Class.

### **Private Equity**

Through its network, research, business activity and proprietary sources, Lobnek may from time to time become aware of investment opportunities in unlisted business ventures potentially offering above average return prospects. Lobnek is ready to share such opportunities with interested clients that are qualified investors by providing information and facilitating access. Such activities do not constitute any investment recommendation; all decisions to invest in such opportunities are made exclusively by the client on his/her own. In general, interested clients will be co-investors with other clients and/or persons related to Lobnek. Co-investing is intended to align the interests of clients and the Firm, although certain conflicts of interest may still be present as more fully discussed in Items 6 and 11 below.

Private Equity investments are typically characterized by a very high degree of specificity and concentration in terms of industry, technology, business model, geographic location and other determining factors. Capital allocated to such investments will generally be locked up for a prolonged period without liquidity. Associated risks may include the total loss of the investment. Among the investor qualification criteria, clients investing in Private Equity investments may need to meet requirements as to net worth and ability to cope with the investment's illiquidity and a potential total loss of capital. The client will need to confirm meeting all qualification criteria, and assumes entire responsibility for his/her investment decision, such decision being exclusively based on his/her own due diligence, information sources and judgement, independent from any of Lobnek's opinions or statements.

## Financial Reporting

Lobnek provides three kinds of financial reporting:

- **Consolidation:** clients typically hold multiple accounts at multiple financial institutions, sometimes in multiple currencies and in multiple countries. Lobnek provides consolidated reports giving clients a global picture of their total wealth. This report focuses on asset allocation and performance, on an account-by-account basis and on a consolidated basis. It may cover financial assets as well as non-bankable assets, such as real estate or art collections.
- **Cost Control:** whether clients hold a single account or multiple accounts, the cost structure of their portfolio is often unclear. Through Lobnek's Cost Control report, clients gain full understanding of their costs and the distribution of such costs. Lobnek tries to dig down as much as possible, depending on the level of details provided by financial institutions, and segregates costs by categories, such as custody fees, management fees, all-in fees, wrap-up fees, transaction fees, foreign exchange fees, administrative fees, commissions, etc. The report seeks to put costs in perspective as compared with the respective performances of the corresponding accounts. Lobnek also monitors accounts, making sure that the level of fees agreed upon between the client and the applicable financial institution is respected at all times.
- **Risk Control:** client's assets may have different risk characteristics. Lobnek's Risk Control report analyzes these classes of risks and provides transparency of their correlation. Lobnek's Risk Control report seeks to provide clients with a clear and full understanding of their global risk situation on a consolidated basis.

## Wealth Planning

Lobnek has accumulated extensive practical experience in all areas of wealth planning. This includes succession planning, wealth protection and structuring, domiciliation and re-location issues and more. Lobnek is ready to share its experience with its clients by providing a comprehensive analysis of the client's situation and wealth planning needs and to assist in defining an appropriate strategy. For the implementation of specific steps and solutions, Lobnek has a network of professional service providers that clients may engage with. Should the situation require mandating other intermediaries, Lobnek can provide assistance in their evaluation. Of course, the client remains entirely free to work with established advisers of his/her own if he/she prefers to do so. While Lobnek will work with third-party professional advisers in providing wealth planning services, Lobnek itself is not qualified to provide, and does not provide, any legal or tax advice.

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

Lobnek offers different risk profiles to fit different clients' risk appetites. Certain restrictions can be imposed by the client in terms of securities, sectors or asset classes, if approved by Lobnek. It is the client's responsibility to promptly notify Lobnek of any change in the client's financial situation and/or investment objectives for the purpose of Lobnek's reviewing, evaluating or revising previous account restrictions or investment recommendations.

## D. Wrap Fee Programs

Lobnek does not participate in wrap fee programs.

## E. Discretionary Management of Assets

As of December 31, 2024, Lobnek manages \$9'400'000 of client assets on a discretionary basis.<sup>1</sup>

## 5. Fees and Compensation

### A. Fees

Lobnek's remuneration is defined according to the services it provides.

For its Asset Management Services, both, discretionary and non-discretionary, Lobnek charges a percentage *per annum* of the assets being managed. The following is a schedule of Lobnek's standard fees:

<b>Total Assets Managed</b>	<b>Annual Fee <i>per annum</i>, as a Percentage of Assets Managed</b>
Below \$5 million	0.95%
\$5 million to 10 million	0.85%
\$10 million to \$25 million	0.75%
\$25 million to \$50 million	0.65%
\$50 million to \$100 million	0.55%
Above \$100 million	0.45%

In the case of Private Equity, instead, Lobnek proposes a performance linked remuneration model allowing the alignment of the Firm's interests with those of the client. In this case, Lobnek's fees will be defined as a share of the capital appreciation of a given Private Equity investment. See Item 6 for a description of certain conflicts of interest that may arise from such performance-based fees.

For its Financial Reporting Services, Lobnek charges a flat remuneration per account and per year. This amount is determined on the basis of the complexity of the account and its components, the frequency of trading activity, and the ability of the custodian to provide information on the account in a workable format, preferably electronically. It may be subject to review when material changes occur affecting the account's complexity.

*Example:*

*A client hires Lobnek to manage his Core Asset Class assets, totaling \$37 million. On top of this, the client asks Lobnek to provide consolidated reporting for 4 different items: Satellite A, an account consisting of biotech equity stocks, Satellite B, an account consisting of emerging market stocks, his condo apartment in Miami, and an art collection. Finally, the client asks Lobnek to provide Cost Control and Risk Control reporting for Satellites A and B. His annual fees are calculated as follows:*

<b>Item</b>	<b>Value</b>	<b>Service</b>	<b>Annual Fee</b>
Core	\$37,000,000	Asset Management	(0.65%) \$240,500
Satellite A	\$13,000,000	Consolidation	\$6,000
Satellite A		Cost Control	\$5,000
Satellite A		Risk Control	\$4,000

<sup>1</sup> SEC instructions require Lobnek to disclose the amount (rounded to the nearest \$100k) of discretionary and non-discretionary assets managed as of a date no more than 90 days before the date of this update.

Satellite B	\$3,400,000	Consolidation	\$12,000
Satellite B		Cost Control	\$10,000
Satellite B		Risk Control	\$8,000
Condo	\$8,300,000	Consolidation	\$1,000
Art	\$2,700,000	Consolidation	\$3,500
<b>Total</b>	<b>\$64,400,000</b>		<b>\$290,000</b>

Because in this example Satellite A is a buy-and-hold account with relatively low activity, and because the account is deposited at a custodian that is able to provide Lobnek with automatic electronic data transfer, Lobnek is able to provide its consolidation reporting at a very low price of \$6,000 per annum. Additional services such as Cost Control and Risk Control reporting are then discounted for this account as a marketing courtesy. Satellite B is more complex to analyze due to high frequency of trades and data being provided to Lobnek in a less user-friendly way. As a consequence, the price of consolidation reporting for Satellite B, \$12,000 per annum, is higher, in spite of the value of the account being lower than that of Satellite A. Additional services such as Cost Control and Risk Control reporting are discounted for this account as a marketing favor for the client. The client instructed Lobnek to include his condo apartment in Miami in the consolidation reporting, and to assume a depreciation in value of 3% per annum. Lobnek determines the value of the condo by applying the 3% depreciation to the initial value provided by the client. Finally, the client instructed Lobnek to also include his art collection in the consolidation reporting, and to apply an annual appreciation value of 5%, unless otherwise instructed when the client has his collection professionally appraised.

Lobnek's remuneration for services in the context of Wealth Planning is determined individually on a time spent basis.

Depending on specific circumstances, Lobnek's standard fees can be negotiated or discounted.

Lobnek does not participate in wrap fee programs.

## B. Fee Payment

The Firm's fees will be deducted from applicable client accounts by the applicable custodian, which will remit the Firm's fees directly to the Firm.

All fees will be charged in arrears on a quarterly basis. Fees for partial quarters will be prorated based on the number of days in the quarter during which the Firm services the account.

Accounts will be valued in accordance with the values disclosed on the statement the client receives from the custodian for the purpose of verifying the computation of the fees. In the rare case of absence of a reportable market value, the Firm may seek a third-party opinion from a recognized industry source or accounting firm as to market value.

Fees of other service providers will be paid by the client according to the arrangements the client has with such service providers.

Clients are responsible for verifying the accuracy of fee calculations; the custodian may or may not verify such accuracy for clients.

## C. Other Types of Fees

Any transactional or service fees assessed by a selected service provider (e.g., a custodian), such as brokerage fees, individual retirement account fees, qualified retirement plan fees, account termination fees, wire transfer fees and fees for mutual fund and Exchange Traded Fund ("ETF") expenses will be borne by the client. See Items 12 and 14 of this Brochure for additional information about brokerage practices. The Firm will ensure clients receive copies of the custodians' fee schedules at the beginning of their engagement, and

the applicable custodian of record and/or third-party administrator will notify clients of any future changes to these fees. Fees paid by clients to the Firm for its services are separate from any of these fees or other similar charges.

The Firm will take reasonable steps to minimize these fees, for example, by using no-load funds where appropriate, and trading only when necessary.

#### D. Timing of Fees

Fees are charged quarterly in arrears.

#### E. Other Types of Compensation

The Firm does not charge or receive a commission or other compensation on client securities or other investment product transactions. Fees charged by issuers are detailed in prospectuses or product descriptions and clients are encouraged to read these documents before investing.

Lobnek does not participate in wrap fee programs.

### 6. Performance-Based Fees and Side-By-Side Management

Except with respect to Private Equity investments, Lobnek does not charge or receive, directly or indirectly, any fees based on a share of capital gains or capital appreciation (growth) of any portion of managed funds, also known as performance-based fees. Lobnek may charge performance-based fees on its services with respect to Private Equity investments. Performance-based fees create a conflict of interest in that the Firm has an incentive to recommend an investment that may carry a higher degree of risk to a client. As described in Item 4, Lobnek's services with respect to Private Equity investments involve providing information and facilitating access rather than recommending particular Private Equity investments. Since Lobnek does not make recommendations as to Private Equity investments, and Private Equity investment decisions are made exclusively by the client, the conflict of interest posed by Lobnek's incentive to recommend higher risk Private Equity investments is somewhat mitigated. Further, because the sponsors of Private Equity investments provide extensive disclosures to investors, such conflict of interest is mitigated by the client's ability to evaluate the risk profile of Private Equity investments. Because Lobnek may simultaneously manage accounts with Private Equity investment on which it earns performance-based fees and other accounts on which it does not earn performance-based fees, a situation sometimes referred to as side-by-side management, the Firm faces a conflict of interest in that it has an incentive to favor those accounts on which it earns performance-based fees. This conflict of interest is somewhat mitigated by the fact that accounts on which the Firm does not earn performance-based fees will hold non-Private Equity investments, and thus, non-performance-based fee paying accounts will not be competing with performance-based fee paying accounts for the same investment opportunities or trade execution terms.

### 7. Types of Clients

Lobnek provides services to individuals and families alike, their trusts and estates, as well as pension and profit-sharing plans, charitable organizations, foundations, endowments and companies.

Minimum account size is generally \$5 million, or its equivalent, but this minimum amount can be negotiated depending on the circumstances.

Lobnek reserves the right to waive or reduce certain fees based on unique individual circumstances, special arrangements, or pre-existing relationships. Lobnek also reserves the right to decline services to any prospective client for any non-discriminatory reason.

## 8. Methods of Analysis, Investment Strategies and Risk of Loss

### A. Investment Strategy

Lobnek's Discretionary Asset Management and Advisory Asset Management are based on a proprietary investment strategy which is partly supported by quantitative models (portfolio construction and optimization). The portfolio construction uses a core/satellite approach, whereby the Core Asset Class portion of the portfolio has stricter risk constraints, while positions in the Satellite Asset Class portion may have more aggressive risk/return characteristics. The main objective of the Core Asset Class is to deliver conservative returns, considering its bias towards capital conservation, as it aims at containing volatility due to market fluctuations. The Satellite Asset Class is intended to deliver superior performance contributions, and may, for example, include physical assets, such as real estate, private equity, or investments concentrated in a specific industry or geographic location. The Satellite Asset Class allocation seeks a venture's specific value creation, instead of gains from market variations in general.

Lobnek has the ability to invest in various asset classes, including, but not limited to, fixed income, equities, real estate, commodities and precious metals. For purposes of Core Asset Class management, the Firm will only invest in standard products with high liquidity and volumes that are readily available and tradable in order to promote portfolio liquidity. Such products include, among others, individual securities, ETFs, mutual and managed funds, forward transactions and derivatives. While it is not a general rule, Lobnek may in certain cases select vehicles using short strategies or leverage, such as hedge funds. To the extent that opportunities may call for an allocation to illiquid instruments, they will be restricted to the Satellite Asset Class and require explicit client approval in general.

The Firm will use its best judgment and good faith effort in rendering its services. Lobnek cannot warrant or guarantee the achievement of any specific investment goal, any level of account performance or that a client's account will be profitable over time. Past performance is not necessarily indicative of future results. Investing in securities or other investments involves risk of loss, including the complete loss of amounts invested, and clients should be prepared to bear such risk and loss.

Except as may otherwise be provided by law, the Firm will not be liable to the client, or the client's heirs or assignees, for any (a) loss an account may suffer by reason of an investment decision made or other action taken or omitted in good faith by the Firm with that degree of care, skill, prudence and diligence under the circumstances that a prudent person acting in a fiduciary capacity would use, (b) loss arising from the Firm's adherence to the client's or his, her or its agent's direction or (c) act or failure to act by a service provider maintaining an account.

Federal and state securities laws impose liabilities under certain circumstances on persons who act in good faith and, therefore, nothing contained in this document shall constitute a waiver of any non-waivable rights that a client may have under federal and state securities laws.

### B. Risk Consideration

The Firm believes its strategies and investment recommendations are designed to produce the appropriate potential return for the given level of risk. In particular, the Firm does not engage in frequent trading or high-frequency trading. However, the Firm cannot guarantee that an investment objective will be achieved. As an investor, the client must be able to bear the risk of loss that is associated with his, her or its account, which may include the loss of some or all of the client's principal. While the enumeration of risks below is not comprehensive, it should be considered carefully by a prospective client before retaining the Firm's services. These risks should be understood as possible events, while considering their actual probability of occurring and the effect on a client's situation in case there is in fact an occurrence. Examples of risk include:

### 1. Company or Industry-Specific Risk (Unsystematic risk) –

When investing in securities, such as stocks, there is always a certain level of company or industry-specific risk that is inherent in each company or issuer. There is a risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. This is also referred to as unsystematic risk and can be reduced or mitigated through appropriate diversification.

### 2. Market Risk (Systematic Risk) –

The price of any security or the value of an entire asset class can decline for a variety of reasons outside of the Firm's control, including, but not limited to, changes in the macroeconomic environment, unpredictable market sentiment, forecasted or unforeseen economic developments, interest rates, regulatory changes, and domestic or foreign political, demographic, or social events.

### 3. Advisory Risk –

There is no guarantee that Lobnek's judgment or investment decisions about particular securities or asset classes will necessarily produce the intended results. The Firm's judgment may prove to be incorrect, and a client might not achieve his, her or its investment objectives. The Firm may also make future changes to the model portfolios and advisory services that it provides, which changes may not produce the intended results.

### 4. Volatility and Correlation Risk –

Clients should be aware that the Firm's asset selection process is based in part on a careful evaluation of past price performance and volatility in order to evaluate future probabilities. However, it is possible that different or unrelated asset classes may exhibit similar price changes in similar directions simultaneously, which may adversely affect a client, and may become more acute in times of market upheaval or high volatility. Past performance is no guarantee of future results, and any historical returns, expected returns, or probability projections may not reflect actual future performance.

### 5. Credit Risk –

Clients are exposed to the risk that financial intermediaries or security issuers may experience adverse economic consequences that may include impaired credit ratings, default, bankruptcy or insolvency, any of which may affect portfolio values or management.

### 6. Legislative and Tax Risk –

Performance may directly or indirectly be affected by government legislation or regulation, which may include, but is not limited to, changes in regulation applicable to an investment adviser or securities trading, changes in the U.S. government's guarantee of ultimate payment of principal and interest on certain government securities, and changes in the tax code that could affect interest income, income characterization and/or tax reporting obligations.

### 7. Foreign Investing and Emerging Markets Risk –

Foreign investing involves risks not typically associated with U.S. investments, and the risks may be exacerbated further in emerging market countries. These risks may include, among others, adverse fluctuations in foreign currency values, as well as adverse political, social and economic developments affecting one or more foreign countries. In addition, foreign investing may involve less publicly available information and more volatile or less liquid securities markets, particularly in markets that trade a small number of securities, have unstable governments, or involve limited industry sectors. Investments in foreign countries could be affected by factors not present in the U.S., such as restrictions on receiving the investment proceeds from a foreign country, foreign tax laws or tax withholding requirements, unique trade clearance or settlement procedures, and

potential difficulties in enforcing contractual obligations or other legal rules that jeopardize shareholder protection. Foreign accounting may be less transparent than U.S. accounting practices and foreign regulation may be inadequate or irregular.

#### 8. Inflation, Currency, and Interest Rate Risks –

Security prices and portfolio returns will likely vary in response to changes in inflation and interest rates. Inflation causes the value of future dollars to be worth less and may reduce the purchasing power of an investor's future interest payments and principal. Inflation also generally leads to higher interest rates. Higher interest rates, whether caused by inflation or otherwise, may cause the value of many types of fixed income investments to decline. In addition, the relative value of U.S. dollar-denominated assets may be affected by the risk that currency devaluations affect client purchasing power.

#### 9. Reinvestment Risk –

With declining interest rates, investors may have to reinvest interest income or principal at a lower rate.

#### 10. Socially Conscious Investing –

Requirements imposed by a client that his, her or its portfolio be invested according to socially conscious principles may limit returns on investments and the ability to diversify among various asset classes. The number of publicly traded companies that meet socially conscious investment parameters is also limited, and due to this limitation, there is a probability of similarity or overlap of holdings, especially among socially conscious mutual funds or ETFs, reducing diversification. The lack of diversification in a socially conscious portfolio could make it more volatile than a fully diversified portfolio.

### C. Material Risks of Particular Securities

The Firm suggests mutual funds and ETFs when designing client portfolios. The Firm selects funds based on costs and on how closely their characteristics mirror a particular market or asset class.

In addition to the other risks described above in this Item 8, ETFs and mutual funds carry risks associated with embedded expenses that may reduce such funds' net asset value, and therefore directly affect such funds' performance and indirectly affect a client's portfolio performance or an index benchmark comparison. Expenses of such funds may include investment adviser management fees, custodian fees, brokerage commissions, and legal and accounting fees. Such expenses may change from time to time at the sole discretion of the issuer.

#### 9. Disciplinary Information

Neither the Firm nor its management has been involved in a material criminal or civil action in a domestic, foreign or military jurisdiction, an administrative enforcement action, or self-regulatory organization proceeding that would reflect poorly upon its advisory business or its or its management's integrity.

#### 10. Other Financial Industry Activities and Affiliations

The Firm's policies require its management to conduct business activities in a manner that avoids conflicts of interest between the Firm and its clients, or that may be contrary to law. Lobnek will provide disclosure to each client prior to and throughout the term of an engagement regarding any conflicts of interest that might reasonably compromise its impartiality or independence.

#### A. Broker-Dealer Registration

Neither the Firm, nor its management, nor its associates are registered or have an application pending to register as a Financial Industry Regulatory Authority (FINRA) or National Futures Association (NFA) introducing broker-dealer, or as a futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities.

#### B. Commodity Broker

The Firm is not a commodity broker/futures commission merchant, a commodity pool operator, commodity trading adviser or an associated person for the foregoing entities and does not have any application for registration as such pending.

#### C. Material Relationships Maintained by this Advisory Business and Conflicts of Interest

Lobnek's parent, Lobnek Wealth Management S.A., renders services similar to those provided by Lobnek. For its operations, the Company's Geneva Branch shares management and other personnel, as well as offices and systems with the Mother Company. This relationship does not create a material conflict of interest.

#### D. Recommendation of Other Investment Advisers

While it is not a common practice of the Firm, the Firm may provide clients with a recommendation to another investment adviser. The Firm is not compensated for such referrals.

### 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Lobnek believes that its business methodologies, ethics rules and adopted policies are appropriate to eliminate or at least minimize potential material conflicts of interest, and to appropriately manage any material conflicts of interest that may remain.

The Firm will disclose to its clients any material conflict of interest relating to the Firm, its representatives, or any of its employees that could reasonably be expected to impair the rendering of unbiased and objective advice.

#### A. Code of Ethics Description

The Firm holds itself to a fiduciary standard, which means it will act in the utmost good faith, performing in a manner believed to be in the best interest of its clients. The Firm has adopted a Code of Ethics that establishes policies for ethical conduct for its personnel. The Firm accepts the obligation not only to comply with all applicable laws and regulations but also to act in an ethical and professionally responsible manner in all professional services and activities. The Firm's policies include prohibitions against insider trading, circulation of industry rumors, and certain political contributions, among others.

Lobnek periodically reviews and amends its Code of Ethics to ensure that it remains current and requires its personnel to annually attest to their understanding of and adherence to such Code of Ethics. A copy of the Firm's Code of Ethics shall be made available to any client or prospective client upon request.

#### B. Investment Recommendations Involving a Material Financial Interest and Conflicts of Interest

Neither the Firm nor any related person (e.g. officers, affiliates and certain employees of the Firm) is authorized to recommend to a client, or effect a transaction for a client, involving any security in which the Firm or a related person has a material financial interest, such as in the capacity of a board member, underwriter or adviser to an issuer of securities, etc.

A related person is prohibited from borrowing from or lending to a client unless the client is an approved financial institution.

Clients are under no obligation to act on a recommendation from the Firm and, if a client elects to do so, he, she or it is under no obligation to do so through the Firm or a service provider the Firm may recommend.

### C. Firm Investments in Same Securities Recommended to Clients and Conflicts of Interest

Conflicts of interest may arise when the Firm or a related person recommends a securities transaction to a client and holds a position in the same securities. For example, a related person may have an incentive to recommend the purchase of securities it owns. Lobnek does not trade for its own account (i.e., proprietary trading). The Firm's related persons may buy or sell securities that are the same as, similar to, or different from, those recommended to clients for their accounts. A recommendation made to one client may be different in nature or in timing from a recommendation made to a different client; clients often have different objectives and risk tolerances. In order to mitigate conflicts of interest arising from related persons' positions in the same securities recommended by the Firm, the Firm's policies may require that certain recommendations be approved by other Firm personnel not subject to such conflicts of interest.

### D. Firm Purchase of Same Securities Recommended to Clients at Same Time and Conflicts of Interest

Conflicts of interest may arise when the Firm or a related person recommends a securities transaction to a client and transacts in the same securities at or about the same time for his, her or its own account. For example, when the Firm recommends a client transaction large enough to affect the price of a security, and a related person wishes to transact in such security for its own account, such related person has a conflict of interest as to which transaction to execute first. To reduce or eliminate certain conflicts of interest involving personal trading (i.e., trading ahead of client recommendation, etc.), the Firm's policies may periodically restrict or prohibit related persons' transactions.

The Firm must approve any exceptions to its conflict of interest policies and will maintain personal securities transaction records as required.

## 12. Brokerage Practices

### A. Factors in Selecting or Recommending Broker-Dealers

Lobnek does not maintain physical custody of client assets (see Item 15). A qualified custodian, such as a broker-dealer, bank or trust company, must maintain a client's account. The Firm is not a custodian nor is any affiliate of the Firm a custodian. The Firm recommends that clients use Charles Schwab & Co., Inc., UBS Financial Services Inc., Bank Vontobel AG or Bank Julius Baer & Co Ltd. as their qualified custodian/broker-dealer (each, a "Recommended Custodian"). Upon a client's request, Lobnek is ready to assist in evaluating other custodians.

The custodian will hold client assets in a brokerage account and buy and sell securities when a client instructs it to. While the Firm may recommend certain custodians or brokers, clients may use other such service providers. Clients will open accounts with such service providers by entering into agreements directly with them. The Firm does not open accounts for clients, although it may provide assistance in doing so. Even though a client's account is maintained at a particular custodian, the Firm may still use other brokers to execute trades for such client's account, as described below.

The Firm seeks to select custodians and brokers who will hold client assets and execute transactions on terms that are, overall, most advantageous to the client when compared to other available providers and their services. In selecting such service providers, the Firm considers a wide range of factors, including, among others:

- Combination of transaction execution services and asset custody services;
- Capability to execute, clear, and settle trades (buy and sell securities for a client account);
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.);

- Breadth of available investment products (stocks, bonds, mutual funds, ETFs, etc.);
- Availability of investment research and tools that assist the Firm in making investment decisions;
- Quality of services;
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate prices;
- Reputation, financial strength, and stability;
- Prior service to the Firm and other clients; and
- Availability of other products and services that benefit the Firm, as discussed below.

*Depending on the nature of the relationship with the client, the Recommended Custodian may charge the client:*

- a) commissions or other fees on trades that it executes or that settle into clients' accounts;*
- b) a percentage of the dollar amount of assets in the account in lieu of commissions; or*
- c) both a and b.*

Commission rates and asset-based fees applicable to client accounts at each Recommended Custodian were negotiated on behalf of clients collectively. In addition to commissions and asset-based fees, each Recommended Custodian generally charges clients a flat dollar amount as a "prime broker" or "trade away" fee for each trade executed by a different broker-dealer where the securities bought or the funds from the securities sold are deposited (settled) into an account at the Recommended Custodian. These fees are in addition to the commissions or other compensation payable to the executing broker-dealer. Because of this, in order to minimize trading costs, the Firm recommends having the custodian of an account execute most trades for such account. Such recommendation is consistent with the Firm's duty to seek "best execution" of client trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above with respect to service provider selection.

#### 1. Research and Other Soft Dollar Benefits –

Each Recommended Custodian provides various services to the Firm in addition to the custodial, brokerage and record-keeping functions it performs for client accounts. Such services are generally available on an unsolicited basis (the Firm does not have to request them) and at no charge to the Firm.

##### a. The Firm's Interest in Client's using a Recommended Custodian

To the extent that the Firm does not have to pay for some of a Recommended Custodian's services, the availability of these services for free benefits the Firm because the Firm does not have to produce or purchase them. The provision of these services is not contingent on any particular business commitment, e.g., it does not depend on the level of trading commissions paid to the Recommended Custodian, but may be affected by the aggregate size of client accounts maintained at the Recommended Custodian. This creates an incentive for the Firm to recommend client's use a Recommended Custodian, and a potential conflict of interest to the extent a particular client benefits from such services proportionally less compared to other clients or the Firm.

##### b. The Firm's Conflict of Interest in Recommending a Recommended Custodian

The benefits the Firm receives from a Recommended Custodian, some of which may not benefit clients, give the Firm an incentive to recommend that clients maintain their accounts with a Recommended Custodian. The Firm's interest in receiving services that benefit its business, rather than services that solely benefit client interests may conflict with clients' interests in receiving the best value in custody services and the most favourable execution of transactions. This is a potential conflict of interest. However, the Firm believes selection of a Recommended Custodian as custodian and broker is in the best interests of clients because the Firm's selection is based primarily on the scope, quality, and price of the Recommended Custodian's services that benefit clients, and not the Recommended Custodian's services that benefit only the Firm.

### c. Commissions of a Recommended Custodian

While the Firm does not receive benefits from any Recommended Custodian based directly on the level of commissions paid by clients, client's use of a Recommended Custodian may result in them paying higher commissions than may be charged by other broker-dealers. Even though clients are free to use other broker-dealers, when their accounts are held at a Recommended Custodian, the Recommended Custodian may still charge "prime broker" or "trade away" fees for such transactions by other broker-dealers, resulting in higher commissions that would be payable otherwise, or making use of other broker-dealers impractical even where they would otherwise provide less expensive execution. Thus, to the extent clients chose to use a Recommended Custodian, and to the extent the Firm relies on a certain level of client account holdings at the Recommended Custodian, clients may pay higher commissions and the Firm may receive indirect benefits of this through the receipt of services from the Recommended Custodian.

### d. Allocation of Benefits of Recommended Custodian Services among Clients

As discussed above, certain of the services provided by a Recommended Custodian benefit clients. The Firm does not seek to specifically allocate such benefits among clients. Since these services are not based on commissions, but rather an overall threshold of holdings at a Recommended Custodian, there is no good way to allocate the benefits according to the generation of benefits by client transactions, and the Firm does not seek to do so. Where services provided by a Recommended Custodian may benefit clients, such services are used to benefit clients generally. Some clients may benefit from such services more than others based on their particular needs and strategies, but such allocation is not based on the relative amounts of services generated by each client's accounts.

### e. Services Received from Recommended Custodian for Maintaining Certain Level of Client Accounts

While the Firm does not receive services from a Recommended Custodian directly in exchange for brokerage commissions, or based on the level of or price for commissions, it does receive services based on the aggregate value of client accounts maintained at the Recommended Custodian, and the Recommended Custodian is willing to provide such services, in part, because of the commissions it can expect to receive with respect to such accounts. Such services provided by a Recommended Custodian include investment products available through the Recommended Custodian that might not otherwise be available to clients, or that might be available only at significantly higher minimum initial investments. They also include investment research, both the Recommended Custodian's own and that of third parties, which the Firm uses to service all or a substantial number of clients' accounts, including accounts not maintained at a Recommended Custodian. In addition, the Recommended Custodians provide software and other technology that:

- Provides access to client account data (such as duplicate trade confirmations and account statements);
- Facilitates trade execution and allocates aggregated trade orders for multiple client accounts;
- Provides pricing and other market data;
- Facilitates payment of the Firm's fees from clients' accounts; and
- Assists with back-office functions, recordkeeping, and client reporting.

Some of the services provided by the Recommended Custodians are primarily intended to help the Firm manage and further develop its business enterprise, including:

- Educational conferences and events;
- Consulting on technology, compliance, legal, and business needs;
- Publications and conferences on practice management and business succession; and
- Access to employee benefits providers, human capital consultants, and insurance providers.

A Recommended Custodian may provide some of these services itself and in other cases, it will arrange for third-party vendors to provide the services. A Recommended Custodian may also discount or waive fees for

some of these services or pay all or a part of a third party's fees. A Recommended Custodian may also provide occasional business entertainment and may make occasional contributions to charitable organizations with which the Firm, its employees and/or their families have a relationship.

f. Procedure to Direct Client transactions to Particular Broker-Dealer in Return for Services

The Firm does not direct client transactions to broker-dealers in return for benefits. The Firm recommends clients open and maintain accounts with a Recommended Custodian based on the benefits to specific clients opening the accounts, such as best execution and pricing provided by the Recommended Custodian, and services of the Recommended Custodian that benefit the Firm's clients generally, or that benefit the Firm. Because the fee structure of each Recommended Custodian encourages clients to use the Recommended Custodian to execute transactions in accounts held at the Recommended Custodian, the Firm's recommendation of a Recommended Custodian could be seen as a procedure to direct client transactions and associated brokerage commissions to the Recommended Custodian in return for services. However, since each Recommended Custodian provides services based on meeting a certain threshold of account value, without incremental increases based on additional accounts or levels of commissions, and because clients are free to use custodians and/or broker dealers other than a Recommended Custodian, the Firm does not believe there is a quid pro quo arrangement in which it receives services or benefits in return for directing client transactions or commissions to any Recommended Custodian.

2. Brokerage for Client Referrals –

The Firm does not refer clients to particular broker-dealers in exchange for client referrals from those broker-dealers and does not consider potential client referrals in recommending any particular broker-dealer.

a. Recommending Broker-Dealers to get Client Referrals

The Firm may have an incentive to select or recommend a broker-dealer in return for client referrals from such broker-dealer. However, the Firm generally uses a Recommended Custodian to execute transactions, and does so based on the factors listed above, and not based on anticipated client referrals from the Recommended Custodian.

b. Procedures for Directing Transactions to Broker-Dealers

The Firm generally uses a Recommended Custodian to execute transactions. In some cases, the Firm may use another broker-dealer for a particular transaction if it determines that such other broker-dealer provides better execution for such transaction based on the criteria listed above for selecting service providers.

3. Directed Brokerage –

a. Recommending Execution through Specific Broker-Dealers

The Firm does not require or recommend that client transactions be executed through a specific broker-dealer, other than by generally recommending that clients use a Recommended Custodian for custodial services, which may make it more likely that clients use the Recommended Custodian for related broker-dealer services. In some cases, certain custodians may restrict which broker-dealers they will allow to execute transactions for accounts they have custody of.

b. Clients Permitted to Direct Brokerage

Clients may choose a custodian other than a Recommended Custodian and may request that the custodian of record for their accounts use another broker-dealer to execute some or all transactions for such accounts. In these circumstances, clients will be responsible for negotiating, in advance, the terms and/or arrangements for their account with the broker-dealers selected by them. The Firm will not be obligated to seek better execution services or prices from these other broker-dealers and may not be able to aggregate client transactions

for execution through such other broker-dealers, as it may do for transactions executed through a Recommended Custodian. As a result, clients may pay higher commissions or other transaction costs, experience greater spreads, or receive less favorable net prices on transactions than would otherwise be the case.

If a client chooses to use a particular custodian or broker-dealer that does not provide direct feed electronic information to the Firm in the manner provided by the Recommended Custodians, it may be more difficult for the Firm to provide financial reporting services, and as a result, the Firm may charge a higher fee for such services in such cases.

Pursuant to both the Firm's and each Recommended Custodian's obligation of best execution, the Firm may decline a request to direct brokerage if it is believed the directed brokerage arrangement would result in additional operational difficulties or risk to the Firm or the Recommended Custodian.

## B. Aggregating Securities Transactions

The Firm generally does not aggregate client orders. "Aggregated orders" are those where trading in the same security for different clients is done at the same time. Since the Firm generally does not aggregate orders, one client may receive different pricing for the same security on the same day compared to pricing received by another client, and certain transaction expenses may be higher than would be the case if such transactions were aggregated across clients. If the Firm does aggregate client orders, it will generally only do so for transactions being executed through a Recommended Custodian.

## 13. Review of Accounts

### A. Schedule for Periodic Review and Advisory Persons Involved

Asset management services accounts are reviewed by Marc A. Moret, as Founder, and Gianpiero Sturzo, as Chief Operating Officer, no less often than monthly. Clients also have the option to conduct reviews through their assigned investment adviser representative at the Firm, which the Firm recommends doing on at least an annual basis. Copies of investment policy statements and asset allocation reports will be provided to the client upon request. Financial reporting services accounts are reviewed by Mr. Moret and Mr. Sturzo no less often than monthly.

### B. Review of Client Accounts on Non-Periodic Basis

Additional reviews by the Firm may be triggered by news or research related to a specific holding, a change in the Firm's view of the merits of a holding, or news related to the macroeconomic climate affecting a sector or holding within that sector.

Accounts also may be reviewed for an additional holding or when an increase in a current position is under consideration. Account cash levels above or below what the Firm deems appropriate for the investment environment, given the client's stated tolerance for risk and investment objectives, may also trigger a review. A copy of revised asset allocation reports will be provided to the client upon request.

### C. Content of Client Provided Reports and Frequency

Lobnek delivers records for its respective services on a monthly basis. The Firm provides four different types of reports:

#### 1. Asset Management Report –

As part of its asset management activity, Lobnek provides a monthly report detailing the asset allocation of the portfolio, its performance for the month, the costs generated by the asset management strategy, and the risk involved in the strategy.

## 2. Financial Reporting –

As part of its Consolidation activity, Lobnek provides a monthly report detailing the asset allocation and performance of the various items it consolidates, on an item-by-item basis, and on a consolidated basis.

As part of its Cost Control activity, Lobnek provides a monthly report detailing the cost structure of the various accounts being analyzed.

As part of its Risk Control activity, Lobnek provides a monthly report detailing the risk of the various accounts being analyzed.

Such reports are delivered electronically, are accessible at any time through the client portal on the Firm's webpage: [www.lobnek-inc.com](http://www.lobnek-inc.com) and may be printed from the portal. All Firm reports will be prepared in accordance with appropriate jurisdictional guidance.

### 14. Client Referrals and Other Compensation

#### A. Economic Benefits from Persons other than Clients

The Firm does not receive economic benefits from persons other than clients for providing investment advice or advisory services to clients.

#### B. Compensation for Client Referrals

The Firm often receives referrals from its existing clients, as well as from other professional service providers, such as lawyers and accountants. While this might provide an incentive to discount fees for clients who refer business to the Firm, it is the Firm's strict policy not to do so. Referrals from other professional service providers might provide an incentive to refer the Firm's clients to such service providers. However, the Firm is careful to choose service providers, and to refer clients to service providers, in as unbiased a way as possible. As such, the Firm frequently provides multiple names when asked for referrals to professional service providers. Neither the Firm nor any related person is compensated in any way for providing client referrals.

### 15. Custody

The Firm does not have custody of client funds or securities. Whether a client has opened and maintained an investment account on its own or with the Firm's assistance, it will receive account statements sent directly from the custodian where the investments are held. Clients should receive statements, at least quarterly, from the broker-dealer, bank or other qualified custodian that holds and maintains its investment assets. The Firm urges clients to carefully review these account statements for accuracy and clarity, and to ask questions when something is not clear. The Firm further urges clients to compare such official custodial records to the information that the Firm may provide, such as monthly performance reports. The Firm's statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

### 16. Investment Discretion

Lobnek generally provides its Core Asset Class management services on a discretionary basis. Similar to a limited power of attorney, discretionary authority allows the Firm to implement investment strategies and trading decisions, such as the purchase or sale of a security, in order to meet stated investment objectives, on behalf of a client's account, without requiring prior client authorization for each transaction. This authority will be granted through the client's execution of the Firm's Discretionary Asset Management Agreement, as well as the custodian of record's Limited Power of Attorney agreement. The custodian will specifically limit the Firm's authority with respect to a client's account to placements of trade orders and requests for deduction of advisory fees. In certain cases, Lobnek provides Satellite Asset Class management services on a discretionary basis with respect to portions of a portfolio a client has approved for discretionary Satellite Asset Class investing.

## 17. Voting Client Securities

### A. Voting of Proxies

The Firm does not vote proxies on behalf of clients, nor does it offer guidance on how to vote proxies. To the extent a client wishes to vote with respect to securities in its portfolio, it should make arrangements with the applicable custodian to do so.

### B. How Clients may Vote their Securities

Clients maintain exclusive responsibility for directing the manner in which proxies solicited by issuers of securities they beneficially own shall be voted, as well as making all other elections relative to mergers, acquisitions, tender offers or other events pertaining to such securities. Clients may establish arrangements with applicable custodians for the voting of securities they beneficially own. The Firm shall not be involved in establishing, monitoring or enforcing such arrangements, which shall be strictly between the client and the applicable custodians.

The Firm has no power, authority, responsibility, or obligation to take any action with regard to any claim or potential claim in any bankruptcy proceeding, class action securities litigation or other litigation or proceeding relating to securities held at any time in a client account, including, without limitation, to file proofs of claim or other documents related to such proceeding, or to investigate, initiate, supervise or monitor class action or other litigation involving client assets.

Clients may receive proxies or other similar solicitations sent directly from their selected custodian or transfer agent. Should the Firm receive a duplicate copy or any other correspondence relating to the voting of client securities, class action litigation, or other corporate actions, it will generally not forward such correspondence to clients.

Clients may contact the Firm with questions about a particular solicitation by telephone at +41 22 718 90 30 or e-mail at [lobnekinc@lobnek.com](mailto:lobnekinc@lobnek.com).

## 18. Financial Information

### A. Balance Sheet

Due to the nature of the Firm's services and operational practices, an audited balance sheet is not required to be included in this Brochure.

### B. Financial Condition Likely to Impair Commitments

Neither the Firm nor its management has a financial condition likely to impair its ability to meet commitments to clients.

### C. Bankruptcy Petitions

The Firm has not been the subject of a bankruptcy petition.

## 19. Requirements for State-Registered Advisers

Lobnek is currently not registered or registering with one or more state securities authorities.