

**ra** riccio &  
associates LLC  
REGISTERED INVESTMENT ADVISORS

**INVESTMENT ADVISER**

CRD# 304972  
525 Racquet Club Rd., Apt. 47  
Weston, FL 33326

**FIRM BROCHURE – FORM ADV PART 2A**

This brochure provides information about the qualifications and business practices of **Riccio & Associates, LLC**. If you have any questions about the contents of this brochure, please contact us at (954) 881-3398 or write to [contactus@riccioandassociates.com](mailto:contactus@riccioandassociates.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about **Riccio & Associates, LLC** is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**December 2021**

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### **III. MATERIAL CHANGES**

1. Item I has been amended to reflect the new effective date of this brochure.
2. We have amended ADV 2A, Item IV, Advisory Business, to reflect the “as of” date for the calculations of the AUMs.

Pursuant to new SEC Rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

Currently, our Brochure may be requested by contacting us at telephone number (954) 881-3398 and/or by email at [contactus@riccioandassociates.com](mailto:contactus@riccioandassociates.com).

Additional information about Riccio & Associates is also available via the SEC’s web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s web site also provides information about any persons affiliated with Riccio & Associates LLC who are registered, or are required to be registered, as Investment Adviser Representatives (“IARs”) of Riccio & Associates.

### **IV. ADVISORY BUSINESS**

Riccio & Associates, LLC principal business is to provide fee-based investment advisory services. The company was founded in 2012 by Giampiero Riccio.

The advisor manages model portfolios, on a discretionary basis, according to the client’s objectives. The advisor’s main approach is to use three levels of analysis: a) at a general level, top-down macroeconomic analysis, to determine general economic conditions and potential macroeconomic risks or opportunities worldwide; b) at a security level, fundamental and financial analysis to determine the attractiveness of a particular security; and c) to a lesser extent, for the execution of investment decisions, technical analysis to determine the timing of purchases or sales of selected securities.

Clients may select one or more model portfolio strategies, according to their risk profile and investment objectives. Model Portfolios are managed on a discretionary basis by the Riccio & Associates Investment Committee, which develops the portfolio asset allocation, selects the underlying securities populating the respective model strategy and periodically rebalances the client’s account to the original allocation. Based upon the client’s financial needs and investment objectives, the financial advisor assists the client in selecting the appropriate strategy, which includes:

Aggressive Equity (100% equity funds), Growth Equity (100% equity funds), Balanced with Growth (75% equity / 25% fixed income funds), Balanced (65/35), Equity Income (50/50) and Income (20/80). There is a minimum investment of \$50,000 for Model Portfolios, although smaller accounts may be accepted based on the specific circumstances of an account.

The advisor thinks that the best approach to attain consistent long-term returns is to diversify risk, avoid excessive leverage and carefully select each investment using objective criteria with a view to protect downside risk as much as seeking upside rewards.

Furthermore, the advisor concentrates on the selection of individual security investments, risk diversification, protection of downside risks and a long-term horizon.

The advisor may use exchange listed securities, over-the-counter securities, foreign securities, corporate or sovereign debt securities, CDs, mutual funds, hedge funds, options in securities and commodities, and futures on tangibles to accomplish this objective. The advisor may invest in Mutual Funds or Hedge Funds when it is more economic or practical to build a portfolio in this fashion. This may be due to the costs of building a portfolio in non-OECD<sup>1</sup> local markets; the difficulties of gaining exposure to a sector/country for the size of investment contemplated, or due to superior expertise in picking securities in specific sub- sectors by mutual fund specialists. The advisor may invest in Closed End Funds, in particular when those trade at a significant discount to the net value of their underlying assets. The advisor may invest in Hedge Funds, to the extent that it believes that a particular Hedge Fund offers a superior advantage to what could be done by the advisor both in terms of absolute return and risk control via strategy diversification.

The advisor may reduce risk exposure and carry significant levels of cash positions as a possible hedge against market movements which may adversely affect the portfolio. The advisor 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. The advisor may sell securities short, sell against the box, covered call writing, naked put writing and/or other strategies to reduce risk and/or improve performance.

Riccio & Associates, LLC will only provide investment advisory services and portfolio management services but will not provide securities custody. The firm may provide additional administrative services for certain clients. At no time will Riccio & Associates, LLC accept or maintain custody of client's securities. Exceptionally, Riccio & Associates, LLC may have authority over a client's bank account, only to facilitate the payment of fees and other advisory related expenses, according to the Investment Advisory Agreement.

Riccio & Associates LLC may also provide Business Consulting Services, mainly in the U.S. These consulting services will be offered to institutional and / or qualified clients. Fees for Consulting Services are based on the scope of each project and discussed with and approved by the client in writing.

Riccio & Associates, LLC, has approximately \$1,430,000 in assets under management as of December 31, 2021.

Riccio & Associates, LLC is a Florida limited liability corporation. The shareholders of Riccio & Associates, LLC are:

• Giampiero Riccio	50%
• Silvia Furnari	50%

Giampiero Riccio is the founder of Riccio & Associates LLC.

Mr. Riccio has worked with top financial institutions in the U.S. and Latin America

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<sup>1</sup> OECD stands for Organization for Economic Cooperation and Development, an international economic organization of 34 countries founded in 1961 to stimulate economic progress and world trade. It is a forum of countries committed to democracy and the market economy, providing a platform to compare policy experiences, seek answers to common problems, identify good practices and co-ordinate domestic and international policies of its members.

(Colombia, Panama and Venezuela) for more than 20 years. Giampiero has extensive knowledge on commercial banking, investments products, private wealth and portfolio management.

Giampiero is a Civil Engineer (UCAB) with a Master of Business Administration (MBA) from the Instituto de Estudios Superiores de Administracion (IESA) and post-graduate studies from the Politecnico di Milano. He holds the Chartered Financial Analyst designation (CFA), and is a former President of the Asociacion Venezolana de Administradores de Fondos (AVAF). Giampiero is fluent in Spanish, Italian and English.

## **V. FEES AND COMPENSATION**

### **Client Fees (applicable to all clients / all model portfolios)**

#### **Assets Under Management (AUMs)**

#### **Annual Fee**

\$10,000,000 or higher	0.25%
\$ 5,000,000 - \$9,999,999	0.55%
\$ 1,000,000 - \$4,999,999	1.00%
\$ Less than \$999,999	2.00%.

### **Asset Management Fees**

Pursuant to an investment advisory contract signed by each client, the client pays a monthly Advisory Fee, payable in advance, based on the net asset value of the assets managed by the advisor as of the first business day of the current month (i.e., advisory fees for the 1<sup>st</sup> month are paid in January, based on the NAV of the assets under management as of December 31<sup>st</sup>). Riccio & Associates LLC will refund any pre-paid fees charged to the client in the event the advisory contract is terminated before the end of the billing period. Monthly fees will be pro-rated and a check for any balance will be mailed to the client's address of record.

The fees charged to each client are a function of the type of portfolio. These fees range from 0.25% to 2% per annum (payable on a monthly basis, calculated as 1/12 of the annual percentage fee multiplied by the Net Asset Value of the accounts under administration). These fees may be negotiated by the advisor under unusual circumstances, at the sole discretion of the advisor.

### **Payment of Fees**

Riccio & Associates may deduct our fees directly from your account through the qualified custodian holding your funds and securities. We will deduct our advisory fee only when you have given our firm written authorization permitting the fees to be paid directly from your account. Further, the qualified custodian will deliver an account statement to you at least quarterly. These account statements will show all disbursements from your account. You should review all statements for accuracy.

## **VI. PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

### **Performance Fees**

Qualified clients, as defined by Rule 205-3 of the Investment Adviser's Act, may enter into advisory agreements where the Firm is entitled to a performance fee as part or all of its compensation. Qualified investors must meet the following requirements: (a) have at least \$1,100,000 in assets under management with the adviser; or (b) have a net worth of at least \$2,200,000 in investable assets, in order to enter into performance based compensation agreements with Riccio & Associates, Client Suitability will be determined through the use of a detailed suitability questionnaire and follow up due diligence inquiries. The Firm at its sole discretion, may reject any client application where the above financial standards are not met and/or where it reasonably believes the investor lacks the necessary financial sophistication, who purport to not fully understand the Firm's method of compensation and the nature of its risks, or who are otherwise deemed to be unsuitable for such an arrangement.

Performance Fee arrangements may create an incentive for Adviser to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. Performance Fee arrangement may also create an incentive to favor high fee-paying accounts over other accounts in the allocation of investment opportunities.

The Adviser may have clients with similar investment objectives. The Adviser is permitted to make an investment decision on behalf of clients that differs from decision made for, or advice given to, such other accounts and clients even though the investment objectives may be the same or similar, provided that the Adviser acts in good faith and follows a policy of allocating, over a period of time, investment opportunities on a basis intended to be fair and equitable, taking into consideration the investment policies and investment restrictions to which such accounts and clients are subject to. Advice may be provided on assets held offshore.

Currently, Riccio & Associates does not charge Performance Fees for advisory services.

## **VII. TYPES OF CLIENTS**

Riccio & Associates, LLC's provides advice to individual clients. Our cumulative minimum account is \$50,000.00, however, based on various facts and circumstances, the advisor may, at its sole discretion, accept accounts of lower value.

## **VIII. METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

The advisor's main approach is to use three levels of analysis: a) at a general level, top-down macroeconomic analysis<sup>2</sup>, to determine general economic conditions and potential

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<sup>2</sup> An investment philosophy that first considers macroeconomic factors. When making investment decisions a top-down investor first considers the broad condition of the economy, then factors affecting specific industries expected to outperform the economy, and, finally, individual companies expected to do the best in those industries. Proponents of top-down investing argue that it identifies good companies more efficiently, while critics contend that it does not let the investor know the details of each specific stock. Farlex Financial Dictionary -2012

macroeconomic risks or opportunities worldwide; b) at a security level, fundamental and financial analysis<sup>3</sup> to determine the attractiveness of a particular security; and c) to a lesser extent, for the execution of investment decisions, technical analysis<sup>4</sup> to determine the timing of purchases or sales of selected securities.

The advisor thinks that the best approach to attain consistent long-term returns is to diversify risk, avoid leverage and carefully select each investment using objective criteria with a view to protect downside risk as much as seeking upside rewards. The advisor may use exchange listed securities, over-the-counter securities, foreign securities, corporate or sovereign debt securities, CDs, mutual funds, hedge funds, options in securities and commodities, and futures on tangibles to accomplish this objective. The advisor may invest in Mutual Funds or Hedge Funds when it is more economic or practical to build a portfolio in this fashion. This may be due to the costs of building a portfolio in non-OECD local markets; the difficulties of gaining exposure to a sector/country for the size of investment contemplated, or due to superior expertise in picking securities in specific sub-sectors by mutual fund specialists.

The advisor may invest in Closed End Funds, in particular when those trade at a significant discount to the net value of their underlying assets. The advisor may invest in Hedge Funds, to the extent that it believes that a particular Hedge Fund offers a superior advantage to what could be done by the advisor both in terms of absolute return and risk control via strategy diversification.

The advisor may reduce risk exposure and carry significant levels of cash positions as a possible hedge against market movements which may adversely affect the portfolio. The advisor 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. The advisor may sell securities short, sell against the box, covered call writing, naked put writing and/or other strategies to reduce risk and/or improve performance. The advisor may eventually manage different affiliated Funds, each with a distinctive risk profile and objectives. Each prospective investor in the Funds should evaluate the risk of each vehicle, the investment restrictions of their respective mandates, and the consistency between the Funds' and the investors' objectives and risk tolerance. Disclosure and transparency for our qualified clients, who invest in these funds, will be of our highest concern.

There is a substantial risk of loss in trading in securities and other financial instruments, including any affiliated Funds managed by the advisor. Past results are no guarantee of future performance. You should carefully consider whether trading is appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances. Trading in futures and options is not suitable for many members of the public.

### Hedging transactions may increase risks of capital losses

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<sup>3</sup> Fundamental analysis is a method of evaluating securities by attempting to measure the intrinsic value of a stock. Fundamental analysts' study everything from the overall economy and industry conditions to the financial condition and management of companies. Investopedia - 2015

<sup>4</sup> Technical analysis is the evaluation of securities by means of studying statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value but instead use stock charts to identify patterns and trends that may suggest what a stock will do in the future. Investopedia 2015

Adviser may utilize hedging strategies primarily to protect and preserve capital as well as yield enhancement. Investment products in which Adviser invests clients' accounts may utilize a variety of financial instruments, such as options, for risk management purposes. While hedging transactions may seek to reduce risk, such transactions may result in a worse overall performance. Certain risks cannot be hedged, such as credit risk, relating both to particular securities and counterparties. Adviser will not always invest in funds or other investment vehicles that utilize hedging strategies.

### Leverage

Adviser does not utilize leverage under its current strategies. Riccio & Associates LLC, however, reserves the right to engage in leveraged strategies.

### Liquidity of investment portfolio

The market for some securities in which Adviser invests indirectly on behalf of its clients may be relatively illiquid. Liquidity relates to the ability to sell an investment in a timely manner. The market for relatively illiquid securities tends to be more volatile than the market for more liquid securities. Investments in relatively illiquid securities may restrict the ability of a fund or portfolio manager to dispose of investments at a price and time that it wishes to do so. The risk of illiquidity also arises in the case of over-the-counter transactions. There is no regulated market in such contracts and the bid and offer prices will be established solely by dealers in these contracts. Client accounts that are invested in funds or other instruments that contain illiquid investments may be subject to these risks.

### Foreign currency markets

Adviser's investment strategies may cause a client to be exposed to fluctuations in currency exchange rates where it invests directly or indirectly in securities denominated in currencies other than U.S. dollars. Adviser may from time-to-time engage in direct foreign currency transactions. However, the underlying funds and other investment vehicles may engage in direct foreign currency trading. The markets in which foreign exchange transactions are made are highly volatile, highly specialized and highly technical. Significant changes, including changes in liquidity and prices, can occur in such markets within very short periods of time, often within minutes. Foreign exchange trading risks include, but are not limited to, exchange rate risk, interest rate risk and potential interference by foreign governments through regulation of local exchange markets, foreign investment, or particular transactions in foreign currency.

### Derivatives

Adviser's investment strategy may cause a client to be exposed to derivatives including instruments and contracts the value of which is linked to one or more underlying securities, financial benchmarks or indices. Derivatives allow an investor to hedge or speculate upon the price movements of a particular security, financial benchmark, index, currency or interest rate at a fraction of the cost of investing in the underlying asset. The value of a derivative depends largely upon price movements in the underlying asset. Therefore, many of the risks applicable to trading the underlying asset are also applicable to derivatives trading. However, there are a number of other risks associated with derivatives trading. For example, because many derivatives provide significantly more market exposure than the money paid or deposited when the transaction is entered into, a relatively small adverse market movement can result not only in the loss of the entire investment but may also expose a client to the possibility of a loss exceeding the original

amount invested.

### Settlement risks

Adviser's investment strategies may expose a client to the credit risk of parties with whom Adviser, on behalf of the client or the underlying funds, trades and to the risk of settlement default. Market practices in the emerging markets in relation to the settlement of securities transactions and custody of assets will provide increased risk. Although the emerging markets have grown rapidly over the last few years, the clearing, settlement and registration systems available to effect trades on such markets are significantly less developed than those in more mature world markets which can result in delays and other material difficulties in settling trades and in registering transfers of securities. Problems of settlement in these markets may affect the net asset value and liquidity of a client's portfolio or investments in such portfolios.

### Emerging Markets

Adviser's investment strategies include direct and indirect investments in securities in emerging markets and such investments involve special considerations and risks. These include a possibility of nationalization, expropriation or confiscatory taxation, foreign exchange control, political changes, government regulation, social instability or diplomatic developments which could affect adversely the economies of such countries or the value of a client's investments, and the risks of investing in countries with smaller capital markets, such as limited liquidity, price volatility, restrictions on foreign investment and repatriation of capital, and the risks associated with emerging economies, including high inflation and interest rates and political and social uncertainties. In addition, it may be difficult to obtain and enforce a judgment in a court in an emerging country. The economies of many emerging market countries are still in the early stages of modern development and are subject to abrupt and unexpected change. In many cases, governments retain a high degree of direct control over the economy and may take actions having sudden and widespread effects. Investments in products of emerging market may also become illiquid which may constrain Adviser's ability to realize some or all of a client's portfolio holdings. Accounting standards in emerging market countries may not be as stringent as accounting standards in developed countries.

### Investment Concentration

Some client accounts may have a high concentration in one sector, industry, issuer or security that may subject such accounts to greater risk of loss in the event such investments take an economic downturn.

### ***Material Risks for Particular Types of Securities***

The Adviser does not invest in a specific security or product type. The material risks involved with investing are described above.

**Please note that investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **IX. DISCIPLINARY INFORMATION**

Neither Riccio & Associates LLC nor any employee of the Firm has been subject to any disciplinary actions by the Securities Exchange Commission (SEC) or any other

regulatory authority.

To the best of our knowledge, Mr. Giampiero Riccio, has not been involved in an event that resulted in an award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500; or in a civil, self-regulatory organization, or administrative proceeding involving any of the following events:

- (a) an investment or an investment-related business or activity.
- (b) fraud, false statement(s), or omissions.
- (c) theft, embezzlement, or other wrongful taking of property.
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

## **X. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

Riccio & Associates, LLC has no direct distributions agreements or other industry affiliations.

## **XI. CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

Riccio & Associates, LLC has adopted a Code of Ethics that sets forth the basic policies of ethical conduct for all managers, officers, and employees of the adviser. In addition, the Code of Ethics governs personal trading by each employee of Riccio & Associates, LLC deemed to be an Access Person and is intended to ensure that securities transactions effected by Access Persons of Riccio & Associates, LLC are conducted in a manner that avoids any actual or potential conflict of interest between such persons and clients of the adviser or its affiliates. Riccio & Associates, LLC collects and maintains records of securities holdings and securities transactions effected by Access Persons. These records are reviewed to identify and resolve potential conflicts of interest. Riccio & Associates, LLC maintains a code of ethics and they will provide a copy to any client or prospective client upon request.

Riccio & Associates, LLC and/or its investment advisory representatives may from time-to-time purchase or sell products that they may recommend to clients.

The Firm prohibits itself and its associated persons from benefiting from the short-term market effects of transactions for clients. The Firm gives preference to clients trading over it. The Compliance Officer reviews all transactions executed by the Firm daily and conducts an additional review of all securities transactions by officers and employees quarterly. Clients may request a copy of our Code of Ethics by writing to Giampiero Riccio at [giampiero@riccioandassociates.com](mailto:giampiero@riccioandassociates.com).

## **XII. BROKERAGE PRACTICES**

**Best Execution:** As an investment advisory company, the Firm has a fiduciary duty to seek best execution for client transactions. While best execution is difficult to define and challenging to measure, there is some consensus that it does not solely mean the achievement of the best price on a given transaction. Rather, it appears to be a collective consideration of factors concerning the trade in question. Such factors include the security being traded, the price of the trade, the speed of the execution, apparent

conditions in the market, and the specific needs of the client. The Firm may not necessarily pay the lowest commission or commission equivalent as specific transactions may involve specialized services on the part of the broker.

This would justify higher commissions (or their equivalent) than other transactions requiring routine services. If the Firm is directed by the client to direct trades to a specific broker dealer other than the custodian typically used for trade execution, it is disclosed that the Firm's ability to negotiate commissions (where applicable), obtain volume discounts, or otherwise obtain best execution may not be as favorable as might otherwise be obtained.

**Order Aggregation:** The Firm may combine orders into block trades when more than one account is participating in the trade. This blocking or bunching technique must be equitable and potentially advantageous for each such account (e.g. for the purposes of reducing brokerage commissions or obtaining a more favorable execution price). Block trading is performed when it is consistent with the duty to seek best execution and is consistent with the terms of the Firm's investment advisory agreements. Equity trades are blocked based upon fairness to client, both in the participation of their account, and in the allocation of orders for the accounts of more than one client. Allocations of all orders are performed in a timely and efficient manner. All managed accounts participating in a block execution receive, to the extent possible, the same execution price (average share price) for the securities purchased or sold in a trading day. If an order is filled in its entirety, securities purchased in the aggregated transaction will be allocated among the accounts participating in the trade in accordance with the allocation statement. If an order is partially filled, the securities will be allocated pro rata based on the allocation statement. The Firm may allocate trades in a different manner than indicated on the allocation statement (non-pro rata) only if all managed accounts receive fair and equitable treatment.

Riccio & Associates does not have any direct or indirect relationship with any broker-dealer. You as a client are free to direct your trading activity to the broker-dealer of your preference. Please note that, in some cases, client directed brokerage may present a risk to achieving best execution.

**Soft-Dollar Arrangements:** The Firm may engage in "soft-dollar" arrangements whereby a portion of the commission that would be paid to the broker executing a particular order is credited towards payment of third-party research services. While this may result in the client paying higher commissions than those obtainable through other brokers or arrangements, the advisor thinks the clients will ultimately benefit from access to research services that would not be otherwise available or affordable. Although the Firm does not have any soft-dollar arrangements currently in place, it may do so in the future.

Riccio & Associates, LLC never discloses the nonpublic personal information about its clients to anyone except to those persons necessary to perform the transactions and provide the services that the clients require (such as broker-dealers, custodians, etc.) or as otherwise provided by law.

A copy of Riccio & Associates, LLC's Business Continuity Plan Disclosure Document will be provided to the Client at the time of account opening as well as when material changes

to the plan occur. A copy of this document may be obtained at any time upon request.

### **XIII. REVIEW OF ACCOUNTS**

Portfolio Management: Accounts are monitored on an ongoing basis. The factors that may change allocations would be changes in economic conditions, changes in the fundamentals of the securities in the accounts, or technical factors. Re-balancing of assets may be also performed to comply with each client's investment instructions and profile. The Advisor produces a written quarterly statement, using information supplied directly by the custodian (s).

Compliance: Accounts are typically reviewed by the Chief Compliance Officer, Giampiero Riccio or his designee on a quarterly basis or as needed due to market conditions or transactional activity. The Chief Compliance Officer typically reviews daily transactions entered into for investment advisory clients to determine that correct entries have been made for all client records. Additionally, accounts are reviewed on a periodic basis to assess overall performance, objectives and fees amongst other areas.

There are no specific triggering factors leading to an account review.

### **XIV. CLIENT REFERRALS AND OTHER COMPENSATION**

Riccio & Associates, LLC may use solicitors' agreements in order to compensate for client referrals. At this time, the Firm has one solicitor's agreement in place.

### **XV. CUSTODY**

The Firm provides investment advisory services and portfolio management services and does not under any circumstance provide securities custody or other administrative services.

All assets are typically held at qualified custodians, including Interactive Brokers, among others; the custodians provide account statements directly to clients at their address of record at least quarterly. Therefore, aside from debiting fees from its clients' accounts to pay for services rendered, Riccio & Assoc. does not maintain custody of its clients' funds. Clients receive monthly or quarterly statements from the broker-dealer, bank or other qualified custodian that holds and maintains the client's investment assets.

### **XVI. INVESTMENT DISCRETION**

The advisor may be granted discretion over the selection and amount of securities to be bought or sold in the client's accounts without obtaining prior consent or approval from the client. However, these purchases or sales may be subject to specified investment limitations previously set forth in the investment management agreement between the advisor and the clients, in writing. Typical limitations include type of securities, maximum amounts, concentration limits, etc.

Investment discretion, when granted, is subject to the execution of a Limited Power of Attorney (Investments Only) with the custodian.

## **XVII. VOTING CLIENT SECURITIES**

The Firm will not vote, nor advise clients how to vote, proxies for securities held in client accounts. The client clearly keeps the authority and responsibility for the voting of these proxies. Also, the Firm cannot give any advice or take any action with respect to the voting of these proxies. The client and the Firm agree to this by contract. For accounts subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”), the plan fiduciary specifically keeps the authority and responsibility for the voting of any proxies for securities held in plan accounts. Also, the Firm cannot give any advice or take action with respect to the voting of these proxies.

Proxies will be provided directly to the client by the custodian(s).

Clients may obtain a copy of our Proxy Voting Policies and Procedures by contacting us at [giampiero@riccioandassociates.com](mailto:giampiero@riccioandassociates.com)

## **XVIII. FINANCIAL INFORMATION**

Riccio & Associates, LLC does not maintain any impairments or financial obligations that might prevent it from meeting any contractual obligation to its clients.

## **XIX. REQUIREMENTS FOR STATE REGISTERED ADVISORS**

**State Registered Advisers are required to identify each of their principal executive officers and management persons, and describe their formal education and business background:**

Giampiero Riccio is the founder of Riccio & Associates LLC.

Mr. Riccio has worked with top financial institutions in the U.S. and Latin America (Colombia, Panama and Venezuela) for more than 20 years. Giampiero has extensive knowledge on commercial banking, investments products, private wealth and portfolio management.

Giampiero is a Civil Engineer (UCAB) with a Master of Business Administration (MBA) from the Instituto de Estudios Superiores de Administracion (IESA) and post-graduate studies from the Politecnico di Milano. He holds the Chartered Financial Analyst designation (CFA), and is a former President of the Asociacion Venezolana de Administradores de Fondos (AVAF). Giampiero is fluent in Spanish, Italian and English.

**State Registered Advisers are required to describe any business in which they are actively engaged (other than giving investment advice) and the approximate amount of time spent on that business.**

~~Mr. Riccio is a shareholder and Managing Director of 5054 Investments, LLC, a personal real estate investment company. Mr. Riccio does not receive any compensation from this company. He dedicates 1hr a month to the management of 5054.~~

**State Registered Advisers are required to disclose if the firm or a management person has been involved in one of the events listed below and disclose all material facts regarding the event:**

To the best of our knowledge, Mr. Giampiero Riccio has not been involved in an event that resulted in an award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500; or in a civil, self-regulatory organization, or administrative proceeding involving any of the following events:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

You may access Mr. Riccio's regulatory file by following this link:

[http://www.adviserinfo.sec.gov/\(S\(vos1jonivr4bef45caxf1155\)\)/IAPD/Content/Search/ia  
pd\\_Search.aspx](http://www.adviserinfo.sec.gov/(S(vos1jonivr4bef45caxf1155))/IAPD/Content/Search/ia<br/>pd_Search.aspx)