

## Client Relationship Summary - Form CRS – June 30, 2020

StraightLine Group, LLC is registered with the Securities and Exchange Commission (SEC) as an investment adviser. Brokerage and investment advisory services and fees differ, and it is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

### *What investment services and advice can you provide me?*

We offer Investment Advisor Services to retail investors that include Investment Management inside and outside of company sponsored retirement plans, and Financial Planning. StraightLine acts as your Fiduciary, which means we are obligated to always do what is in your best interest. We manage these advisory accounts on a discretionary (we make all changes and alert you that we have done so) and nondiscretionary (we recommend changes, but it is up to you to put them in place) basis - with account supervision guided by your objectives (Example: growth, income, or growth and income). We monitor accounts and the funds held in those accounts; this is part of our discretionary service. We use an electronic system daily that monitors significant variances in account allocations and fund behavior, when underlying systems allow. If this daily access is restricted, we review accounts monthly at a minimum. For the non-employer sponsored accounts that we manage, the performance of all portfolio funds is reviewed no less than weekly. A comprehensive portfolio review is conducted no less than quarterly. Our Financial Planning services include, but are not limited to: a review of investment and retirement accounts, including reviewing asset allocation and providing repositioning recommendations; a review of insurance policies and recommendations for changes, if necessary; one or more retirement scenarios; estate planning review and recommendations; and education planning with funding recommendations. This is a one-time service and does not include ongoing monitoring.

We do not have a minimum portfolio or account size, nor do we have any proprietary (owned by StraightLine) products. We provide investment advice and management regarding mutual funds and ETFs (Exchange Traded Funds), which are the primary investments we use for our client accounts. We provide management of stock positions for a small number of clients, but most of our work involves the use of funds.

**For additional information, please reference our Form ADV Part 2A, Item 4 (Advisory Services) and 16 (Investment Discretion).**

#### *Conversation Starters - ask your financial advisor:*

- *Given my financial situation, should I choose an investment advisory service? Why or why not?*
- *How will you choose investments to recommend to me?*
- *What is your relevant experience, including your licenses, education, and other qualifications? What do these qualifications mean?*

### *What fees will I pay?*

For advisory accounts outside of employer plans, our annual fee is between 0.7% to 2.00% of your account balance annually. These fees are usually charged on a quarterly basis, in advance and paid directly from accounts. For employer sponsored account management, the annual fee is 0.5% of the account value, with a capped charge of \$1200/year. The fees may be paid from the account directly, in arrears, if your employer and custodian allow, or you may pay them in advance directly by credit card or check. The more assets there are in your advisory account, the more you will pay in fees; thus, the firm may have an incentive to encourage you to increase the assets in your account. The fee for our advice only service is a flat \$400/year. These management fees are the only way in which StraightLine is compensated. Only our clients pay us. In addition, you will incur charges related to expenses charged by mutual funds and ETFs to their shareholders, wire transfer and electronic fund fees, but generally you will not incur transaction fees. Such charges and fees are in addition to our advisory fee. If you cancel and have paid fees in advance you will receive a prorated credit for the unused portion, so long as more than one month prepaid still exists. *You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you*

make on your investments over time. Please make sure you understand what fees and costs you are paying. **For additional information, please see our Form ADV Part 2A, Item 5 (Fees and Compensation).**

**Conversation Starters - ask your financial advisor:**

- Help me understand how these fees and costs might affect my investment. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

**What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?**

When we act as your investment adviser, we must act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means. Transfers: Our firm and our associated persons receive income from the management of accounts under our care at Charles Schwab. This creates a conflict if we recommend transferring an account to our care. Please refer to Item 5 (Fees and Compensation) of our Form ADV Part 2A. When transferring client accounts, the client's best interest will be the main determining factor.

We use Charles Schwab as the custodian for our clients' accounts. Schwab's services include research, brokerage, custody and access to mutual funds and other investments that are otherwise available only to institutional investors. Some of these other products and services assist us in managing and administering clients' accounts. You may or may not benefit from these additional services to StraightLine.

**Conversation Starters - ask your financial advisor:**

- How might your conflicts of interest affect me, and how will you address them?

**For additional information, please see our Form ADV Part 2A brochure, Item 11 (Interest in Client Transactions and Personal Trading). Our ADV brochure can be obtained on our website, [www.straightline.com](http://www.straightline.com) at the LEGAL link on the bottom of every page.**

**How do your financial professionals make money?**

We are compensated based on salary with bonus incentives. The bonuses are calculated based on various factors – they can be individual goal-based, or firm goal-based and can be tied to growth in client base, assets under management, and net new assets. This could cause a conflict of interest as increasing assets in accounts may affect compensation.

**Do you or your financial professionals have legal or disciplinary history?**

No. A free search tool to research us and our financial professionals is available at [Investor.gov/CRS](http://Investor.gov/CRS).

**Conversation Starters - ask your financial advisor:**

- As a financial professional, do you have any disciplinary history? For what type of conduct?

**Additional Information**

Additional Information about our services is available by visiting [www.straightline.com](http://www.straightline.com). If you would like to request a copy of this relationship summary, contact us at [info@straightline.com](mailto:info@straightline.com) or telephone at 248-269-8366 or 877-338-4032.

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**Conversation Starters - ask your financial advisor:**

- Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer?
- Who can I talk to if I have concerns about how this person is treating me?





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**[www.straightline.com](http://www.straightline.com)**

**April 23, 2021**

This brochure provides information about the qualifications and business practices of StraightLine Group LLC. If you have any questions about this brochure please contact us at 866-401-5238, or by email at [info@straightline.com](mailto:info@straightline.com).

The information in this brochure has not been approved of or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority.

We are a registered investment advisor. Registration of an advisor does not imply a certain level of skill or training.

Additional information about StraightLine is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).



## ITEM 2: SUMMARY OF MATERIAL CHANGES

The following is a summary of material changes from our last annual Brochure dated March 30, 2020:

In April 2020, we applied for and received a loan under the Paycheck Protection Program (PPP). We have used the proceeds of the PPP loan to pay for payroll and other expenses specifically permitted under the PPP.

We will provide you with a copy of our entire Brochure at your request and without charge. Currently, our Brochure may be requested, free of charge, by contacting Doris Karras, our Chief Compliance Officer at 866-401-5238 or by emailing us at [info@straightline.com](mailto:info@straightline.com). You may also access the brochure online via the “Legal” link at the bottom of any page at [www.straightline.com](http://www.straightline.com)

Additional information about us is also available via the SEC’s web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s web site also provides information about any persons affiliated with us who are registered, or are required to be registered, as one of our investment advisor representatives of our firm.



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## ITEM 4: ADVISORY BUSINESS

We have been in continuous operation since our incorporation in June, 2002. We offer financial advisory services to clients on either their employer sponsored retirement program accounts or their personal investment accounts. We also offer advice to sponsors of 401(k) and 403(b) plans. With respect to our 401(k) and 403(b) business, we have always been a “fee only” advisor. Our compensation is not commission based but is either a flat fee or is calculated as a percentage of assets under management.

Michael F. Bisaro, President and CEO is our owner. Our executive officers include Bethany W. Mosshart, Chief Operating Officer/Director of Administration, Steven F. Mosshart, Chief Investment Strategist, and Doris C. Karras, our Chief Compliance Officer. Additional information about our personnel may be found in our brochure supplement.

### **Service to Individuals**

#### ***Full Service Employer Sponsored Retirement Plan Assistance***

For individuals who participate in an employer sponsored retirement plan such as a 401(k) or 403(b), we offer discretionary account management, meaning we determine how to invest your account assets and then we actively manage the account for you. We call this full service. We make strategic reallocation decisions periodically and, using either an advisor login or your internet user name and password, implement those changes in your account.

We analyze the funds available in your employer’s plan and we select the funds we will recommend to you. If you become our client, we meet with you in person or by phone to determine your risk tolerance and overall goals for investment of your account. After signing an agreement to work together, we use a questionnaire to help us decide which model allocation is appropriate for you. We will communicate with you via email or U.S. Mail at least quarterly with market information and account updates. We will also send you communications whenever we make a change to your account allocations.

#### ***Advice Only Assistance***

We also offer a non-discretionary advice service. If you become an advice client, we will gather all the same information from you that we would if you were a full service client. The difference is that instead of implementing the changes we recommend for you we will send you our recommendations. It is up to you to make our recommended changes, but you are not obligated to do so.



## **STARs**

We also manage personal investment accounts such as IRAs, joint accounts or individual accounts on a discretionary basis using the same research based process and risk assessment, and discretionary management style as in our full service retirement account management service. We generally recommend using Charles Schwab & Co., Inc. (Schwab) as the account custodian and we actively manage these accounts on their platform. We call this service **STARs**, which stands for StraightLine's Targeted Allocation Recommendations.

If you become a STARs client after an initial consultation, signing an agreement to work together and information gathering, your account(s) will be opened at Schwab. Once assets are received at Schwab we begin our discretionary management program, investing your account in stocks and bonds, or in mutual funds. In most cases we use mutual funds to provide the diversification and market coverage we feel is necessary for you, depending on your risk tolerance and financial circumstances. Through our relationship with Schwab and by using their registered investment advisor platform of services, we have access to institutional shares, one of the lowest cost groups of mutual funds available. Please see "**STARs Management Fees**" beginning on page 8 for more information on the Schwab platform.

StraightLine now works with sub-adviser to provide some additional fixed income and equity opportunities for clients whose investment and risk profiles, as well as their total assets (generally \$500,000 investable assets), make these choices appropriate. Separate accounts will be created on Schwab's Managed Account platform for these investments. A premium will be paid for any bond purchases that take place through this account. For the new equity strategies, a separate management fee, ranging from .40% to .60% will be paid by the client, in addition to StraightLine's regular management fee. That fee will be similar to the internal fees charged by mutual fund managers.

Fund selection is based on a wide variety of factors that our Research Department studies including cost, performance of the fund itself vs. its peers and the industry as a whole. We also consider factors such as how long the manager has been in charge, style drift (if it is billed as a certain type of fund, we make sure that's how it is actually invested). We use a variety of tools in this extensive research process, as well as information about the larger economic picture, historic market information, etc.

## ***Financial Planning***

We are often asked to provide help in planning for future savings and spending. We use a number of tools to help us gather pertinent information about a client's financial situation, needs, budgets, years to work, etc. We use those tools and systems to evaluate the information gathered and then make recommendations based on the reports generated. We meet once to gather information and then, after using a computer modeling system, meet again to share and discuss the results of our research. At the second meeting we share our recommendations for future investment of accounts at either a fund specific or asset class level. Clients can also choose to continue to receive our asset based recommendations in an ongoing fashion.

## **Services to Plan Sponsors**



We also provide investment advice to plan sponsors. Every plan should have a clear investment policy that sets out how the plan is to be run and how its performance and the performance of its investments are analyzed and reviewed. We assist plan sponsors with development and review their investment policy statement. We begin with a general meeting to obtain background information and determine the scope of services required. Once the investment policy statement is finalized, we can also assist in the selection of investment categories as well as specific investment choices. We offer an independent view of the funds and investment vehicles available.

We also assist plan sponsors in periodic reviews of investment choices. The specific services we provide to a plan sponsor may vary depending on our relationship. Thus, our agreement with the plan sponsor will describe the specific services we agree to provide the plan sponsor.

We are also contracted to offer educational services to plan participants. We provide a variety of seminars that, at plan sponsor request and expense, offer unbiased and clear content for their employees' benefit.

In any of our services, our clients may place reasonable restrictions on their accounts making it possible for a client to exclude a certain market sector or particular securities.

### **Assets Under Management**

We manage assets on both a discretionary and non-discretionary basis. As of December 31, 2020, we had \$1,001,745,133 in client assets managed on a discretionary basis and \$55,083,164 in client assets managed on a non-discretionary basis.

## **Item 5: FEES AND COMPENSATION**

### **Fees for Individual Services**

#### ***Full Service Fees***

The fee for this service currently ranges from \$0 (if the starting account balance is \$0) up to \$1,200 per year. Our fees are negotiable based on our discussions with you or your employer. Our fee is for 12 months of service and will be billed quarterly. Our fee can be paid from your plan account, by the plan sponsor, or directly by you, as determined at the time the service begins. If you are paying directly for the service, you can pay by check or credit card.

#### ***Advice Only Fees***

The maximum fee for this service is currently \$400 per year. The fee is negotiable based on our discussions with you or your employer. The fee is for 12 months of service. The fee is billed quarterly or annually. It can be paid from your plan account, by the plan sponsor, or by you, as determined at the time the service begins. If you are paying for the service, you can pay by check or credit card.

#### ***STARs Management Fees***



Our STARs management fees are paid quarterly, in advance. These fees are typically deducted from your account. Based on our agreement with you, however, you may pay the fee directly, either by credit card or check. Fees vary from client to client based upon the types of securities being managed and the size of the account. Fees typically range from a low of 0.5% per year to a high of 2.0% per year.

All portfolio management fees and the minimum account size are negotiable, so clients receiving similar services may pay different fees. Transaction fees may be charged by the custodian in addition to our management fees. Through our relationship with Schwab we have access to institutional shares, one of the lowest cost groups of mutual funds available. These are generally no load funds which mean there is no charge to buy or sell shares in the fund. Occasionally we choose a fund with a fee charged by Schwab for buying or selling the fund (typically no more than \$25 per transaction per account). If we recommend that you purchase or sell an individual stock or ETF, you will incur brokerage transaction fees, which currently range from \$0 to \$4.95.

The fee for STARs management is based on the market value of the assets in the account, including cash balances and money market fund balances. The initial fee is charged from the date the account is funded through the end of that calendar quarter, if the account is opened for more than 30 days before the quarter ends.

After the initial period, our fee is charged quarterly, in advance, and is based on the market value of the assets in the account on the date of the close of the previous quarter. For example, a fee charged on January 1 for first quarter fees, would be calculated using the account value as of December 31 close of business. No adjustments are made to the fee for changes in market value during the quarter, or for deposits or withdrawals. We may, at our discretion, combine the value of related accounts for fee calculation purposes.

We may amend our fees with advance written notice to you, in accordance with the terms in our agreement with you.

### ***Financial Planning Fees***

There are two levels of service for Financial Planning. If a client requests fund specific recommendations at their second meeting, the one-time cost for the two meetings is \$1,500. If the client prefers to have asset class based recommendations (not a specific fund in which to invest, but a broad class recommendation such as International, or Large Cap growth, for instance) the one time cost for the two meetings is \$1,000. Clients of either type can enroll for continuing asset class recommendations, which would be sent at such time as changes were being made to our full service client accounts in STARs. The annual cost for continuing service is \$400.

### **Fees to Plan Sponsors**

We negotiate our fees with Plan Sponsors on a case by case basis and the fees are set forth in our agreements with the Plan Sponsor. Generally these fees are based on total plan assets. Fees for education services are \$1,750/day/educator which is charged for creation and delivery of materials, presentations and travel. Travel outside the Midwest may involve higher charges.



## **Fees Charged by Others**

Mutual funds of all types charge their shareholders various fees and expenses associated with, for example, the establishment and operation of the fund, its management, servicing, etc. All fund fees are explained in the current prospectus for each fund, which is available from the fund. Copies of prospectuses can also be requested by contacting us at [info@straightline.com](mailto:info@straightline.com).

With any type of mutual fund investment the investor pays those fund fees, though they are not always clearly visible. If you invest in mutual funds, you will pay those fees in addition to our management fee. Generally speaking, most mutual funds (though not all share classes) may be purchased directly, without using our services, and without incurring our advisory fees.

For our sub-managed accounts, held on Schwab's Managed Account platform, there will be additional fees paid to the sub-advisor. A premium will be paid for any bond purchases, which will be included in the price of the bond(s). For the equity strategies, a separate management fee, ranging from .40% to .60% will be paid directly from the account on the platform, in addition to StraightLine's regular management fee. That fee will be similar to the internal fees charged by mutual fund managers. Generally speaking, you can purchase bonds and equities (stocks) directly without incurring our advisory or sub-advisory fees.

## **Cancellation and Refunds**

You may terminate our agreement at any time by written notice and we may terminate your agreement in the same manner. We will provide a pro-rated refund of any pre-paid, unused fee to you within 30 days of termination, provided more than 30 days remain in the billing period.

## **Other Compensation Received by StraightLine**

We are a licensed insurance agency with the State of Michigan and some of our investment advisor representatives are licensed insurance agents. As part of our investment advice, we may recommend the purchase of life insurance or fixed annuities. If you choose to purchase an insurance product from us, we will receive a commission equal to the first year's premium directly from the insurance company. This may create a conflict of interest. To mitigate this conflict, you are free to purchase any recommended life insurance from an agent of your choice.

### **ITEM 6: PERFORMANCE BASED FEES**

We do not charge any performance based fees.



## ITEM 7: TYPES OF CLIENTS

We work with individuals, charitable organizations, corporations, pension and profit sharing plans, universities and other employers to provide our services. We do not advise or manage any mutual funds or other investment companies. We do not have a minimum account size.

## ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF LOSS

We work with you to determine your risk model as the first step in setting up an appropriate investment strategy for you. We use a questionnaire to help us learn about your timeframe, total assets, attitude toward risk and loss and familiarity with investing. The answers to these questions, along with personal conversations and individualized questions and answers help us select a model for your investments. You are always free to select a more or less aggressive model than what we recommend from this process. We ask that you keep us up to date on major life changes and situations that could affect your investment needs such as the birth of children, college savings, retirement and illness.

It is important that you know that ALL investments carry risk of loss. Different investments have different risks. Matching a client's risk profile to the appropriate model and exposure to risk is extremely important. It is generally established that there is a trade off in investing between risk and reward. While stocks can be very risky as investments they can also yield high returns.

We have entered into a sub-advisory relationship to develop customized investment strategies based on the specific investment needs, goals and objectives of our clients. Under this arrangement, the sub-adviser will assist Straightline in developing model portfolios, assessing funds and investments and continuing to evaluate economic data and how it may affect our model portfolios, clients and their accounts. We will retain the right to replace the sub-adviser on a discretionary basis. While clients will not have a direct contractual relationship with the sub-adviser, Straightline will provide the client with the sub-adviser's firm brochure (Part 2 of Form ADV).

In addition, we offer access to separately managed accounts through our sub-adviser, which are available to clients whose accounts meet the sub-adviser's minimums (generally \$500,000 investable assets). In this situation you will help you open a separate account on Schwab's Managed Account platform, and you would sign an addendum to our normal agreement, accepting the sub-adviser's management and fee.

We have developed five model portfolios that we use for investing. The most aggressive of these is currently invested primarily in equity mutual funds and ETFs, so they are tied directly to the markets, both domestic and foreign. This portfolio carries the highest degree of risk of loss if the stock markets lose value. When the stock markets are moving in a positive manner, however, this portfolio may take advantage of those increases the most.

At this time our least aggressive model portfolio allocates a very small percentage of the account to equity funds. The remainder of the portfolio is invested in "fixed income" funds. These are mutual funds that are



typically invested in bonds of corporations or municipalities, cash or cash equivalents and are considered less risky. While these funds have less risk associated with them, they also typically yield a lower return than the more aggressive funds that are invested all in equities.

Balancing risk and stability is extremely important for us and our clients. As our portfolios become more aggressive the amount we allocate to equities increases and the amount we allocate to fixed income funds decreases. Our current models (subject to modification as needed) and their respective percentages of equity to fixed income, from least aggressive to most aggressive, are:

20% equity funds – 80% fixed income  
40% equity funds – 60% fixed income  
60% equity funds – 40% fixed income  
80% equity funds – 20% fixed income  
100% equity funds

If you have a STARs account, we will generally allocate at least 2% of your portfolio to cash. The balance of your account will be allocated in accordance with the percentages of your selected model as set forth above. It should be noted that these are our current allocation models. The models may be adjusted from time to time based upon market, world and economic changes.

In general we choose to recommend investments in mutual funds. A mutual fund is a way for investors to combine their funds and have them managed by a professional. Generally individuals buy shares in the fund and the fund manager uses those dollars to invest in the fund's stated strategy of assets. The fund manager charges a fee for his/her work. The fund's value reflects the net asset value (NAV – which is the value of all of the investments held in it), less this fee. Funds are designed to invest in a certain way (all in big companies, perhaps, or all in foreign, small companies, for example.) There are many different ways for funds to be designed, managed, invested, etc. There are also a number of ways for the fund to charge fees.

We use a number of tools to analyze the investment choices available to all our clients. For our retirement account clients we do a thorough review of the fund choices offered within their plans. Using tools such as Morningstar (to help us investigate the stocks or bonds held within the funds, the fees and performance) we select the funds most likely to meet the clients' needs in as many market sectors as possible.

We use the same processes with our STARs service, but at Schwab we are not restricted to just the funds and investments offered within a retirement plan. We analyze a far wider group of choices and again, using many comparative items, choose the funds we think will best meet our clients' needs.

We do historic comparisons and study current and past economic situations and results. We also use a number of different financial planning strategies to determine the allocation percentages we think will work best for our clients, keeping in mind their age, risk model and investment goals. There are a number of complex financial planning theories and tools to help us determine the funds, market sectors and timing of our investment decisions. Our Research Department reads, digests, discusses and monitors numerous financial publications, websites and programs to keep up with the markets, economic and governmental situations. They make



decisions about when to make a change to an account's holdings both from an investment and allocation standpoint.

There have been some trends established in the markets over time. Historically market sectors seem to perform well for a few years, then not as well as some others, and then rise again. Periodically we will rebalance the accounts we manage to take advantage of a market sector that appears ready to rebound or recover. We may also adjust our holdings in a sector that appears on the verge of dropping. By carefully monitoring all these variables we strive to maximize return while minimizing risk for our clients.

There is always a risk of loss when investing in anything that does not have a fixed, guaranteed rate of return. Understanding our clients' needs and desires for their accounts is as important as making sure they understand our plan for them. Communication about our strategies, ideas, plans, etc., as well as about any moves made in their accounts is one of the critical features of our work.

### **ITEM 9: DISCIPLINARY INFORMATION THAT INVOLVES STRAIGHTLINE OR ONE OF ITS MANAGEMENT PERSONS**

It is extremely important to us that you trust us and feel confident of the work we are performing for you. This section contains the disclosures required by the SEC.

Neither StraightLine nor anyone at StraightLine has been involved in an administrative proceeding before the SEC or any other federal regulatory agency, any state regulatory agency, or any foreign regulatory agency that has resulted in any sanction, suspension or limit.

### **ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

As described under "Other Compensation Received by StraightLine" beginning on page 10 of this brochure, we are a licensed insurance agency and a number of our investment advisor representatives are also licensed to sell life insurance and insurance related investment products. Our representatives work directly with the insurance providers and often work with Comprehensive Planning, Inc., an independent general agent and wholesaler of life insurance and fixed annuities, located in Troy, Michigan. Fees or commissions charged are set by the insurance company and are paid to us from the insurance company not from Comprehensive Planning, Inc.

### **ITEM 11: CODE OF ETHICS OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

#### **Code of Ethics**

We have adopted a Code of Ethics (the "Code") describing the standards of business conduct we expect all officers, directors, employees, and advisory representatives to follow. The Code also describes certain reporting requirements with which particular individuals associated with or employed by us must comply. We will provide a copy of the Code to you upon request.



Our principals and representatives will often own the same securities we recommend to you or our other clients. Generally, these securities will be shares of open ended mutual funds or stocks and bonds actively traded on a national securities exchange or market where the time and size of their purchases or sales will not affect transactions for you or our other clients. If we do recommend the purchase or sale of a thinly traded security to you, we will ensure that our principals' and representatives' transactions do not adversely affect you nor improperly benefit them, typically by completing our principals' and representatives' transactions after all your and other client transactions have been made. Orders for your account and our own accounts may sometimes be aggregated or "batched" into one large order in accordance with our trade aggregation and allocation policy (described in connection with our brokerage placement practices below). Aggregated orders may achieve better execution for all participating accounts and those benefits will be fairly allocated among all participating accounts.

Our Code of Ethics is available for review at any time. Clients can email us at [info@straightline.com](mailto:info@straightline.com), or call us at 866-401-5238 to request a copy.

### **Interest in Client Transactions**

As described under "Other Financial Industry Activities and Affiliations" above, we are a licensed insurance agency and some of our investment advisor representatives are licensed insurance agents. From time to time, we will recommend the purchase of life insurance or a fixed annuity. An annuity is an insurance product that is sometimes appropriate for a client's fixed income allocation. In that event, we will be paid a commission on the sale of insurance products and although we do not charge an advisory fee in addition to the commission, the first year commission is likely greater than an advisory fee on the same investment size. Thus, we may have an incentive to recommend insurance products. To mitigate this conflict, we inform clients that they may use an insurance agent of their choice to purchase an insurance product.

We may, from time to time, secure loans for expansion or operating capital from outside sources, including current clients. A loan from a current client could cause a conflict of interest. We believe that we treat all clients fairly. If, however, we owe money to clients that could result in us favoring clients who are lenders over clients who are not. We have not and will not favor clients who are lenders over other clients, but we also recognize the importance of disclosing the potential conflict of interest to you.

### **Personal Trading**

Our representatives may buy or sell securities identical to those which may be offered as investment options in any of our portfolios. We always place a priority on client transactions. Our representatives may not engage in a transaction in any security being considered for trading in our clients' accounts in their own account until the client transaction is completed or until a decision has been made not to trade the client's account. Client transactions will be completed before any orders are placed for proprietary trades.

Our representatives are aware of their fiduciary duty to our clients and the prohibitions against the use of any insider information. We retain records of all proprietary trading activities of our representatives. Whenever we



deem that there may appear to be a conflict of interest, we will inform affected clients of the holdings involved prior to placing any orders.

## **ITEM 12: BROKERAGE PRACTICES**

Generally, we do not recommend brokers for our retirement account management clients and, instead, trade through the custodian selected by the plan sponsor.

For our STARs clients, we recommend Schwab as your custodian. Schwab provides us with access to their institutional trading and custody services, computer access to client accounts, research, and the quotes and data needed by us for servicing our clients. These services are provided to us at minimal or no cost. We work with Schwab because we believe Schwab provides the best services for our clients. We are an independent company; we are not owned, operated by or affiliated with Schwab. Schwab generally does not charge separately for custody, but is compensated through commissions or other transaction-related fees for securities that are executed through Schwab or that settle into Schwab accounts. Typically, we do not use funds that charge transaction fees, but when those funds are the best choice in the opinion of our Research Department, we will utilize them. Trades in equities or ETFs carry a transaction fee that is imposed by Schwab and paid directly by the client.

Schwab does make available to us other products and services that benefit us, but do not directly benefit our clients' accounts. Some of these products and services help us administer and manage the accounts, such as software and other programs that gives us access to account data like trade confirmations and statements and facilitate trading. Other services provide research, pricing and market data, for our use. Recordkeeping and client reporting are also some of the services Schwab provides. Many of these services are used to service all or most of our accounts, whether they are held at Schwab or not.

Schwab also makes available other services to help us develop our business. These can include consulting and publications, hosting conferences with speakers and educational meetings on a variety of topics. Schwab may discount or waive fees it might otherwise charge for some of these services.

We chose to work with Schwab due to their good client services, robust online applications for clients, and the access we have to institutional class mutual fund shares. In addition, we are often able to purchase mutual fund shares for our clients even if an individual purchase does not meet the mutual fund minimum purchase requirements.

We do not receive any other "soft dollar" benefits from this relationship. We use the research Schwab provides, as well as numerous other research programs and resources, to develop model portfolios for all of our clients. No group of clients benefits more than another from our relationship with Schwab. Currently our STARs accounts are all held at Schwab, though in the future, if it becomes advantageous for our clients, we may recommend another custodian.



## **Multiple Day Trade Execution**

With our retirement account clients, we often have a large volume of trades. These clients' accounts are all invested in mutual funds which trade at the same price at the end of the day, regardless of the time of day the trade was initiated. We will make every attempt to process mutual fund trades for all of these clients over a weekend and on the following Monday so that all clients will receive the same price. If we cannot complete all trades on the same day, it is possible that clients trading on different days will receive a higher or lower price. We cannot aggregate these trades because the accounts are at different custodians.

Some of our clients have their accounts custodied with TIAA because the Plan Sponsor of their retirement plan has chosen TIAA. In that case, we may send trading instructions to TIAA. We cannot assure that TIAA will execute the trades in the same day. It has been the policy of TIAA to give all clients the same price as of the day the trades were requested by us.

For non-discretionary clients we strive to trade orders immediately upon receipt of instructions from the client, but in no event more than 24 hours after receipt.

### **“Bunched” Trades**

For STARs clients, which are custodied at Schwab, from time to time, we may “bunch” client orders for the purpose of achieving better execution than what could be achieved executing a client's order individually. We are aware of our responsibilities to each and every client and we only bunch client orders when we have determined that it is best for each client.

## **Directed Brokerage**

Clients sometime direct us in writing to use a particular broker-dealer to execute some or all of their transactions. In that case, the client will negotiate the terms and arrangements for the account with that broker-dealer, and we will not be able to seek better execution services or prices from other broker-dealers. As a result, the client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account. We have a “duty of best execution”, which means we will do our best to get trades accomplished quickly and efficiently. We may decline a client's request to direct brokerage if, in our sole discretion, the arrangements would result in poorly executed trading.

## **Trade Errors**

Clients should be aware that errors may occur when orders are processed by us. We will attempt to correct the error as soon as possible and in a manner that the affected client(s) are not disadvantaged and bear no losses.

### **ITEM 13: REVIEW OF ACCOUNTS**

We offer investment advice and discretionary account services via the internet and in person. Our services are provided for the participant's retirement plan account and for accounts outside of retirement plans. Clients may review balances in their accounts via the internet. We ask that clients visit our website, [www.straightline.com](http://www.straightline.com),



at least quarterly to review accounts. This helps us stay up to date on any financial or personal information that may have changed. This is important, as it can affect how an account should be invested or what risk model we should use.

Retirement account clients also have open access to their account(s) via their employer sponsored website, or with direct contact with their account custodian. You will receive statements from the custodian or plan sponsor, as the case may be, in addition to any update we provide. STARs clients can access their accounts through Schwab's website.

We monitor the investments in client accounts on an ongoing basis. We will review and/or update accounts under management on a semi-annual or more frequent basis as it is deemed necessary. We review allocation models and update them as economic events warrant.

Account reviews and allocation models are updated by members of our investment committee. The committee is made up of members of the executive staff and other members of the research staff.

We provide newsletters on a quarterly basis. We may provide other reports to both individuals and to the corporate plan sponsors that are our clients. These reports include details on account activity, investment performance, allocation recommendations and economic outlooks. These reports are available upon request for both plan sponsors and individual clients.

We may provide account reports or statements periodically as a service. These reports do not replace statements and information provided directly by account custodians. Clients should reconcile all statements and reports with those provided by their custodian and should contact the custodian or us immediately at 866-401-5238 if there are questions.

#### **ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION**

We do not pay anyone for client referrals. We receive commissions for the sale of insurance products as described under "Other Compensation Received by StraightLine" beginning on page 10.

#### **ITEM 15: CUSTODY**

Clients should receive at least quarterly statements from the qualified custodian that holds and maintains the client's investment assets. Although such arrangements are between the client and their custodian, broker-dealer, bank, other qualified custodian or the plan sponsor, StraightLine urges clients to carefully review their statements.

Although we do not take physical custody of any assets in client accounts, we are deemed to have custody by the SEC because we have the login credentials for some of our retirement account clients. We do not have the authority to withdraw funds or securities, or to transfer them to an account not in the client's name.

Employee retirement accounts are held on the platform of the custodian selected by the plan sponsor. Schwab has custody of our STARs client accounts.



## **ITEM 16: INVESTMENT DISCRETION**

We offer discretionary account services to individuals through our management of an employer sponsored retirement or STARS account. Individuals may subscribe to our services by accessing our website, opening an account by supplying a username and password, agreeing to the terms of the Services Agreement, completing a risk profile questionnaire, and paying the applicable fee. We will manage accounts on a limited discretionary basis as deemed appropriate. Having discretion means clients take our direction about where to open accounts, give us authority to purchase and sell investments in the amounts and at the times we feel appropriate. Typically, client portfolios contain mutual fund shares. In certain circumstances, within an employer's retirement account, individual securities may be held (generally company stock in the form of a unitized fund). Based on changes to client personal situation, the markets and/or the economy, we may make allocation changes to accounts as we deem necessary.

## **ITEM 17: VOTING CLIENT SECURITIES**

We do not vote proxies on behalf of clients. Clients will receive their proxy materials from either their custodian or a transfer agent, depending on the security held.

## **ITEM 18: FINANCIAL INFORMATION**

We do not collect more than \$1,200 per client more than 6 months in advance so we are not required to include a balance sheet with this filing. There are no financial conditions likely to impair us from meeting our obligations to our clients.

In March 2020, we applied for and received a loan in the principal amount of \$232,600 under the Paycheck Protection Program (PPP) authorized pursuant to the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The PPP is a forgivable loan available to businesses who, because of the economic uncertainty relating to the pandemic, desire to retain and continue paying employees and use the loan to support ongoing operations. We applied for the loan because we believed at the time of our application that market volatility had adversely impacted our business and, at the time of our application, we believed it would continue to adversely impact our business. In addition, state-issued "stay at home" and related orders, including work-place protocols for safely conducting business going forward, required significant unanticipated operating expenses to be incurred. We have used the proceeds of the PPP loan to pay for payroll and other expenses specifically permitted under the PPP.





| <b>Advisory Personnel</b>   | <b>Business Address</b>                            | <b>Phone</b> |
|-----------------------------|--|--------------|
| <b>Michael F. Bisaro</b>    | 165 Kirts Blvd, Suite 100, Troy, MI 48084          | 248-269-8366 |
| <b>Jason C. Fisher</b>      | 101 E. Sandusky St, Suite 300 Findlay, OH 45840    | 419-425-8440 |
| <b>Doris C. Karras</b>      | 165 Kirts Blvd, Suite 100, Troy, MI 48084          | 248-269-8366 |
| <b>Gaurav ‘Sonny’ Mehra</b> | 165 Kirts Blvd, Suite 100, Troy, MI 48084          | 248-269-8366 |
| <b>Bethany W. Mosshart</b>  | 165 Kirts Blvd, Suite 100, Troy, MI 48084          | 248-269-8366 |
| <b>Steven F. Mosshart</b>   | 165 Kirts Blvd, Suite 100, Troy, MI 48084          | 248-269-8366 |
| <b>Michael A. Rice</b>      | 2911 Eyde Parkway, Ste 100, East Lansing, MI 48823 | 248-269-8366 |

**StraightLine Group, LLC  
 165 Kirts Blvd, Suite 100  
 Troy, MI 48084  
 CRD/IARD #127401  
 www.straightline.com**

**248-269-8366  
 866-401-5238**

**FORM ADV PART 2B**

**BROCHURE SUPPLEMENT**

This brochure supplement provides information about the above named advisory personnel of StraightLine Group, LLC, and is a supplement to our Part 2 Brochure, which you should already have received. Please contact StraightLine at 866-401-5238 if you did not receive our Brochure, or if you have any questions about it or this supplement. Additional information about StraightLine and these advisory personnel is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).



## Item II - Educational Background and Business Experience

Mr. Bisaro was born in 1979. He is StraightLine's President and CEO. He has been with the firm since 2004. Mike graduated Valedictorian from New Mexico State University with degrees in Finance and Marketing. He has earned the Accredited Investment Fiduciary professional designation by the Center for Fiduciary Studies, which is associated with the University of Pittsburgh's Center for Executive Education. Information on this designation can be found on Page 10, or at: <http://www.fi360.com/main/designations.jsp>. Prior to joining StraightLine Mike was a financial consultant and financial planning specialist at Wachovia Securities.

## Item III – Disciplinary Information

Michael F. Bisaro has never had any disciplinary disclosures to be reported.

## Item IV – Other Business Activities

**Other Investment Related Activities** “Investment-related” means “activities that pertain to securities, commodities, banking, insurance, or real estate (including, but not limited to, acting as or being associated with an investment advisor, broker-dealer, municipal securities dealer, government securities broker or dealer, issuer, investment company, futures sponsor, bank, or savings association).”

StraightLine is a licensed insurance agency, and Mike Bisaro is a licensed insurance agent. When appropriate, he may offer access for clients to insurance products. Fees or commissions charged are set by the insurance company and are paid to us from the insurance company. Mr. Bisaro may receive additional compensation in relation to the sale of these products.

The instructions for this Form ADV Brochure Supplement require us to tell you that the receipt or potential for the receipt of other compensation in relation to Mr. Bisaro's insurance activities gives Mr. Bisaro an incentive to recommend insurance products based on the compensation received, rather than on your specific needs. Although we are obligated to tell you this, Mr. Bisaro's and our objective as a firm is to place nothing before your best interests.

*How we Address the Conflict(s):* First and foremost, we address the conflicts described in the preceding section by disclosing them to you in this Brochure Supplement as well as in our firm's Brochure. As a matter of general policy, we aggressively discourage activities that put your interests anywhere but first. In addition, we have designated a Chief Compliance Officer, as set forth on Schedule A of our Form ADV, to be the party responsible for the overall application and oversight of our supervisory process. Our Chief Compliance Officer has the authority to delegate certain supervisory responsibilities to other supervised persons within our firm in order to ensure that our overall system of supervision is being adequately carried out and in a timely manner.

The added compensation received by Mr. Bisaro in connection with any insurance activities is deemed routine and customary compensation for such activities and is not believed to be inappropriate.

Mr. Bisaro is not actively engaged in any other investment-related business or occupation or other business or occupation of a substantial nature.



Additionally, Mr. Bisaro is the Trustee of a Trust where the beneficiaries are extended family members. Mr. Bisaro is not a beneficiary of the Trust. Mr. Bisaro receives no compensation for performing this duty.

## **V - Additional Compensation**

Mr. Bisaro does not receive any economic benefit for providing advisory services, other than the regular salary paid by StraightLine and as described in Section IV above.

## **VI - Supervision**

As part of our overall compliance and supervisory process, we monitor the advisory activities of all of our supervised persons, including Mr. Bisaro. Account allocation decisions are made by our Research Department and our Chief Investment Strategist. Decisions about when to make a change to an account's holdings both from an investment and allocation standpoint are made based on our research, not by individual representatives.

Our Chief Compliance Officer, Doris Karras, is responsible to provide supervisory oversight for StraightLine and its advisory personnel. She can be reached at 866-401-5238.

**Jason C. Fisher, AIF ® - 101 E. Sandusky St, Rm 300, Findlay, OH 45840 419-425-8440**

## **Item II - Educational Background and Business Experience**

Jason C. Fisher was born in 1972. He serves as one of StraightLine's Vice Presidents and oversees the firm's operations in Findlay, Ohio. He has been with the firm since 2004. Jason is a graduate of the University of Toledo. He has earned the Accredited Investment Fiduciary professional designation by the Center for Fiduciary Studies, which is associated with the University of Pittsburgh's Center for Executive Education. Information on this designation can be found on Page 10, or at: <http://www.fi360.com/main/designations.jsp>. Prior to joining StraightLine he worked in logistics and the mortgage industry.

## **Item III – Disciplinary Information**

Jason C. Fisher has never had any disciplinary disclosures to be reported.

## **Item IV – Other Business Activities**

**Other Investment Related Activities** “Investment-related” means “activities that pertain to securities, commodities, banking, insurance, or real estate (including, but not limited to, acting as or being associated with an investment advisor, broker-dealer, municipal securities dealer, government securities broker or dealer, issuer, investment company, futures sponsor, bank, or savings association).”

StraightLine is a licensed insurance agency, and Jason Fisher is a licensed insurance agent. When appropriate, he may offer access for clients to insurance products. Fees or commissions charged are set by the insurance



company and are paid to us from the insurance company. Mr. Fisher may receive additional compensation in relation to the sale of these products.

The instructions for this Form ADV Brochure Supplement require us to tell you that the receipt or potential for the receipt of this other compensation gives Mr. Fisher an incentive to recommend insurance products based on the compensation received, rather than on your specific needs. Although we are obligated to tell you this, Mr. Fisher's and our objective as a firm is to place nothing before your best interests.

*How we Address the Conflict(s):* First and foremost, we address the conflicts described in the preceding section by disclosing them to you in this Brochure Supplement as well as in our firm's Brochure. As a matter of general policy, we aggressively discourage activities that put your interests anywhere but first. In addition, we have designated a Chief Compliance Officer, as set forth on Schedule A of our Form ADV, to be the party responsible for the overall application and oversight of our supervisory process. Our Chief Compliance Officer has the authority to delegate certain supervisory responsibilities to other supervised persons within our firm in order to ensure that our overall system of supervision is being adequately carried out and in a timely manner.

The added compensation received by Mr. Fisher in connection with any insurance activities is deemed routine and customary compensation for such activities and is not believed to be inappropriate.

Mr. Fisher is not actively engaged in any other investment-related business or occupation or other business or occupation of a substantial nature.

## **V - Additional Compensation**

Mr. Fisher does not receive any economic benefit for providing advisory services, other than the regular salary paid by StraightLine and as described in Section IV above.

## **VI - Supervision**

As part of our overall compliance and supervisory process, we monitor the advisory activities of all of our supervised persons, including Mr. Fisher. Account allocation decisions are made by our Research Department and our Chief Investment Strategist. Decisions about when to make a change to an account's holdings both from an investment and allocation standpoint are made based on our research, not by individual representatives.

Our Chief Compliance Officer, Doris Karras, is responsible to provide supervisory oversight for StraightLine and its advisory personnel. She can be reached at 866-401-5238.

**Doris C. Karras, IACCP® - 165 Kirts Blvd, Suite 100, Troy, MI 48084 248-269-8366**

## **Item II - Educational Background and Business Experience**

Doris C. Karras was born in 1963. She serves as StraightLine's Chief Compliance Officer. She has been with the firm since 2005. Doris graduated cum laude with a B.A. from Walsh College with a major in Finance. She has since earned her Investment Advisor Certified Compliance Professional designation through NRS. Information may be found on Page 10 or at <http://www.nrs-education.com/investment-advisor-certified->



compliance-program.html . She has been fully licensed and registered since 1997, working previously with Morgan Stanley and Citigroup Global Markets.

### **Item III – Disciplinary Information**

Doris C. Karras has never had any disciplinary disclosures to be reported.

### **Item IV – Other Business Activities**

Doris C. Karras is not currently actively engaged in any other investment related business or occupation.

### **V - Additional Compensation**

Doris C. Karras does not receive any economic benefit for providing advisory services, other than her regular salary paid by StraightLine.

### **VI - Supervision**

As part of our overall compliance and supervisory process, we monitor the advisory activities of all of our supervised persons, including Mrs. Karras. Our President and Chief Executive Officer, Michael F. Bisaro and our Chief Operating Officer, Bethany W. Mosshart, supervise Mrs. Karras in her role as Chief Compliance Officer.

Mr. Bisaro and Ms. Mosshart can be reached at 866-401-5238.

Account allocation decisions are made by our Research Department and Chief Investment Strategist. Decisions about when to make a change to an account's holdings both from an investment and allocation standpoint are made based on our research, not by individual representatives.

**Gaurav 'Sonny' Mehra - 165 Kirts Blvd, Suite 100, Troy, MI 48084 248-269-8366**

### **Item II - Educational Background and Business Experience**

Gaurav Mehra was born in 1984. He serves as StraightLine's Research Director. He has been with StraightLine since 2006. He graduated from University of Michigan, Dearborn, with a degree in Finance.

### **Item III – Disciplinary Information**

Gaurav Mehra has never had any disciplinary disclosures to be reported.

### **Item IV – Other Business Activities**

Gaurav Mehra is not actively engaged in any investment-related business or occupation or other business or occupation of a substantial nature.



## **V - Additional Compensation**

Gaurav Mehra does not receive any economic benefit for providing advisory services, other than his regular salary paid by StraightLine.

## **VI - Supervision**

As part of our overall compliance and supervisory process, we monitor the advisory activities of all of our supervised persons, including Mr. Mehra. Account allocation decisions are made by our Research Department and our Chief Investment Strategist. Decisions about when to make a change to an account's holdings both from an investment and allocation standpoint are made based on our research, not by individual representatives.

Our Chief Compliance Officer, Doris Karras, is responsible to provide supervisory oversight for StraightLine and its advisory personnel. She can be reached at 866-401-5238.

**Bethany W. Mosshart, AIF® - 165 Kirts Blvd, Suite 100, Troy, MI 48084 248-269-8366**

## **Item II - Educational Background and Business Experience**

Bethany W. Mosshart was born in 1956. She is the Chief Operating Officer and Director of Administration for StraightLine and has been with the company since its formation in 2002. She is a cum laude graduate of Miami University. She has earned the Accredited Investment Fiduciary professional designation by the Center for Fiduciary Studies, which is associated with the University of Pittsburgh's Center for Executive Education. Information on this designation can be found on Page 10, or at: <http://www.fi360.com/main/designations.jsp>. Prior to helping to found StraightLine she worked for a number of years in the Troy School District as a Title I tutor and parent volunteer. Previous positions included assisting the National Sales Manager for Real Estate One, and assisting the National Director of Sales for Tomy Toys.

## **Item III – Disciplinary Information**

Bethany W. Mosshart has never had any disciplinary disclosures to be reported.

## **Item IV – Other Business Activities**

Mrs. Mosshart is not actively engaged in any investment-related business or occupation or other business or occupation of a substantial nature.

## **V - Additional Compensation**

Mrs. Mosshart does not receive any economic benefit for providing advisory services, other than her regular salary paid by StraightLine.

## **VI - Supervision**



As part of our overall compliance and supervisory process, we monitor the advisory activities of all of our supervised persons, including Mrs. Mosshart. Account allocation decisions are made by our Research Department and our Chief Investment Strategist. Decisions about when to make a change to an account's holdings both from an investment and allocation standpoint are made based on our research, not by individual representatives.

Our Chief Compliance Officer, Doris Karras, is responsible to provide supervisory oversight for StraightLine and its advisory personnel. She can be reached at 866-401-5238.

**Steven F. Mosshart, AIF® - 165 Kirts Blvd, Suite 100, Troy, MI 48084 248-269-8366**

## **Item II - Educational Background and Business Experience**

Steven F. Mosshart was born in 1956. He is the Chief Investment Strategist for StraightLine and has been involved with the firm since its founding. Steve holds a business degree from Miami University, as well as the Accredited Investment Fiduciary professional designation by the Center for Fiduciary Studies, which is associated with the University of Pittsburgh's Center for Executive Education. Information on this designation can be found on Page 10, or at: <http://www.fi360.com/main/designations.jsp>. Mr. Mosshart has been in the investment industry since 1986, beginning his career at Merrill Lynch, progressing through Citigroup Global Markets Inc. as Senior Vice President, and ultimately creating StraightLine in 2002. He was chosen to attend the 38<sup>th</sup> and 41<sup>st</sup> Investment Management Workshops at Harvard University in 2006 and 2009, respectively, as one of only 48 managers selected worldwide. Prior to Merrill Lynch he worked in industrial steel sales.

## **Item III – Disciplinary Information**

Mr. Mosshart does not have any disciplinary disclosures to be reported.

## **Item IV – Other Business Activities**

Mr. Mosshart is not actively engaged in any investment-related business or occupation or other business or occupation of a substantial nature.

## **VI - Additional Compensation**

Mr. Mosshart does not receive any economic benefit for providing advisory services, other than his regular salary paid by StraightLine.

## **VII - Supervision**

As part of our overall compliance and supervisory process, we monitor the advisory activities of all of our supervised persons, including Mr. Mosshart. Account allocation decisions are made by our Research Department and our Chief Investment Strategist. Decisions about when to make a change to an account's



holdings both from an investment and allocation standpoint are made based on our research, not by individual representatives.

Our Chief Compliance Officer, Doris Karras, is responsible to provide supervisory oversight for StraightLine and its advisory personnel. She can be reached at 866-401-5238.

**Michael A. Rice AIF® - 2911 Eyde Parkway, Ste 100, East Lansing, MI 48823 248-269-8366**

## **Item II - Educational Background and Business Experience**

Mike Rice was born in 1947. He serves as a District Director after joining StraightLine in January of 2013. He is retired from the Police Department at Michigan State University where he served for more than 43 years, retiring as the Assistant Chief of Police. He is a graduate of Michigan State University with an undergraduate degree in Anthropology as well as a graduate of the FBI National Academy in Quantico, Va. He has also earned the Accredited Investment Fiduciary professional designation by the Center for Fiduciary Studies, which is associated with the University of Pittsburgh's Center for Executive Education. Information on this designation can be found on Page 10, or at: <http://www.fi360.com/main/designations.jsp>

## **Item III – Disciplinary Information**

Michael A. Rice has never had any disciplinary disclosures to be reported.

## **Item IV – Other Business Activities**

Mr. Rice is not actively engaged in any investment-related business or occupation or other business or occupation of a substantial nature.

## **V - Additional Compensation**

Mr. Rice does not receive any economic benefit for providing advisory services, other than his regular salary paid by StraightLine.

## **VI - Supervision**

As part of our overall compliance and supervisory process, we monitor the advisory activities of all of our supervised persons, including Mr. Rice. Account allocation decisions are made by our Research Department and our Chief Investment Strategist. Decisions about when to make a change to an account's holdings both from an investment and allocation standpoint are made based on our research, not by individual representatives.

Our Chief Compliance Officer, Doris Karras, is responsible to provide supervisory oversight for StraightLine and its advisory personnel. She can be reached at 866-401-5238.



### **AIF® – Accredited Investment Fiduciary**

Issued by: Center for Fiduciary Studies in association with The University of Pittsburgh Graduate School of Business

Prerequisites/Experience Required:

Candidate must:

- Attest to compliance of the Code of Ethics
- Educational Requirements: None

Examination Type: AIF® certification exam

Continuing Education/Experience Requirements: Annually complete six hours of continuing education.

### **IACCP® - Investment Advisor Certified Compliance Professional**

Required Compliance Education – 10 Courses

The following 10 (2-hour) courses:

*Advisors Act (Six Required Courses)*

- Introduction to the Advisors Act: Framework; Registration, Exclusions and Exemptions; Exempt Reporting Advisors; Private Fund Advisors; and More
  - Books and Records Requirements for Investment Advisors
  - Insider Trading, Contracts and ADV Delivery Requirements for Investment Advisors
  - Understanding Fiduciary Duties and a Sweep of the Anti-Fraud Provisions of the Advisors Act
  - Selected Advisors Act Anti-Fraud Rules: Custody, Political Contributions, Solicitors and Proxy Voting Requirements
  - Compliance Program Rules and Strategies for Managing the Annual Review
- Ethics (Two Required Courses)*
- Investment Advisor Codes of Ethics—The Rule Plus Implications of Pay to Play, Gifts and Whistleblowers
  - Professional Ethics: Ethical Decision-Making for Compliance Professionals
- Disclosure (Two Required Courses)*
- Form ADV Part 1: Annual Updating Amendment and More
  - Form ADV Part 2: Identifying and Disclosing Conflicts

Additional Required Courses – 5 courses

*Skills (One 2-hour Course)*

- Mastering Critical Skills for High-Performance Compliance Professionals
- Disclosure (One 2-hour Course)*
- Investment Advisor Performance and Advertising
- Trading (Three 2-hour Courses)*
- Trading Practices, Portfolio Compliance and Related Enforcement Cases
  - Trading Compliance: Best Execution, Soft Dollars and Directed Brokerage
  - Two Trading Compliance Challenges: Valuation and Trade Errors

Elective Courses – 5 Courses

Two years of work experience and successful completion of Certifying IACCP Examination

To maintain designation: Adhere to Compliance Prof Code of Ethics and 12 hours Cont. Ed each year



**Firm Brochure**  
(Part 2A of Form ADV)

**SKYVIEW Investment Advisors, LLC 595**

**Shrewsbury Avenue, Suite 203**

**Shrewsbury, NJ 07702**

**(732) 936-2880**

[lchiarello@SKYVIEWadv.com](mailto:lchiarello@SKYVIEWadv.com)

[www.SKYVIEWadv.com](http://www.SKYVIEWadv.com)

This Brochure provides information about the qualifications and business practices of SKYVIEW Investment Advisors, LLC. If you have any questions about the contents of this brochure, please contact Steven Turi, Managing Partner or Larry Chiarello, Managing Director. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”), or by any state securities authority.

Additional information about the Firm is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number for the Firm is 286353.

March 31, 2021



## ITEM 2 MATERIAL CHANGES

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This Part 2A of Form ADV (“Firm Brochure”), dated **March 31, 2021**, is our Annual update ADV Brochure Part 2 prepared in accordance to the SEC’s rule requirements and rules. As you will see, this document is narrative format. We will ensure that you receive a summary of any material changes to this and subsequent Firm Brochures within 120 days of the close of our business’ fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary.

### **Summary of Material Changes**

There have been no other material changes to structure, personnel, or operations since our last ADV update on February 24, 2020.

### **Firm Brochure Available**

If you would like to receive a copy of our Firm Brochure, please contact us by telephone at (732) 936-2880 or by email at: [lchiarello@SKYVIEWadv.com](mailto:lchiarello@SKYVIEWadv.com).

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**ITEM 4****ADVISORY BUSINESS****A. FIRM DESCRIPTION**

SKYVIEW Investment Advisors, LLC (“SKYVIEW” or the “Firm”) is an investment management and advisory services firm that is registered with the U.S. Securities Exchange Commission (“SEC”) as an investment adviser. It was founded on September 16, 2009 in the State of New Jersey. SKYVIEW was founded by a group of experienced investment professionals with extensive and complementary financial industry backgrounds. The Firm seeks to provide high quality, multi-asset solutions and advisory services incorporating, when necessary, traditional and alternative investment strategies.

SKYVIEW’s current advisory activities include providing discretionary and non-discretionary investment advisory, risk management, and asset allocation services. These services may include using, but not limited to, mutual funds, exchange traded products, separately managed accounts, individual securities, private equity, limited partnerships, venture capital and other structures and instruments appropriate to client portfolios. SKYVIEW works with institutions, wealth managers, and family offices.

**Principal Owners:** Steven J. Turi, Christopher J. Turi, Andrew J. Melnick, and Lawrence P. Chiarello are the principal owners that own 100% of the Firm.

The principal owners’ respective ownership and control in SKYVIEW are detailed in the following table.

| <b>Name</b>           | <b>Title</b>                             | <b>Date Title Acquired</b> | <b>Ownership Level</b> | <b>Control Person</b> |
|-----------------------|--|----------------------------|------------------------|-----------------------|
| Steven J. Turi        | Managing Member/Chief Investment Officer | 01/2010                    | 25% but less than 50%  | Yes                   |
| Christopher J. Turi   | Member/Senior Investment Analyst         | 02/2020                    | 10% or less            | Yes                   |
| Andrew J. Melnick     | Managing Member                          | 01/2010                    | 25% but less than 50%  | Yes                   |
| Lawrence P. Chiarello | Member/Chief Compliance Officer          | 01/2010                    | 10% or less            | Yes                   |

**TYPES OF ADVISORY SERVICES**

SKYVIEW provides advisory services to institutional clients, businesses, family offices, private funds and other commingled vehicles, high net worth individuals, individuals, and wealth managers where these firms work directly with the individual end client to establish the client’s investment objectives and risk profile.

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## **Portfolio Analysis Consultations**

SKYVIEW may also consult with various institutions and other registered investment advisers on a project-by-project basis. These consulting services include reviewing portfolios of clients of other registered investment advisers and other institutions to ensure that the portfolios are following the asset allocation guidelines and strategies that have been determined by the goals and objectives of that particular client.

## **Institutional Advisory Services**

SKYVIEW provides investment advisory and risk management services to its clients where SKYVIEW utilizes advanced analytical techniques to better understand the sources of portfolio risk and return seeking to ensure exposures are aligned with long-term portfolio objectives. SKYVIEW will provide discretionary portfolio management services whereby the Firm shall be granted full discretion and authority to manage the client's account. Accordingly, SKYVIEW may be authorized to perform various functions, at the client's expense, without further approval from the client. Such functions may include the determination of securities to be purchased or sold, order execution, selection and oversight of counterparties and asset allocations.

## **Private Funds**

SKYVIEW serves as the Investment Manager to several private funds. SKYVIEW also serves as the Managing Member of these private funds. These funds are; BlackPoint LT Partners LLC, BlackPoint LT SS1, BlackPoint LT Series D, BlackPoint Multi-Series Fund LLC, BlackPoint Multi-Series Fund LLC – Series A, BlackPoint Multi-Series Fund LLC – Series C, BlackPoint Select Alternatives Fund LLC, and BlackPoint Select Alternatives Fund, LLC – Series A. These private funds may also be marketed under the name BlackPoint Investment Management and BlackPoint Management. For a full description of each fund strategy, please refer to the fund's offering documents.

## **B. TAILORED RELATIONSHIPS**

SKYVIEW provides customized investment advisory services for clients where SKYVIEW evaluates and selects other sub-advisors for specific fixed income, equity, hedge fund, private equity, venture capital, and multi-asset class portfolio mandates. These mandates can be invested in separately managed accounts or commingled vehicles, and from time to time include fund of funds.

## **C. WRAP FEE PROGRAM**

Wrap Fee Programs are arrangements between broker-dealers, investment advisers, banks and other financial institutions and affiliated and unaffiliated investment advisers through which the Clients of such firms receive discretionary investment advisory, execution, clearing and custodial services in a "bundled" form. In exchange for these "bundled" services, the Clients pay an all-inclusive (or "wrap") fee determined as

a percentage of the assets held in the wrap account. SKYVIEW does not sponsor or manage a wrap fee program.

#### **D. ASSETS UNDER MANAGEMENT**

SKYVIEW manages approximately \$1,466,181,074 in assets on a discretionary basis. SKYVIEW manages approximately \$2,642,115,000 in assets on a non-discretionary basis. Total Assets Under Management are \$4,108,296,074. These figures are based on calculations as of December 31, 2020.

### **ITEM 5 FEES AND COMPENSATION**

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#### **A. DESCRIPTION OF FEES**

SKYVIEW may tailor fee arrangements to fit client objectives. Fees are negotiable on a client-by-client basis.

##### **1. Asset Management**

Unless otherwise described below or negotiated with a specific client, SKYVIEW charges annual fees based on assets under management or advisement for discretionary and non-discretionary mandates, generally ranging from 0.25% to 2.00% of assets.

SKYVIEW's fees are exclusive of brokerage commissions, external sub-advisor/manager fees, custodial fees, transaction fees, and other related costs and expenses, which are incurred by the client. Third party mutual funds, exchange-traded products, private placements also charge internal management and administrative fees that are disclosed in either a prospectus or private placement memorandum. Such charges and fees are in addition to SKYVIEW's fee.

SKYVIEW may provide advice to clients regarding investments in third party private placement funds, private investments, exchange traded products, and mutual fund shares. Each of these funds pays fees, borne by its shareholders, to the manager of the fund. Typically SKYVIEW bases its fee on a percentage of the market value of all assets in the client's account, including the value of these other funds. As a result, a client whose portfolio is invested in one or more of these funds will bear the client's proportionate share of those fund's fees and expenses and pay another fee to SKYVIEW. The client could invest in the same fund(s) without paying a fee to SKYVIEW, but would then not have the benefit of the advice, analyses, and monitoring SKYVIEW provides. If SKYVIEW were to recommend investment in a product which SKYVIEW directly manages, and for which they earn a management fee, then the client will not pay duplicate fees to SKYVIEW on that amount invested. There may be a layering of fees when a client or investor participates via a Fund of a Fund type of vehicle. Each client or investor is encouraged to read the disclosure statements in the Brochure and Private Placement Memorandum (PPM).

SKYVIEW may at its sole discretion negotiate or waive stated fees on a client by client basis.

## **2. Advisory Consultations**

For its advisory consulting services, SKYVIEW may charge either an hourly rate of up to \$1000 to \$4000 per hour, or a fixed fee for the entire project based upon the specifics of the project. The terms of payment are based upon the agreement with the unaffiliated registered investment advisers, family offices or other institutions, taking into consideration the scope of services being provided and the length of the consulting agreement.

### **B. BILLING PROCEDURES**

The advisory fees are generally payable on a monthly basis and in accordance with the terms agreed upon by SKYVIEW and each respective client.

All fees paid to SKYVIEW are separate and distinct from other fees charged by third party sub-advisors or funds to their shareholders. Fees and expenses paid by shareholders in the fund are described in each Fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee and/or performance fee.

### **C. OTHER COMPENSATION**

Neither the Firm nor its principals accept compensation for the sale of securities or other 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**

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Performance-based fees ("Performance Fees") are based on a share of the capital gains or capital appreciation of the assets of a client. Fees based on performance means SKYVIEW participates directly in the account's results. The Performance Fee may indirectly create an incentive for the Firm to make investments on behalf of the client that are riskier or more speculative than would be the case in the absence of such a fee.

SKYVIEW investment strategies use proprietary security selection methodology. These strategies may have Performance Fees of 10% to 25%, subject to a high water mark or hurdle as agreed to with the Client. SKYVIEW does manage separately-managed accounts (SMA) and therefore there may be side-by-side management conflicts. Each client or investor is encouraged to read the disclosure statements in the Brochure and Private Placement Memorandum (PPM).

## **ITEM 7 TYPES OF CLIENTS**

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SKYVIEW provides advisory services to institutional clients, businesses, family offices, private funds and other commingled vehicles, high net worth individuals, individuals, and wealth managers where these firms

work directly with the individual end client to establish the client's investment objectives and risk profile. SKYVIEW may also advise or sub-advise funds, such as mutual funds, private placement funds, as well as separately managed accounts. SKYVIEW also provides consulting services to institutions, family offices, and registered investment advisers and offers portfolio management and advisory services for other businesses and/or institutional clients.

## **ITEM 8            METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

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### **A. METHODS OF ANALYSIS**

SKYVIEW uses a variety of resources to form an investment idea or strategy. SKYVIEW employs a careful and diligent process in the identification of suitable investments combining advanced quantitative techniques to help make better informed qualitative decisions. SKYVIEW believes that both traditional and alternative investment strategies create the potential for producing enhanced risk-adjusted returns and diversification benefits when incorporated as part of a long-term investment program.

SKYVIEW believes it is possible to identify, access, and construct portfolios that, over an entire market cycle, have the ability to deliver enhanced risk-adjusted returns and diversification benefits. Based on these beliefs, SKYVIEW utilizes an open architecture approach to constructing client solutions. This can entail a multi-strategy and multi-manager approach for the construction of various client portfolios. Generally, SKYVIEW invests or trades in a wide range of securities and employs diverse investment techniques and strategies. SKYVIEW determines the appropriate investment strategies and monitors the ongoing performance of those strategies.

SKYVIEW seeks appropriate investment strategies across many traditional and alternative vehicles including, but not limited to, traditional investments in stocks, long/short equity, statistical relative value, fixed income, merger arbitrage and event-driven, convertible arbitrage, asset arbitrage, distressed investing, global macro, commodities, mutual funds, exchange traded products, private equity, asset based finance, and venture capital.

SKYVIEW will draw upon the expertise of its principals and staff, in managing strategies and other appropriate solutions and vehicles.

### **B. INVESTMENT STRATEGIES**

SKYVIEW believes that both traditional and alternative investment strategies create the potential for producing enhanced risk-adjusted returns and diversification benefits when incorporated as part of a long-term investment program.

### **C. RISK OF LOSS**

Investing involves risk of loss that clients should be prepared for in various investment environments. Principal loss is possible. For example, mutual funds, private placements, separately managed accounts, and other vehicles can make short sales of securities, which involves the risk that losses in securities may exceed

the original amount invested. Mutual Funds, private placement funds, and ETFs may use leverage which may exaggerate the effect of any increase or decrease in the value of portfolio securities or the Net Asset Value of the fund, and money borrowed will be subject to interest costs. Investments in smaller companies involve greater risks such as limited liquidity and greater volatility. Investments in foreign securities involve greater volatility and political, economic and currency risks and differences in accounting methods. These risks are greater for emerging markets. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. Mutual Funds, and ETFs may use certain types of investment derivatives such as futures, forwards, and swaps. Derivatives involve risks different from, and in certain cases, greater than the risks presented by more traditional investments. Diversification does not assure a profit or protect against a loss in a declining market. INVESTORS MAY LOSE THEIR INVESTMENT PRINCIPAL.

## 1. Alternative Investments

Alternative investment products often engage in leveraging and other speculative investment practices that may increase the risk of investment loss. Because risks are inherent in all the investments in which a fund engages, no assurances can be given that a fund's investment objectives will be realized.

An investor could lose all or a substantial amount of his or her investment. Notwithstanding the method of analysis or investment strategy employed by the Firm, the assets within a fund are subject to risk of devaluation or loss. An investor should not make an investment in a fund with the expectation of sheltering income or receiving cash distributions.

An investment in an alternative strategy should form only part of a complete investment program, and an investor must be able to bear the loss of its entire investment. Investors are urged to consult with their personal advisers before investing in the Fund.

**Management Risk:** The skill of the Firm will play a significant role in its ability to achieve a client's investment objectives. Such investment involves a high degree of risk. Because risks are inherent in all the investments in which the Firm engages, no assurances can be given that the Firm's investment objectives will be realized.

## 2. General Risk Factors

The following principal risks relate to the types of investments that SKYVIEW (or its managers/sub-advisors) may make or recommend. These risks as well as other risks unforeseen and not listed below, could affect the value of a shareholder or investor within a fund or a separately managed account.

- **Market Risk.** The value of the Fund's shares will fluctuate as a result of the movement of the overall stock market or of the value of the individual securities held by the Fund, and you could lose money.
- **Growth Stock Risk.** Growth stocks may be more volatile than other stocks because they are generally more sensitive to investor perceptions of the issuing company's earnings growth potential.

- *Value Stock Risk.* Value stocks can perform differently from the market as a whole and from other types of stocks. While certain value stocks may increase in value more quickly during periods of anticipated economic upturn, they may also lose value more quickly in periods of anticipated economic downturn.
- *Foreign and Emerging Market Securities Risk.* Foreign investments may carry risks associated with investing outside the United States, such as currency fluctuation, economic or financial instability, lack of timely or reliable financial information or unfavorable political or legal developments. Those risks are increased for investments in emerging markets.
- *Currency Risk.* Changes in foreign currency exchange rates will affect the value of what a client owns and the share prices. Generally, when the U.S. dollar rises in value against a foreign currency, an investment in that country loses value because that currency is worth fewer U.S. dollars. Devaluation of a currency by a country's government or banking authority also will have a significant impact on the value of any investments denominated in that currency. Currency markets generally are not as regulated as securities markets.
- *Small and Medium Companies Risk.* Investing in securities of small and medium capitalization companies may involve greater volatility than investing in larger and more established companies because small and medium capitalization companies can be subject to more abrupt or erratic share price changes than larger, more established companies.
- *Derivatives Risk.* The use of derivatives (which may include options, futures, swaps and forward foreign currency contracts) may reduce a vehicle's returns and/or increase volatility. A risk of the use of derivatives is that the fluctuations in their values may not correlate perfectly with the overall securities markets.
- *ETF and Mutual Fund Risk.* When the Firm invests in an ETF or mutual fund, it will bear additional expenses based on its pro rata share of the particular operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. Inverse ETFs are subject to the risk that their performance will fall as the value of their benchmark indices rises. Fund(s) also will incur brokerage costs when they purchase ETFs.
- *Fixed Income Securities Risk.* Interest rates may go up resulting in a decrease in the value of fixed income securities. Credit risk is the risk that an issuer will not make timely payments of principal and interest. There is also the risk that an issuer may "call," or repay, its high yielding bonds before their maturity dates. Fixed income securities subject to prepayment can offer less potential for gains during a declining interest rate environment and similar or greater potential for loss in a rising interest rate environment. Limited trading opportunities for certain fixed income securities may make it more difficult to sell or buy a security at a favorable price or time.
- *High-Yield Securities Risk.* Fixed income securities that are rated below investment grade (i.e., "junk bonds") are subject to additional risk factors such as increased possibility of default liquidation of the security, and changes in value based on public perception of the issuer.
- *Government-Sponsored Entities Risk.* Securities issued by government-sponsored entities may not be backed by the full faith and credit of the United States.
- *Exchange-Traded Note Risk.* The value of an ETN may be influenced by time to maturity, level of supply and demand for the ETN, volatility and lack of liquidity in the underlying securities' markets, changes in the applicable interest rates, changes in the issuer's credit rating and economic, legal, political or geographic events that affect the referenced index. In addition, the notes issued by ETNs and held by a fund are unsecured debt of the issuer.
- *Leverage and Short Sales Risk.* Leverage is the practice of borrowing money to purchase securities. It

can increase the investment returns of a fund if the securities purchased increase in value in an amount exceeding the cost of the borrowing. However, if the securities decrease in value, the Fund(s) will suffer a greater loss than would have resulted without the use of leverage. A short sale is the sale by a fund of a security which it does not own in anticipation of purchasing the same security in the future at a lower price to close the short position. A short sale will be successful if the price of the shorted security decreases. However, if the underlying security goes up in price during the period in which the short position is outstanding, the Fund(s) will realize a loss. The risk on a short sale is unlimited because the Fund(s) must buy the shorted security at the higher price to complete the transaction. Therefore, short sales may be subject to greater risks than investments in long positions.

- *Sector Risk.* To the extent the Firm invests a significant portion of its assets in the securities of companies in the same sector of the market, the Firm is more susceptible to economic, political, regulatory and other occurrences influencing those sectors.
- *Portfolio Turnover Risk.* A high portfolio turnover rate (100% or more) increases transaction costs (including brokerage commissions and dealer costs), which would adversely impact the portfolio's performance. Higher portfolio turnover may result in the realization of more short-term capital gains than if the portfolio had lower portfolio turnover.
- *Interest-rate Risk:* Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- *Business Risk:* These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- *Financial Risk:* Excessive borrowing to finance a business' operations increases the risk of losses, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.
- *Liquidity Risk:* Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized

product. For example, Treasury Bills are highly liquid, while real estate properties are not.

- *Inflation Risk:* When any type of inflation is present, a dollar will be worth more today than a dollar next year, because purchasing power is eroding at the rate of inflation. *Reinvestment Risk:* This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- *Fraud Risk:* SKYVIEW may limit access to information regarding the activities of the Sub-Advisors. Furthermore, it cannot guarantee the accuracy or completeness of such information. As a consequence, it will be difficult, if not impossible, to avoid the risk of Sub-Adviser fraud, misrepresentation or material strategy alteration.

While this information provides a synopsis of the events that may affect your investments, this listing is not exhaustive. We want you to understand that there are inherent risks associated with investing and depending on the risk occurrence; you may suffer LOSS OF ALL OR PART OF YOUR PRINCIPAL INVESTMENT.

## **ITEM 9            DISCIPLINARY INFORMATION**

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The Firm and its employees have not been involved in legal or disciplinary events related to past or present investment clients.

## **ITEM 10           OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

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### **A. FINANCIAL INDUSTRY ACTIVITIES**

SKYVIEW holds an exemption from registration as a Commodity Pool Operator under NFA 4.13(a)(3). SKYVIEW is not registered as a broker-dealer, or a futures commission merchant, or commodity trading adviser.

No management person(s) are associated person(s) of a futures commission merchant, commodity pool operator or commodity trading adviser.

### **B. FINANCIAL INDUSTRY AFFILIATIONS**

SKYVIEW is not registered as a Futures Commission Merchant, or Commodity Trading Advisor and does not have an application pending to register as such. Furthermore, none of SKYVIEW's management or supervised persons are registered as, or have applications pending to register as associated persons of the foregoing entities.

### **C. AFFILIATIONS**

SKYVIEW does not have any arrangements that are material to its advisory business or to its clients with a related person who is a broker-dealer, investment company, commodity pool operator, commodity trading adviser or futures commission merchant, banking or thrift institution, accounting firm, law firm, insurance company or agency, pension consultant, real estate broker or dealer, or an entity that creates or packages limited partnerships not already listed herein.

### **D. OTHER INVESTMENT ADVISERS**

SKYVIEW owns 50% of First Capital Investment Partners, LLC, an SEC-registered investment advisor formed for the purpose(s) of providing outsourced chief investment officer (OCIO) services to clients. Lawrence Chiarello, who serves as SKYVIEW's Chief Compliance Officer (CCO) also serves as CCO of FCIP. SKYVIEW may provide access to third party money managers/sub-advisers for its Clients; however, the Firm does not receive compensation from those money managers and sub-advisers, nor does the Firm have a business relationship with those money managers and sub-advisers that creates a material conflict of interest.

## **ITEM 11           CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

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### **A. DESCRIPTION OF CODE OF ETHICS**

SKYVIEW's Code of Ethics is designed to prevent conduct that could create an actual or potential conflict of interest with any client. While affirming its confidence in the integrity and good faith of all its employees, SKYVIEW recognizes that certain personnel have or may have knowledge of present or future portfolio transactions and, in certain circumstances, the power to influence portfolio transactions made by clients.

Furthermore, if such individuals engage in personal securities transactions, these individuals could be in a position where their personal interests may conflict with the interests of SKYVIEW's clients.

SKYVIEW's Code of Ethics, which specifically deals with professional standards, insider trading, personal trading, gifts and entertainment, market timing, late trading and fiduciary duties, establishes ideals for ethical conduct based upon fundamental principles of openness, integrity, honesty, and trust. The Firm will provide a copy of its Code of Ethics to any client or prospective client upon request.

All personal securities transactions shall be conducted consistent with the Code and in such a manner as to avoid any actual or potential conflict of interest or any abuse of an individual's position of trust and responsibility.

#### **B. PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS**

Each client will be advised of any potential conflict of interest.

SKYVIEW or a related person may from time to time purchase for its own account securities recommended by SKYVIEW. However, any purchase or sale of a security by SKYVIEW or a related person will be subject to SKYVIEW's fiduciary duty to its Clients. SKYVIEW and its employees have a fiduciary duty to place the interests of their clients ahead of their own interests.

#### **C. PROPRIETARY/SIMULTANEOUS TRADING**

At times, SKYVIEW and/or its supervised persons (i.e., Investment Adviser Representatives) may buy or sell securities for their own accounts that SKYVIEW has also recommended to its clients. This presents a conflict of interest. It is the policy of SKYVIEW that supervised persons must avoid security transactions and activities for their own accounts that might conflict with or be detrimental to the interest of the clients. To the extent supervised persons are aware of trades in individual issues being considered, recommended, or traded for the clients account, the supervised persons will make every effort to trade in their own accounts after trades are executed for the clients. To mitigate or remedy any conflicts of interest or perceived conflicts of interest, they will monitor their proprietary and personal trading reports for adherence to their Code of Ethics. SKYVIEW will always document any transactions that present conflicts of interest. In any instance where similar securities are being bought or sold, they will uphold their fiduciary duty by always transacting on behalf of their clients before transacting for their own benefit.

## **ITEM 12      BROKERAGE PRACTICES**

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#### **A. SELECTION AND RECOMMENDATION**

**Mutual Funds:** Prime and executing brokers for certain investment vehicles may not have been selected by SKYVIEW.

SKYVIEW may recommend a broker and custodian and generally will seek competitive commission rates & fees. It will not necessarily pay the lowest commission or commission equivalent. Transactions may involve specialized services on the part of the broker-dealer involved resulting in higher commissions or their equivalents than would be the case with transactions requiring more routine services. The reasonableness of commissions is based on the broker-dealer's ability to provide professional services,

competitive commission rates, research and other services that will help in providing investment management or advisory services.

**Alternative Funds:** With respect to private funds, SKYVIEW may or may not select or recommend brokers or custodian because investment management involves investing in other investment funds. SKYVIEW has no discretion with respect to the selection of brokers (other than to select brokers to liquidate any redemption proceeds received by a fund in kind). Underlying money managers will allocate portfolio transactions to brokers. It is expected that brokers will generally be selected on the basis of best execution and also in consideration of such brokers' provision or payment of the costs of research and other investment-management-related services and equipment as permitted by Section 28(e) of the Exchange Act, as amended. Please refer to Section

12.B. below.

**Institutional Advisory Services:** SKYVIEW will generally recommend broker-dealers or custodians that it has established arrangements or agreements. In instances where SKYVIEW has discretion with respect to broker-dealer selection, SKYVIEW will seek "best execution" for each trade, which is a combination of price, quality of execution and other factors. In making brokerage determinations, SKYVIEW will consider a number of judgmental factors, including, without limitation: 1) clearance and settlement capabilities; 2) quality of confirmations and account statements; 3) the ability of the broker to settle the trade promptly and accurately; 4) the financial standing, reputation and integrity of the broker-dealer; 5) the broker-dealer's access to markets, research capabilities, market knowledge, and any "value added" characteristics; 6) SKYVIEW's past experience with the broker-dealer; 7) SKYVIEW's past experience with similar trades; and 8) any other factors. Recognizing the value of these factors, clients may pay a brokerage commission in excess of that which another broker might have charged for effecting the same transaction. SKYVIEW recognizes that "Best execution" is not synonymous with lowest brokerage commission.

#### **B. SOFT DOLLARS**

SKYVIEW has not generated "soft dollars" benefits as of the date of this Brochure. SKYVIEW may generate "soft dollars" with respect to investments. If and when it does, then SKYVIEW intends to comply with the "safe harbor" of Section 28(e) of the Securities Exchange Act of 1934, as amended. Under "soft dollar" arrangements, one or more of the brokerage firms would provide or pay the costs of certain services, equipment, or other items for the benefit of SKYVIEW. These soft dollar arrangements may benefit SKYVIEW by reducing its expenses. Nonetheless, SKYVIEW believes that to the extent it makes allocations to brokerage business with soft dollar arrangements, this would generally enhance the ability to obtain research, optimal execution and other benefits on behalf of their clients.

#### **C. BROKERAGE FOR CLIENT REFERRALS**

SKYVIEW does not receive client referrals from third parties for recommending the use of specific broker-dealer brokerage services. See Item 12A.

#### **D. DIRECTED BROKERAGE**

Directed brokerage arrangements are not applicable to the investment management policies of SKYVIEW. SKYVIEW does not permit clients to direct the use a particular brokerage firm.

#### **E. ORDER AGGREGATION**

**The Funds:** SKYVIEW investment advisory services involve advising investment portfolios with respect to choosing third party funds, money managers and sub-advisers to manage the Funds' account portfolios. Due to the nature of these consulting agreements, order aggregation is not applicable to nor affects the investment management policies of SKYVIEW.

**Advisory Services:** SKYVIEW may, at times, aggregate sale and purchase orders of securities for advisory accounts with similar orders in order to obtain the best pricing averages and minimize trading costs. This practice is reasonably likely to result in administrative convenience or an overall economic benefit to the client. Clients also benefit relatively with better purchase or sale execution prices, lower commission expenses or beneficial timing of transactions or a combination of these and other factors. SKYVIEW's policies and procedures mandate aggregating multiple orders. Aggregate orders will be allocated to client accounts in a systematic non-preferential manner. SKYVIEW may aggregate or "bunch" transactions for a client's account with those of other clients in an effort to obtain the best execution under the circumstances.

## **ITEM 13      REVIEW OF ACCOUNTS**

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### **A. PERIODIC REVIEWS**

**Client accounts are monitored on an ongoing basis for performance and suitability in respect of each account's investment objective.**

Client accounts are monitored in terms of securities holdings, asset mix and adherence to investment guidelines. The investment portfolios are reviewed no less frequently than monthly. These reviews may include discussions on the following: (1) material changes to the Sub-Adviser's business operations, personnel, etc. (2) evaluation of investment decisions in relation to the client investment objectives (3) utilization of appropriate investment strategies (4) portfolio performance (5) any topic pertinent to the review of the investment portfolio.

***Institutional Advisory Services:*** While the underlying securities within institutional accounts are continually monitored, these accounts are reviewed at least annually by senior management.

### **B. INTERMITTENT REVIEW FACTORS**

Intermittent reviews may be triggered by substantial market fluctuation, economic or political events, or by changes in client's or the Funds' objectives.

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## **ITEM 14      CLIENT REFERRALS AND OTHER COMPENSATION**

### **ECONOMIC BENEFITS FOR ADVISORY SERVICES RENDERED**

The Firm does not receive an economic benefit (such as sales awards or other prizes) from any third party for providing investment advice or other advisory services to its Clients.

The Firm may pay others to solicit Clients. Any payment for solicitation of Client(s) will be made pursuant to a written solicitation disclosure agreement.

## ITEM 15 CUSTODY

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### A. CUSTODIAN OF ASSETS

Custody means holding, directly or indirectly, client funds or securities, or having any authority to obtain possession of them. SKYVIEW does not have direct custody of any client funds and/or securities. SKYVIEW will not maintain physical possession of client funds and securities. Instead, client's funds and securities are held by a SKYVIEW preferred qualified custodian.

*Funds and Institutional Advisory Services:* SKYVIEW may have custody of client assets because it has the ability to deduct advisory fees payable to it, and has a general power of attorney over certain client accounts. While SKYVIEW does not have physical custody of client funds or securities, payments of fees may be paid by the custodian from the custodial brokerage account that holds client funds pursuant to the client's account application. In certain jurisdictions, the ability of a Firm to withdraw its advisory fees from the client's account may be deemed custody. The physical assets of each client, however, are held at each client's qualified custodian.

### B. ACCOUNT STATEMENTS

Clients will receive statements and reports that include: (a) confirmation statements; (b) annual and semi-annual shareholder reports; and (c) quarterly account statements.

## ITEM 16 INVESTMENT DISCRETION

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If SKYVIEW has full discretionary authority, then it will supervise and direct the investments of client accounts. The client grants this authority upon execution of their Investment Management Agreement. This authority is for the purpose of making and implementing investment decisions, without prior consultation with the client. All investment decisions are made in accordance with the client's investment objectives. The client may inform the Firm of restrictions that they would like to impose regarding investment strategies or types of securities transactions within your account(s).

## ITEM 17 VOTING CLIENT SECURITIES

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Under Section 206 of the Advisers Act, an investment adviser has a fiduciary duty to vote proxies in the best interests of the client and to treat clients fairly. In cases where SKYVIEW exercises discretion over the purchase of securities (other than investments in private funds and mutual funds), SKYVIEW may vote proxies related to securities held by any client's account over which it maintains discretionary authority consistent with its proxy voting policy. Proxy votes generally will be cast in a manner that is in the best interest of the client.

In exercising its voting discretion, SKYVIEW shall seek to avoid any direct or indirect conflict of interest raised by such voting decision. If the Chief Compliance Officer believes that there is any potential material

conflict of interest for the Firm on a particular proxy vote, it is to be turned over to the Investment Management Committee for the voting decision.

Consistent with Rule 206(4)-6 of the Advisers Act, SKYVIEW will retain certain records required by applicable law in connection with its proxy voting activities for clients and shall provide proxy-voting information to clients upon their written or oral request. A copy of SKYVIEW's proxy voting policies and procedures is available to clients upon request.

### **Proxy Voting Delegation**

SKYVIEW's policy will require that proxies received will be voted in a manner consistent with the best interests of the investment portfolio and its clients. As required, SKYVIEW may present to SKYVIEW's clients, at least annually, their policies and a record of each proxy voted by the sub-advisers on behalf of clients, including a report on the resolution of all proxies identified by the Adviser as involving a conflict of interest.

When a material conflict of interest between SKYVIEW's interests and its Clients' interests appears to exist, SKYVIEW may choose among the following options to eliminate such conflict: (1) for routine matters, voting in accordance with SKYVIEW's policies and procedures and the guidelines, where doing so involves little or no discretion; (2) if possible, erect information barriers around the person or persons making voting decisions sufficient to insulate the decision from the conflict; (3) notify affected Clients of the conflict of interest and seek a waiver of the conflict; (4) if agreed upon in writing with the Client, forward the proxies to affected Clients allowing them to vote their own proxies; or (5) may convene an ad-hoc committee of no fewer than two senior executives with the portfolio manager to debate the conflict and to give ruling on the preferred course of action. In all instances, SKYVIEW will seek to resolve the conflict in a manner that is acceptable to all affected parties and is in the best interests of any affected Client(s).

## **ITEM 18 FINANCIAL INFORMATION**

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### **A. FINANCIAL CONDITION**

SKYVIEW does not have any financial impairment that would preclude the Firm from meeting contractual commitments to Clients.

### **B. BANKRUPTCY PETITION FILINGS**

SKYVIEW has not been the subject of a bankruptcy petition at any time during the last ten (10) years.