



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

March 2018

### **IRON Financial, LLC**

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This brochure provides information about the qualifications and business practices of IRON Financial, LLC. If you have any questions about the contents of this brochure, please contact us at 847-715-3200 or [rlakin@ironfinancial.com](mailto:rlakin@ironfinancial.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority and registration with the United States Securities and Exchange Commission and does not imply a certain level of skill or training.

Additional information about IRON Financial, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 106682.

## **Item 2 - Material Changes**

Howard Nixon, Co-Founder and Managing Director has added the role of Chief Executive Officer as of January 1, 2018. There have been no other material changes to this brochure since it was last updated in March 2017.

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## **Item 4 - Advisory Business**

IRON Financial, LLC (“IRON”) is an SEC-registered investment advisor with its principal place of business located in Illinois. IRON Financial, LLC began conducting business in 1994. Listed below, are the firm's principal shareholders (i.e., those individuals and/or entities controlling 25% or more of this company).

- IRON Holdings, LLC, Holding Company

IRON Financial, LLC also provides the advisory services described below under the following names: IRON Asset Management, IRON Financial, LLC, IRON Corporate Retirement Services, LLC, IRON Retirement and IRON Investments.

We offer the following advisory services to our clients:

### **PORTFOLIO MANAGEMENT**

IRON Financial, LLC is dedicated to providing high-quality strategies in the fixed income, equity, and alternative investment marketplaces. Leveraging our expertise in the primary and secondary capital markets, and quantitative and qualitative proprietary processes, IRON strives to deliver strategies and managed solutions that meet the needs and exceed the expectations of sophisticated investors.

We provide the following discretionary investment management services:

#### **Fixed Income Strategies:**

IRON's fixed income investment strategies are designed for strategic allocation to the fixed income asset class on a long-term basis. Our Portfolio Managers use their experience and expertise in the fixed income capital markets to create strategies, build and manage diversified portfolios that match clients' goals and objectives, guided by these principles.

1. Eliminate conflicts of interest and provide complete transparency via a fee-only pricing model.
2. Identify the soundest long-term investment opportunities in the marketplace, then construct a portfolio that enables the discerning advisor and long-term investor to capitalize on the opportunities.
3. Focus on principal preservation; and avoid adding incremental risk by “chasing” return.

#### **Total Return Strategies:**

These strategies are intended for clients who desire higher returns than those that a Yield Only strategy can provide, and who are willing to accept some risk of loss of principal. We will attempt to supplement the income stream produced by fixed income securities with capital appreciation. In creating these portfolios, we will invest in various markets and types of securities, including, but not limited to, the following:

1. fixed-income securities;
2. equity securities;
3. fixed-income and/or equity mutual funds;
4. fixed-income and/or equity exchange-traded funds;
5. options; and

## 6. derivatives

### ***IRON's EQUITY Plus™ Strategies:***

Provide efficient, low-cost exposure to global equity markets including developed and emerging markets. IRON then incorporates its proprietary actively managed options overlay strategy. These strategies are intended to pursue an attractive balance of cost-efficient core global equity exposure and managed equity options overlay strategies, and are delivered in a tax-efficient Separately Managed Account. IRON offers two Equity Plus™ Strategies. IRON's S&P 500™ Equity Plus Strategy's objective is to provide superior risk-adjusted total returns relative to the CBOE S&P 500® Buy-Write Index (BXMSM) by utilizing an actively managed options overlay strategy on the underlying exchange-traded index fund. IRON's Global Equity Plus Strategy's objective is to provide superior risk-adjusted total returns relative to the MSCI All Country World Index by utilizing an actively managed options overlay strategy on the underlying exchange-traded index funds.

### **IRON-TTAM All-Cap Alpha Equity Strategy:**

IRON and TrimTabs Asset Management co-manage the IRON-TTAM All-Cap Alpha Equity Strategy. This all-cap actively managed equity strategy seeks to generate higher excess returns and superior risk-adjusted returns over its benchmark Russell 3000 Index in every market environment. It strives to maintain a broad diversified exposure to various segments of the equity market (by size and style) and the potential for capital growth by identifying quality firms with improving free cash flows and financial strength. The strategy seeks to identify firms with improving fundamental characteristics by three key factors: cash flows, leverage, and float. Historically, firms with increasing free cash flows depict earnings strength, lowering outstanding debt represents financial strength and reducing share count demonstrates management confidence and governance. The strategy seeks to identify firms that are simultaneously improving on all three pillars and thus has the potential for generating excess returns over the market returns.

### **IRON's Risk-Based Mutual Fund Portfolios:**

IRON provides five diversified, actively managed portfolios. Each portfolio is specifically designed to meet the needs and risk tolerance of each individual client. As an independent investment advisor, IRON receives no compensation from the underlying portfolio investment components and thus has no "hidden" agenda. This eliminates any conflicts of interest and bias in the construction of portfolios optimized according to our proprietary methodology.

### **IRON's Select Portfolios:**

IRON designs these portfolios to fit the needs of individual investors across a wide spectrum of circumstances and investment profiles. Each portfolio is structured to meet both the selection criteria of our investment team and the unique objectives of individual investors (conservative, aggressive, or somewhere in between), in order to create an investment vehicle that meets the client's specific requirements.

We have determined an array of investment styles and investor profiles, and we continuously select the investments and allocations that align with a range of circumstances and risk tolerances. The client selects the portfolio that best suits their needs and preferences. IRON Select Portfolios are designed using equity exposure, fixed income exposure, or a combination of both. The fixed income exposure can be either taxable or tax-free depending on the needs and requirement of the individual investor. Investment recommendations may include our proprietary 1940 Act Mutual Funds; please see information below and additional information in Item 5, Fees and Compensation.

### **Convertible Bond Strategy:**

The IRON Convertible Strategy's objective is to generate total return through a combination of current income and price appreciation. We seek to achieve an optimal balance of reward versus risk in the management of a

well-diversified yet alpha-focused portfolio of 25 to 50 individual convertible securities.

### **REIT Strategy:**

The IRON Real Estate Investment Trust (“REIT”) Strategy aims to generate superior risk-adjusted total return relative to the Equity REIT index by creating and managing a portfolio of publicly-traded Equity REITs.

### **ERISA 3(38) and 3(21) Investment Fiduciary Services:**

IRON provides 3(38) and 3(21) Investment Fiduciary services to sponsors of retirement plans.

As a 3(38) Investment Fiduciary, IRON is responsible for the selection, monitoring, and replacement of fund options for corporate retirement plans. The Plan Sponsor and/or Trustee is removed entirely from the selection, monitoring and replacement process and the Plan Sponsor’s sole responsibility is to monitor the 3(38) Investment Fiduciary. This is the most comprehensive transfer of Plan Sponsor liability for investment-related issues available. As a 3(38) Investment Fiduciary, IRON creates a customized Investment Policy Statement (“IPS”) that roadmaps the proprietary investment methodologies used to select a well-balanced and diversified menu of plan investment options and monitors and if necessary replaces those investments in a defined timeframe. In addition, each plan receives a quarterly fiduciary investment review that details fund metrics, rankings at a plan level and actionable items for the next quarter. As a Fiduciary under the Plan, the primary responsibilities of the Discretionary 3(38) Investment Manager are:

1. Assist the Plan Sponsor to prepare and maintain the Investment Policy Statement.
2. Prudently diversify the plan's assets to meet an agreed-upon risk/return profile.
3. Prudently select investment options using Discretionary 3(38) Investment Manager’s consistent and repeatable processes, subject to additional investment constraints/options established by the Plan Sponsor and outlined in their IPS.
4. Avoid prohibited transactions and conflicts of interest.

As the Discretionary 3(38) Investment Manager, IRON shall only be responsible for the investment alternatives it selects and shall not have any responsibilities or potential liabilities in connection with other investments (e.g., employer securities, unallocated accounts, mutual fund windows, self-directed brokerage accounts, guaranteed investment contracts, target date funds, etc.) offered by the Plan. Certain Plan Sponsors may offer a window for self-directed brokerage accounts for Plan Participants (a “Brokerage Window”). We will not manage assets held in such Brokerage Windows. We do not advise Plan Participants on whether they should or should not open or close a self-directed brokerage account, nor do we provide advice on purchasing, holding or selling any securities through the Brokerage Window.

We will manage portfolios according to the client’s instructions. While our model portfolios will typically address the client’s needs, we will create and manage portfolios to address the client’s specific requests.

As a 3(21) Investment Fiduciary, IRON is responsible to furnish non-discretionary investment advice to the Plan Sponsor. IRON may perform the following services to the Plan and will act as an ERISA co-fiduciary:

1. Providing a sample Investment Policy Statement (“IPS”) for consideration and review by the Sponsor;
2. Establishing Necessary Investment Categories in major asset classes for the Plan’s investment menu, which are designed to ensure the Plan offers a “broad range of investment alternatives” under ERISA Section 404(c) and the related U.S. Department of Labor regulations (“DOL Regulations”), as well as certain other Optional Investment Categories;

3. Maintaining a list of approved (“Approved List”) investment alternatives in each of the Necessary Investment Categories as well as the Optional Investment Categories. The Approved List is designed to be used by the Plan Sponsor to select the designated investment alternatives (“DIAs”);
4. Identifying investment alternatives on the Approved List that may serve as the Plan’s Qualified Default Investment Alternative (“QDIA”), if applicable;
5. On-going monitoring of the investment alternatives on the Approved List as well as the removal and replacement of investment alternatives from the Approved List from time to time, as necessary; and
6. Recommending a replacement investment alternative when an investment alternative that is a DIA in the Plan’s investment menu is removed from the Approved List. Any replacement investment alternative that is recommended will also be from the Approved List.

IRON also provide the services described above as a sub-manager for Envestnet, an unaffiliated financial services firm, in a separately managed account program (“SMA Program”) that presents to certain clients the ability to have their accounts managed by one or more participating Money Managers. The SMA Program selects and monitors the services of the participating Money Managers, defines client investment objectives and risk tolerances, evaluates performance, and maintains records relating to the account. Please refer to Envestnet’s disclosure documents for all information regarding the SMA Program.

IRON is the Investment Advisor for the IRON Strategic Income Fund (“IFUNX” and “IRNIX”) and the IRON Equity Premium Income Fund (“CALLX” and “CALIX”). When considered appropriate, we will include IFUNX, IRNIX, CALLX and/or CALIX in client’s accounts. As noted in Item 5, Fees and Compensation, of this brochure, there will be no management fee charge at the account level for assets in managed accounts that are invested in IFUNX, IRNIX, CALLX or CALIX. Because investments involve risks, we make no promises, representations, warranties or guarantees that any of the services rendered will result in a profit to the client.

We have no financial affiliation with any brokerage firm. IRON will not receive commissions or other forms of compensation for client account transactions from anyone. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors. Our investment recommendations are not limited to any specific product or service offered by any particular broker-dealer or insurance company. Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client’s stated investment objectives, tolerance for risk, liquidity and suitability.

## AMOUNT OF MANAGED ASSETS

As of December 31, 2017, we had the following amount of assets under management:

	Assets under management	Number of clients
<b>Discretionary</b>	\$3,725,911,402	2270
<b>Non-Discretionary</b>	\$0	0
<b>Managed Assets Total</b>	<b>\$3,725,911,402</b>	<b>2270</b>

We also provided monitoring/consulting services to 73 pension plans with combined assets of \$152,669,294.

## Item 5 - Fees and Compensation

### PORTFOLIO MANAGEMENT FEES

Fees for management services will be a percentage of assets under management.

IRON Global Equity Plus Strategy Portfolios are charged a maximum annual fee of 0.70% of assets under management. These accounts have a minimum fee of \$50 per quarter. An initial minimum of \$250,000 is required for this service.

IRON S&P Equity Plus Strategy Portfolios are charged a maximum annual fee of 0.50% of assets under management. These accounts have a minimum fee of \$50 per quarter. An initial minimum of \$100,000 is required for this service.

IRON-TTAM All-Cap Alpha Equity Strategy Portfolios are charged a maximum annual fee of 0.75% of assets under management. These accounts have a minimum fee of \$50 per quarter. An initial minimum of \$300,000 is required for this service.

IRON Fixed Income Yield Only Portfolios are charged a maximum annual fee of 0.35% of assets under management. These accounts have a minimum fee of \$50 per quarter. An initial minimum of \$500,000 is required for this service.

IRON Select Portfolios and IRON Managed Portfolios are charged a maximum annual fee of 0.50 of assets under management. These accounts have a minimum fee of \$50 per quarter. An initial minimum of \$500,000 is required for this service.

IRON Fixed Income Total Return Portfolios are charged a maximum annual fee of 0.70% of assets under management. These accounts have a minimum fee of \$50 per quarter. An initial minimum of \$500,000 is required for this service.

IRON Risk Based Mutual Fund Portfolios Total Return portfolios are charged a maximum annual fee of 0.75% of assets under management. These accounts have a minimum fee of \$50 per quarter. A minimum of \$250,000 is required for this service.

IRON REIT Strategy Portfolios are charged a maximum annual fee of 0.70% of assets under management. These accounts have a minimum fee of \$50 per quarter. An initial minimum of \$100,000 is required for this service.

IRON ERISA 3(38) Investment Fiduciary Services are charged as follows:

0.10% of Plan assets annually for Plans with assets up to \$10,000,000  
0.09% of Plan assets annually for Plans with between \$10,000,001 and \$20,000,000 in assets  
0.08% of Plan assets annually for Plans with between \$20,000,001 and \$30,000,000 in assets  
0.07% of Plan assets annually for Plans with assets greater than or equal to \$30,000,001

Portfolios in excess of \$50,000,000 are negotiable

IRON ERISA 3(21) Investment Fiduciary Services are charged a maximum of 0.05% of Plan assets annually.

Corporate retirement plans using any or all of the services above will be charged as follows:

<b><u>Assets under management</u></b>	<b><u>Annual fee</u></b>
\$0-\$4,999,999	0.75%
\$5,000,000 and above	negotiable

Unless otherwise noted, the minimum portfolio size is \$100,000. For retirement accounts, the minimum is \$30,000 and there is no minimum for 401(k) accounts. The management fee will not be charged until the initial deposit is made.

Our fees are billed in arrears at the end of each calendar quarter based upon the value (market value or fair market value in the absence of market value), of the client's account at the end of the previous quarter. Quarterly fees are calculated by taking the annual billing percent, multiplying it by the month ending balance at the end of the billing period and dividing the total by 4. All fees are prorated for contributions and withdrawals during the billing period. Fees will be debited from the client's custodial account unless otherwise agreed to in writing. Sub Advised accounts may be billed in a different manner.

We may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

Our fees for managing the IRON Strategic Income Fund and the IRON Equity Premium Income Fund are disclosed in the fund's prospectus.

### **LIMITED NEGOTIABILITY OF ADVISORY FEES**

We retain the discretion to negotiate alternative fees and minimums on a client-by-client basis. We may offer discounts to family members and friends of associated persons of our firm.

### **TERMINATION OF THE ADVISORY RELATIONSHIP**

A client agreement may be canceled at any time, by either party, for any reason upon receipt of 5 days written notice. We do not charge fees in advance. Upon termination of any account, any earned but unpaid fees will be due and payable to IRON.

### **MUTUAL FUND FEES**

All fees clients pay us for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge.

A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Fees for managing the IRON Strategic Income Fund and the IRON Equity Premium Income Fund are disclosed in the fund's prospectus. IRON does not receive any fees from any mutual fund companies except IFUNX, IRNIX, CALLX and CALIX. If a client is invested in IFUNX, IRNIX, CALLX and/or CALIX, the client will not be charged a management fee by IRON for those assets invested in the fund at the account level. IRON as the investment advisor to IFUNX, IRNIX, CALLX and CALIX does receive a management fee directly from the mutual fund companies. Therefore, IRON's clients invested in IFUNX, IRNIX, CALLX and/or CALIX will be charged only one level of fees.

### **WRAP FEE PROGRAMS AND SEPARATELY MANAGED ACCOUNT FEES**

Clients participating in separately managed account programs may be charged various program fees in addition to the advisory fee charged by our firm. Such fees may include the investment advisory fees of the independent advisors, which may be charged as part of a wrap fee arrangement. In a wrap fee arrangement,

clients pay a single fee for advisory, brokerage and custodial services. Client's portfolio transactions may be executed without commission charge in a wrap fee arrangement. In evaluating such an arrangement, the client should also consider that, depending upon the level of the wrap fee charged by the broker-dealer, the amount of portfolio activity in the client's account, and other factors, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately. We will review with clients any separate program fees that may be charged to clients.

### **Discretionary Manager for Wrap Programs (Wrap Clients):**

IRON serves as a Portfolio Manager in wrap fee programs. While we attempt to manage the Wrap Clients similarly to our other clients, the presence of the Wrap Sponsor effectively limits our control in doing so. Wrap Programs are arrangements in which investment advisory services, brokerage execution services and custody are provided by a sponsor for a single predetermined wrap fee (regardless of the number of trades completed by a Wrap Client). Generally, clients participating in a wrap program pay a single, all-inclusive fee to the Program Sponsor, based on the assets under management. IRON receives from the Program Sponsor a portion of the wrap fee for the portfolio management services it provides. The Wrap Sponsor has prepared a brochure which contains detailed information about its wrap program, including the wrap fee charged. Copies of the brochure are available from the Program Sponsor upon request. Wrap Clients should be aware that IRON will not be provided with sufficient information to perform an assessment as to the suitability of services for the Wrap Client. IRON relies on the Wrap Sponsor to determine not only the suitability of the services for the client, but also the suitability of the wrap fee programs for the client. IRON does not serve as a sponsor to any wrap or similar managed account programs.

### **Fees and Compensation – Wrap Clients:**

The fee received by IRON is calculated as a fixed percentage of the assets under management within the Wrap Program. The range of fees is from 0.25% to 0.70% annually. Please see the Wrap Sponsors ADV Part 2 for a description of total fees paid by the Wrap Client to the Wrap Sponsor.

### **ADDITIONAL FEES AND EXPENSES**

In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker-dealers, including, but not limited to, any transaction charges imposed by a broker-dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the Brokerage Practices (Item 12) of this brochure for additional information.

### **ADVISORY FEES IN GENERAL**

Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisors for similar or lower fees.

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

We do not charge performance-based fees. However, we will be investing the IRON Equity Premium Income Fund in the same or similar manner as some separately managed accounts. Therefore, we may have an incentive to favor the IRON Equity Premium Income Fund over separately managed accounts that have the same or similar strategy. As a result, we have designed processes and procedures to ensure that we do not favor one fee-paying account over another. Please refer to the Brokerage Practices (Item 12) of this brochure for additional information.

### **Item 7 - Types of Clients**

We provide advisory services to the following types of clients:

1. Individuals (other than high net worth individuals)
2. High net worth individuals
3. Investment companies (including mutual funds)
4. Pension and profit sharing plans (other than Plan Participants)
5. Charitable organizations
6. Corporations or other businesses not listed above

As previously disclosed in Fees and Compensation (Item 5), we have established certain initial minimum account requirements, based on the nature of the service(s) being provided. For a more detailed understanding of those requirements, please review the disclosures provided in each applicable service.

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

### **METHODS OF ANALYSIS**

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

#### **Charting:**

In this type of technical analysis, we review charts of market and security activity in an attempt to identify when the market is moving up or down. This may help us determine when and how long the trend may last and when that trend might reverse.

#### **Fundamental Analysis:**

We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

#### **Technical Analysis:**

We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement. Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

#### **Quantitative Analysis:**

Quantitative methods include analysis of historical data such as price and volume statistics, performance data, standard deviation and related risk metrics, how the security performs relative to the overall stock market, earnings data, price to earnings ratios, and related data.

## **Risks for all forms of analysis:**

Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

## **INVESTMENT STRATEGIES**

We use the following strategy(ies) in managing client accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

### **Long-term purchases:**

We purchase securities with the idea of holding them in the client's account for a year or longer. Typically we employ this strategy when:

1. We believe the securities to be currently undervalued, and/or
2. We want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

### **Short-term purchases:**

When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

A short-term purchase strategy poses risks should the anticipated price swing not materialize; we are then left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss.

In addition, this strategy involves more frequent trading than does a longer-term strategy, and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

### **Trading:**

We purchase securities with the idea of selling them very quickly (typically within 30 days or less). We do this in an attempt to take advantage of brief price swings.

Utilizing a trading strategy creates the potential for sudden losses if the anticipated price swing does not materialize. Moreover, under those circumstances, we are left with few options:

1. Having a long-term investment in a security that was designed to be a short-term purchase, or
2. The potential of having to take a loss.

In addition, because this strategy involves more frequent trading than does a longer-term strategy, there will

be a resultant increase in brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

### **Short sales:**

We may borrow shares of a stock for a client's portfolio from someone who owns the stock on a promise to replace the shares on a future date at a certain price. Those borrowed shares are then sold. On the agreed-upon future date, we buy the same stock and return the shares to the original owner. We engage in short selling based on our determination that the stock will go down in price after we have borrowed the shares. If we are correct and the stock price has gone down since the shares were purchased from the original owner, the client's account realizes the profit.

*Short selling may result in some unique risks:*

1. *Losses can be infinite.* A short sale loses when the stock price rises, and a stock is not limited (at least, theoretically) in how high it can go. For example, if you short 100 shares at \$50 each, hoping to make a profit but the shares increase to \$75 per share, you'd lose \$2,500. On the other hand, the price of a stock cannot fall below \$0, which limits your potential upside.
2. *Short squeezes can wring out profits.* As stock prices increase, short seller losses also increase as sellers rush to buy the stock to cover their positions. This increase in demand, in turn, further drives the prices up.
3. *Timing.* Even if we are correct in determining that the price of a stock will decline, we run the risk of incorrectly determining when the decline will take place (i.e., being right too soon). Although a company is overvalued, it could conceivably take some time for the price to come down; during which you are vulnerable to interest, margin calls, etc.
4. *Inflation.* History has shown that over the long term, most stocks appreciate. Even if a company barely improves over time, inflation should drive its share price up somewhat. In fact, short selling may not be appropriate in times of inflation for that very reason, as prices may adjust upwards regardless of the value of the stock.

### **Margin transactions:**

We may purchase securities for your portfolio with money borrowed from your brokerage account. This allows you to purchase more stock than you would be able to with your available cash and allows us to purchase stock without selling other holdings.

A risk in margin trading is that, in volatile markets, securities prices can fall very quickly. If the value of the securities in your account minus what you owe the broker falls below a certain level, the broker will issue a "margin call," and you will be required to sell your position in the security purchased on margin or add more cash to the account. In some circumstances, you may lose more money than you originally invested.

### **Option writing:**

We may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative because it derives its value from an underlying asset.

The two types of options are calls and puts:

1. A call gives the holder the right to buy an asset at a certain price within a specific period of time. We

will buy a call if we have determined that the stock will increase substantially before the option expires.

2. A put gives the holder the right to sell an asset at a certain price within a specific period of time. We will buy a put if we have determined that the price of the stock will fall before the option expires.

We may use options to speculate on the possibility of a sharp price swing. We may also use options to "hedge" a purchase of the underlying security; in other words, we will use an option purchase to limit the potential upside and downside of a security we have purchased for a client's portfolio.

We use "covered calls", in which we sell an option on a security you own. In this strategy, you receive a fee for making the option available, and the person purchasing the option has the right to buy the security from you at an agreed-upon price and date.

We may use a "spreading strategy", in which we purchase two or more option contracts (for example, a call option that you buy and a call option that you sell) for the same underlying security. This effectively puts you on both sides of the market, but with the ability to vary price, time and other factors.

A risk of covered calls is that the option buyer does not have to exercise the option, so that if we want to sell the stock prior to the end of the option agreement, we have to buy the option back from the option buyer, for a possible loss.

A risk of spreading strategies is that the ability to fully profit from a price swing is limited.

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

Securities investments are not guaranteed and you may lose money on your investments. We ask that you work with us to help us understand your tolerance for risk.

### **Item 9 - Disciplinary Information**

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Our firm and our management personnel have no reportable disciplinary events to disclose.

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

#### **Mutual Funds:**

As previously disclosed in Advisory Business (Item 4) and Fees and Compensation (Item 5) of this brochure, we are the investment advisor to the IRON Strategic Income Fund and the IRON Equity Premium Income Fund, both are investment companies registered under the Investment Company Act of 1940. We are related to these Mutual Funds through common control. Please refer to these items for a detailed explanation of this relationship and important conflict of interest disclosures.

For additional information, the Fund Prospectus and Statement of Additional Information are available on-line at [www.ironfunds.com](http://www.ironfunds.com). Prospective investors should review these documents carefully before making any investment in the Mutual Funds.

IRON Financial, LLC, is also affiliated with IRON Corporate Retirement Services, LLC, and IRON Administration, LLC. Registrant uses "IRON Asset Management", "The IRON Financial Companies", "IRON Holdings, LLC", "IRON Financial, LLC", "IRON Retirement", and "IRON Investments" and are on its business cards and materials to denote the affiliation and business names for the companies above.

## **Pension consulting firm:**

Our affiliate, IRON Corporate Retirement Services, LLC, provides ancillary services to a broad range of employer-sponsored retirement plans. Another affiliate, IRON Administration, LLC, provides plan design and administration to a broad range of employer-sponsored retirement plans.

Advisory clients in need of corporate retirement services may be referred to IRON Corporate Retirement Services, LLC, and/or IRON Administration, LLC. Clients of IRON Corporate Retirement Services, LLC and/or IRON Administration, LLC, in need of Investment Advisory Services may be referred to IRON Financial, LLC.

Our advisory fees are separate and distinct from any fees charged by IRON Corporate Retirement Services, LLC and IRON Administration, LLC unless the client has negotiated a bundled fee. No client of IRON Financial, LLC is obligated to retain the services of IRON Corporate Retirement Services, LLC and/or IRON Administration, LLC. Additionally no client of IRON Corporate Retirement Services, LLC and/or IRON Administration, LLC is obligated to retain the services of IRON Financial, LLC.

Clients should be aware that the receipt of additional compensation by our affiliates creates a conflict of interest that may impair the objectivity of our firm when recommending the use of our affiliates. We endeavor at all times to put the interest of our clients first as part of our fiduciary duty as a registered investment advisor; we take the following steps to address this conflict:

1. We disclose to clients the existence of all material conflicts of interest, including the potential for our firm and our employees to earn compensation from advisory clients in addition to our firm's advisory fees;
2. We disclose to clients that they are not obligated to purchase recommended investment products or services from our employees or affiliated companies;
3. We collect, maintain and document accurate, complete and relevant client background information, that may include the client's financial goals, objectives and risk tolerance;
4. Our firm's management conducts regular reviews of each client account to verify that all recommendations made to a client are suitable to the client's needs and circumstances;
5. We require that our employees seek prior approval of any outside employment activity so that we may ensure that any conflicts of interests in such activities are properly addressed;
6. We educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

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

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

Our firm and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports, as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of

securities in a limited offering (e.g., private placement) or an initial public offering (“IPO”). Our Code of Ethics also provides for oversight, enforcement and recordkeeping provisions.

Our Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email: sent to [rlakin@ironfinancial.com](mailto:rlakin@ironfinancial.com), or by calling us at 847-715-3200.

Our firm and individuals associated with our firm are prohibited from engaging in principal transactions and agency-cross transactions.

As previously disclosed in this brochure, we are the investment advisor to an affiliated mutual fund. Please refer to Advisory Business (Item 4) and Fees and Compensation (Item 5) for a detailed explanation of this relationship and important conflict of interest disclosure.

In addition, access persons of our firm are required to report all personal securities transactions conducted in our affiliated mutual fund(s).

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts.

IRON may aggregate our employee trades with client transactions where possible and when compliant with our duty to seek best execution for our clients. In these instances, participating clients will receive an average share price and transaction costs will be shared equally and on a pro-rata basis. In the instances where there is a partial fill of a particular batched order, we will allocate all purchases pro-rata, with each account paying the average price. Our employee accounts will be included in the pro-rata allocation.

As these situations represent actual or potential conflicts of interest to our clients, we have established the following policies and procedures for implementing our firm's Code of Ethics, to ensure our firm complies with its regulatory obligations and provides our clients and potential clients with full and fair disclosure of such conflicts of interest:

1. No principal or employee of our firm may put his or her own interest above the interest of an advisory client.
2. No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.

Our firm requires prior approval for any IPO or private placement investments by access or access related persons of the firm.

IRON may maintain a list of all reportable securities holdings for our firm and anyone associated with this advisory practice that has access to advisory recommendations. These holdings are reviewed on a regular basis by our firm's Chief Compliance Officer or his/her designee. We have established procedures for the maintenance of all required books and records.

All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.

IRON requires delivery and acknowledgment of the Code of Ethics by each supervised person of our firm.

IRON has established policies requiring the reporting of Code of Ethics violations to our senior management team.

Any individual who violates any of the above restrictions may be subject to termination.

## **Item 12 - Brokerage Practices**

We will block trades where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts, so long as transaction costs are shared equally and on a pro-rated basis between all accounts included in any such block.

Block trading may allow us to execute equity trades in a timelier, more equitable manner, and at an average share price. We will typically aggregate trades among clients whose accounts can be traded at a given broker, and generally will rotate or vary the order of brokers through which we place trades for clients on any particular day. If we are unable to aggregate trades due to the fact that client accounts are on different platforms, we will seek to execute the trades in a manner so that one platform is not favored over another.

We may recommend that clients establish brokerage accounts with the Schwab Institutional division of Charles Schwab & Co., Inc. ("Schwab"), a FINRA registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Although we may recommend that clients establish accounts at Schwab, it is the client's decision to custody assets with Schwab. We are independently owned and operated and not affiliated with Schwab.

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

Schwab generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

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

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

Schwab Institutional also offers other services intended to help us manage and further develop its business enterprise. These services may include: (i) compliance, legal and business consulting; (ii) publications and conferences on practice management and business succession; and (iii) access to employee benefits providers, human capital consultants and insurance providers. Schwab Institutional may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to us. Schwab Institutional may also provide other benefits such as: educational events or occasional business entertainment for our personnel. In evaluating whether to recommend a client custody their assets at Schwab, we may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors it considers and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

Advisor participates in the institutional advisor program (“the Program”) offered by TD Ameritrade Institutional (“TD Ameritrade”). TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC, an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisors services which include: custody of securities, trade execution, clearance and settlement of transactions. Advisor receives some benefits from TD Ameritrade through its participation in the Program. Please refer to the Client Referrals and Other Compensation (Item 14) of this brochure for additional information.

There is no direct link between our firm's participation in the Program and the investment advice we give to our clients, although we receive economic benefits through our participation in the Program that are typically not available to TD Ameritrade retail investors.

These benefits include the following products and services (provided without cost or at a discount): duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving Advisor Participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain Institutional Money Managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Advisor by third party vendors. TD Ameritrade may also pay for business consulting and professional services received by and may also have paid or reimburse expenses (including travel, lodging, meals and entertainment expenses) for our personnel to attend conferences or meetings relating to the Program or to TD Ameritrade’s advisor custody and brokerage services generally.

Some of the products and services made available by TD Ameritrade through the program may benefit Advisor but may not benefit its client accounts. These products or services may assist Advisor in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Advisor manage and further develop its business enterprise. The benefits received by Advisor or its personnel through participation in the Program do not depend on the amount of brokerage transactions directed to TD Ameritrade. Clients should be aware, however, that the receipt of economic benefits by Advisor or its related persons in and of itself creates a potential conflict of interest and may indirectly influence our recommendation of TD Ameritrade for custody and brokerage services.

## **Item 13 - Review of Accounts**

### **REVIEWS**

While the underlying securities within Individual Portfolio Management Services accounts are monitored, these accounts are reviewed at least quarterly. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

These accounts are reviewed by: Aaron Izenstark, President and Chief Investment Officer; Ted Connolly, Co-Portfolio Manager and Fixed Income Specialist; and Joe Fanaro, Co-Portfolio Manager, Analyst and Trader. Operations and Compliance may also review accounts.

*Reports:* In addition to the monthly statements and confirmations of transactions that clients receive from their broker-dealer, upon request we provide reports summarizing account performance, balances and holdings.

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

### **CLIENT REFERRALS**

Our firm may pay referral fees to independent persons or firms ("Solicitors") for introducing clients to us. Whenever we pay a referral fee, we require the Solicitor to provide the prospective client with a copy of this brochure and a separate disclosure statement that includes the following information:

1. The Solicitor's name and relationship with our firm;
2. The fact that the Solicitor is being paid a referral fee;
3. The amount of the fee; and
4. Whether the fee paid to us by the client will be increased above our normal fees in order to compensate the Solicitor.

The compensation we pay to those persons who may solicit or refer clients to us may be either a one-time referral or a percentage of the advisory fees we earn for the management of the referred client's account. The ongoing compensation may range from 15% to 50% of the advisory fees earned depending on the particular circumstances of the relationship. The on-going compensation will continue to be paid for so long as the referred client remains our advisory client.

As disclosed under Item 12, Brokerage Practices, Advisor participates in TD Ameritrade's institutional customer program and Advisor may recommend TD Ameritrade to clients for custody and brokerage services. There is no direct link between Advisor's participation in the Program and the investment advice it gives to its clients, although Advisor receives economic benefits through its participation in the Program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving Advisor Participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain Institutional Money Managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Advisor by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by Advisor's related persons.

Some of the products and services made available by TD Ameritrade through the Program may benefit Advisor but may not benefit its client accounts. These products or services may assist Advisor in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Advisor manage and further develop its business enterprise. The benefits received by Advisor or its personnel through participation in the Program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, Advisor endeavors at all times to put the interests of its clients first. Clients should be aware,

however, that the receipt of economic benefits by Advisor or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the our recommendation of TD Ameritrade for custody and brokerage services.

Advisor may receive client referrals from TD Ameritrade through its participation in TD Ameritrade AdvisorDirect (“AdvisorDirect”). In addition to meeting the minimum eligibility criteria for participation in AdvisorDirect, Advisor may have been selected to participate in AdvisorDirect based on the amount and profitability to TD Ameritrade of the assets in, and trades placed for, client accounts maintained with TD Ameritrade. TD Ameritrade is a discount broker-dealer independent of and unaffiliated with Advisor and there is no employee or agency relationship between them. TD Ameritrade has established AdvisorDirect as a means of referring its brokerage customers and other investors seeking fee-based personal investment management services or financial planning services to independent investment advisors. TD Ameritrade does not supervise Advisor and has no responsibility for Advisor’s management of client portfolios or Advisor’s other advice or services. Advisor pays TD Ameritrade an on-going fee for each successful client referral. This fee is usually a percentage (not to exceed 25%) of the advisory fee that the client pays to Advisor (“Solicitation Fee”). Advisor will also pay TD Ameritrade the Solicitation Fee on any advisory fees received by Advisor from any of a referred client’s family members, including a spouse, child or any other immediate family member who resides with the referred client and hired Advisor on the recommendation of such referred client. Advisor will not charge clients referred through AdvisorDirect any fees or costs higher than its standard fee schedule offered to its clients or otherwise pass Solicitation Fees paid to TD Ameritrade to its clients. For information regarding additional or other fees paid directly or indirectly to TD Ameritrade, please refer to the TD Ameritrade AdvisorDirect Disclosure and Acknowledgement Form.

Advisor’s participation in AdvisorDirect raises potential conflicts of interest. TD Ameritrade will most likely refer clients through AdvisorDirect to investment advisors that encourage their clients to custody their assets at TD Ameritrade and whose client accounts are profitable to TD Ameritrade. Consequently, in order to obtain client referrals from TD Ameritrade, Advisor may have an incentive to recommend to clients that the assets under management by Advisor be held in custody with TD Ameritrade and to place transactions for client accounts with TD Ameritrade. In addition, Advisor has agreed not to solicit clients referred to it through AdvisorDirect to transfer their accounts from TD Ameritrade or to establish brokerage or custody accounts at other custodians, except when its fiduciary duties require doing so. Advisor’s participation in AdvisorDirect does not diminish its duty to seek best execution of trades for client accounts.

Registrant serves on the TD Ameritrade Institutional President’s Council (“Council”). The Council consists of independent investment advisors that advise TD Ameritrade Institutional (“TDA Institutional”) on issues relevant to the independent advisor community. The Council meets in person on average 1-2 times per year and conducts periodic conference calls on an as-needed basis. At times, Council members are provided confidential information about TDA Institutional initiatives. Council members are required to sign confidentiality agreements. TD Ameritrade, Inc. (“TD Ameritrade”) does not compensate Council members. However, TD Ameritrade pays or reimburses Registrant for the travel, lodging and meal expenses Registrant incurs in attending Council meetings. The benefits received by Registrant or its personnel by serving on the Council do not depend on the amount of brokerage transactions directed to TD Ameritrade. Clients should be aware, however, that the receipt of economic benefits by Registrant or its related persons in and of itself creates a potential conflict of interest and may indirectly influence Registrant’s recommendation of TD Ameritrade for custody and brokerage services.

Registrant serves on the TD Ameritrade Institutional Advisor Panel (“Panel”). The Panel consists of approximately thirty (30) independent investment advisors that advise TD Ameritrade Institutional on issues relevant to the independent advisor community. The Panel meets in person on average three to four times per year and conducts periodic conference calls on an as-needed basis. Investment advisors are appointed to serve on the Panel for three-year terms by TDA Institutional senior management. An investment advisor may serve longer than three years if appointed to additional terms by TDA Institutional senior management. Registrant’s current term expires on July 31, 2019. At times, Panel members are provided confidential information about TDA Institutional initiatives. Panel members are required to sign

confidentiality agreements. TD Ameritrade, Inc. does not compensate Panel members. However, TD Ameritrade pays or reimburses Registrant for the travel, lodging and meal expenses Registrant incurs in attending Panel meetings. The benefits received by Registrant or its personnel by serving on the Panel do not depend on the amount of brokerage transactions directed to TD Ameritrade. Clients should be aware, however, that the receipt of economic benefits by Registrant or its related persons in and of itself creates a potential conflict of interest and may indirectly influence Registrant's recommendation of TD Ameritrade for custody and brokerage services.

Clients should be aware, however, that IRON's receipt of economic benefits in and of itself creates a potential conflict of interest and may indirectly influence our recommendation of TD Ameritrade for custody and brokerage services.

As a matter of firm practice, the advisory fees paid to us by clients referred by solicitors are not increased as a result of any referral.

It is our policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

## **Item 15 - Custody**

We previously disclosed in the Fees and Compensation (Item 5) of this brochure that our firm directly debits advisory fees from client accounts.

We will not have possession of client's cash or securities. Clients will receive confirmations for each transaction, as they occur, from the custodian of the account. Clients will also receive a monthly statement from the custodian summarizing all activities in their account(s).

As part of the billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

Our firm does not have actual or constructive custody of client accounts.

## **Item 16 - Investment Discretion**

Clients hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

Our discretionary authority includes the ability to do the following without contacting the client:

1. Determine the security to buy or sell; and/or
2. Determine the amount of the security to buy or sell

Clients give us discretionary authority when they sign a discretionary agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

Clients may have non-discretionary assets in their accounts.

## **Item 17 - Voting Client Securities**

Except as noted below, we do not vote proxies on behalf of clients. Therefore, although our firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing each custodian of the assets, to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets.

We may provide clients with consulting assistance regarding proxy issues if they contact us with questions at our principal place of business.

As the Investment Advisor to, the IRON Strategic Income Fund and the IRON Equity Premium Income Fund, we do have the authority and responsibility to vote all proxies on behalf of the respective funds. Proxy voting is an important right and responsibility and our policy is to always vote proxies in the best interest of the shareholders of the fund.

We may vote proxies as the Portfolio Manager to Wrap Program(s).

## **Item 18 - Financial Information**

We have no additional financial circumstances to report.

Under no circumstances do we require or solicit payment of fees in excess of \$1,200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

We have not been the subject of a bankruptcy petition at any time during the past ten years.