

## ITEM 1: COVER PAGE



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September 12, 2024

### FIRM BROCHURE (FORM ADV PART 2A)

This brochure provides information about the qualifications and business practices of Aventura Private Wealth, LLC. If you have any questions about the contents of this brochure, please contact us at the phone number listed above. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Registration (e.g., “registered investment advisor”) does not imply a certain level of skill or training.

Additional information about Aventura Private Wealth, LLC (CRD# 332630) also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **ITEM 2: MATERIAL CHANGES**

Pursuant to SEC rules, Aventura Private Wealth, LLC will ensure that Clients receive a summary of any material changes to this and subsequent disclosure brochures within 120 days after the Firm's fiscal year end, December 31. This means that if there were any material changes over the past year, Clients will receive a summary of those changes no later than April 30. At that time, Aventura Private Wealth, LLC will also offer a copy of its most current disclosure brochure and may also provide other ongoing disclosure information about material changes as necessary.

Clients and prospective Clients can always receive the most current disclosure brochure for Aventura Private Wealth, LLC at any time by contacting their investment advisor representative.

Since our initial filing to register as an investment advisory firm on July 25, 2024, the following items have been amended:

- Item 1 was amended to include a link to our website.
- Item 1 was further amended to provide our firm's new office location
- Items 4 and 9 were amended to disclose our new Chief Compliance Officer, Michelle Diamantis.

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## **ITEM 4: ADVISORY BUSINESS**

### ***Firm Description***

Aventura Private Wealth, LLC (“APW or the “Firm”) was founded during November 2023, in the State of Florida and became an investment adviser during August 2024.

The Managing Director of APW is Shmuel Maya, while Michelle Diamantis serves as APW’s Chief Compliance Officer.

### ***Types of Advisory Services***

APW offers a large variety of services, including portfolio management and investment analysis. The Firm offers these services to Clients or potential Clients (“Clients” or “Client”). Clients may include individuals, high-net worth individuals, families, trusts, charitable organizations, foundations and corporations.

### **Investment Advisory Services**

APW specializes in quantitative, fundamental, technical, and economic analysis to determine what investments favor APW’s investment models. APW assesses Clients’ current holdings and ensures alignment with short- and long-term goals. APW reviews investment performance and portfolio exposure to market conditions. Accordingly, APW is authorized to perform various functions without further approval from the Client, such as determining securities to be purchased or sold without prior permission from the Client for each transaction. All trades are made in the Client's best interest as part of APW’s fiduciary duty. However, risk is inherent to any investment strategy and model. Therefore, APW does not guarantee any results or returns.

Before engaging APW to provide any investment advisory services, APW requires a written financial service agreement (“FSA”) signed by the Client before the engagement of any services. The FSA will outline the services to which the Client is entitled and the fees the Client will incur.

APW is an asset-based fee investment management firm. APW does not receive commissions for purchasing or selling stocks, bonds, mutual funds, real estate investment trusts, or other Client-commissioned products. APW is not affiliated with entities that sell financial products or securities. No commissions in any form are accepted.

APW does not act as a custodian of Client assets. The Client always maintains asset control. APW places trades for Clients under a limited power of attorney through a qualified custodian/broker.

### **Private Funds and Special Purpose Vehicles**

Our firm may also recommend that clients invest in unaffiliated or affiliated private investment vehicles and/or special purpose vehicles whose interests are not publicly offered under the Securities Act of 1933

(“Private Funds”). Such Private Funds may be structured as access vehicles or special purpose vehicles for investment into a wide range of portfolio companies, including both private and public companies, start-up or emerging companies, and U.S. or non-U.S. companies. APW will, from time to time and as appropriate, solicit clients to invest in such vehicles, and will decide which clients to approach for some or all of these investments, in its own discretion. All relevant information pertaining to Private Fund recommendations, including the compensation received by APW (if any) or an affiliate or related person (as applicable) resulting from a client’s investment in a Private Fund, other fees and expenses paid by the respective Private Fund, withdrawal rights, minimum investments, qualification requirements, suitability, risk factors and potential conflicts of interest is set forth in the respective Private Fund’s disclosure documents, governing documents and other offering materials pertaining to such interest (the “Offering Materials”). Each investor is required to receive, review and execute (as applicable) the Offering Materials prior to being accepted as an investor in any such Private Fund.

It is important to note that any APW advisory fee charged to clients for investing in a Private Fund may be in addition to the fees charged by the Private Funds to investors. This is a conflict of interest with the multiple fees charged because certain owners of APW are owners and general partners of the Private Funds and will receive multiple forms of compensation. It should also be noted that certain members of APW may directly participate in any of the investment opportunities described for which a Private Fund is established and/or may participate through the Private Fund itself for the purposes of investing. This right to participate and any corresponding economic interest therefrom will likely mean that certain members of APW will derive a direct or indirect benefit from their direct participation and may also receive management fees, carried interest and other fees that a Private Fund charges to investors and clients for their participation in the respective investment opportunity. As such, a conflict of interest arises between the presentation of a private market investment opportunity to clients and prospective clients, and those members of APW who will have an interest in the alternative investment opportunity and who, through a Private Fund, may also be charging clients and investors a variety of fees for investment in the respective investment opportunity. Therefore, it should be understood that members of APW may be highly incentivized to recommend an alternative investment opportunity to clients. Clients are strongly advised and encouraged to discuss this conflict of interest with their advisors and to assess the risks, merits, charges, suitability and appropriateness of the opportunity prior to making any investment decision.

### Financial Planning and Consulting Services

Financial planning may include but is not limited to: investment planning, insurance planning, retirement planning, education planning, and debt/credit planning. These services are based on a fixed fee; the final fee structure is documented in the Financial Planning Agreement.

### *Services Tailored to Clients’ Needs*

Services are provided based on a Client’s specific needs within the scope of the services discussed above. A review of the information provided by the Client regarding the Client’s current financial situation, goals, and risk tolerances will be performed, and advice that is in line with available information will be provided.

### ***Wrap Fee Program***

APW does not offer a Wrap Fee Program.

### ***Assets Under Management***

As of July 25, 2024, APW has the following assets under management:

Discretionary assets:	\$0.00
Non-discretionary assets:	\$0.00

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

### ***Fees and other charges***

#### **Individually Managed Accounts:**

Fees for individually managed accounts are negotiable based on the size of the account and the complexity of the work. Fees are calculated as a per annum percentage of the assets under APW's management. Generally, a Client shall not pay an aggregated annual fee that is greater than 1.50% of total amount of assets under management.

All asset-based fees are deducted by the qualified custodian of record monthly in arrears based on average daily balance of the account during the billing period, or as otherwise indicated in the Client agreement. Fees are negotiable, and may be higher or lower than this range, based on the nature of the account. Client statements for prior deductions will be provided on a quarterly basis.

All fees paid APW for investment advisory services are separate and distinct from the expenses charged by third-party managers and Investment Companies to their shareholders. These fees and expenses are described to the Client in separate disclosures. These fees will generally include third-party management fees, an Investment Company management fee, other fund expenses, and in some situations a possible distribution fee.

APW will provide investment advisory services and portfolio management services but will not provide custodial or other administrative services. At no time will APW accept or maintain custody of a Client's funds or securities except for authorized fee deduction. The Client may contact the Custodian directly for disbursements, or account record changes, and may also do so in writing to the custodian. APW may act at the Client's convenience to facilitate such written communications to the Custodian, provided that such action is not construed to be custody of Client assets.

Clients may request to terminate their advisory contract with APW, in whole or in part, by providing advance written notice. Upon termination, APW shall be responsible for refunding any fees paid in

advance on a pro-rata basis determined by the date of termination and any refund will be remitted to the Client through the Custodian.

Client's advisory agreement with APW is non-transferable without Client's written approval.

### ***Financial Planning and Consulting Services Fees***

APW charges on an hourly or flat fee basis for financial planning and consulting services. The total estimated fee, as well as the ultimate fee charged, is based on the scope and complexity of our engagement with the client. The maximum hourly fee to be charged will not exceed \$500. Flat fees range from \$10,000 to \$100,000. APW requires a retainer of fifty percent (50%) of the ultimate financial planning or consulting fee at the time of signing. The remainder of the fee will be directly billed to the client and due within thirty (30) days of a financial plan being delivered or consultation rendered. APW will not require a retainer exceeding \$1,200 when services cannot be rendered within 6 (six) months.

### ***Fee Deduction Disclosure***

Where APW deducts its management fee from Client accounts utilizing a qualified custodian, the Firm is required to meet the following requirements.

- a. Possess written authorization from the Client to deduct advisory fees from an account held by a qualified custodian;
- b. APW must send the qualified custodian a written invoice detailing the fee amount to be deducted from the Client account; and,
- c. APW must have a reasonable basis, after due inquiry, for believing that the qualified custodian sends an account statement, at least quarterly, to each of your Clients for which it maintains funds or securities, identifying the amount of funds and of each security in the account at the end of the period and setting forth all transactions in the account during that period.

### ***Right of Cancellation***

In addition to the right to terminate an agreement pursuant to its terms, a Client may cancel an agreement with Adviser within five (5) business days of first receiving a copy of this disclosure brochure and supplement without penalty or fee.

### ***Additional Fees***

In addition to the advisory fees paid to APW, Clients also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks, private funds, and other financial institutions (collectively "Financial Institutions"). These additional charges include securities brokerage commissions, fund management fees, transaction fees, custodial fees, margin costs, fees attributable to alternative assets utilized by the Independent Managers, reporting charges, fees charged by the Independent Managers, charges imposed directly by a mutual fund or ETF in a Client's account, as

disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. The Firm's brokerage practices are described at length in Item 12, below.

### ***Compensation for the Sale of Securities or Investment Products***

Neither APW nor its supervised persons accept any commissions or compensation for the sale of securities nor 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**

Performance based fees can only be assessed to clients with at least \$1,100,000 under management with APW or a net worth of at least \$2,100,000. A performance fee is a fee based on a share of capital gains on or capital appreciation of the managed assets of a client.

In addition to the advisory fee charged in Item 5 of this brochure, APW charges up to 20% of the net profits (i.e., profits after APW's management fee has been deducted) achieved for the previous quarter's account management. The performance fee is payable only if the net profits in the client account(s) exceed the performance calculation of the previous year (a "high water mark"). At APW's discretion, the firm may waive all or any portion of the performance fee or may agree with a client to other changes to the performance fee by written agreement only.

In charging performance fees to some client accounts, APW faces a conflict of interest as APW can potentially receive greater fees from client accounts having a performance-based compensation structure than from accounts only charged an advisory fee. As a result, there exists an incentive to direct the best investment ideas to, or to allocate or sequence trades in favor of, the account that pays a performance fee. APW has taken important steps to ensure that our performance-based accounts are not favored over our client's non-performance fee-based accounts.

Performance-based and non-performance-based accounts are periodically reviewed and compared. In the event that our firm finds performance-based accounts are being unduly (i.e., consistently) favored over non-performance-based accounts, our firm would take action to address the situation on a case-by-case basis. This could include allowing non-performance-based accounts to trade before performance-based accounts to the extent practicable, or if the problem persists, not allowing new performance-based accounts, waiving our performance-based fees or cancelling our performance based fee arrangements altogether and in some cases, termination of firm personnel.

APW also makes use of block trades and allocations made based on client's risk tolerance, investment objectives and restrictions. APW will periodically review block trade allocations to detect whether profitable trades are being disproportionately allocated to performance-based accounts, while unprofitable trades are being disproportionately allocated to pure-fee based accounts with no



performance fee. If a problem is detected in the allocation of block trades, APW shall take measures as previously described above.

## **ITEM 7: TYPES OF CLIENTS**

APW provides investment advice to many different types of Clients. These Clients generally include individuals, high net worth individuals, corporations, trusts and estates, charitable organizations, and other business entities.

### *Minimum Account Size*

APW does not require any minimum amount of assets to open or maintain an account.

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

### *Methods of Analysis*

APW may use the following methods when considering investment strategies and recommendations.

#### Fundamental Analysis

A fundamental analysis is a method of evaluating a company or security by attempting to measure its intrinsic value. Fundamental analysis attempts to determine the true value of a company or security by looking at all aspects of the company or security, including both tangible factors (e.g., machinery, buildings, land, etc.) and intangible factors (e.g., patents, trademarks, “brand” names, etc.). Fundamental analysis also involves examining related economic factors (e.g., overall economy and industry conditions, etc.), financial factors (e.g., company debt, interest rates, management salaries and bonuses, etc.), qualitative factors (e.g., management expertise, industry cycles, labor relations, etc.), and quantitative factors (e.g., debt-to-equity and price-to-equity ratios).

The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price with the aim of determining what sort of position to take with that security (e.g., if underpriced, the security should be bought; if overpriced the security should be sold). Fundamental analysis uses real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for many types of securities.

#### Technical Analysis

A technical analysis is a method of evaluating securities that analyzes statistics generated by market activity, such as past prices and volume. Technical analysis does not attempt to measure a security's

intrinsic value, but instead uses past market data and statistical tools to identify patterns that can suggest future activity. Historical performance of securities and the markets can indicate future performance.

### Charting

Charting is a technical analysis that charts the patterns of stocks, bonds, and commodities to help determine buy and sell recommendations for Clients. It is a way of gathering and processing price and volume information in a security by applying mathematical equations and plotting the resulting data onto graphs in order to predict future price movements. A graphical historical record assists the analyst in spotting the effect of key events on a security's price, its performance over a period of time, and whether it is trading near its high, near its low or in between. Chartists believe that recurring patterns of trading, commonly referred to as indicators, can help them forecast future price movements.

### Cyclical Review

A cyclical analysis assumes the market reacts in reoccurring patterns that can be identified and leveraged to provide performance. Cyclical analysis of economic cycles is used to determine how these reoccurring patterns, or cycles, affect the returns of a given investment, asset, or company. Cyclical analysis is a time-based assessment which incorporates past and present performance to determine future value. Cyclical analyses exist because the broad economy has been shown to move in cycles, from periods of peak performance to periods of low performance. The risks of this strategy are two-fold: (1) the markets do not always repeat cyclical patterns; and (2) if too many investors begin to implement this strategy, it changes the very cycles of which they are trying to take advantage.

### Economic Review

An economic analysis determines the economic environment over a certain time horizon. This involves following and updating historic economic data such as U.S. gross domestic product and consumer price index as well as monitoring key economic drivers such as employment, inflation, and money supply for the world's major economies.

### ***Investment Strategies***

When implementing investment advice to Clients, the Firm may employ a variety of strategies to best pursue the objectives of Clients. Depending on market trends and conditions, APW will employ any technique or strategy herein described, at the Firm's discretion and in the best interests of the Client. The Firm does not recommend any particular security or type of security. Instead, the Firm makes recommendations to meet a particular Client's financial objectives. There is inherent risk to any investment and Clients may suffer loss of ALL OR PART of a principal investment.

### Long-Term Purchases

Long-term purchases are securities that are purchased with the expectation that the value of those securities will grow over a relatively long period, generally greater than one year. Long-term purchases may be affected by unforeseen changes in the company in which a Client is invested or in the overall market. Long-term trading is designed to capture market rates of both return and risk. Frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes. Due to its nature, the long-term strategy can expose Clients to various other types of risk that will typically surface at various intervals during the time the Client owns the investments. These risks

include, but are not limited to, inflation (purchasing power) risk, interest rate risk, economic risk, and political/regulatory risk.

### Short-Term Purchases

Short-term purchases are securities that are purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations. Short-term trading generally holds greater risk. Frequent trading can affect investment performance due to increased brokerage fees and other transaction costs and taxes.

### Strategic Asset Allocation

Asset allocation is a combination of several different types of investments; typically, this includes stocks, bonds, and cash equivalents among various asset classes to achieve diversification. The objective of asset allocation is to manage risk and market exposure while still positioning a portfolio to meet financial objectives.

### ***Risk of Loss***

Investing inherently involves risk up to and including loss of the principal sum. Further, past performance of any security is not necessarily indicative of future results. Therefore, future performance of any specific investment or investment strategy based on past performance should not be assumed as a guarantee. APW does not provide any representation or guarantee that the financial goals of Clients will be achieved.

The potential return or gain and potential risk or loss of an investment varies, generally speaking, with the type of product invested in. Below is an overview of the types of products available on the market and the associated risks of each:

- General Risks. Investing in securities always involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate Clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives can or will be met. Past performance is in no way an indication of future performance. We also cannot assure that third parties will satisfy their obligations in a timely manner or perform as expected or marketed.
- General Market Risk. Investment returns will fluctuate based upon changes in the value of the portfolio securities. Certain securities held may be worth less than the price originally paid for them, or less than they were worth at an earlier time.
- Common Stocks Investments in common stocks, both directly and indirectly through investment in shares of ETFs, may fluctuate in value in response to many factors, including, but not limited to, the activities of the individual companies, general market and economic conditions, interest rates, and specific industry changes. Such price fluctuations subject certain strategies to potential

losses. During temporary or extended bear markets, the value of common stocks will decline, which could also result in losses for each strategy.

- Portfolio Turnover Risk High rates of portfolio turnover could lower the performance of an investment strategy due to increased costs and may result in the realization of capital gains. If an investment strategy realizes capital gains when it sells its portfolio investments, it will increase taxable distributions to you. High rates of portfolio turnover in a given year would likely result in short-term capital gains and under current tax law you would be taxed on short-term capital gains at ordinary income tax rates, if held in a taxable account.
- Non-Diversified Strategy Risk Some investment strategies may be non-diversified (e.g., investing a greater percentage of portfolio assets in a particular issuer and owning fewer securities than a diversified strategy). Accordingly, each such strategy is subject to the risk that a large loss in an individual issuer will cause a greater loss than it would if the strategy held a larger number of securities or smaller positions sizes.
- Model Risk Financial and economic data series are subject to regime shifts, meaning past information may lack value under future market conditions. Models are based upon assumptions that may prove invalid or incorrect under many market environments. We may use certain model outputs to help identify market opportunities and/or to make certain asset allocation decisions.

There is no guarantee any model will work under all market conditions. For this reason, we include model related results as part of our investment decision process, but we often weigh professional judgment more heavily in making trades or asset allocations.

- ETF Risks, including Net Asset Valuations and Tracking Error An ETF's performance may not exactly match the performance of the index or market benchmark that the ETF is designed to track because 1) the ETF will incur expenses and transaction costs not incurred by any applicable index or market benchmark; 2) certain securities comprising the index or market benchmark tracked by the ETF may, from time to time, temporarily be unavailable; and 3) supply and demand in the market for either the ETF and/or for the securities held by the ETF may cause the ETF shares to trade at a premium or discount to the actual net asset value of the securities owned by the ETF. Certain ETF strategies may from time to time include the purchase of fixed income, commodities, foreign securities, American Depositary Receipts, or other securities for which expenses and commission rates could be higher than normally charged for exchange-traded equity securities, and for which market quotations or valuation may be limited or inaccurate.

Clients should be aware that to the extent they invest in ETF securities they will pay two levels of advisory compensation – advisory fees charged by APW plus any advisory fees charged by the issuer of the ETF. This scenario may cause a higher advisory cost (and potentially lower investment returns) than if a Client purchased the ETF directly. An ETF typically includes embedded expenses that may reduce the ETF's net asset value, and therefore directly affect the ETF's performance and indirectly affect a Client's portfolio performance or an index benchmark comparison. Expenses of the ETF may include investment advisor management fees, custodian

fees, brokerage commissions, and legal and accounting fees. ETF expenses may change from time to time at the sole discretion of the ETF issuer. ETF tracking error and expenses may vary.

- Inflation, Currency, and Interest Rate Risks Security prices and portfolio returns will likely vary in response to changes in inflation and interest rates. Inflation causes the value of future dollars to be worth less and may reduce the purchasing power of an investor's future interest payments and principal. Inflation also generally leads to higher interest rates, which in turn may cause the value of many types of fixed income investments to decline. In addition, the relative value of the U.S. dollar-denominated assets primarily managed by APW may be affected by the risk that currency devaluations affect Client purchasing power.
- Liquidity Risk Liquidity is the ability to readily convert an investment into cash to prevent a loss, realize an anticipated profit, or otherwise transfer funds out of the particular investment. Generally, investments are more liquid if the investment has an established market of purchasers and sellers, such as a stock or bond listed on a national securities exchange. Conversely, investments that do not have an established market of purchasers and sellers may be considered illiquid. Your investment in illiquid investments may be for an indefinite time, because of the lack of purchasers willing to convert your investment to cash or other assets.
- Legislative and Tax Risk Performance may directly or indirectly be affected by government legislation or regulation, which may include, but is not limited to: changes in investment advisor or securities trading regulation; change in the U.S. government's guarantee of ultimate payment of principal and interest on certain government securities; and changes in the tax code that could affect interest income, income characterization and/or tax reporting obligations, particularly for options, swaps, master limited partnerships, Real Estate Investment Trust, Exchange Traded Products/Funds/Securities. We do not engage in tax planning, and in certain circumstances a Client may incur taxable income on their investments without a cash distribution to pay the tax due. Clients and their personal tax advisors are responsible for how the transactions in their account are reported to the IRS or any other taxing authority.
- Concentration Risk While APW selects individual securities, including mutual funds, for Client portfolios based on an individualized assessment of each security, this evaluation comes without an overlay of general economic or sector specific issue analysis. This means that a Client's equity portfolio may be concentrated in a specific sector, geography, or sub-sector (among other types of potential concentrations), so that if an unexpected event occurs that affects that specific sector or geography, for example, the Client's equity portfolio may be affected negatively, including significant losses.
- Foreign Investing and Emerging Markets Risk Foreign investing involves risks not typically associated with U.S. investments, and the risks maybe exacerbated further in emerging market countries. These risks may include, among others, adverse fluctuations in foreign currency values, as well as adverse political, social, and economic developments affecting one or more foreign countries.

In addition, foreign investing may involve less publicly available information and more volatile or less liquid securities markets, particularly in markets that trade a small number of securities, have unstable governments, or involve limited industry. Investments in foreign countries could be affected by factors not present in the U.S., such as restrictions on receiving the investment proceeds from a foreign country, foreign tax laws or tax withholding requirements, unique trade clearance or settlement procedures, and potential difficulties in enforcing contractual obligations or other legal rules that jeopardize shareholder protection. Foreign accounting may be less transparent than U.S. accounting practices and foreign regulation may be inadequate or irregular.

- Private Placement Review and Risk For the private placement securities portion of a Client's portfolio, we employ a number of different means and accesses multiple outside resources to provide for an appropriate level of due diligence in identifying various private placement and direct participation investment offerings that may be recommended to our Clients. This may include sponsor financial reviews, attendance at sponsor provided due diligence meetings, attendance at industry sponsored due diligence conferences, access and review of third-party due diligence and review summaries, the hiring of our own due diligence counsel and review, consulting with other industry professionals as well as industry specialists. The due diligence process is ongoing and continual and may include the gathering of available information, such as; marketing materials, audited financial reports sponsor and investment entity operating statements, profit and loss statements, balance sheets, offering memorandums, subscription agreements, annual reports, industry outlook reports, economic studies, and others.
- Real Estate Investment Trust A real estate investment trust ("REIT") is a corporate entity which invests in real estate and/or engages in real estate financing. A REIT reduces or eliminates corporate income taxes. REITs can be publicly or privately held. Public REITs may be listed on public stock exchanges. REITs are required to declare 90% of their taxable income as dividends, but they actually pay dividends out of funds from operations, so cash flow has to be strong or the REIT must either dip into reserves, borrow to pay dividends, or distribute them in stock (which causes dilution). After 2012, the IRS stopped permitting stock dividends. Most REITs must refinance or erase large balloon debts periodically. The credit markets are no longer frozen, but banks are demanding, and getting, harsher terms to re-extend REIT debt. Some REITs may be forced to make secondary stock offerings to repay debt, which will lead to additional dilution of the stockholders. Fluctuations in the real estate market can affect the REIT's value and dividends.
- Information Security Risk We may be susceptible to risks to the confidentiality and security of its operations and proprietary and customer information. Information risks, including theft or corruption of electronically stored data, denial of service attacks on our website or websites of our third-party service providers, and the unauthorized release of confidential information are a few of the more common risks faced by us and other investment advisers. Data security breaches of our electronic data infrastructure could have the effect of disrupting our operations and compromising our customers' confidential and personally identifiable information. Such breaches could result in an inability of us to conduct business, potential losses, including identity theft and theft of investment funds from customers, and other adverse consequences to customers.

We have taken and will continue to take steps to detect and limit the risks associated with these threats.

- Tax Risks Tax laws and regulations applicable to an account with APW may be subject to change and unanticipated tax liabilities may be incurred by an investor as a result of such changes. In addition, customers may experience adverse tax consequences from the early assignment of options purchased for a customer's account. Customers should consult their own tax advisers and counsel to determine the potential tax-related consequences of investing.
- Advisory Risk There is no guarantee that our judgment or investment decisions on behalf of particular any account will necessarily produce the intended results. Our judgment may prove to be incorrect, and an account might not achieve her investment objectives. In addition, it is possible that we may experience computer equipment failure, loss of internet access, viruses, or other events that may impair access to accounts' custodians' software. APW and its representatives are not responsible to any account for losses unless caused by APW breaching our fiduciary duty.
- Dependence on Key Employees An accounts success depends, in part, upon the ability of our key professionals to achieve the targeted investment goals. The loss of any of these key personnel could adversely impact the ability to achieve such investment goals and objectives of the account.
- Restriction Risk. Clients may at all times place reasonable restrictions on the management of their accounts. However, placing these restrictions may make managing the accounts more difficult, thus lowering the potential for returns.

APW does not primarily recommend a particular type of security.

## **ITEM 9: DISCIPLINARY INFORMATION**

Registered investment advisers are required to disclose any legal or disciplinary events that are material to a Client's or prospective Client's evaluation of the advisory business or integrity of APW's management.

APW has no disciplinary disclosures. Shmuel Maya, Managing Director of APW, has no disciplinary disclosures. Michelle Diamantis, Chief Compliance Officer, has no disciplinary disclosures.

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

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

APW is not registered and does not have an application pending to register, as a broker dealer and its management persons are not registered as broker/dealer representatives and there are no pending applications to become such a representative.

### ***Registration as a Futures Commission merchant, Commodity Pool Operator***

APW and its management persons are not registered and do not have application pending to register, as a futures commission merchant, commodity pool operator/advisor.

### ***Relationships Material to this Advisory Business and Possible Conflicts of Interest***

APW and its management persons have no other relationships that are material to its advisory business.

### ***Selection of other Advisors***

Please see Item 4 above for more information about the selection of third-party money managers. The compensation paid to APW by third party managers may vary, and thus, creates a conflict of interest in recommending a manager who shares a larger portion of its advisory fees over another manager. Prior to referring clients to third party advisors, APW will ensure that third party advisors are licensed, or notice filed with the respective authorities. A potential conflict of interest in utilizing third party advisors may be an incentive to us in selecting a particular advisor over another in the form of fees or services. In order to minimize this conflict APW will make our recommendations/selections in the best interest of our clients.

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

### ***Fiduciary Status***

According to federal law, an investment advisor is considered a fiduciary. As a fiduciary, it is an investment advisor's responsibility to provide fair and full disclosure of all material facts. In addition, an investment advisor has a duty of utmost good faith to act solely in the best interest of each of its Clients. APW and its representatives have a fiduciary duty to all Clients.

APW and its representatives' fiduciary duty to Clients is considered the core underlying principle for APW's Code of Ethics and represents the expected basis for all representatives' dealings with Clients.



APW has the responsibility to ensure that the interests of Clients are placed ahead of it or its representatives' own investment interest. All representatives will conduct business in an honest, ethical, and fair manner. All representatives will always comply with all federal and state securities laws. Full disclosure of all material facts and potential conflicts of interest will be provided to Clients prior to services being conducted. All representatives have a responsibility to avoid circumstances that might negatively affect or appear to affect the representatives' duty of complete loyalty to their Clients.

APW and/or its investment advisory representatives may from time-to-time purchase or sell products or investments that they may recommend to Clients. APW has adopted a Code of Ethics that sets forth the basic policies of ethical conduct for all managers, officers, and employees of the adviser.

### ***Description of Our Code of Ethics***

APW strives to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for associated persons of APW. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All associated persons of APW are expected to adhere strictly to these guidelines. APW's associated persons are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.

### ***Personal Trading Practices***

In addition, the Code of Ethics governs personal trading by each employee of APW deemed to be an Access Person and is intended to ensure that securities transactions effected by Access Persons of APW are conducted in a manner that avoids any actual or potential conflict of interest between such persons and Clients of the adviser or its affiliates.

APW collects and maintains records of securities holdings and securities transactions effected by Access Persons. These records are reviewed to identify and resolve potential conflicts of interest. APW's Code of Ethics is available upon request.

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

Neither APW nor any of our management persons have a material relationship or arrangement with any issuer of securities. Neither APW nor any persons associated with our firm has any material financial interest in Client transactions beyond the provision of investment advisory services as disclosed in this brochure.

## ITEM 12: BROKERAGE PRACTICES

### *Selection and Recommendation*

APW has a duty to select brokers, dealers, and other trading venues that provide the best execution for Clients. The duty of best execution requires an investment adviser to seek to execute securities transactions for Clients in such a manner that the Client's total cost or proceeds in each transaction is the most favorable under the circumstances, considering all relevant factors. The lowest possible commission, while very important, is not the only consideration. Currently, APW does not have a relationship with any broker-dealer.

It is the policy of APW to seek the best execution in all portfolio trading activities for all investment disciplines and products, regardless of whether commissions are charged. This applies to trading in any instrument, security, or contract, including equities, bonds, and forward or derivative contracts.

The standards and procedures governing best execution are outlined in several written policies. Generally, to achieve the best execution, APW considers the following factors, without limitation, in selecting brokers and intermediaries:

- Execution capability;
- Order size and market depth;
- Availability of competing markets and liquidity;
- Trading characteristics of the security;
- Availability of accurate information comparing markets;
- Quantity and quality of research received from the broker-dealer;
- Financial responsibility of the broker-dealer;
- Confidentiality;
- Reputation and integrity;
- Responsiveness;
- Recordkeeping;
- Ability and willingness to commit capital;
- Available technology; and
- Ability to address current market conditions.

APW evaluates the execution, performance, and risk profile of the broker-dealers it uses at least quarterly.

***Research and Other Soft Dollar Benefits***

Soft dollar practices are arrangements whereby an investment adviser directs transactions to a broker-dealer in exchange for certain products and services that are allowable under SEC rules. Client commissions may be used to pay for brokerage and research services and products as long as they are eligible under Section 28(e) of the Exchange Act of 1934. Section 28(e) sets forth a “safe harbor,” which provides that an investment adviser that has discretion over a Client account is not in breach of its fiduciary duty when paying more than the lowest commission rate available if the adviser determines in good faith that the rate paid is commensurate with the value of brokerage and research services provided by the broker-dealer.

APW does not currently have any soft dollar benefit arrangements.

***Brokerage for Client Referrals***

APW does not receive Client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

***Directed Brokerage***

APW does not allow Client-directed brokerage.

***Order Aggregation***

APW may combine orders into block trades when more than one account is participating in the trade. This blocking or bunching technique must be equitable and potentially advantageous for each such account (e.g., for the purposes of reducing brokerage commissions or obtaining a more favorable execution price).

Block trading is performed when it is consistent with the duty to seek best execution and is consistent with the terms of APW’s investment advisory agreements. Equity and bond trades are blocked based upon fairness to Client, both in the participation of their account, and in the allocation of orders for the accounts of more than one Client. Allocations of all orders are performed in a timely and efficient manner. All managed accounts participating in a block execution receive the same execution price (average share price) for the securities purchased or sold on a trading day.

Any portion of an order that remains unfilled at the end of a given day will be rewritten on the following day as a new order with a new daily average price to be determined at the end of the following day. Due to the low liquidity of certain securities, broker availability may be limited. Open orders are worked until they are completely filled, which may span the course of several days. If an order is filled in its entirety, securities purchased in the aggregated transaction will be allocated among the accounts participating in the trade in accordance with the allocation statement.

If an order is partially filled, the securities will be allocated pro rata based on the allocation statement. APW may allocate trades in a different manner than indicated on the allocation statement (non-pro rata) only if all managed accounts receive fair and equitable treatment

***Trade Error Policy***

APW maintains a record of any trading errors that occur in connection with investment activities of its Clients. Both gains and losses that result from a trading error made by APW will be borne or realized by APW.

**ITEM 13: REVIEW OF ACCOUNTS**

***Periodic Reviews***

APW regularly reviews and evaluates Client accounts for compliance with each Client's investment objectives, policies, and restrictions. APW analyzes rates of return and allocation of assets to determine model strategy effectiveness. Such reviews are conducted by the Chief Compliance Officer of APW and shall occur at least once per calendar year.

***Intermittent Review Factors***

Intermittent reviews may be triggered by substantial market fluctuation, economic or political events, or changes in the Client's financial status (such as retirement, termination of employment, relocation, inheritance, etc.). Clients are advised to notify APW promptly if there are any material changes in their financial situation, investment objectives, or in the event they wish to place restrictions on their account.

***Reports***

Clients may receive confirmations of purchases and sales in their accounts and will receive, at least quarterly, statements containing account information such as account value, transactions, and other relevant information. Confirmations and statements are prepared and delivered by the custodian.

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

***Client Referrals***

APW will not receive any economic benefit from another person or entity for soliciting or referring Clients.

*Other Compensation*

APW does not pay another person or entity for referring or soliciting Clients for APW.

**ITEM 15: CUSTODY**

APW may deduct fees from Client accounts but would not have custody of Client funds otherwise. Clients will receive statements directly from the agreed upon custodian, and copies of all trade confirmations directly from the custodian.

Clients whose fees are directly debited will provide written authorization to debit advisory fees from their accounts held by a qualified custodian chosen by the Client. Each quarter, Clients will receive a bill itemizing the fees to be debited, including the formula used to calculate the fee, the amount of assets the fee is based on, and the time period covered by the fee. The invoice will also state that the fee was not independently calculated by the custodian. The Client will also receive a statement from their account custodian showing all transactions in their account, including the fee.

Custody is also disclosed in Form ADV because APW has authority to transfer money from Client account(s), which constitutes a standing letter or authorization (SLOA). Accordingly, APW will follow the safeguards specified by the SEC rather than undergo an annual audit.

We encourage Clients to carefully review the statements and confirmations sent to them by their custodian, and to compare the information on your quarterly report prepared by APW against the information in the statements provided directly from the custodian. Please alert us of any discrepancies.

**ITEM 16: INVESTMENT DISCRETION**

When APW is engaged to provide asset management services on a discretionary basis, we will monitor your accounts to ensure that they are meeting your asset allocation requirements. If any changes are needed to your investments, we will make the changes. These changes may involve selling a security or group of investments and buying others or keeping the proceeds in cash. You may at any time place restrictions on the types of investments we may use on your behalf, or on the allocations to each security type. You may receive at your request written or electronic confirmations from your account custodian after any changes are made to your account. You will also receive monthly statements from your account custodian. Clients engaging us on a discretionary basis will be asked to execute a Limited Power of Attorney (granting us the discretionary authority over the Client accounts) as well as an FSA that outlines the responsibilities of both the Client and APW.

When a Client engages APW to provide investment management services on a non-discretionary basis, the accounts are monitored by APW. The difference is that changes to your account will not

be made until APW has confirmed with you (either verbally or in writing) that the proposed change is acceptable to you.

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

APW does not perform proxy voting services on the Client's behalf. Clients are encouraged to read through the information provided with the proxy voting documents and decide based on the information provided. Upon the Client's request, APW representatives may provide limited clarifications of the issues presented in the proxy voting materials based on their understanding of issues raised in the proxy voting materials. However, Clients have the ultimate responsibility for making all proxy voting decisions.

## **ITEM 18: FINANCIAL INFORMATION**

### ***Balance Sheet Requirement***

APW is not the qualified custodian for Client funds or securities and does not require prepayment of fees of more than \$1,200 per Client, six (6) months or more in advance.

### ***Financial Condition***

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

### ***Bankruptcy Petition***

APW has not been the subject of a bankruptcy petition at any time during the last 10 years, nor ever.