

**Item 1 – Cover Page**



**International Assets Investment Management, LLC  
ETC Brokerage Services Custodial Plan**

**Form ADV Part 2A – Disclosure Brochure**

**July 1, 2025**

This Form ADV 2A (“Disclosure Brochure”) provides information about the qualifications and business practices of International Assets Investment Management, LLC (“IAIM”), ETC Brokerage Services, LLC Custodial Plan (the “Plan”). If you have any questions about the contents of this Disclosure Brochure, please contact us at (407) 254-1500.

IAIM is a registered investment advisor with the U.S. Securities and Exchange Commission (“SEC”). The information in this Disclosure Brochure has not been approved or verified by the SEC or by any state securities authority. Registration of an investment advisor does not imply any specific level of skill or training. This Disclosure Brochure provides information through IAIM to assist you in determining whether to retain the Advisor.

Additional information about IAIM and its investment adviser representatives is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching for IAIM or our CRD# 144426.

**International Assets Investment Management, LLC**  
**111 North Orange Avenue, Suite 1000, Orlando, FL 32801**  
**Phone: (407) 254-1500 \* Fax: (407) 254-1505**  
**<http://www.iaac.com>**

## **Item 2 – Material Changes**

IAIM believes that communication and transparency are the foundation of its relationship with Clients and will continually strive to provide its Clients with complete and accurate information at all times. IAIM encourages all current and prospective Clients to read this Disclosure Brochure and discuss any questions you may have with us. And of course, we always welcome your feedback.

### Material Changes

IAIM's last Amendment to this Disclosure Brochure is dated February 5, 2025. IAIM is required to update certain information at least annually, within 90 days of our fiscal year end of December 31 or if there are material changes.

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

Updated to disclose conflict of additional revenue. Specifically, Mill75 Investment Fund Management LLC, serves as the Manager of Mill75 Investment Fund, LLC (“Mill75”), a private investment fund offering accredited investors through IAIM the opportunity to invest in the development of a multi-family project located in the greater Dallas metro area. The Manager is not registered as an investment adviser with the SEC, or the securities bureau of any state. The principals of the Manager, through various trusts and other related entities, own the majority of IAIM. This ownership creates a conflict as IAIM has incentive to promote Mill75 because it produces additional revenue to the principals.

## **Item 15 – Custody**

Updated to reflect that IAIM is deemed to have custody of client assets due to a related entity being a qualified custodian.

## **Item 9 – Disciplinary Information**

Updated with SEC Order Instituting Administrative and Cease-and-Desist Proceedings Pursuant to Sections 203(e) and 203(k) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order, dated September 3, 2024. The Order states that IAIM violated those provisions by failing to provide full and fair disclosures regarding certain compensation and financial incentives that its Affiliated Broker Dealer received from its Clearing Broker.

From time to time, we may amend this Disclosure Brochure to reflect changes in our business practices, changes in regulations and routine annual updates as required by the securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to each Client annually or more frequently if a material change occurs in the business practices of IAIM that necessitate disclosure to Clients.

At any time, you may view the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with our firm name or our CRD# 144426. You may also request a copy of this Disclosure Brochure at any time, by contacting us at (407) 254-1500.

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## **Item 4 – Advisory Services**

### **A. Firm Information**

International Assets Investment Management, LLC (“IAIM”) is a registered investment advisor with the U.S. Securities and Exchange Commission (“SEC”) with its principal place of business in Orlando, Florida. IAIM began conducting business in 2007 and is owned by Pecunia Management, LLC (“Pecunia”), Pecunia is owned by IAA Investment Holdings, LLC. The majority owner of IAA Investment Holdings, LLC is RIA Holding Company, LLC which is owned by the Richard Desich Irrevocable Trust FBO Jeffrey Desich and Richard Desich. In addition, ETC Brokerage Services, LLC (“ETCB”), is an affiliated broker dealer, clearing firm and custodian and Equity Trust Company (“ETC”), is an affiliated South Dakota trust company. Both ETCB and ETC are affiliated under common ownership.

IAIM has an expense sharing agreement with International Assets Advisory, LLC (“IAA”), a registered broker-dealer, member FINRA/SIPC and IAA Shared Services, LLC (“ISS”), to provide various administrative and support services, facilities, personnel, equipment, etc. As part of the expense sharing agreement, IAIM pays IAA and ISS for such services. IAA, ISS and IAIM are affiliated under common ownership by Pecunia.

IAIM offers services through our network of independent investment advisor representatives (“IARs”). IARs may have their own legal business entities whose trade names and logos are used for marketing purposes and may appear on marketing materials or Client statements. These business names have been adopted by IAIM as d/b/a names under which we provide advisory services. The Client should understand that these businesses are legal entities of the IAR and not of IAIM. The IARs are under the supervision of IAIM, and the advisory services of the IAR are provided through IAIM. IAIM provides notice of all of its d/b/a names online at the SEC’s Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with our name or our CRD# 144426. This Disclosure Brochure provides information regarding the qualifications, business practices, and the advisory services provided by IAIM. Information about these and other material affiliations is further described in “Item 10 – Other Financial Industry Activities and Affiliations section.”

IAIM and its IARs serve as a fiduciary to Clients, as defined under applicable laws and regulations. When we provide investment advice regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours. As a fiduciary, IAIM and its IARs uphold a duty of loyalty, fairness and good faith toward each Client and seek to mitigate potential conflicts of interest. Our fiduciary commitment is further described in our Code of Ethics. For more information regarding our Code of Ethics, please see “Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.”

### **B. Advisory Services Offered**

IAIM generally provides investment advisory services to individuals, high net worth individuals, pensions and profit plans, charitable organizations, corporations, and other business entities (referred to individually as a “Client” and collectively as “Clients”). These services generally fall into three categories – Investment Management Services, Referrals to Third Party Wrap Fee Programs and Financial Planning and Consulting.

#### ***Investment Management Services***

IAIM provides customized wealth management solutions for its Clients, through continuous personal Client contact and interaction while providing discretionary and non-discretionary investment management and related advisory services. IAIM works with each Client to identify their investment goals and objectives as well as risk tolerance and financial situation in order to create an investment strategy. IAIM will implement

the investment strategy with its internal management and/or the use of money managers or investment platforms (as described below).

IAIM's services are provided through independent IARs. This structure means that IARs are free to implement investment strategies and plans on their own accord. This structure is distinguished from some other registered investment advisors that mandate the Clients invest only in company-sponsored investment programs. IAIM believes strongly in the flexibility it provides to its independent IARs.

IAIM provides investment advisory services and portfolio management services. It does not provide securities custodial services, though it is deemed to have custody of client assets due to its affiliated entity ETCB acting as qualified custodian (hereinafter referred to as "Custodian"). At no time will IAIM accept or maintain custody of a Client's funds or securities, except for the authorized deduction of IAIM's fees or as a result of a Client's implementation of a standing letter of authorization. All Client assets will be managed within their designated account(s) at the Custodian, pursuant to the IAIM investment advisory agreement. A "qualified custodian" is a financial institution that holds and safeguards assets on behalf of investors. A qualified custodian either maintains client funds and securities in a separate account for each client under that client's name, or in accounts that contain only client funds and securities under the name of the investment adviser as agent or trustee for the clients. In order to be considered a "qualified custodian" the institution must meet certain regulatory requirements. Please see Item 12 – Brokerage Practices.

It is important to note that none of the advisory services described herein are intended as, or meant to be, a substitute for, legal, accounting, actuarial, or tax advice. Clients should coordinate and discuss the impact of the financial advice they receive from the IAR with their attorney, accountant, and other professionals. Neither IAIM nor its IARs (unless they have the appropriate independent qualifications) are qualified to provide legal or accounting advice, and do not claim to tender such advice.

Below is a description of the various investment management services provided by IAIM.

#### Internal Investment Management

IAIM customizes its investment management services for its Clients. Portfolios are primarily constructed using mutual funds, exchange-traded funds ("ETFs"), individual stocks and fixed income securities. The IARs may also utilize other types of investments, as appropriate, to meet the needs of each particular Client.

IAIM generally employs a long-term investment approach for Clients, but may buy, sell or re-allocate positions that have been held less than one year to meet the objectives of the Client or due to market conditions. IARs construct, implement and monitor each Client's portfolio to ensure it meets the goals, objectives, circumstances, and risk tolerance agreed to by the Client. Each Client will have the opportunity to place reasonable restrictions on the types of investments to be held in their respective portfolio, subject to acceptance by IAIM and IAR.

The specific advisory program selected by the Client will cost the Client more or less than purchasing program services separately. Factors that bear upon the cost of a particular advisory program in relation to the cost of the same services purchased separately include, but may not be limited to, the type and size of the account, the historical or expected size or number of trades for the account, the types of securities and strategies involved, and the number and range of supplementary advisory and Client-related services provided to the account.

IAIM and/or its IARs may recommend, on occasion, redistributing investment allocations to diversify the portfolio. IAIM and/or IARs may recommend specific positions to increase sector or asset class weightings. IARs may recommend employing cash positions as a possible hedge against market movement. IARs may recommend selling positions for reasons that include, but are not limited to, harvesting capital gains or losses, business or sector risk exposure to a specific security or class of securities, overvaluation or overweighting of the position(s) in the portfolio, change in risk tolerance of Client, generating cash to meet Client needs, or any risk deemed unacceptable for the Client's risk tolerance.

#### Promoter Based Third Party Asset Manager Programs

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For appropriate Clients, the IAR may recommend that all or a portion of a Client's portfolio be implemented by utilizing one or more money managers or investment platforms ("TPAMs"). The Client will be required to enter into one or more separate agreements with the TPAM(s) that provide for discretionary management by the TPAM(s) of the investment platform.

IAIM may act as a compensated promoter ("Promoter") (formerly known as "solicitor") capacity when making TPAM programs available to Clients. When IAIM acts as a Promoter, IAIM serves as both a Promoter of accounts to the TPAM and as the Client's primary advisor and relationship manager and will oversee the account to ensure the TPAM's management of the account is consistent with the selected investment strategy or strategies. However, the TPAM will assume discretionary authority for the day-to-day investment management of those assets placed in their control. The IAR will assist and advise the Client in establishing investment objectives for their account, the selection of the TPAM, and defining any restrictions on the account.

TPAM services generally begin with the IAR obtaining the necessary financial data from the Client to assist with setting an appropriate investment objective, determining the suitability of the program and in opening an account with the TPAM. Depending on the program, the IAR may also assist the Client with selecting a model portfolio of securities designed and managed by either the TPAM or a selected portfolio management firm available through the TPAM responsible for providing discretionary asset management services. The TPAM or other third-party investment advisor is granted authority in its Client agreement to purchase and sell securities on a discretionary basis pursuant to the investment objective chosen by the Client. In doing so, the TPAM or other third-party investment advisor typically constructs various model investment portfolios that are managed according to specific investment strategies associated with the respective models, and that are not generally customized for individual Clients (subject to the Client's ability to request reasonable investment restrictions on investing in securities or other special accommodations that may be made). In addition to portfolio management services, the TPAM sponsor will also generally arrange for custody of Client assets, trade execution, cashiering services, and such other services as outlined in the TPAM's separate Client agreement and the TPAM's Disclosure Brochure.

IAIM and your IAR are compensated for referring you to the TPAM. This compensation generally takes the form of the TPAM sharing with IAIM and your IAR a percentage of the advisory fee that you pay to the TPAM. When we act as Promoter for a TPAM, and prior to entering into an agreement with a TPAM, you will receive a Promoter disclosure statement ("Disclosure Statement") describing the nature of our relationship with the TPAM and the terms of our compensation arrangement with the TPAM, including a description of the compensation that we will receive for referring you to the TPAM Program

IAIM does not receive any compensation from these TPAMs or Investment Platforms, other than IAIM's investment advisory fee (described in "Item 5 – Fees and Compensation")

*The following paragraph contains important conflicts of interest to consider.* Assets managed by a TPAM are not considered assets under management of IAIM. Many investment advisory firms are measured, in part, by the amount of assets under management as reported in this Disclosure Brochure. The fact that IAIM cannot count assets advised in a TPAM program as its assets under management creates a conflict of interest inasmuch as it acts as a barrier to recommending TPAM programs. The effect of this conflict is mitigated by the independence of our IARs, who are not required to have Client account recommendations approved by IAIM.

#### Sub-Adviser Based Third Party Asset Management Programs

IAIM can enter into sub-advisory relationships in which it contracts with a TPAM to provide investment management services to a Client account. IAIM and the sub-adviser are jointly responsible for the ongoing management of the account. Your IAR is responsible for assisting you with completing the investor profile questionnaire or any account opening documentation. While each TPAM may have a different name for their questionnaire, your responses will assist your IAR with understanding your investment objectives, financial situation, risk tolerance, investment time horizon and other personal information. Based on the answers that you provide to your IAR, he/she will assist you in determining which TPAM model or portfolio strategy is appropriate for you. As part of establishing a new account, you will receive both our Disclosure Brochure as well as the TPAM's Disclosure Brochure.

Since each TPAM is uniquely structured with different investment products, please ensure that you carefully review all documents provided to you on behalf of the TPAM. These documents include, but are not limited to:

- The TPAM's Form ADV Part 2A or Disclosure Brochure for specific program descriptions.
- The TPAM's Client Agreement as well as any other agreement entered into regarding a TPAM Program, for specific contractual terms (including fees, billing methods, administrative and other fees, etc.).
- Any additional disclosure or offering documents provided by the TPAM in connection with investment products.

The following paragraph contains important conflicts of interest to consider. Assets managed in a sub-advised account program are counted as assets under management of IAIM and the sub-adviser. Many investment advisory firms are measured, in part, by the amount assets under management as reported in this Disclosure Brochure. In a sub-advised investment program, both the sub-adviser and IAIM are responsible for the management of the invested assets, though in practice, investment management is vested almost entirely in the sub-adviser. This structure increases IAIM's risk of Client complaints stemming from account management by the sub-adviser and prompts IAIM to engage in time consuming and costly oversight of sub-advisory relationships.

#### IAIM's Relationships with Other Investment Advisers

IAIM may serve as a Promoters for or recommend clients to third-party investment advisers. IAIM is compensated for referring your advisory business to these third-party investment advisers. This compensation generally takes the form of the third-party investment adviser sharing with IAIM a portion of the advisory fee the third-party investment adviser charges you for providing investment management services. IAIM performs reasonable due diligence on these third-party investment advisers on an initial and ongoing basis. Clients who are referred to these third-party investment advisers will receive a Disclosure Statement that describes, among other things, the compensation that will be paid to IAIM and the IAR by the third-party investment adviser.

The following paragraph contains important conflicts of interest to consider. IAIM has a conflict of interest to refer clients to those third-party investment advisers who pay referral fees to IAIM rather than those who do not. Additionally, IAIM has a conflict of interest to refer clients to those third-party investment advisers who pay higher referral fees over those who pay lower referral fees.

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

IAIM provides a variety of financial planning and financial consulting services to individuals and families, pursuant to the terms of a financial planning agreement and/or a financial consulting services agreement. Both financial planning and financial consulting services are separate service from IAIM's investment management services. Clients have full discretion as to how they choose to implement the recommendations provided in the financial plan and/or under the consulting services agreement.

The recommendations will usually include general recommendations for a course of activity, as well as specific actions to be taken by the Client. For example, recommendations may be made that the Client start or revise their investment programs, commence or alter retirement savings, establish education savings and/or charitable giving programs. IAIM may also refer Clients to an accountant, attorney or other specialist as appropriate for their unique situation. For certain financial planning engagements, the IAR will provide a written summary of Client's financial situation, observations, and recommendations. For consulting or ad-hoc engagements, the Advisor may not provide a written summary. Plans or consultations are typically completed within six months of contract date, assuming all information and documents requested are provided promptly. An additional agreement will be required if the Client chooses to utilize the representative for further investment management services.

The following paragraph contains important conflicts of interest to consider. Financial planning

recommendations may pose a conflict between the interests of the IAR and the interests of the Client. For example, a recommendation to engage the IAR for investment management services or to increase the level of investment assets with the IAR would pose a conflict, as it would increase the advisory fees paid to the IAR. The effect of this conflict is mitigated by the independence of the Clients. Clients are not required to use IAİM or any of its IARs for investment services incorporated into a financial plan or consulting engagement.

#### Retirement Plan Advisory Services

IAİM provides plan advisory services to company retirement plans (each a "Retirement Plan") and the sponsor of the Retirement Plan (herein the "Sponsor"). Services are tailored to the size and complexity of the Retirement Plan and the needs of the Sponsor and/or the participants in the Retirement Plan, pursuant to the terms of the retirement plan advisory agreement. IAİM may provide retirement plan advisory services on behalf of the Retirement Plan and Sponsor as defined under ERISA 3(21). IARs do not act as investment managers and are not considered to be a Section 3(38) fiduciary.

#### Client Role and Obligations Relative to IAİM's Advisory Services

IAİM relies on forthright communication from its Clients in order to provide them with investment services. It is imperative that Clients be direct, honest and fulsome with their investment criteria, investment knowledge, holdings, goals, time horizon and other important factors. Clients are obliged to report changes in their financial situation including the factors enumerated above, as soon as possible.

### **C. Tailored Relationships**

IAİM, makes available through its IARs, advisory services to meet most individual Client needs and objectives. The IAR's role is to meet with Clients and determine which option(s) are most suitable in assisting the Clients with meeting their investment needs. Certain programs available through IAİM may be utilized by multiple Clients that have similar time horizons, needs and objectives. IAİM offers Clients the ability to place restrictions on their advisory account(s). In general, the restrictions may include security type, specific securities, and cash balance requirement. Under certain situations, a restriction may prevent IAİM from providing investment choices to meet a Client's needs. In the event a restriction impairs IAİM's ability to manage a portfolio effectively, the Client engagement may be terminated under the terms of the contract.

### **D. Assets Under Management**

As of December 31, 2024, IAİM manages approximately \$2,212,521,887 in assets, of which \$1,577,866,104 are managed on a discretionary basis and \$634,655,783 on a non-discretionary basis. Clients may request more current information at any time by contacting their IAR.

## **Item 5 – Fees and Compensation**

The following paragraphs detail the fee structure and compensation methodology for services provided by IAİM. Each Client shall sign one or more agreements that detail the responsibilities of IAİM and the Client.

### **A. Fees for Advisory Services**

#### ***Investment Advisory Services***

Asset based investment advisory fees are paid in advance or arrears, on a monthly or quarterly basis. Whether the fees are paid in advance or arrears depends on the agreement between the Client and IAİM and subject to the limitations of the Custodian and/or the terms of the investment advisory agreement. Asset based investment advisory fees are charged at an annual rate up to 3.00% depending on several factors, including the overall size of the relationship, the inclusion/exclusion of transaction fees and/or the complexity of the services to be provided. Fees are typically based on the market value of assets under management at the end of the prior month or quarter but may at times be offered as a fixed quarterly fee.

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The fee is negotiated between the Client and the IAR. IAIM does not maintain a static fee schedule – meaning that all advisory fees are customized to the individual needs of the Client and the IAR. Some IARs may adhere to a static fee schedule for their own Clients within IAIM’s stated asset based advisory fee range.

The asset-based investment advisory fee in the first month or quarter of service is prorated from the inception date of the Client’s account(s) to the end of the first month or quarter. The Client’s fees will take into consideration the aggregate assets under management with the IAR. All securities held in accounts managed by IAIM will be independently valued by the Custodian (as discussed in Item 12). IAIM will not have the authority or responsibility to value portfolio securities.

Clients may make additions to and withdrawals from their accounts at any time, subject to IAIM’s right to terminate an account. Additions may be in cash or securities provided that IAIM reserves the right to liquidate any transferred securities or decline to accept particular securities into a Client’s accounts. Clients may withdraw account assets on notice to IAIM, subject to the usual and customary securities settlement procedures. However, IAIM designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a Client’s investment objectives. IAIM and/or the IAR may consult with Clients about the options and ramifications of transferring securities. However, Clients are advised that when transferred securities are liquidated, they are subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications.

In addition to the advisory fee charged to the Client, the Client and/or the IAR will pay a transaction fee for each trade done in your account including no transaction fee mutual funds (“NTFs”). This presents a conflict of interest as your IAR may be incentivized to reduce his overall costs by not trading in your account. IAIM mitigates this conflict by monitoring for low trade activity in advisory accounts. IAA receives a portion of the transaction cost assessed to each IAR which creates an incentive for IAIM to encourage your IAR to trade frequently. In addition, IAIM charges a program fee to your IAR which is an additional source of revenue for IAIM. As such, IAIM has an incentive to recommend that you open accounts within this program.

IAIM’s fees are exclusive of brokerage commissions, new issue selling concessions, transaction fees, markups, markdowns, and other related costs and expenses which shall be incurred by the Client. Clients will incur certain charges imposed by Custodians, brokers, and other third parties which may be affiliated, such as fees charged by managers, custodial fees, 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. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in the fund’s prospectus. Such charges, fees and commissions are exclusive of and in addition to IAIM’s fees. IAIM does not receive any part of these fees.

### ***Third Party Asset Manager Services***

For Client accounts implemented through a TPAM, the Client’s overall fees will often include IAIM’s asset-based investment advisory fee (as noted above) plus advisory fees and/or platform fees charged by the TPAM, as applicable. The TPAM assumes responsibility for calculating the Client’s fees and deducts all fees from the Client’s account(s). In such instances, IAIM will not charge its fee separately on those assets. The TPAM will deduct its advisory fees and/or platform fees and IAIM’s asset-based investment advisory fee on an arrears or advance basis, depending on the billing practices of the TPAM.

There are other fees and charges imposed by third parties that apply to investments in accounts managed by a TPAM. Some of these fees and charges are described below and should be outlined in the TPAM’s Disclosure Brochure. The Client will be charged commissions, markups, markdowns, or transaction charges by the broker-dealer who executes transactions in the account. There also are custodial related fees imposed by the custodian of assets for the program account. These additional fees and charges will be set out in the TPAM’s Disclosure Brochure and the agreements executed by the Client at the time the TPAM account is opened.

If assets are invested in mutual funds, ETFs or other pooled funds, there are two layers of advisory fees and expenses for those assets. Client will pay an advisory fee to the fund manager and other expenses as a shareholder of the fund. The Client will also pay the TPAM advisory fee with respect to those assets. The

mutual funds and ETFs available in the programs often may be purchased directly. Therefore, Clients will avoid the second layer of fees by not using the advisory services of the TPAM.

A mutual fund in a TPAM managed account may pay an asset-based sales charge or service fee (e.g., 12b-1 fee) that is paid to the broker-dealer on the account. IAIM and its IARs are not paid these fees.

If a Client transfers a previously purchased mutual fund into a TPAM managed account, and there is an applicable contingent deferred sales charge on the fund, Client will pay that charge when the mutual fund is sold. If the account is invested in a mutual fund that charges a fee where a redemption is made within a specific time period after the investment, the Client will be charged the redemption fee. If a mutual fund has a frequent trading policy, the policy can limit a Client's transactions in shares of the fund (e.g., for rebalancing, liquidations, deposits, or tax harvesting).

If Client holds a UIT in a TPAM managed account, UIT sponsors charge creation and development fees or similar fees.

The investment products and services available to be purchased in the TPAM's program can be purchased by Clients outside of the TPAM's program through IAIM or through broker-dealers or other registered investment advisers not affiliated IAIM or the TPAM.

Clients should be aware that securities transferred into an account may have been subject to a commission or sales load when the security was originally purchased. After transfer into an advisory account, Client should understand that an advisory fee will be charged based on the total assets in the account, including the transferred security. When transferring securities into an account, the Client should consider and speak to the IAR about whether:

- a commission was previously paid on the security;
- the Client wishes for the security to be managed as part of the account and be subject to an advisory fee; or
- the Client wishes to hold the security in a brokerage account that is not managed and not subject to an advisory fee.

### ***Financial Planning Services***

IAIM offers financial planning services based on assets, on an hourly basis or as a fixed engagement fee. Hourly engagements are billed at a rate of up to \$500 per hour. Fixed fee engagements are negotiated based on the expected number of hours to complete the engagement at the negotiated hourly rate. Fees may be negotiable at the sole discretion of the IAR, depending on the nature and complexity of services to be provided. An estimate for total hours and/or costs will be provided to the Client prior to engaging for these services.

The IAR's fee is exclusive of, and in addition to, brokerage fees, transaction fees, and other related costs and expenses, which may be incurred by the Client. However, the IAR does not receive any portion of these commissions, fees, and costs.

### ***Retirement Plan Advisory Services***

Retirement plan advisory fees are paid quarterly, generally in advance of each calendar month or quarter, pursuant to the terms of the retirement plan advisory agreement. Fees are based on the market value of assets in the Plan at the end of each prior quarter or at a fixed quarterly fee. Fees range up to 3.00% annually and may be negotiable depending on the size and complexity of the Plan.

Retirement plan accounts custodied directly with a third party, such as a mutual fund company or insurance carrier shall be billed according to the billing practices of the third party as set forth in the third party's disclosure documents.

## **B. Fee Billing**

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### ***Investment Advisory Services***

Investment advisory fees are calculated by IAIM or the Custodian and deducted from the Client's account(s). The Client shall instruct the Custodian to automatically deduct the investment advisory fee from the Client's account(s) for each billing period and pay the investment advisory fee(s) to IAIM. The amount due is calculated by applying the quarterly rate (annual rate divided by 4) or monthly rate (divided by 12) to the total assets under management with IAIM at the end of the prior month or quarter. IAIM will adjust client fees to factor in deposits and withdrawals exceeding \$10,000 during the prior billing period. Clients will be provided with a statement, at least quarterly, from the Custodian reflecting deduction of the investment advisory fee. Clients provide written authorization permitting IAIM to be paid directly from their accounts held by the Custodian as part of the investment advisory agreement and separate account forms provided by the Custodian.

### ***Third Party Asset Managers***

Client accounts implemented through TPAMs will be billed in accordance with the separate agreement(s) with the TPAM(s). The TPAM(s) will typically add IAIM's investment advisory fee and deduct the overall fee from the Client's accounts.

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

Financial planning and consulting fees are negotiable. Certain Clients may have their planning fees included with their overall investment advisory fees. Consulting fees are charged on a monthly or quarterly basis. All fees are agreed upon prior to entering into a contract with any Client.

### **Retirement Plan Advisory Services**

Fees may be directly invoiced to the Sponsor or deducted from the assets of the Retirement Plan, depending on the terms of the retirement plan advisory agreement.

## **C. Other Fees and Expenses**

In addition to the advisory fee you pay, certain products have additional embedded costs. These products include open and closed end mutual funds, exchange-traded products (e.g., ETFs, ETNs), unit investment trusts (UITs), new issue securities and other products. Some of these charges are indirectly paid to the companies that sponsor, manage, and/or promote the investment. Some of these payments are shared with ETCB. These payments are deducted from your investment and reduce total investment returns, but the fee deduction is usually not itemized.

If Client assets are invested in mutual funds, ETFs or other pooled funds, there are two layers of advisory fees and expenses for those assets. The Client will pay an advisory fee to the fund manager and other expenses as a shareholder of the fund. The mutual funds and ETFs available in the programs often may be purchased directly. Therefore, Clients will avoid the second layer of fees by not using advisory services.

If a Client transfers a previously purchased mutual fund into an account and there is an applicable contingent deferred sales charge associated with the share class held by the Client, the Client will pay that charge when the mutual fund is sold. If the account is invested in a mutual fund that charges a fee where a redemption is made within a specific time period after the investment, the Client will be charged the redemption fee. If a mutual fund has a frequent trading policy, the policy can limit a Client's transactions in shares of the fund (e.g., for rebalancing, liquidations, deposits or tax harvesting).

UIT sponsors charge creation and development fees or similar fees which may be applied to UITs invested in through advisory accounts. These fees are not shared with IAIM. Further information regarding fees assessed by a UIT is available in the appropriate prospectus, which Clients may request from the IAR.

Clients should be aware that securities transferred into an account may have been subject to a commission or sales load when the security was originally purchased. After transfer into an advisory account, the Client

should understand that an advisory fee will be charged based on the total assets in the account, including the transferred security. When transferring securities into an account, Client should consider and speak to the IAR about whether:

- a commission was previously paid on the security;
- the Client wishes for the security to be managed as part of the account and be subject to an advisory fee; or
- the Client wishes to hold the security in a brokerage account that is not managed and not subject to an advisory fee

Depending upon your account and relationship, you may also incur periodic account maintenance or IRA custodial fees, as well as processing, service, and account fees upon certain events or occurrences. You will pay costs and fees whether you make or lose money on your investments. Costs and fees will reduce any amount of money you make on your investments over time. Please make sure you understand what costs and fees you are paying. You have the option to purchase almost all investment products that your IAR recommends through other broker-dealers, and it may cost you more or less to do.

During periods of lower trading activity, the advisory fee may be higher than the transaction charges you would have paid in a brokerage account. We encourage you to discuss your options with your IAR in order to determine whether an investment advisory account is appropriate for you. You should carefully review the value of the advice and scope of services you would be getting in an advisory relationship versus a brokerage account.

#### Mutual Fund Share Class Consideration.

In most cases, multiple share classes of the same mutual fund are available for purchase. Some share classes of a fund charge higher internal expenses, whereas other share classes of a fund charge lower internal expenses. Some of these expenses, commonly called “trailing” fees or “12b-1 fees” are paid in whole or in part to broker-dealers, investment advisers, and registered persons. In these instances IAIM has instructed our Custodian to rebate the 12b-1 fee back to the Client. Institutional, retirement and advisory share classes typically have lower expense ratios, do not incorporate 12b-1 fees and are less costly for a Client to hold than other share classes that may be eligible for purchase in an advisory account. Mutual funds that offer institutional, retirement or advisory share classes, and other share classes with lower expense ratios are available to investors who meet specific eligibility requirements that are described in the mutual fund’s prospectus or its statement of additional information. These eligibility requirements include, but may not be limited to, investments meeting certain minimum dollar amounts and accounts that the fund considers qualified fee-based programs. It is also possible that the lowest cost mutual fund share class for a particular fund may not be offered through IAIM or available for purchase within specific types of accounts. Clients should not assume that they will be invested in the share class with the lowest possible expense ratio or cost. IARs may be limited in the share class available for Client accounts based on limitations at the Custodian or within an account program. Because of these limitations, Clients may be able to obtain mutual funds at a lower cost through advisors other than IAIM.

In addition to reading this Disclosure Brochure carefully, Clients are urged to inquire whether lower cost share classes are available and/or appropriate for their account in consideration of the Client’s expected investment holding periods, amounts invested, and anticipated trading frequency. Further information regarding fees and charges assessed by a mutual fund is available in the appropriate mutual fund prospectus.

#### No Transaction Fee Mutual Fund Program Considerations.

The purchase or sale of certain funds available for investment through IAIM will result in the assessment of transaction charges to the Client, the IAR, or IAIM. Although no transaction-fee (“NTF”) funds do not assess transaction charges, most NTF funds have higher internal expenses than funds that do not participate in an NTF program. These higher internal fund expenses are assessed to investors who purchase or hold NTF funds. NTF funds may also assess a 12b-1 fee which is paid to the Custodian. While IAIM does not

receive these 12b-1 payments, they result in higher overall costs to you. Depending upon the frequency of trading and hold periods, NTF funds may cost the Client more, or may cost IAIM or the IAR less, than mutual funds that assess transaction charges but have lower internal expenses. In addition, the higher internal expenses charged to Clients who hold NTF funds will adversely affect the long-term performance of a Client's account when compared to share classes of the same fund that assess lower internal expenses.

For those IAIM advisory programs that assess transaction charges to Clients, IAIM and/or the IAR have a conflict of interest exists because IAIM and/or the IAR have a financial incentive to recommend or select NTF funds that do not assess transaction charges but cost more in internal expenses than funds that do assess transaction charges but cost less in internal expenses. IAIM mitigates the impact of this conflict of interest by assessing a transaction charge to each NTF fund purchase. In general, NTF funds are less expensive than load-bearing funds where the Client intends to hold the fund for a period of years.

Certain mutual funds impose a mutual fund surcharge assessed to your IAR, which is a conflict of interest as your IAR has an incentive to recommend a mutual fund without a surcharge.

#### Clearing/Execution Compensation and Payments on Account Balances.

Our affiliated Custodian receive compensation and make a profit for clearance and execution services, as well as payment for certain balances in accounts which represents a conflict of interest. Additionally, the Custodian profits from account and custodial fees paid by Clients, or Clients' IARs, such as wire fees, confirmation fees and other account or transaction-based charges. This compensation results in a financial incentive to recommend ETCB over other custodians.

Depending upon your account and relationship, you may also incur periodic account maintenance or IRA custodial fees, in addition to processing, service, and account fees upon certain events or occurrences. For additional information on fees please refer to the ETCB and ETC fee schedules at [www.iaac.com](http://www.iaac.com).

Our Custodian earn a profit directly tied to the amount of the Clients' cash that is invested into cash sweep vehicles. Clients are urged to read Item 14 further in this Disclosure Brochure, Compensation Received by our Affiliated Custodian, Cash and Cash Sweeps which details these payments and the associated conflict of interest.

Our Custodian earns compensation for routing certain trade orders to third party market centers and other broker-dealers, subject to applicable best execution obligations. Additional information is available at <https://etcbrokerage.com/form-crs-and-disclosures/order-routing/>.

IAIM has a duty to provide the best execution services to its Clients and to seek the best execution from its Custodians for its Clients. IAIM routinely reviews qualitative and quantitative best execution statistics relative to its Custodians and the overall custodial industry to mitigate the conflict of interest.

IAIM urges Clients to discuss with their IAR whether lower cost share classes, account types, or custodial arrangements are available and appropriate given their expected holding period, amount invested, trading frequency, the amount of the advisory fee charged, whether they will pay transaction charges for purchases and sales, whether Clients will pay higher internal fund expenses in lieu of transaction charges that could adversely affect long-term performance, other holdings, asset aggregation discounts, and relevant tax considerations. An IAR may recommend, select, or continue to hold a fund share class, account type or custodial arrangement that is more costly than other available options due to the factors discussed above.

#### TPAM Program Considerations.

With respect to accounts referred by IAIM to a TPAM, that manager, and not IAIM, manages the Client's assets. To the extent that the Client's assets are managed without IAIM's influence, those assets are not subject to IAIM's policies described herein. Rather they are subject to the TPAM's own policies regarding share class selection, retention or crediting of 12b-1 fees, and the other considerations detailed herein. Clients whose assets are managed by a TPAM should refer to the TPAM's Disclosure Brochure for information and important disclosures regarding their share class and fee retention practices and conflicts

of interest.

Other Compensation Paid to IARs.

IAIM employees and IARs receive non-cash compensation from investment sponsors or clearing firms that is not in connection with any particular customer or investment. Compensation includes such items as gifts valued at less than \$100 annually, an occasional dinner or ticket to an event, or reimbursement in connection with educational meetings, customer workshops or events, or marketing or advertising initiatives, including services for identifying prospective customers. IARs are eligible to receive other benefits. These benefits present a conflict of interest because the IAR has an incentive to remain an investment advisor representative of IAIM in order to maintain these benefits instead of seeking to work with another firm. These benefits include eligibility for practice management support and enhanced service support levels that give a variety of benefits, conferences (e.g., for education, networking, training, and personal and professional development), and other non-cash compensation. Such benefits also include, reduced ticket charges, free or reduced-cost marketing assistance reimbursement or credits of fees that IARs pay to IAIM for items such as administrative services or technology, and payments that can be in the form of repayable or forgivable loans (e.g., for retention purposes or to assist an IAR grow his/her securities practice).

If IAA, IAIM or Pecunia makes a forgivable or repayable loan to a new or existing IAR, there is also a conflict of interest because the interest in collecting on the loan affects IAIM's ability to objectively supervise the IAR. IAIM mitigates this conflict by adhering to its written supervisory procedures and taking the appropriate disciplinary action, which could include the termination of the IAR's association with IAIM.

If an IAR recently became associated with IAIM after working with another financial services firm, he/she may have received recruitment compensation from IAA, Pecunia or IAIM in connection with the transition. In many cases, this transition assistance includes payments from IAA, Pecunia or IAIM that are commonly intended to assist an IAR with costs associated with the transition; however, IAA, Pecunia or IAIM does not verify that any payments made are actually used for transition costs. These payments can be in the form of repayable or forgivable loans, and may have favorable interest rate terms, as compared to other lenders. The amount of the loan may be related to the overall amount of assets under management by the IAR at his/her prior firm. Such payments are generally based on the amount of assets under management at the IAR's former firm and the projected amount of assets that will be transferring to IAIM. The receipt of this compensation creates a conflict of interest in that the IAR has a financial incentive to recommend that a Client open and maintain an account with IAIM for advisory, brokerage and/or custody services, and to recommend switching investment products or services where a Client's current investment options are not available through IAIM, in order to receive a benefit or payment.

IAIM and your IAR are compensated based on the amount of assets in your account, which creates an incentive for us to increase your assets or engage in transactions that result in higher total assets in your account.

IAIM and/or our IARs also receive benefits such as assistance with conferences and educational meetings from product sponsors. In addition, IAIM and/or our IARs may receive cash and non-cash marketing assistance from product sponsors.

Your IAR's primary compensation is composed of his/her "total production", which is based on the total assets he/she manages at IAIM, and commissions and trails he/she receives from IAA. Commissions and trails paid to an IAR by IAA are a percentage of the gross dealer concessions IAA receives when a Client purchases securities through IAA. The compensation grid is investment neutral, meaning the percentage of the compensation from any given transaction your IAR receives does not vary based on the investment recommended. Your IAR's payout percentage is adjusted depending on your IAR's total production. Therefore, IARs have an incentive to increase their assets under management at IAIM. The potential to receive higher payout percentage adjustments incentivizes your IAR to encourage more trading or recommend the purchase of additional investments at IAA that increase your IAR's total production and payout percentage. This conflict grows as your IAR approaches specific production thresholds that will increase the percentage of the total compensation he or she receives.

### Compensation Relating to Outside Business Activities.

IAIM has a number of IARs licensed to sell insurance and annuity investment products to Clients. This arrangement presents a conflict of interest and gives the IAR an incentive to recommend insurance products based on the compensation received including bonus payments based on cumulative sales, rather than the Client's needs. IAIM mitigates the inherent conflict of interest by requiring its IARs to channel certain insurance activity, specifically that which contains "securities" or "investment" components through IAIM for a suitability review and approval. IAIM does not require your IAR to submit traditional insurance products (such as life, accident and health) to us for a review and approval. In most cases your IAR is paid directly from the insurance company for these product sales and therefore has an incentive to recommend these products to you in an effort to avoid giving a portion of the money earned from selling this product to IAIM.

IARs have the option of utilizing a field marketing organization ("FMO") to sell traditional and indexed insurance products. IAA receives payment for business placed through these FMOs. This arrangement creates an incentive for IAIM to encourage IARs to place business through these FMOs. Compensation may include payments made in connection with IAIM's/IAA's marketing and sales-force education and training efforts, including IAIM's/IAA's sales and education conferences.

Each IAR is required to disclose if he/she participates in any outside business activities, whether investment related or not. In reviewing outside business activity requests, IAIM and, if applicable, IAA and/or GAA, will determine if there is a conflict of interest and ultimately approve or deny the activity. If your IAR engages in any outside business activities, these activities may cause your IAR to spend more time on the outside business activity rather than on his/her relationship with you. You can research any outside business activities of your IAR on the SEC website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can also find additional information on these outside business activities in your IAR's ADV Part 2B document. You IAR will provide this document to you upon request.

#### **D. Return of Unearned Compensation to Clients**

For Clients that are billed in advance on a quarterly basis, the fee will be prorated based on the number of days the account was open during the quarter. Any paid, unearned fees will be promptly refunded to the Client.

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

IAIM does not charge performance-based fees for its investment advisory services. The fees charged by IAIM are as described in "Item 5 – Fees and Compensation" above.

IAIM does not manage any proprietary investment funds or limited partnerships (for example, a hedge fund or company-funded investment account).

### **Item 7 – Types of Clients**

IAIM offers investment advisory services to individuals, high net worth individuals, families, trusts, estates, businesses and retirement plans. Further information concerning each type of Client is available on IAIM's Form ADV Part 1A. IAIM's minimum account size is \$50,000. However, the minimum may be waived at IAIM's discretion.

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

Your IAR may employ methods of investment analysis to evaluate securities for potential investment recommendations. These methods include but are not limited to the following:

#### **A. Methods of Analysis**

- **Charting:** Review of charts of market and security activity to discern trends in market movements

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- to potentially predict future market trends.
- **Fundamental Analysis:** Evaluation of economic and financial factors to determine if a security may be underpriced, overpriced or fairly priced.
  - **Technical Analysis:** Analysis of past market movements and apply that analysis to the present conditions in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement.
  - **Cyclical Analysis:** The practice of analyzing business cycles with the goal of finding advantageous times to buy or sell a security.
  - **Quantitative Analysis:** Analysis of mathematical models in an attempt to obtain measurements of a company's value to potentially predict changes to that data.
  - **Qualitative Analysis:** Subjective evaluation of non-quantifiable factors in an attempt to potentially predict changes to share price based on that data.
  - **Asset Allocation:** Attempts to identify an appropriate ratio of asset classes that are consistent with the Client's investment goals and risk tolerance.
  - **Mutual Fund and/or ETF Analysis:** Evaluation of a variety of factors in an attempt to potentially predict the future performance of the mutual fund or ETF. IAIM may consider, among other things, the experience, expertise, investment philosophy, and past performance to determine if the manager has demonstrated an ability to invest over a period of time and in different economic conditions. The IAR may monitor the manager's underlying holdings, strategies, and concentrations.
  - **Third Party Money Manager Analysis:** Evaluation of the experience, expertise, investment philosophies, and past performance of independent third-party investment managers in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. IAIM may monitor the manager's underlying holdings, strategies, and concentrations.
  - **Criteria-based Analysis:** Evaluation of Client-based risk profile derived from responses provided by the Client on a questionnaire.

## B. Investment Strategies

The investment strategy recommended for you is based upon the initial financial profile information you provided your IAR. It is important to at least annually review with your IAR your investment objectives, risk tolerance, tax objectives, liquidity needs, and any other relevant financial considerations, prior to choosing an investment strategy. All investments carry a certain degree of risk and no particular investment style or portfolio manager is suitable for all types of investors.

Your IAR may use a variety of investment strategies depending on your circumstances, financial objectives, and needs. Your IAR may recommend implementing one or more of the following investment strategies: long-term purchases (generally held at least a year); short-term purchases (generally held less than a year); trading (typically held less than 30 days); and option transactions (call and put positions). If you are uncomfortable or object to any investment strategy proposed or used by your IAR, we request that you promptly advise your IAR of your concerns. Since you will receive account statements from your Custodian at least quarterly, you will need to contact your IAR or the IAIM compliance department if any transaction or series of transactions, in your view, is objectionable in any way. If you do not contact your IAR or IAIM's compliance department within sixty (60) calendar days of receipt of the Custodian statement, you are implicitly agreeing that each transaction, series of transactions, and investment strategy is consistent with your investment suitability and goals.

## C. Risk of Loss

Investing in securities involves certain investment risks. Securities may fluctuate in value or lose value. Clients should be prepared to bear the potential risk of loss. IARs will assist Clients in determining an appropriate strategy based on their tolerance for risk and other factors noted above. However, there is no guarantee that a Client will meet his/her investment goals. It is important to understand that no methodology or investment strategy is guaranteed to be successful or profitable. There are risks inherent in each method of analysis and investment strategy, including those listed above.

For example, a risk of any method of analysis that considers past performance as a predictor of future performance is that past performance is no guarantee of future results. Some methods of analysis, such as fundamental analysis, focus on identifying the value of the company, without considering external factors such as market movements. Failure to consider external factors presents a potential risk, as the price of a security may be impacted by the overall market, regardless of the economic and financial factors considered in evaluating the specific company.

Other methods of analysis, such as technical analysis, evaluate external factors, but do not consider the underlying financial condition of a company. Failure to consider a company's underlying value presents a risk that a poorly managed or financially unsound company may under-perform regardless of positive market movements.

Most methods of analysis require your IAR to make one or more assumptions or subjective judgments. If any of the assumptions or judgments are incorrect or are not realized, then the analysis may be inaccurate. Finally, all of the methods of analysis described above rely on the assumption that all publicly available sources of information are accurate, and that the analysis is not compromised by inaccurate or misleading information.

In addition, each Client engagement will entail a review of the Client's investment goals, financial situation, time horizon, tolerance for risk and other factors to develop an appropriate strategy for managing a Client's account. Client participation in this process, including full and accurate disclosure of requested information, is essential for the analysis of a Client's account. The IAR relies on the financial and other information provided by the Client or their designees without the duty or obligation to validate the accuracy and completeness of the provided information. It is the Client's responsibility to inform the IAR of any changes in financial condition, goals or other factors that may affect this analysis.

The risks associated with a particular strategy are provided to each Client in advance of investing Client assets. The IAR will work with each Client to determine their tolerance for risk as part of the portfolio construction process.

A risk of investing with a TPAM who has been successful in the past is that the manager may not be able to replicate that success in the future. In addition, as IAIM does not control the underlying investments in a TPAM's portfolio, there is also a risk that a manager may deviate from the stated investment objective or strategy of the portfolio, making it a less suitable investment for Clients. Moreover, as IAIM does not control the TPAM's daily business and compliance operations, IAIM may not be aware of any lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

Some of the risks associated with investing and the types of investments that IAIM makes available to its Clients are described below:

- **Long term purchases:** General risk involved is opportunity risk. Opportunity risk is whereby investing in one security you lose the potential to invest in something that may perform better in a shorter period.
- **Short term purchases:** When utilizing short-term purchasing as a strategy the risk is that one may miss out on the long-term performance of a security. Additionally, there may be additional costs involved with this strategy that may hurt overall performance of the Client portfolio.
- **Trading:** Frequent trading may impact a portfolio's performance through increased costs associated with the amount of activity occurring in the Client account.
- **Market Risk:** Market risk is the risk that the value of securities owned by an investor may go up or down, sometimes rapidly or unpredictably, due to factors affecting securities markets generally or particular industries.
- **Interest Rate Risk:** Interest rate risk is the risk that fixed income securities will decline in value because of an increase in interest rates. A bond or a fixed income fund with a longer duration will be more sensitive to changes in interest rates than a bond or bond fund with a shorter duration.
- **Credit Risk:** Credit risk is the risk that an investor could lose money if the issuer or guarantor of a fixed income security is unable or unwilling to meet its financial obligations.
- **Issuer-Specific Risk:** Issuer-specific risk is the risk that the value of an individual security or

particular type of security can be more volatile than the market as a whole and can perform differently from the value of the market as a whole.

- **Investment Company Risk:** To the extent a Client account invests in ETFs or other investment companies, its performance will be affected by the performance of those other investment companies. Investments in ETFs and other investment companies are subject to the risks of the investment companies' investments, as well as to the investment companies' expenses. If a Client account invests in other investment companies, the Client account may receive distributions of taxable gains from portfolio transactions by that investment company and may recognize taxable gains from transactions in shares of that investment company, which would be taxable when distributed.
- **Concentration Risk:** To the extent a Client account concentrates its investments by investing a significant portion of its assets in the securities of a single issuer, industry, sector, country, or region, the overall adverse impact on the Client of adverse developments in the business of such issuer, such industry or such government could be considerably greater than if they did not concentrate their investments to such an extent.
- **Sector Risk:** To the extent a Client account invests more heavily in particular sectors, industries, or sub-sectors of the market, its performance will be especially sensitive to developments that significantly affect those sectors, industries, or sub-sectors. An individual sector, industry, or sub-sector of the market may be more volatile, and may perform differently, than the broader market. The industries that comprise a sector may all react in the same way to economic, political, or regulatory events. A Client account's performance could be affected if the sectors, industries, or sub-sectors do not perform as expected. Alternatively, the lack of exposure to one or more sectors or industries may adversely affect performance.
- **Alternative Strategy Mutual Funds:** Certain mutual funds invest primarily in alternative investments and/or strategies. Investing in alternative investments and/or strategies may not be suitable for all investors and involves special risks, such as risks associated with commodities, real estate, leverage, selling securities short, the use of derivatives, potential adverse market forces, regulatory changes and potential illiquidity. There are special risks associated with mutual funds that invest principally in real estate securities, such as sensitivity to changes in real estate values, interest rates and price volatility because of the fund's concentration in the real estate industry. These types of funds tend to have higher expense ratios than more traditional mutual funds. They also tend to be newer and have less of a track record or performance history.
- **Closed-End/Interval Funds:** Clients should be aware that closed-end and interval funds may not give investors the right to redeem their shares, and a secondary market may not exist. Therefore, Clients may be unable to liquidate all or a portion of their shares in these types of funds. While the fund may offer to repurchase shares from time to time, the fund is not obligated to do so. In the case of interval funds, the fund will provide limited liquidity to shareholders by offering to repurchase a limited number of shares on a periodic basis, but there is no guarantee that Clients will be able to sell all of the shares in any particular repurchase offer. The repurchase offer program may be suspended under certain circumstances.
- **Exchange-Traded Funds (ETFs):** ETFs are typically investment companies that are legally classified as open-end mutual funds or UITs. However, they differ from traditional mutual funds, in particular, in that ETF shares are listed on a securities exchange. Shares can be bought and sold throughout the trading day like shares of other publicly traded companies. ETF shares may trade at a discount or premium to their net asset value. This difference between the bid price and the ask price is often referred to as the "spread." The spread varies over time based on the ETF's trading volume and market liquidity and is generally lower if the ETF has a lot of trading volume and market liquidity and higher if the ETF has little trading volume and market liquidity. Although many ETFs are registered as an investment company under the Investment Company Act of 1940 like traditional mutual funds, some ETFs, in particular those that invest in commodities, are not registered as investment companies. ETFs may be closed and liquidated at the discretion of the issuing company.
- **Exchange-Traded Notes (ETNs):** An ETN is a senior unsecured debt obligation designed to track the total return of an underlying market index or other benchmark. ETNs may be linked to a variety of assets, for example, commodity futures, foreign currency, and equities. ETNs are similar to ETFs in that they are listed on an exchange and can typically be bought or sold throughout the trading day. However, an ETN is not a mutual fund and does not have a net asset value; the ETN trades

at the prevailing market price. Some of the more common risks of an ETN include: (i) the repayment of the principal, interest (if any), and the payment of any returns at maturity or upon redemption are dependent upon the ETN issuer's ability to pay; (ii) the trading price of the ETN in the secondary market may be adversely impacted if the issuer's credit rating is downgraded; (iii) the index or asset class for performance replication in an ETN may or may not be concentrated in a specific sector, asset class or country and may therefore carry specific risks; and (iv) ETNs may be closed and liquidated at the discretion of the issuing company.

- **Options:** Certain types of option trading are permitted in order to generate income or hedge a security held in the Client's account; namely, the selling (writing) of covered call options or the purchasing of put options on a security held in the Client account. Clients should be aware that the use of options involves additional risks. The risks of covered call writing include the potential for the market to rise sharply. In such case, the security may be called away and the Client's account will no longer hold the security. The risk of buying long puts is limited to the loss of the premium paid for the purchase of the put if the option is not exercised or otherwise sold by the program account.
- **Structured Products:** Structured products are securities derived from another asset, such as a security or a basket of securities, an index, a commodity, a debt issuance, or a foreign currency. Structured products frequently limit the upside participation in the reference asset. Structured products are senior unsecured debt of the issuer and subject to the credit risk associated with that issuer. This credit risk exists whether or not the investment held in the account offers principal protection. The creditworthiness of the issuer does not affect or enhance the likely performance of the investment other than the ability of the issuer to meet its obligations. Any payments due at maturity are dependent on the issuer's ability to pay. In addition, the trading price of the security in the secondary market, if there is one, may be adversely impacted if the issuer's credit rating is downgraded. Some structured products offer full protection of the principal invested, others offer only partial or no protection. Investors may be sacrificing a higher yield to obtain the principal protection. In addition, the principal protection relates to nominal principal and does not offer inflation protection. An investor in a structured product never has a claim on the underlying investment, whether a security, zero coupon bond, or option. There may be little or no secondary market for the securities and information regarding independent market pricing for the securities may be limited. This is true even if the product has a ticker symbol or has been approved for listing on an exchange. Tax treatment of structured products may be different from other investments held in the account (e.g., income may be taxed as ordinary income even though payment is not received until maturity). Structured CDs that are insured by the FDIC are subject to applicable FDIC limits.
- **High-Yield Debt:** High-yield debt is issued by companies or municipalities that do not qualify for "investment grade" ratings by one or more rating agencies. The below investment grade designation is based on the rating agency's opinion that an issuer that has less ability to repay both principal and interest and a greater risk of default than those issuers rated investment grade. High yield debt carries greater risk than investment grade debt. The risk is that the potential deterioration of an issuer's financial health and subsequent downgrade in its rating will result in a decline in market value or default. Because of the potential inability of an issuer to make interest and principal payments, an investor may receive back less than originally invested or in some cases, nothing at all. There is also the risk that the bond's market value will decline as interest rates rise and that an investor will not be able to liquidate a bond before maturity.
- **Business Development Companies (BDCs):** BDCs are typically closed-end investment companies. Some BDCs primarily invest in the corporate debt and equity of private companies and may offer attractive yields generated through high credit risk exposures amplified through leverage. As with other high-yield investments, such as floating-rate/leveraged loan funds, non-traded real estate investment trusts ("REITs") and limited partnerships, investors are exposed to significant market, credit, and liquidity risks. In addition, fueled by the availability of low-cost financing, BDCs run the risk of over-leveraging their relatively illiquid portfolios. Due to the illiquid nature of non-traded BDCs, investors' exit opportunities may be limited only to periodic share repurchases by the BDC at high discounts.
- **Variable Annuities:** If a Client purchases a variable annuity, the Client will receive a prospectus and should rely solely on the disclosure contained in the prospectus with respect to the terms and conditions of the variable annuity. Clients should also be aware that certain riders purchased with a variable annuity may limit the investment options and the ability to manage the subaccounts.

Additionally, the decision to liquidate an annuity prior to its maturity date may result in surrender charges and a complete loss of certain benefits for which significant fees may have been previously paid to the annuity issuer.

- **Company Stock:** If company stock is available as an investment option to Client in a retirement plan, and if Client chooses to invest in company stock, Client should understand the risks associated with holding company stock in a retirement plan. These risks may include, but are not necessarily limited to, lack of liquidity, over-dependency on Client's employer, and less flexibility to change the allocation of plan assets. Client should pay careful consideration to the benefits of a diversified portfolio. Although diversification is not a guarantee against loss, it can be an effective strategy to help manage investment risk.
- **Cybersecurity Risk:** In addition to the material risks listed above, investing involves various operational and "cybersecurity" risks. These risks include both intentional and unintentional events at IAIM and/or one of our service providers, which may result in a loss or corruption of data, resulting in the unauthorized release or other misuse of confidential information, and generally compromise IAIM's ability to conduct business. A cybersecurity breach may also result in a third-party obtaining unauthorized access to our clients' information, including social security numbers, home addresses, account numbers, account balances, and account holdings. IAIM has established business continuity plans and risk management systems designed to reduce the risks associated with cybersecurity breaches. However, there are inherent limitations in these plans and systems, including that certain risks may not have been identified, in large part because different or unknown threats may emerge in the future. As such, there is no guarantee that such efforts will succeed, especially because IAIM does not directly control the cybersecurity systems of our third-party service providers. There is also a risk that cybersecurity breaches may not be detected.

**Past performance is not a guarantee of future returns. Investing in securities and other investments involve a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with their IAR.**

## **Item 9 – Disciplinary Information**

**There are no legal, regulatory, or disciplinary events involving IAIM management persons.**

On September 3, 2024, IAIM, without admitting or denying the findings, consented to the entry of an Order Instituting Administrative and Cease-and-Desist Proceedings Pursuant to Sections 203(e) and 203(k) of the Investment Advisers Act of 1940 (the "Order"). The Order states that IAIM violated those provisions by failing to provide full and fair disclosures regarding the following compensation and financial incentives that its affiliated broker-dealer received from the clearing broker: (1) an incentive payment received in August 2018 from the clearing broker that was contingent on the conversion of the majority of customer accounts, including of those customers who were also advisory clients, to the clearing broker for clearing and custodial services; (2) revenue sharing payments from advisory client investments in the clearing broker's FDIC-insured bank deposit cash sweep program between August 2018 and December 2021; and (3) revenue sharing payments from the clearing broker on the rate of interest charged to advisory clients on margin loans and lines of credit between August 2018 and May 2020. IAIM was censured, ordered to cease and desist, to pay disgorgement of \$576,134.19 and prejudgment interest of \$174,276.18. In addition, IAIM was ordered to pay a civil penalty of \$150,000 and agreed to comply with the undertakings in the order. A copy of the Order can be found at the following link:

<https://www.sec.gov/files/litigation/admin/2024/ia-6673.pdf>

IAIM values the trust you place in us. We encourage you to perform the requisite due diligence on any advisor or service provider with whom you partner. Our backgrounds are on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching our firm name or our CRD# 284656.

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

IAIM is affiliated by common ownership with Primus Financial Services, LLC, a broker-dealer, International Assets Advisory, LLC a broker-dealer, SEC registered investment advisor and insurance agency, ETC

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Brokerage Services, LLC, a broker-dealer, clearing firm and custodian, Equity Trust Company, a North Dakota trust company, and Global Assets Advisory, LLC, a SEC registered investment advisor.

Primus Financial Services, LLC ("Primus") is a SEC registered broker-dealer and a member of the Financial Industry Regulatory Authority ("FINRA"). IAİM's executive officers also serve as executive officers of Primus. Potential conflicts of interest arise to the extent that these non-IAİM activities may require a significant time commitment from the executive officers, thus limiting the amount of time they can dedicate to management of IAİM.

International Assets Advisory, LLC ("IAA") is a SEC registered broker-dealer and investment adviser, a member of FINRA, and an insurance agency. Some IARs are also registered representatives of IAA. In an IAR's separate capacity as a registered representative, the IAR will typically receive commissions for the implementation of recommendations for commissionable transactions. The recommendation of IAA for trade execution, as well as receipt of additional compensation from IAİM, its IARs and/or management personnel creates a conflict of interest that may impair the objectivity of IAİM and these individuals when making advisory and brokerage recommendations. Potential conflicts of interest also arise to the extent that these non-IAİM activities may require a significant time commitment from some of the IAİM personnel, thus limiting the amount of time they can dedicate to management of advisory Client accounts. Clients are not obligated to implement any recommendation provided by an IAR or IAİM. Neither IAİM nor an IAR will earn ongoing investment advisory fees in connection with any services implemented in the IAR's separate capacity as a registered representative. Additionally, IAİM does not receive any portion of the commissions or other compensation relating to the IAR's recommendations in a broker-dealer capacity. Certain IARs may have received financial support from IAA in the transition of Client accounts to IAA.

Mill75 Investment Fund Management LLC, serves as the Manager of Mill75 Investment Fund, LLC ("Mill75"), a private investment fund offering accredited investors through IAİM the opportunity to invest in the development of a multi-family project located in the greater Dallas metro area. The Manager is not registered as an investment adviser with the SEC, or the securities bureau of any state. The principals of the Manager, through various trusts and other related entities, own the majority of IAİM. This ownership creates a conflict as IAİM has incentive to promote Mill75 because it produces additional revenue to the principals.

ETCB is a SEC registered broker-dealer, qualified custodian and a member of FINRA. ETC is a directed trustee for retirement accounts. Conflicts of interest arise as ETCB and ETC are under common ownership with IAİM. IAİM has an incentive to promote ETCB and ETC because of the additional revenue produced by these affiliates.

Global Assets Advisory, LLC ("GAA") is a SEC registered investment advisor. Certain of GAA's executive officers also serve as officers of IAİM. Potential conflicts of interest arise to the extent that these non-IAİM activities may require a significant time commitment from some of the IAİM personnel, thus limiting the amount of time they can dedicate to management of IAİM.

Additionally, some IARs are registered with GAA. These IARS may recommend that you open an account with GAA or IAİM. Clients are encouraged to evaluate IAİM and GAA before opening an account including the account service fee schedule as fees may differ depending on the RIA and custodian chosen. These fees are in addition to the investment portfolio management fee.

IAİM addresses these conflicts of interest by disclosing to our Clients: (i) the existence of these conflicts, including the potential for IAİM and its personnel to earn compensation from advisory Clients in addition to IAİM's advisory fees, and (ii) that they are not obligated to purchase recommended investment products or services from our IARs.

## **B. Referrals to Other Investment Advisors; Conflicts of Interest**

As explained in greater detail below in Item 14, IAİM may receive compensation for recommending or selecting investment advisors to provide investment products or services to Clients. IAİM monitors the sales practices and all forms of direct and indirect compensation received by our IARs to ensure they are acting

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in compliance with IAİM's policies and procedures which are designed to prevent abuses, and to ensure that compensation is within industry standards and compliant with securities laws, rules and regulations.

### **C. Other Conflicts**

Jeffrey Winn, an indirect owner of IAA, Primus, GAA, and IAİM is a non-compensated board member of a non-affiliated company, Stanberry Asset Management Partners, LLC. Mr. Winn is bound by Confidentiality and Non-Disclosure agreements.

The IARs that are licensed as registered representatives of IAA are subject to regulations that restrict them from conducting securities transactions away from IAA without written authorization from IAA. Clients should, therefore, be aware that for accounts where IAA serves as the introducing broker-dealer, IAİM is limited to offering services and investment vehicles that are approved by IAA, and may be prohibited from offering services and investment vehicles that may be available through other broker-dealers.

As a result of the facts that certain IARs are licensed with IAA, IAA is responsible for supervising certain activities of IAİM to the extent IAİM manages assets at a broker-dealer other than IAA. IAA charges a fee for this oversight. This situation presents a conflict of interest in that IAİM has a financial incentive to recommend that you maintain your account with IAA rather than another broker-dealer in order to avoid the oversight fee. However, to the extent IAİM recommends you use IAA for such services, it is because IAİM believes that it is in your best interest to do so based on the quality and pricing of the execution, benefits of an IAİM platform for brokerage and advisory accounts, and other services provided by IAA.

### **D. Insurance Agents**

Some IARs serve as licensed insurance professionals. Implementations of insurance recommendations are separate and apart from an IAR's role with IAİM. As insurance professionals, IARs may receive customary commissions and other related revenues including sales bonuses from the various insurance companies whose products are sold. IARs are not required to offer insurance products from any particular insurance company. Commissions generated by insurance sales do not offset regular advisory fees. This situation causes a conflict of interest in recommending certain products of the insurance companies, which is mitigated by the fact that Clients are under no obligation to implement any recommendations made by IAİM or its IARs.

## **Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

### **A. Code of Ethics**

IAİM has implemented a Code of Ethics that defines our fiduciary commitment to each Client. This Code of Ethics applies to all persons associated with IAİM (our "Supervised Persons"). The Code of Ethics was developed to provide general ethical guidelines and specific instructions regarding our duties to our Clients. IAİM and its Supervised Persons owe a duty of loyalty, fairness, and good faith towards each Client. Each Supervised Person is obligated to adhere not only to the specific provisions of the Code, but also to the general principles that guide the Code. The Code of Ethics covers a range of topics that address Supervised Persons ethics and conflicts of interest. To request a copy of our Code of Ethics, please contact us at (407) 257-1500.

### **B. Personal Trading with Material Interest**

IAİM allows its Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. IAİM does not act as principal in any transactions. In addition, IAİM does not act as the general partner of a fund or advise an investment company. IAİM does not have a material interest in any securities traded in Client accounts.

### **C. Personal Trading in Same Securities as Clients**

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IAIM allows its Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Owning the same securities we recommend (purchase or sell) to you presents a potential conflict of interest that, as fiduciaries, we must disclose to you and mitigate through policies and procedures. As noted above, we have adopted a Code of Ethics, which addresses insider trading (material non-public information controls) and personal securities reporting procedures. When trading for personal accounts, Supervised Persons may have a conflict of interest if trading in the same securities. The fiduciary duty to act in the best interest of Clients can potentially be violated if personal trades are made with more advantageous terms than Client trades, or by trading based on material non-public information. This risk is mitigated by thorough review and reporting of personal securities transactions by its Supervised Persons for review by the Chief Compliance Officer (“CCO”) or delegate. We have also adopted written policies and procedures to detect the misuse of material, non-public information.

#### **D. Personal Trading at Same Time as Client**

While IAIM allows our Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients, such trades are typically aggregated with Client orders or traded afterwards. At no time will any Supervised Person transact in any security to the detriment of any Client.

### **Item 12 – Brokerage Practices**

#### **A. Recommendation of Custodians**

Under the Plan, IAIM Clients establish accounts at ETCB and/or ETC both of which are affiliated entities. Clients are encouraged to evaluate ETCB and ETC before opening an account. Clients should also be aware that IAIM uses other custodians for Clients whose accounts are not a part of the Plan. These other custodians may be a better option financially based on the Client’s needs.

Please refer to Items 5 and 10 of this Disclosure Brochure for a more detailed description of our relationship with ETCB and ETC and the policies implemented by IAIM to monitor and mitigate the existing conflicts of interest.

ETCB offers other services intended to help us manage and further develop our advisory practice. Such services include, but are not limited to, performance reporting, financial planning, contact management systems, third party research, publications, access to educational conferences, roundtables and webinars, practice management resources, access to consultants and other third party service providers who provide a wide array of business related services and technology to IAIM and our IARs.

ETCB generally does not charge its advisor Clients separately for custody services but is compensated by account holders through transaction related or asset based fees for securities trades that are executed through or that settle into the broker-dealer’s accounts (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions).

The factors considered by IAIM when making a recommendation are the broker-dealer’s ability to provide professional services, our experience with the broker-dealer, the broker-dealer’s reputation, and the broker-dealer’s quality of execution services and costs of such services, among other factors. However, our recommendation of ETCB creates a significant conflict of interest because the receipt of additional compensation to our affiliate creates a strong incentive for IAIM to continue recommending ETCB.

Under our TPAM program, the TPAM is responsible for determining best execution and typically predetermines the broker-dealer relationship as should be detailed in the TPAM’s disclosure documents and agreements, which should be carefully reviewed by Clients.

Revenue is not the sole factor IAIM considers in evaluating best execution and the recommendation of the custodian. IAIM also considers the quality of the brokerage services provided by the custodians, including

each firm's reputation, execution capabilities, commission rates, and responsiveness to our Clients and our firm.

Clients are free to use whatever broker-dealer they choose to implement financial planning recommendations. However, if a Client chooses to use IAIM and the Plan for his/her investment advisory services the Client must use the services of ETCB and/or ETC. Please see Item 14 – Client Referrals and Other Compensation.

The following are additional details regarding the brokerage practices of IAIM:

**1. Soft Dollars** - Soft dollars are revenue programs offered by broker-dealers/custodians whereby a RIA enters into an agreement to place security trades with the broker-dealer/custodian in exchange for research and other services. IAIM does not participate in soft dollar programs sponsored or offered by any broker-dealer/custodian. However, IAIM and its IARs do receive certain benefits from the custodians. Please see above and Item 14 – Client Referrals and Other Compensation.

**2. Brokerage Referrals** - IAIM does not receive any compensation from any third party in connection with the recommendation for establishing a brokerage account.

**3. Directed Brokerage** - All Clients are serviced on a “directed brokerage basis”, where IAIM will place trades within the established account(s) at the Custodians. Further, all Client accounts are traded within their respective brokerage account(s) at the Custodians. The IAR will not engage in any principal transactions (i.e., trade of any security from or to the Advisor's own account) or cross transactions with other Client accounts (i.e., purchase of a security into one Client account from another Client's account(s)). IAIM will not be obligated to select competitive bids on securities transactions and does not have an obligation to seek the lowest available transaction costs. These costs are determined by the Custodians.

**4. Aggregating and Allocating Trades** - The primary objective in placing orders for the purchase and sale of securities for Client accounts is to obtain the most favorable net results taking into account such factors as 1) price, 2) size of order, 3) difficulty of execution, 4) confidentiality, and 5) skill required of the Custodians. IAIM will execute its transactions through the Custodians. IAIM may aggregate orders in a block trade or trades when securities are purchased or sold through the Custodians for multiple (discretionary) accounts. If a block trade cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated in a manner that is consistent with the initial pre-allocation or other written statement. This must be done in a way that does not consistently advantage or disadvantage particular Client accounts.

**5. Trade Errors** - We have implemented procedures designed to prevent trade errors; however, trade errors in Client accounts cannot always be avoided. Consistent with our fiduciary duty, it is our policy to correct trade errors in a manner that is in the best interest of the Client. In cases where the Client causes the trade error, the Client will be responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, the Client may not be able to receive any gains generated as a result of the error correction. In all situations where the Client does not cause the trade error, the Client will be made whole and we will absorb any loss resulting from the trade error if the error was caused by IAIM.

## **Item 13 – Review of Accounts**

### **A. Frequency of Reviews**

Client accounts are monitored on a regular basis by IARs and IAIM home office personnel. Formal reviews are generally conducted at least annually or more frequently depending on various factors.

### **B. Causes for Reviews**

Accounts may be reviewed as a result of major changes in economic conditions, known changes in the Client's financial situation, and/or large deposits or withdrawals in the Client's account(s). The Client is encouraged to notify their IAR if changes occur in the Client's personal financial situation that might adversely affect the Client's investment plan. Additional reviews may be triggered by material market, economic or political events.

### **C. Review Reports**

The Client will receive brokerage statements no less than quarterly from the Custodian. These brokerage statements are sent directly from the Custodian to the Client. The Client may also establish electronic access to the Custodian's website so that the Client may view these reports and their account activity. Client brokerage statements will include all positions, transactions and fees relating to the Client's account(s). The IAR may also provide Clients with periodic consolidated reports regarding their holdings, allocations, and performance.

### **D. Financial Plans**

Financial plans are reviewed as they are submitted to IAIM by IARs. Since each plan may vary in scope and services needed, the reviewer will identify that all required paperwork has been submitted for each Client plan. The reviewer will then make sure that the overall plan is in good order. In the event, there is an issue with the required paperwork and/or the contents of the plan, the reviewer will work with the IAR to resolve any issues. All reviewers are IAIM home office employees and members of the firm's operations or compliance departments.

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

IAIM may enter into agreements with TPAMs whereby IAIM acts as a Promoter for investment advisory services. IAIM receives a portion of advisory fees charged by the TPAM. Pursuant to such arrangements (which are disclosed in advance of a Client agreement) the IAR arranges for the delivery of Disclosure Statement and/or other related material relative to advisory services to be provided to the Client through the Promoter. This referral activity represents a conflict of interest because of the compensation received by IAIM. Please refer to Items 4 and 5 for further details.

Similarly, IAIM may enter into written agreements with non-supervised persons and organizations for them to provide Client referrals to IAIM. These individuals and organizations act as Promoters for IAIM under federal securities rules. If your advisory account is referred by a Promoter to IAIM, IAIM will pay a portion of the ongoing advisory fee you pay us to the Promoter to compensate the Promoter for the referral. A Client referred to IAIM by a Promoter will not pay a higher advisory fee to IAIM as a result of the referral.

All Promoter arrangements are disclosed to Clients at the time of the promotion via execution of a Disclosure Statement that outlines whether the Promoter is a client of IAIM, the compensation that will be paid to Promoter by IAIM, a description of any material conflicts of interest on the part of Promoter, language that the promotion may not be representative of everyone's experience and to seek more information about other's feedback, and language that the promotion is not a guarantee of future results.

Clients are urged to read Section 5C above, "Other Compensation Fees and Expenses", which includes mutual fund share class considerations, no transaction fee mutual fund program considerations, clearing/execution compensation and payments on account balances, TPAM program considerations, other compensation paid to IARs, and compensation relating to outside business activities.

### **Compensation Received by our Affiliated Broker-Dealer ETCB**

#### ***Cash and Cash Sweeps***

ETCB, offers a cash sweep option in all accounts. Under ETCB's Insured Deposits Program (the "Program"), funds placed into the Program earn interest on the uninvested cash balances in your account by automatically placing ("sweeping") cash balances into a sweep vehicle until such balances are invested

or otherwise needed to satisfy obligations arising in connection with your account (e.g. distributions and purchases.) The yield on such balances varies based on prevailing interest rates.

Cash not included in the Program is held as free credit balances and may be used as permitted by law and regulation. Cash held as free credits in your account before it is swept into the Program is protected by the Securities Investor Protection Corporation ("SIPC"), subject to its coverage limitations.

ETCB can change the features or products that are included in the Program to include any legally permissible deposit account or instrument, or ETCB can terminate any or all of the products in the Program and hold some or all of your cash only as free credits as noted above. If any change then requires prior notice to you and/or your consent under applicable law or regulation, then ETCB will provide such notice and/or seek such consent to the extent so required.

Participation in the Program does not guarantee any or all of your excess cash balance will be swept to a Program Bank, and all sweeps shall be in our sole discretion. Generally, ETCB will withdraw cash from your Account in the following manner. Cash necessary to satisfy debit entries in your account will, generally, first be automatically withdrawn from free credit balances. If any debit entries remain in your account, ETCB then will automatically withdraw cash from your sweep cash maintained as part of the Program or may debit your other free credits held by us.

FDIC insurance covers deposit account balances at a Program bank up to \$250,000 per depositor in each recognized insurable capacity (e.g., individual, joint, IRA, etc.) currently there are four (4) banks in the Program ("Program Banks") so the maximum coverage is \$1,000,000. This amount is an aggregate amount of cash deposits at all Program Banks by the depositor. Any funds above of this amount are not principally protected in the event of bank failure. Cash you hold in these banks outside of the Program may reduce the FDIC coverage you receive for cash held under the Program because your cash assets are typically aggregated at each bank for coverage purposes.

If your cash swept into the Program exceeds the Program Limit, your cash in excess of the Program Limit will be placed, at our discretion, into either one Program Bank, across one or more of the Program Banks and/or held in free credits with us in your account. In this instance, the excess cash deposit amount will not be covered by FDIC insurance, but it may be subject to SIPC coverage to the extent permitted to the extent some or all of the excess cash is held as free credits in your account.

Because the Program generates significant payments from third-parties (i.e., the Program Banks that participate in the Program) a conflict of interest exists. A conflict of interest also arises because ETCB earns more compensation from cash balances being swept to or maintained in the Program than if you purchase other investment funds or securities. The more client deposits held in the Program, and the longer such deposits are held, the greater compensation we receive from the Program. By investing through an advisory account, the compensation we receive from the Program is in addition to the advisory fees that you pay. In other words, we earn two layers of fees on the same cash balances in Client accounts.

In addition, a conflict of interest arises as a result of the financial incentive for IAIM to recommend and offer a sweep program of its affiliates. ETCB has the ability to establish and change interest rates paid on the sweep program balances, to select or change Program Banks that participate in the Program and to determine the tier levels (if applicable) at which interest rates are paid, all of which generate additional compensation for ETCB.

The IAR who makes the investment recommendation for your account does not receive any compensation from these payments or based on the selection of the sweep vehicle. IAIM maintains policies and procedures to ensure recommendations made to you are in your best interest.

Additional information is available under the Program's Terms and Conditions. When speaking with your IAR, you should discuss whether one of these funds or other cash equivalent investments including money market funds which are not available through ETCB better suit your liquidity needs.

## **Item 15 – Custody**

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IAIM is deemed to have custody of client assets due to a related entity being a qualified custodian IAIM encourages Clients to review statements provided by the Custodian carefully and contact their IAR or IAIM's compliance department with questions.

### **Consolidated Statements**

Clients may also receive consolidated statements for their managed accounts from their IAR that are in addition to the statements Clients receive from the account Custodian. IAIM urges you to compare the account statements you receive from your account Custodian and the consolidated statements you receive from your IAR. While account holdings and asset valuations should generally match, for the purpose of calculating performance and account valuations on your managed account, the consolidated statement month-end market values sometimes differs from the account Custodian's month end values. The three most common reasons why these values may differ are differences in the manner in which accrued interest is calculated, the date upon which "as of" dividends and capital gains are reported and statement date vs. trade date valuations.

If you believe there are material discrepancies between your custodial statements and the consolidated statements you receive from your IAR, please contact IAIM's compliance department directly at (407) 254-1500.

For more information about Custodians and brokerage practices, see "Item 12 - Brokerage Practices".

### **Item 16 – Investment Discretion**

Clients may give their IAR discretionary authority via an executed Investment Advisory Agreement to effect transactions within an account. This discretion gives the IAR the full discretion, power, and authority to sell (including short sales), purchase, exchange, convert, tender, trade or otherwise acquire or dispose of stocks, bonds, and any other securities including the purchase and/or sale of option contracts (exchange traded or over-the-counter, puts, calls, etc.) to open new option positions or close existing positions, to exercise option contracts and to sell option contracts as either a covered or uncovered writer, and/or contracts relating to the same on margin or otherwise in accordance with the terms and conditions of the Client's account. The ability to trade options or use margin require additional documentation to be completed by the Client. The use of discretion by an IAR will be conducted according to the Client's risk tolerance, investment objectives, and time horizon. Various securities and/or tax laws or internal procedures may impose restrictions on the exercise of discretion or investments that can be made.

When utilizing certain advisory services, such as TPAMs or separate account managers, the IAR's discretion will involve the selection of money manager(s) for the account(s). In these situations, the IAR will not exercise discretion with respect to transactions in the Client's account.

### **Item 17 – Voting Client Securities**

IAIM does not accept proxy-voting responsibility for any Client. Clients will receive proxy statements directly from the Custodian. The IAR will assist in answering questions relating to proxies; however, the Client retains the sole responsibility for proxy decisions and voting.

IAIM also does not have authority to and does not file class action claims for or participate in litigation on behalf of Clients with respect to holdings in their accounts.

### **Item 18 – Financial Information**

Neither IAIM, nor its management, have any adverse financial situations that would reasonably impair the ability of IAIM to meet all obligations to its Clients. Some IARs have been subject to a bankruptcy or other financial compromise in the past. IAIM does not believe that any of these events would reasonably impair the ability of IAIM or its IARs to meet the needs of their Clients.

We also encourage you to independently view the background of your IAR on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with his or her full name.

IAIM is not required to deliver a balance sheet along with this Disclosure Brochure as IAIM does not collect fees of \$1,200 or more for services to be performed six months or more in advance.

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