



**Form ADV Part 2A: Firm Brochure**

**Item 1 – Cover Page**

**ISGAM US LLC**

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Date of Disclosure Brochure: 17 January 2024

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This disclosure brochure provides information about the qualifications and business practices of ISGAM US LLC (also referred to as we, us, our and ISGAM US throughout this disclosure brochure). If you have any questions about the contents of this disclosure brochure, please contact Frank van Lerven at +1 (305) 779-5913 or [frankvanlerven@isgam.us](mailto:frankvanlerven@isgam.us). The information in this disclosure brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about ISGAM US LLC is also available on the Internet at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can view our firm's information on this website by searching for ISGAM US LLC or our firm's CRD number 320841.

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

## **Item 2 – Material Changes**

This item is intended to discuss only specific material changes that are made to the disclosure brochure and provide readers with a summary of such changes. We will also reference the date of the last annual update of this disclosure brochure.

Since filing the last annual update of this brochure dated January 10 2023, no material changes have been made.

We will ensure that you receive a summary of any material changes to this and subsequent disclosure brochures within 120 days after our firm's fiscal year ends. Our firm's fiscal year ends on December 31, so you will receive the summary of material changes no later than April 30 each year. At that time, we will also offer or provide a copy of the most current disclosure brochure. We may also provide other ongoing disclosure information about material changes as necessary.

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## Item 4 – Advisory Business

ISGAM US LLC is a limited liability company (LLC) formed under the laws of the State of Florida.

Frank van Lerven is 100% shareholder, Chief Compliance Officer (CCO) and Managing Member of ISGAM US. ISGAM US filed its initial application to become registered as an investment adviser in May 2022.

### **Introduction**

The investment advisory services of ISGAM US are provided to you through an appropriately licensed individual who is an investment adviser representative of ISGAM US (referred to as your investment adviser representative throughout this brochure).

### **Description of Advisory Services**

The following are descriptions of the primary advisory services of ISGAM US. Please understand that a written agreement, which details the exact terms of the service, must be signed by you and ISGAM US before we can provide you the services described below.

**Asset Management Services** – ISGAM US offers asset management services, which involves ISGAM US providing you with continuous and ongoing supervision over your specified accounts.

You must appoint our firm as your investment adviser of record on specified accounts (collectively, the “Account”) held at Charles Schwab & Company, Inc. The Account consists only of separate account(s) held by qualified custodian(s) under your name. The qualified custodians maintain physical custody of all funds and securities of the Account, and you retain all rights of ownership (e.g., right to withdraw securities or cash, exercise or delegate proxy voting and receive transaction confirmations) of the Account. See *Item 12 – Brokerage Practices* for more information.

The Account is managed by us based on your financial situation, investment objectives and risk tolerance. We actively monitor the Account and provide management services by buying, selling, reinvesting or holding securities, cash or other investments of the Account.

We will need to obtain certain information from you to determine your financial situation and investment objectives. You will be responsible for notifying us of any updates regarding your financial situation, risk tolerance or investment objective and whether you wish to impose or modify existing investment restrictions; however, we will contact you at least annually to discuss any changes or updates regarding your financial situation, risk tolerance or investment objectives. We are always reasonably available to consult with you relative to the status of your Account. You have the ability to impose reasonable restrictions on the management of your accounts, including the ability to instruct us not to purchase certain securities.

It is important that you understand that we manage investments for other clients and may give them advice or take actions for them or for our personal accounts that is different from the advice we provide to you or actions taken for you. We are not obligated to buy, sell or recommend to you any security or other investment that we may buy, sell or recommend for any other clients or for our own accounts.

Conflicts may arise in the allocation of investment opportunities among accounts that we manage. We strive to allocate investment opportunities believed to be appropriate for your account(s) and other accounts advised by our firm among such accounts equitably and consistent with the best interests of all accounts involved. However, there can be no assurance that a particular investment opportunity that comes to our attention will be allocated in any particular manner. If we obtain material, non-public information about a security or its issuer that we may not lawfully use or disclose, we have absolutely no obligation to disclose the information to any client or use it for any client’s benefit.

**Financial Planning Services** - ISGAM US offers financial planning services, which involve preparing a written financial plan covering specific or multiple topics. We provide full written financial plans, which typically address the following topics:

- Asset Allocation,
- Cash Flow Analysis and Budgeting,
- College/Education Planning,
- Estate and Retirement Planning,
- Investment Planning, and
- Risk Management.

When providing financial planning services, the role of your investment adviser representative is to find ways to help you understand your overall financial situation and help you set financial objectives. We also provide modular written financial plans which only cover those specific areas of concern mutually agreed upon by you and us. A modular written financial plan is limited or segmented and does not involve the creation of a full written financial plan. You should be aware that there are important issues that may not be taken into consideration when your investment adviser representative develops his or her analysis and recommendations under a modular written financial plan.

Our financial planning services do not involve implementing any transaction on your behalf or the active and ongoing monitoring or management of your investments or accounts. You have the sole responsibility for determining whether to implement our financial planning recommendations. To the extent that you would like to implement any of our investment recommendations through ISGAM US or retain ISGAM US to actively monitor and manage your investments, you must execute a separate written agreement with ISGAM US for our asset management services.

*Retirement Plan Rollover Recommendations* - When ISGAM US provides investment advice about your retirement plan account or individual retirement account ("IRA") including whether to maintain investments and/or proceeds in the retirement plan account, roll over such investment/proceeds from the retirement plan account to a IRA or make a distribution from the retirement plan account, we acknowledge that ISGAM US is a "**fiduciary**" within the meaning of Title I of the Employee Retirement Income Security Act ("ERISA") and/or the Internal Revenue Code ("IRC") as applicable, which are laws governing retirement accounts. The way ISGAM US makes money creates conflicts with your interests, so ISGAM US operates under a special rule that requires ISGAM US to act in your best interest and not put our interest ahead of you.

Under this special rule's provisions, ISGAM US must as a fiduciary to a retirement plan account or IRA under ERISA/IRC:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put the financial interests of ISGAM US ahead of you when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that ISGAM US gives advice that is in your best interest;
- Charge no more than is reasonable for the services of ISGAM US; and
- Give Client basic information about conflicts of interest.

To the extent we recommend you roll over your account from a current retirement plan account to an individual retirement account managed by ISGAM US, please know that ISGAM US and our investment adviser representatives have a conflict of interest.

We can earn increased investment advisory fees by recommending that you roll over your account at the retirement plan to an IRA managed by ISGAM US. We will earn fewer investment advisory fees if you do not roll over the funds in the retirement plan to an IRA managed by ISGAM US.

Thus, our investment adviser representatives have an economic incentive to recommend a rollover of funds from a retirement plan to an IRA which is a conflict of interest because our recommendation that you open an IRA account to be managed by our firm can be based on our economic incentive and not based exclusively on whether or not moving the IRA to our management program is in your overall best interest.

We have taken steps to manage this conflict of interest. We have adopted an impartial conduct standard whereby our investment adviser representatives will (i) provide investment advice to a retirement plan participant regarding a rollover of funds from the retirement plan in accordance with the fiduciary status described below, (ii) not recommend investments which result in ISGAM US receiving unreasonable compensation related to the rollover of funds from the retirement plan to an IRA, and (iii) fully disclose compensation received by ISGAM US and our supervised persons and any material conflicts of interest related to recommending the rollover of funds from the retirement plan to an IRA and refrain from making any materially misleading statements regarding such rollover.

When providing advice to a retirement plan account or IRA, our investment adviser representatives will act with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims, based on the investment objectives, risk, tolerance, financial circumstances, and a client's needs, without regard to the financial or other interests of ISGAM US or our affiliated personnel.

### **Limits Advice to Certain Types of Investments**

ISGAM US LLC provides investment advice on the following types of investments:

- Mutual Funds
- Exchange Traded Funds (ETFs)
- Exchange-listed Securities
- Corporate Debt Securities
- Commercial Paper
- Certificates of Deposit
- Municipal Securities
- US Government Securities
- Hedge Funds
- Fixed Income Positions (e.g., bonds)

Although we generally provide advice only on the products previously listed, we reserve the right to offer advice on any investment product that may be suitable for each client's specific circumstances, needs, goals and objectives.

It is not our typical investment strategy to attempt to time the market, but we may increase cash holdings modestly as deemed appropriate based on your risk tolerance and our expectations of market behavior. We may modify our investment strategy to accommodate special situations such as low basis stock, stock options, legacy holdings, inheritances, closely held businesses, collectibles, or special tax situations.

(Please refer to *Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss* for more information.)

### **Tailor Advisory Services to Individual Needs of Clients**

We work with each client to develop, what we call, three "building blocks" which are categorized as (1) global/international equity investments and US equity investments; (2) fixed income investments; and (3) alternative investments. All managed account strategies are developed using these categories; however, ISGAM US LLC's specific investment recommendations and portfolio selections are always provided based on your individual needs. This means, for example, that when we provide asset management services, you are given the ability to impose restrictions on the accounts we manage for you, including specific investment selections and sectors. We work with you on a one-on-one basis through interviews and questionnaires to determine your investment objectives and suitability information.

Our financial planning services are always provided based on your individual needs. When providing financial planning services, we work with you on a one-on-one basis through interviews and questionnaires to determine your investment objectives and suitability information.

We will not enter into an investment adviser relationship with a prospective client whose investment objectives may be considered incompatible with our investment philosophy or strategies or where the prospective client seeks to impose unduly restrictive investment guidelines.

### **Third-Party Sub-Adviser**

ISGAM AG serves as a sub-adviser to ISGAM US whereby they provide us with investment research and analysis. Part of their research and analysis includes providing us with investment recommendations specifically related to investment models and asset allocation principles they have developed. ISGAM US utilizes these models and strategies to assist with the management of our client accounts. This means, for example, ISGAM AG develops and provides us with model investment portfolios and recommendations for when to buy and sell investments. Although they provide us with recommendations, ISGAM AG will never have access to ISGAM US LLC accounts, nor will they receive individual information about our clients. It is the responsibility of ISGAM US to accept or reject recommendations from ISGAM AG. ISGAM US LLC, and not ISGAM AG, maintains sole authorization on your Account to implement and make all trades in your Account.

ISGAM US LLC pays ISGAM AG a consulting fee for their investment research, analysis and investment recommendations. However, the fact that we utilize the services of ISGAM AG does not result in us increasing the fee we charge for our services. To the extent ISGAM AG increases the consulting fee they charge to us, we will not increase our investment management fees charged to clients.

ISGAM US LLC and ISGAM AG are related companies; Frank van Lerven is a Shareholder with ISGAM AG where he serves as a Relationship Management. For more information regarding our affiliation with ISGAM AG, please see Item 10 of this brochure.

### **Client Assets Managed by ISGAM US LLC**

ISGAM US has \$ 53,726,313 of assets under management to report as of 27 December 2023. The entire amount is managed on a discretionary basis.

## **Item 5 – Fees and Compensation**

In addition to the information provided in *Item 4 – Third-Party Sub-Adviser*, this section provides additional details regarding our firm's services along with descriptions of each service's fees and compensation arrangements. The exact fees and other terms will be outlined in the agreement between you and ISGAM US LLC.

ISGAM US believes that our fees are reasonable in relation to: (1) services provided and (2) the fees charged by other investment advisers offering similar services/programs. However, our fees may be higher than those charged by other financial professionals offering similar services/programs.

### **Asset Management Services**

Fees charged for our asset management services are charged based on a percentage of assets under management, billed in advance (at the start of the billing period) on a quarterly calendar basis and calculated based on the fair market value of your account as of the last business day of the previous billing period. Fees are prorated (based on the number of days service is provided during the initial billing period) for your account opened at any time other than the beginning of the billing period. If asset management services are commenced in the middle of the billing period, then the prorated fee for that billing period is based on the value of the Account when services commence and is due immediately. This prorated fee can be deducted from Account when services commence or added to the amount at the first quarterly invoice.

- The annual fee for asset management services will be between 0.70% and 1.20%

Fees are non-negotiable and are determined based on the amount of assets held in your Account. We also determine the fee based on the mix asset classes held in your account. For example, Accounts holding a higher concentration of fixed income securities are charged a fee closer to 0.70% annually. Account holding a higher concentration of equity securities and alternative asset classes are charged a fee closer to 1.20% annually. This creates a conflict of interest in that we have an economic interest to recommend the client have an investment mix with a higher concentration of equity securities and alternative assets resulting in the client paying a higher fee to ISGAM US.

In order to mitigate this conflict of interest, the investment adviser representative assigned to the client will (i) provide investment advice regarding investing in certain asset classes for the client's account in accordance with ISGAM US LLC's fiduciary status, (ii) not recommend investments which result in ISGAM US receiving unreasonable compensation related to the client's investment in certain classes of assets, and (iii) fully disclose compensation received by ISGAM US and any material conflicts of interest related to the investment adviser representative recommending that the client invest in certain asset classes, and refrain from making any materially misleading statements regarding such asset classes or specific investments.

It is the policy of ISGAM US that its investment adviser representatives will only recommend or select an asset allocation plan or specific investment when in the best interest of the client and without regard to our financial interest.

The investment advisory fees will be deducted from your account and paid directly to our firm by the qualified custodian(s) of your account. You will authorize the qualified custodian(s) of your account to deduct fees from your account and pay such fees directly to our firm.

Approximately two weeks before your fee is debited from the Account, we will send you a billing notice detailing the formula used to calculate the fee, the assets under management and the time period covered. If you have questions about the billing invoice, you should contact ISGAM US immediately.

You should review your account statements received from the qualified custodian(s) and verify that appropriate investment advisory fees are being deducted. The qualified custodian(s) will not verify the accuracy of the investment advisory fees deducted. See *Item 15 – Custody* for more information.

Brokerage expenses and/or transaction fees charged by the qualified custodian are billed directly to you by the qualified custodian. ISGAM US does not receive any portion of such commissions or fees from you or the qualified custodian. In addition, you will incur certain charges imposed by third parties other than ISGAM US in connection with investments made through your account including, but not limited to, mutual fund internal fees and expenses, 12b-1 fees and surrender charges, IRA and qualified retirement plan fees, and charges imposed by the qualified custodian(s) of your account. Management fees charged by ISGAM US are separate and distinct from the fees and expenses charged by investment company securities that may be recommended to you. A description of these fees and expenses are available in each investment company security's prospectus. We do not receive any portion of such third-party fees and expenses.

Asset management services continue in effect until terminated. You may terminate the services by providing us with notice. ISGAM US may terminate the services by providing you with written notice effective 30 days after you receive the written notice. Any prepaid, unearned fees will be promptly refunded by ISGAM US to you. Fee refunds will be determined on a pro rata basis using the number of days services are actually provided during the final period.

### **Financial Planning Services**

An hourly fee of \$250 is charged by ISGAM US for financial planning. Fees are not negotiable. Before commencing financial planning services, ISGAM US provides an estimate of the approximate hours needed to complete the requested financial planning services. If ISGAM US anticipates exceeding the estimated amount of hours required, ISGAM US will contact you to receive authorization to provide additional services. Fees are due immediately upon completion and delivery of the financial plan.

The financial planning services terminate thirty (30) days following the delivery of the written financial plan or either you or ISGAM US providing the other party with written notice.

If you terminate the financial planning services after entering into an agreement with us, you will be responsible for immediate payment of any financial planning services performed by ISGAM US prior to the receipt by ISGAM US of your notice of termination. For financial planning services performed by ISGAM US under an hourly arrangement, you will pay ISGAM US for any hourly fees incurred at the rates described above. In the event that there is a remaining balance of any fees paid in advance after the deduction of fees from the final invoice, those remaining proceeds will be refunded by ISGAM US to you.



You can pay the investment advisory fees owed for the financial planning services by submitting payment directly (for example, by check) or having the fee deducted from an existing investment account managed through our Asset Management Services.

If you elect to pay by automatic deduction from an existing investment account, you will provide written authorization to ISGAM US for such charge.

You should notify ISGAM US within ten (10) days of receipt of an invoice if you have questions about or dispute any billing entry.

All fees paid to ISGAM US for financial planning services are separate and distinct from the commissions charged by a broker-dealer or asset management fees charged by an investment adviser to implement such recommendations including the fees charged for our Asset Management Services.

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

Performance-based fees are defined as fees based on a share of capital gains on or capital appreciation of the assets held in a client's account. *Item 6* is not applicable to this Disclosure Brochure because we do not charge or accept performance-based fees.

### **Item 7 – Types of Clients**

ISGAM US LLC provides investment advice and works with individual (natural-person) clients and their families.

You are required to execute a written agreement with ISGAM US specifying the particular advisory services in order to establish a client arrangement with ISGAM US.

#### **Minimum Investment Amounts Required**

ISGAM US LLC requires a minimum of \$500,000 in order to open an account. To reach this account minimum, clients can aggregate all household accounts. Exceptions may be granted to this minimum based on expected future investable assets and the relationship of the client to the investment adviser representative.

The minimum fee generally charged for financial planning services provided on an hourly basis is \$250.

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

#### **Methods of Analysis**

ISGAM US LLC uses the following methods of analysis in formulating investment advice:

Fundamental – This is a method of evaluating a security by attempting to measure its intrinsic value by examining related economic, financial and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of a company). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short). Fundamental analysis is considered to be the opposite of technical analysis. Fundamental analysis is about using 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 just about any type of security.

The risk associated with fundamental analysis is that it is somewhat subjective. While a quantitative approach is possible, fundamental analysis usually entails a qualitative assessment of how market forces interact with one another in their impact on the investment in question. It is possible for those market forces to point in different directions, thus necessitating an interpretation of which forces will be dominant. This interpretation may be wrong, and could therefore lead to an unfavorable investment decision.

## **Investment Strategies**

ISGAM US uses the following investment strategies when managing client assets and/or providing investment advice:

Long term purchases. Investments held at least a year.

Quality investing is an investment strategy based on a set of clearly defined fundamental criteria that seek to identify companies with outstanding quality characteristics. The quality assessment is made based on soft (e.g. management credibility) and hard criteria (e.g., balance sheet stability).

Quality investing supports best overall rather than best-in-class approach and is an investment style that can be viewed independent of value investing and growth investing. A quality portfolio may therefore also contain stocks with Growth and Value attributes.

Some of the key selection criteria are:

- Market Positioning
- Business Model
- Corporate Governance
- Financial Strength
- Attractive Valuation
- High and Sustainable ROIC as a driver of Organic Growth

Strategic asset allocation. Calls for setting target allocations and then periodically rebalancing the portfolio back to those targets as investment returns skew the original asset allocation percentages. The concept is akin to a “buy and hold” strategy, rather than an active trading approach. Of course, the strategic asset allocation targets may change over time as the client’s goals and needs change and as the time horizon for major events such as retirement and college funding grow shorter.

## **Primarily Recommend One Type of Security**

We do not primarily recommend one type of security to clients. Instead, we recommend any product that may be suitable for each client relative to that client’s specific circumstances and needs.

## **Risk of Loss**

Past performance is not indicative of future results. Therefore, you should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, and bonds, etc.) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. You should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, our firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. There are certain additional risks associated with investing in securities through our investment management program, as described below:

Market Risk – Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.

Equity (stock) market risk – Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.

Company Risk. When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based

on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.

Fixed Income Risk. When investing in bonds, there is the risk that the issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.

Options Risk. Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.

ETF and Mutual Fund Risk – When investing in an ETF or mutual fund, you will bear additional expenses based on your pro rata share of the ETF's or mutual fund's 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. You will also incur brokerage costs when purchasing ETFs.

Management Risk – Your investment with our firm varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.

#### **Item 9 – Disciplinary Information**

*Item 9* is not applicable to this Disclosure Brochure because there are no legal or disciplinary events that are material to a client's or prospective client's evaluation of our business or integrity.

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

ISGAM US LLC is an investment adviser and only provides investment advisory services. ISGAM US LLC is not engaged in any other business activities and offers no other services except those described in this Disclosure Brochure.

ISGAM US LLC is **not** and does **not** have a related person that is a broker/dealer, municipal securities dealer, government securities dealer or broker, an investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund), a futures commission merchant, commodity pool operator, or commodity trading advisor, a banking or thrift institution, an accountant or accounting firm, a lawyer or law firm, an insurance company or agency, a pension consultant, a real estate broker or dealer, nor a sponsor or syndicator of limited partnerships.

#### **ISGAM AG**

As explained in Item 4, we utilize the sub-adviser services of ISGAM AG to whom we pay a consulting fee for their investment research, analysis and recommendations. However, clients of ISGAM US LLC will **not** also be clients of ISGAM AG. Our clients will not execute a service agreement with ISGAM AG nor will ISGAM AG receive the private-confidential information about our clients.

The two companies serve different client bases, determined primarily by nationality and then also by where the client resides. ISGAM AG is a foreign based financial and investment-services firm serving clients who are not US nationals and do not reside in the US. ISGAM US LLC was created to service US nationals whether residing in the United States or outside, as well as clients of other nationalities residing in the United States.

Frank van Lerven is also a Shareholder with ISGAM AG where he serves as a Relationship Manager. Because Frank van Lerven is a 30% shareholder of ISGAM AG, it is considered a related company to ISGAM US LLC. Frank van Lerven provides investment management and similar services through ISGAM AG where he spends approximately 40% of his time working. The rest of his time is devoted to ISGAM US LLC. Fees for services provided

by Frank van Lerven through ISGAM AG are separate and distinct from the advisory fees paid to Frank van Lerven in his capacity as ISGAM US LLC's managing member and investment adviser representative.

## **Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading**

### **Code of Ethics Summary**

According to the *Investment Advisers Act of 1940*, an investment adviser is considered a fiduciary and has a fiduciary duty to all clients. ISGAM US has established a Code of Ethics to comply with the requirements of Section 204(A)-1 of the *Investment Advisers Act of 1940* that reflects its fiduciary obligations and those of its supervised persons. The Code of Ethics also requires compliance with federal securities laws. The Code of Ethics covers all individuals that are classified as "supervised persons". All employees, officers, directors and investment adviser representatives are classified as supervised persons. ISGAM US requires its supervised persons to consistently act in your best interest in all advisory activities. ISGAM US imposes certain requirements on its affiliates and supervised persons to ensure that they meet the firm's fiduciary responsibilities to you. The standard of conduct required is higher than ordinarily required and encountered in commercial business.

This section is intended to provide a summary description of the Code of Ethics of ISGAM US. If you wish to review the Code of Ethics in its entirety, you should send us a written request and upon receipt of your request, we will promptly provide a copy of the Code of Ethics to you.

### **Affiliate and Employee Personal Securities Transactions Disclosure**

ISGAM US or supervised persons of the firm buy and sell for their personal accounts, investment products identical to those recommended to clients. This creates a conflict of interest. It is the express policy of ISGAM US that all persons associated in any manner with our firm must place clients' interests ahead of their own when implementing personal investments. As is required by our internal procedures manual, ISGAM US and its supervised persons will not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of employment or association with our firm unless the information is also available to the investing public upon reasonable inquiry.

We are now and will continue to be in compliance with applicable state and federal rules and regulations. To mitigate conflicts of interest that can occur when access persons manage their personal accounts at the same time ISGAM US manages client accounts, we have developed written supervisory procedures that include personal investment and trading policies for our representatives, employees and their immediate family members. Any Supervised person not observing our policies is subject to sanctions up to and including termination.

## **Item 12 – Brokerage Practices**

If ISGAM US assists in the implementation of any recommendations, we are responsible to ensure that the client receives the best execution possible. Best execution does not necessarily mean that clients receive the lowest possible commission costs but that the qualitative execution is best. In other words, all conditions considered, the transaction execution is in your best interest. When considering best execution, we look at a number of factors besides prices and rates including, but not limited to:

- Execution capabilities (e.g., market expertise, ease/reliability/timeliness of execution, responsiveness, integration with our existing systems, ease of monitoring investments)
- Products and services offered (e.g., investment programs, back-office services, technology, regulatory compliance assistance, research and analytic services)
- Financial strength, stability and responsibility
- Reputation and integrity
- Ability to maintain confidentiality

We exercise reasonable due diligence to make certain that best execution is obtained for all clients when implementing any transaction by considering the back-office services, technology and pricing of services offered.

### **Brokerage Recommendation**

For our Asst Management Services, we require clients to establish brokerage accounts with the Schwab Institutional division of Charles Schwab & Co., Inc (“Schwab”), a FINRA-registered broker-dealer, Member SIPC, to maintain custody of clients’ assets and to effect trades for their accounts. Although ISGAM US may recommend/require the clients establish accounts at Schwab, it is the client’s decision to custody assets with Schwab. ISGAM US is independently owned and operated and not affiliated with Schwab. ISGAM US may recommend additional unaffiliated broker-dealers to affect fixed income transactions.

Schwab provides ISGAM US with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the advisor’s clients’ assets are maintained at Schwab Institutional. These services are not contingent upon us committing to Schwab any specific amount of business (assets in custody or trading commissions). Schwab’s brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require significantly higher minimum initial investment.

Schwab Institutional also makes available to ISGAM US other products and services that benefit ISGAM US but may not directly benefit clients’ accounts. Many of these products and services may be used to service all or some substantial number of ISGAM US’ accounts, including accounts not maintained Schwab.

Schwab’s products and services that assist ISGAM US in managing and administering clients’ accounts include software and other technology that (i) provides access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of ISGAM US’s fees from some of its accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Schwab Institutional also offers other services intended to help ISGAM US manage and further develop its business enterprise. These services may include: (i) compliance, legal and business consulting; (ii) publications and conferences on practice management and business succession; and (iii) access to employee benefits providers, human capital consultants and insurance providers. Schwab Institutional may discount or waive fees it would otherwise charge for some of these services or pay all or part of the fees of a third-party providing these services to ISGAM US. Schwab Institutional may also provide other benefits such as educational events or occasional business entertainment of ISGAM US personnel. While as a fiduciary, ISGAM US endeavors to act in its clients’ best interests, ISGAM US’s recommendation that clients maintain their assets in accounts at Schwab may take into account availability of some of the foregoing products and services and other arrangements not solely on the nature of cost or quality of custody and brokerage services provided by Schwab, which may create a conflict of interest.

Clients should understand that not all investment advisors require the use of a particular broker/dealer or custodian. Some investment advisors allow their clients to select whichever broker/dealer the client decides. By requiring clients to use a particular broker/dealer, ISGAM US may not achieve the most favorable execution of client transactions and the practice requiring the use of specific broker/dealers may cost clients more money than if the client used a different broker/dealer or custodian. However, for compliance and operational efficiencies, ISGAM US has decided to require our clients to use broker/dealers and other qualified custodians determined by ISGAM US.

### **Block Trading Policy**

We may elect to purchase or sell the same securities for several clients at approximately the same time. This process is referred to as aggregating orders, batch trading or block trading and is used by our firm when ISGAM US believes such action may prove advantageous to clients. If and when we aggregate client orders, allocating securities among client accounts is done on a fair and equitable basis. Typically, the process of aggregating client orders is done in order to achieve better execution, to negotiate more favorable commission rates or to allocate orders among clients on a more equitable basis in order to avoid differences in prices and transaction fees or other transaction costs that might be obtained when orders are placed independently.

ISGAM US LLC uses the average price allocation method for transaction allocation.

Under this procedure we will calculate the average price and transaction charges for each transaction included in a block order and assign the average price and transaction charge to each allocated transaction executed for the client's account.

If and when we determine to aggregate client orders for the purchase or sale of securities, including securities in which ISGAM US LLC or our associated persons may invest, we will do so in accordance with the parameters set forth in the SEC No-Action Letter, *SMC Capital, Inc.* Neither we nor our associated persons receive any additional compensation as a result of block trades.

### **Item 13 – Review of Accounts**

#### **Account Reviews and Reviewers**

Managed accounts are reviewed at least weekly. While the calendar is the main triggering factor, reviews are performed when (1) market conditions require a change in asset allocation; (2) existing securities related performance and whether they are the most optimal choice in the relevant segment of the market covered; and (3) there are unusual price changes in the selected securities. Additionally, reviews can also be conducted at your request.

Account reviews with clients are conducted by Frank van Lerven, with reviews performed in accordance with your investment goals and objectives.

Our financial planning services terminate upon thirty (30) days following the delivery of the written financial plan. Our financial planning services do not include monitoring the investments of your account(s), and therefore, there is no ongoing review of your account(s) under such services.

#### **Statements and Reports**

For our asset management services, you are provided with transaction confirmation notices and regular quarterly account statements in writing directly from Charles Schwab & Company, Inc. as the broker-dealer/qualified custodian for your accounts.

Additionally, ISGAM US provides written performance reports to you quarterly along with a written market analysis which contains a section on portfolio strategies.

Financial planning clients do not receive any report other than the written plan originally contracted for and provided by ISGAM US.

You are encouraged to always compare any reports or statements provided by us against the account statements delivered from Charles Schwab & Company, Inc. When you have questions about your account statement, you should contact our firm and the qualified custodian preparing the statement.

### **Item 14 – Client Referrals and Other Compensation**

ISGAM US does not directly or indirectly compensate any person for client referrals.

The only compensation received from advisory services is the fees charged for providing investment advisory services as described in *Item 5* of this Disclosure Brochure. ISGAM US receives no other forms of compensation in connection with providing investment advice.

We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisers whose clients maintain their accounts at Schwab. These products and services, how they benefit us, and the related conflicts of interest are described above (see *Item 12 – Brokerage Practices*). The availability of Schwab's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

## Item 15 – Custody

Custody, as it applies to investment advisors, has been defined by regulators as having access or control over client funds and/or securities. In other words, custody is not limited to physically holding client funds and securities. If an investment adviser has the ability to access or control client funds or securities, the investment adviser is deemed to have custody and must ensure proper procedures are implemented.

ISGAM US is deemed to have custody of client funds and securities whenever ISGAM US is given the authority to have fees deducted directly from client accounts. However, this is the only form of custody ISGAM US will ever maintain. It should be noted that authorization to trade in client accounts is not deemed by regulators to be custody.

For accounts in which ISGAM US is deemed to have custody, we have established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address and the manner in which the funds or securities are maintained.

Approximately two weeks before your fee is debited from an account, we will send you a billing notice detailing the formula used to calculate the fee, the assets under management and the time period covered. If you have questions about the billing invoice, you should contact ISGAM US immediately.

Finally, account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. Clients should carefully review those statements and are urged to compare the statements against reports received from ISGAM US. When clients have questions about their account statements, they should contact ISGAM US or the qualified custodian preparing the statement.

## Item 16 – Investment Discretion

When providing asset management services, ISGAM US maintains trading authorization over your Account and can provide management services on a **discretionary** basis. Discretionary authority will be provided by each client, in writing, through the client's ISGAM US agreement for services. Discretion allows us to have the authority to determine the type of securities and the amount of securities that can be bought or sold for your portfolio without obtaining your consent for each transaction.

You will have the ability to place reasonable restrictions on the types of investments that may be purchased in your Account. You may also place reasonable limitations on the discretionary power granted to ISGAM US so long as the limitations are specifically set forth or included as an attachment to the client agreement.

## Item 17 – Voting Client Securities

It is the policy of ISGAM US to vote proxies on behalf of all clients. However, you can choose to retain proxy voting responsibilities on your account(s) and are not required to have us vote proxies.

Proxies will be voted in the overall best interests of our collective client-base. The proxy voting policy of ISGAM US is to cast proxy voting in favor of proposals that are anticipated to enhance the long-term value for the shareholders and the company. Generally, this will mean voting "for" proposals that are to improve the management of a company, increase the rights or preferences of the voted securities, and/or increase the chance that a premium offer would be made for the company or for the voted securities. The decision by ISGAM US to vote in support or opposition of a proposal will always depend on the specific circumstances described in the proxy statement and other available information.

You can request a complete copy of the proxy voting policies and procedures of ISGAM US as well as information on how your proxies were voted by contacting ISGAM US at the address or phone number indicated on *Item 1 – Cover Page* of this disclosure document.

## **Item 18 – Financial Information**

This *Item 18* is not applicable to this brochure. ISGAM US does not require or solicit prepayment of more than \$500 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for the most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, ISGAM US has not been the subject of a bankruptcy petition at any time.

## **Item 19 – Requirements for State-Registered Advisers**

### **Executive Officer and Management Personnel**

#### **Frank van Lerven**

##### *Educational Background:*

- Rijksuniversiteit Groningen, The Netherlands, Social Psychology: 1974

##### *Business Background:*

- ISGAM US LLC, May 2022 to present, Investment Adviser Representative and Chief Compliance Officer
- ISGAM US LLC, March 2022 to present, Managing Member
- ISGAM AG, January 2007 to present, Relationship Manager and Shareholder

### **Other Business Activities**

See *Item 10 – Other Financial Industry Activities and Affiliations*

### **No Performance Based Fees**

As previously disclosed in *Item 6*, ISGAM US LLC does not charge or accept performance-based fees.

### **No Arbitrations**

ISGAM US LLC and its associated persons have not been the subject of any client arbitrations or similar legal disputes.

### **No Arrangement with Issuer of Securities**

ISGAM US LLC and its management do not have any relationship or arrangement with any issuer of securities.

## **Customer Privacy Policy Notice**

The information contained in this section is also detailed in the *Privacy Requirements* section of ISGAM US's *Compliance Policies and Procedures Manual*. This statement is provided to all clients in accordance with the rules and regulations of the *Gramm-Leach-Bliley Act of 1999*.

As a registered investment advisor, ISGAM US and its investment adviser representatives will gather and develop personal information regarding our clients. This information will be gathered and developed by us for the following purposes:

1. To determine the client's financial goals and objectives
2. To determine the level of advisory services needed and desired by the client
3. To provide the client with specific recommendations regarding advisory services
4. To provide the client with specific recommendations regarding financial products
5. To provide ongoing support and recommendations regarding financial products held in the client's account



Client information that ISGAM US LLC will collect may include, but not be limited to the following:

- Information received from clients on financial inventories through consultations with its representatives. This information may include personal and household information such as income, spending habits, investment objectives, financial goals, statements of account and other records concerning the clients' financial conditions and assets, together with information concerning employee benefits and retirement plan interests, wills, trusts, mortgages and tax returns.
- Information developed as part of financial plans, analyses or investment advisory services.
- Information concerning investment advisory account transactions, such as wrap account transactions.
- Information about clients' financial products and services transactions with ISGAM US LLC

All information provided by clients to ISGAM US (including our investment advisor representatives and administrative personnel), and information and advice furnished by ISGAM US to you, is treated as confidential and not disclosed to affiliated or unaffiliated third parties, except as (1) permitted by you with written authorization, (2) shared in a manner necessary to facilitate the advisory services provided by ISGAM US or (3) as required by any rule, regulation or law of any regulatory or self-regulatory organization to which ISGAM US or our investment advisor representatives may be subject. For example: you may ask ISGAM US to provide information to your other services providers, such as your accountant, and we are pleased to be of assistance when you direct us to share information. Regulatory and self-regulatory bodies generally conduct routine audits of investment advisers to review books and records, and in the process may review client information. Additionally, your account custodians and their personnel will have access to and review client data for their internal purposes.

When a client account is closed, ISGAM US will continue to keep all client information confidential in accordance with the principles stated in its privacy policy.

A copy of the Privacy Policy Notice will be delivered to all clients in writing by at least one of the following methods:

- By hand delivering a copy to the client
- Mailing a copy to the client's address on record
- If business is conducted electronically, a notice may be posted on an electronic site as long as the client acknowledges receipt of the Privacy Policy Notice prior to the client obtaining any services or products from ISGAM US

A copy of the Privacy Policy Notice will be provided to the client no later than the time a client establishes a relationship with ISGAM US, unless this situation would cause a delay in the client obtaining services and the client agrees to accept the notice at a later date. When this situation applies, a copy of the Privacy Policy Statement will be delivered to the client within a reasonable time period following the transaction.

Any time a change is made to the Privacy Policy, the statement to clients will be revised. The revised statement will be given to all affected clients prior to any disclosure of information. In addition, ISGAM US will provide a copy of its Privacy Policy Statement to all current and existing clients at least annually.