

Carissima Capital LLC

FORM ADV PART 2A – FIRM BROCHURE

February 3, 2025

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This brochure provides information about the qualifications and business practices of Carissima Capital LLC (“Carissima Capital” or “Firm”). If you have any questions about the content of this brochure, please contact Carl J. Kempf III, Principal and Chief Compliance Officer, by telephone at (518)-573-9703 or by electronic mail at carlkempf@carissimacapital.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 Carissima Capital LLC is available on the SEC’s website at: www.adviserinfo.sec.gov.

Item 2 – Material Changes

This brochure (Form ADV Part 2A) is updated annually or whenever any information in the brochure becomes materially inaccurate. The following material changes have been made to this brochure:

None.

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Item 4 – Advisory Business

Description of Firm

Carissima Capital, a limited liability company, is an investment advisor, having its principal place of business in Troy, New York.

Carissima Capital is an independent, fee-only investment advisory firm, founded on April 2, 2024. Carl J. Kempf III is the Principal and Chief Compliance Officer of Carissima Capital and, as of April 8, 2024, Carissima Capital has no assets under management. Assets that fall under management by Carissima Capital will be divided between discretionary and non-discretionary accounts.

Carissima Capital is structurally and philosophically independent; it strives to be free from conflicts of interest and is dedicated to serving client interests with the highest standards of professional conduct. Carissima Capital believes this independence is central to providing objective and high-quality advice and services to its clients. To strengthen its commitment to independence, the Firm has adopted a Code of Ethics and Standards of Conduct. Carissima Capital has the following assets under management:

Discretionary:	Non-Discretionary:	As of Date:
\$1,400,000	\$0	February 3, 2025

Fiduciary Status

Carissima Capital provides investment management services in a fiduciary capacity under, and subject to being deemed a fiduciary under the Investment Advisers Act of 1940, the Employee Retirement Income Security Act of 1974 ("ERISA"), and such other governing laws as may apply to a client relationship.

Services

This brochure describes services provided to individuals, trusts, estates, charitable organizations, family foundations, family offices, corporations and other entities. The primary services provided by Carissima Capital are investment advisory services and financial planning. Investment advisory services include: evaluation of current portfolio asset holdings; evaluation of risk profile of current portfolio asset holdings; evaluation of allocation among asset classes of current portfolio asset holdings; evaluation of client risk tolerance and objectives; recommendations for types of investments to hold, and for allocation among such investments, in client portfolio consistent with evaluations; and implementation of recommendations accepted by the client. In addition, financial planning services include: evaluation of client resources and objectives; estate planning, from foundational estate planning basics to intricate planning issues such as complex assets (e.g., a business), unique family situations, or other circumstances (e.g., special needs or medical issues), in concert with client legal and tax advisors; income tax planning in coordination with client's accountant; and retirement planning with a comprehensive approach to needs and objectives, considering tax planning, investment management, estate planning, and other relevant considerations.

Investment Advisory

Investment advisory (i.e. portfolio management) service is a core service provided by Carissima Capital. Carissima Capital serves as an investment officer to its clients by applying continuous oversight to clients' investment portfolios within the context of guiding investment policy statements developed mutually with its clients.

Carissima Capital offers portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. In consultation with each client, Carissima Capital develops investment recommendations for each client, dependent upon the client's current situation (income, tax levels, and risk tolerance levels) and then constructs a plan to aid in the selection of a portfolio that matches each client's specific situation. Portfolio management services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Asset selection
- Risk tolerance
- Portfolio monitoring

To the extent applicable, and as requested by the client, Carissima Capital may also provide monitoring, reporting and investment recommendations to an asset held in an account which Carissima Capital does not directly manage ("Held Away Asset"). If the Held Away Asset is an account in a retirement plan sponsored by the client's employer, Carissima Capital's investment recommendations are limited to the investment alternatives provided by the retirement plan.

Financial Planning

To the extent requested, Carissima Capital helps clients build and manage wealth through the integration of long-range financial planning strategies, including asset protection, tax, cash flow, retirement, estate and wealth transfer planning. These services are most often provided by Carissima Capital in coordination with Carissima Capital investment advisory services. Unless it agrees to do so in writing, Carissima Capital is not responsible for assisting a client with implementing or on-going monitoring of financial planning recommendations, and the client is invited to revisit the financial planning recommendations with Carissima Capital from time to time.

Financial planning services are an evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. The financial planning process contemplates an analysis of a client's financial life and other important life goals and considerations. The financial planning service culminates in recommendations which provides the client with a financial plan designed to assist the client in reaching his or her financial goals and objectives. In general, a financial plan may address any or all of the following areas: Personal: Review of family records, budgeting, personal liability, estate information and financial goals. Tax and Cash Flow: Analysis of the client's income, tax and spending; planning for current and future years; then illustrate the impact of various investments on the client's current income tax and future tax liability. Insurance: Review of

existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home and automobile. Retirement: Analysis of current strategies and investments to help the client achieve retirement goals. Death and Disability: Analysis of the client's cash needs at death, income needs of surviving dependents, estate planning and disability income. Estate: Assist the client in assessing and developing long-term strategies, including as appropriate, living trusts, wills, review estate tax, powers of attorney, asset protection plans, nursing homes and government health care coverage.

Non-Investment Consulting/Implementation Services

To the extent requested by the client, Carissima Capital may provide consulting services regarding non-investment related matters, such as estate planning, tax planning, and insurance. Carissima Capital does not serve as an attorney, accountant or insurance agent to any Carissima Capital client, and no portion of Carissima Capital's services should be construed as legal or accounting advice. To the extent requested by a client, Carissima Capital may recommend the services of other professionals for certain non-investment implementation purposes (*e.g.*, attorneys, accountants, insurance agents). The client is under no obligation to engage the services of any recommended professional. The client retains absolute discretion over all implementation decisions and may accept or reject any recommendation from Carissima Capital.

Unaffiliated Private Fund

Carissima Capital may also provide services regarding unaffiliated private investment funds. Such services may include Carissima Capital, on a non-discretionary basis, evaluating a private investment fund for certain qualified clients considering an investment in the private investment fund, the description of which (the terms, conditions, risks, conflicts, and unaffiliated private investment fund fees) is set forth in the fund's offering documents. Carissima Capital's role relative to unaffiliated private investment funds shall be limited to its initial and ongoing due diligence, evaluation, and monitoring services.

Private investment funds generally involve various risk factors, including, but not limited to, potential for complete loss of principal, liquidity constraints and lack of transparency, a complete discussion of which should be set forth in each fund's offering documents, which should be provided by the third party to each client for review and consideration. Unlike liquid investments that a client may own, private investment funds typically do not provide daily liquidity or pricing.

Item 5 – Fees & Compensation

As a fee-only firm, Carissima Capital's only source of compensation is the fees it receives from clients which, for investment advisory services, are based on a percentage of assets under management and, for financing planning services, are based on either a fixed fee or an hourly rate. Carissima Capital has adopted the following fee guidelines. All terms and conditions regarding fees and compensation payable to Carissima Capital will be set forth in a written agreement with Carissima Capital and the client.

Investment Advisory

Market Value of Investment Assets	Annual Fee %
First \$3 Million	1.00%
Next \$2 Million	0.80%
Above \$5 Million	0.60%

For investment advisory services, the suggested minimum portfolio market value is \$500,000 and is subject to a minimum quarterly fee of \$1,250. A client with a portfolio market value below the suggested minimum and who is subject to the minimum fee may incur an annual fee rate in excess of 1.00%. Fees are negotiable and the minimum fee may, at the discretion of Carissima Capital, be waived.

Financial Planning

Financial planning services may be provided on a fee basis, based on either an hourly charge or on a pre-established fixed fee of \$5,000, as agreed to by Carissima Capital and the client. If hourly, the total fees will depend upon the expected complexity of the analysis and the resulting recommendations, and the anticipated time to achieve the desired objectives. Carissima Capital's hourly charge per hour is \$250.

Unaffiliated Private Fund

If a client determines to become an unaffiliated private fund investor, and if the client engages Carissima Capital to provide services in connection with such fund, the amount of client assets invested in the fund shall be included as part of "assets under management" for purposes of Carissima Capital calculating its investment advisory fee. Carissima Capital's fee shall be in addition to the fund's fees. In the event that Carissima Capital references private investment funds owned by the client on any supplemental account reports prepared by Carissima Capital, the value(s) for all private investment funds owned by the client shall reflect the most recent valuation provided by the fund sponsor. However, if subsequent to purchase by the client, the fund has not provided an updated valuation, the valuation shall reflect the initial purchase price. If subsequent to purchase by the client, the fund provides an updated valuation, then the statement will reflect that updated value. The updated value will continue to be reflected in the report until the fund provides a further updated value. Note that, as a result of the valuation process, if the valuation reflects initial purchase price or an updated value subsequent to purchase price, the current value(s) of an investor's fund holding(s) could be significantly more or less than the value reflected on

the report. Unless otherwise indicated, Carissima Capital shall calculate its fee based upon the latest value provided by the fund sponsor.

General Information on Fees

Investment advisory, co-advisory, and unaffiliated fund service fees, as applicable to a particular client, are billed quarterly in arrears and typically directly debited from client custodial accounts. Quarterly fees are calculated by applying the annual fee schedule to the value of the accounts at the end of each prior calendar quarter.

Carissima Capital considers cash and cash equivalents (e.g., money market funds, etc.) to be a material component of an investor's asset allocation. Therefore, depending upon perceived or anticipated market conditions/events (there being no guarantee that such anticipated market conditions/events will occur), Carissima Capital may maintain cash and cash equivalent positions for defensive, liquidity, or other purposes. Unless otherwise agreed in writing, all such cash positions are included as part of assets under management for purposes of calculating the Carissima Capital's investment advisory fee. Clients are advised that, at any particular time, the fee charged by Carissima Capital for investment advisory services may exceed the yield earned on cash and cash equivalent positions.

Any agreement between Carissima Capital and the client will continue in effect until terminated by either party by written notice under the terms of the agreement. Upon termination, Carissima Capital will bill for, and the client agrees to payment of, the prorated portion of the earned fee, if any, based upon the number of days services were provided during the quarterly billing cycle or until an agreed upon termination date.

For financial planning services, depending on the expected complexity of the services requested by the client, Carissima Capital may request a retainer amount from the client. Carissima Capital will apply client fees towards the retainer amount.

Other Expenses

Carissima Capital's fees are exclusive of other related costs and expenses which shall be incurred by the Client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by independent managers, record-keeping/custodial fees, sales charges, redemption fees, wire transfer and electronic fund fees, and other fees and/or taxes. Mutual funds, exchange traded funds, and other pooled investment vehicles also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to Carissima Capital's fee, and Carissima Capital shall receive no portion of these other fees or costs.

Margin Accounts

Carissima Capital does not recommend the use of margin for investment purposes. A margin account is a brokerage account that allows investors to borrow money to buy securities and/or for other non investment borrowing purposes. The broker/custodian charges the investor interest for the right to borrow money and uses the securities as collateral. By using borrowed funds, the customer is employing leverage that will magnify both account gains and losses. Should a client determine to use margin,

Carissima Capital will include the entire market value of the margin assets when computing its advisory fee. Accordingly, Carissima Capital's fee shall be based upon a higher margined account value, resulting in Carissima Capital earning a correspondingly higher advisory fee. As a result, the potential of conflict of interest arises since Carissima Capital may have an economic disincentive to recommend that the client terminate the use of margin. Please note that the use of margin can cause significant adverse financial consequences in the event of a market correction.

Non-Discretionary Service Limitations

Clients that determine to engage Carissima Capital on a non-discretionary investment advisory basis must be willing to accept that Carissima Capital cannot effect any account transactions without obtaining prior consent to such transaction(s) from the client. Thus, in the event that Carissima Capital would like to make a transaction for a client's account (including in the event of an individual holding or general market correction), and the client is unavailable, Carissima Capital will be unable to effect the account transaction(s) (as it would for its discretionary clients) without first obtaining the client's consent. Please note that, even with discretionary account clients, Carissima Capital will as a matter of general practice obtain client consent for transactions.

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

Carissima Capital does not charge performance-based fees to its advisory clients.

Item 7 – Types of Clients

Carissima Capital provides investment advisory, financial planning, co-advisory, and unaffiliated fund services to individuals, trusts, estates, charitable organizations, family foundations, family offices, corporations and other entities.

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

Carissima Capital emphasizes a top-down, macro-economic approach to portfolio management. For its strategies, Carissima Capital begins with an assessment of global macro-economic and other relevant conditions. This is followed by an assessment of valuations and expected return and risk for a range of asset classes (e.g., U.S. small cap stocks or non-U.S. emerging market debt) and risks (e.g., duration or interest rate risk), in the U.S. and abroad.

Each client, in consultation with Carissima Capital, chooses the investment strategy(ies) the Firm is to employ for the client. Most strategies will primarily invest in mutual funds (actively managed or indexed-type, passively managed); in exchange-traded funds (“ETFs”); separately managed investment managers; and alternative investments (liquid and illiquid) or similar vehicles. In addition, for selected client accounts, Carissima Capital may implement a fixed income strategy that focuses on debt securities.

Implementation of any investment plan involves varying degrees of risk and potential for loss, depending on the specific investment goals and risk tolerances of each client. Investing in securities involves risk of loss that clients should be prepared to bear.

Usually, Carissima Capital has investment discretion over the accounts it supervises. Therefore, the Firm may, but as a matter of practice typically does not, issue investment instructions to the custodian(s) of its clients’ accounts without prior consultation with the client. Investment instructions given by Carissima Capital follow the general goals and objectives of the investment strategy(ies) selected by the client. However, Carissima Capital may accommodate a client’s individual instructions regarding the Firm’s supervision of the client’s account.

Carissima Capital provides a service to assist new clients in transitioning from existing portfolios largely consisting of one or a few stocks and/or bonds to a more broadly diversified portfolio designed to meet stated financial objectives without taking undue risks. Strategies may be developed to sell portions of these security positions, or, in other cases, it may involve using an appropriate exchange partnership, which would allow clients to diversify their holdings without selling their appreciated securities and triggering income taxes.

Risk of Loss

General

All investing involves a risk of loss and investment strategies offered by Carissima Capital could lose value over short or even long periods. Performance could be negatively affected by several market risks including, but not limited to, the portfolio management techniques used by Carissima Capital which may not produce the desired results. Carissima Capital selects investments based, in part, on information provided by issuers to regulators or made directly available to Carissima Capital by the issuers or other sources. Carissima Capital is not always able to confirm the completeness or accuracy of such information, and sometimes, complete, and accurate information is not available. Incorrect or incomplete information increases risk and may cause losses. The risks of loss described below should not be considered a complete list of all the risks that clients should consider.

Stock Market Risk

Stock market risk is the possibility that stock prices overall will decline over short or extended periods. Markets tend to move in cycles, with periods of rising prices and periods of falling prices. Investing in small- and medium-sized companies involves greater risk than is customarily associated with more established companies. Stocks of such companies may be subject to more volatility in price than larger company securities.

Foreign Securities Risk

Foreign securities have the same market risks as U.S. securities, such as general economic conditions and company and industry prospects. However, foreign securities involve the additional risk of loss due to political, economic, legal, regulatory, and operational uncertainties; differing accounting and financial reporting standards; limited availability of information; currency conversion; and pricing factors affecting investment in the securities of foreign businesses or governments.

Interest Rate Risk

Bonds also experience market risk due to changes in interest rates. Generally, if interest rates rise, bond prices will fall. The reverse is also true: if interest rates fall, bond prices generally rise. A bond with a longer maturity (or a bond fund with a longer average maturity) will typically fluctuate more in price than a shorter-term bond. Because of their very short-term nature, money market instruments carry less interest rate risk.

Credit Risk

Bonds and bond funds are also exposed to credit risk, which is the possibility that the issuer of a bond may default on its obligation to pay interest and/or principal. This risk may also affect the “spread” or yield premium these bonds require over low risk reference securities. Even if bonds do not default, investors’ fear of default may lead to fluctuations in these spreads that act much like rises and falls in interest rates. U.S. Treasury securities, backed by the full faith and credit of the U.S. Government, have limited credit risk. Securities issued or guaranteed by U.S. Government agencies or government sponsored enterprises not backed by the full faith and credit of the U.S. Government may be subject to varying degrees of credit risk. Corporate bonds rated BBB or above by Standard & Poor's are generally considered to carry moderate credit risk. Corporate bonds rated lower than BBB are considered to have significant credit risk and generally pay a higher level of income.

Inflation Risk

Also called purchasing power risk, persistent inflation reduces the “real” or spending power of currency. Inflation risk is most often borne in the ownership of fixed income securities; while paying a fixed rate of interest, increases in inflation can reduce or eliminate the growth of spending power otherwise afforded by these assets.

Liquidity Risk

Liquidity risk exists when a particular security or vehicle is difficult to trade, resulting in higher purchase prices for buyers and/or lower sale prices for sellers than would otherwise be found in well-functioning markets.

Alternative Investments Risk

Alternative investments including private equity, private real estate, venture capital and hedge funds are subject to legal or other restrictions on liquidity that do not exist for other publicly traded (liquid) investments. Investors in alternatives may not be able to sell when desired or to realize anticipated or reported value when sold. Also, the calculation of fair market value of alternatives can be difficult or delayed and alternatives typically have fees that are higher compared to publicly traded securities.

Call Risk

Many fixed income securities contain provisions allowing their issuers to repay the debt early, otherwise known as a "call features." Issuers often exercise these rights as interest rates decline. Holders of callable securities may not benefit fully from the increase in value that other fixed income securities experience as interest rates decline. After a callable security is repaid early, funds often reinvest the proceeds at then current interest rates, likely lower than those paid on the called security.

Objective/Style Risk

All mutual funds and investment managers are subject, in varying degrees, to objective/style risk, which is the possibility that returns from a specific type of security in which a mutual fund or manager invests will trail the returns of the overall market.

U.S. Government Agency Securities Risk

Securities issued by U.S. Government agencies or government sponsored entities may not be guaranteed by the U.S. Treasury. If a government-sponsored entity cannot meet its obligations, the securities of the entity may be adversely affected.

Third Party Investment Management Risk

Carissima Capital will not have a role in the management of clients' third-party managed accounts and it will likely not evaluate in advance the specific investments made by any third-party managers. As a result, the rates of return to clients could significantly depend upon the choice of investments and other investment and management decisions of third-party managers. Returns could be adversely affected by the unfavorable performance of such managers. Further, Carissima Capital depends on third-party managers to develop the appropriate systems and procedures to control operational risks.

Item 9 – Disciplinary Information

Carissima Capital must disclose any legal or disciplinary events material to a client's or prospective client's evaluation of its advisory business or the integrity of its management. Carissima Capital and its principal have no reportable disciplinary events to disclose.

Item 10 – Other Financial Industry Activities and Affiliations

Carissima Capital and its principal have no relationships or arrangements with other financial services companies that pose material conflicts of interest except as outlined below and in Item 12 and 14. Carissima Capital has no financial arrangement with the law practice of its principal. Carl J. Kempf III, the principal of Carissima Capital, is an attorney. If requested by a client, the principal of Carissima Capital may provide legal services to the client, in which case all legal service fees are billed separately and confidentially through the principal's law practice. Clients are not required to use the legal services offered by the principal of Carissima Capital.

Item 11 – Code of Ethics, Participation/Interest in Client Transactions and Personal Trading

Carissima Capital has adopted a Code of Ethics (“Code”) pursuant to Rule 204A-1 under the Advisers Act. This Code is based on Carissima Capital’s duty, as a fiduciary, to act solely in the best interests of each client. In complying with this duty, Carissima Capital personnel must conduct themselves with integrity in all their dealings by avoiding activities or interests that might interfere with making investment decisions in the best interest of clients, both in their dealings with clients and their personal investing.

Carissima Capital’s Code requires that its personnel:

- Act with integrity, competence, diligence, respect, and in an ethical manner with the public, clients, prospective clients, employers, employees, colleagues in the investment profession, and other participants in the global capital markets;
- Place the integrity of the investment profession, the interests of clients, and the interests of Carissima Capital, above one’s own personal interests;
- Adhere to the fundamental standard that an employee should not take advantage of their position;
- Avoid any actual or potential conflicts of interest;
- Conduct all personal securities transactions in a manner consistent with this policy;
- Use reasonable care and exercise independent professional judgment when conducting investment analysis, making investment recommendations, taking investment actions, and engaging in other professional activities;
- Practice and encourage others to practice in a professional and ethical manner that will reflect credit on oneself and the profession;
- Promote the integrity of, and uphold the rules governing, capital markets;
- Maintain and improve one’s professional competence and strive to maintain and improve the competence of other investment professionals; and
- Comply with applicable provisions of the federal and state securities laws.

The Code also requires all personnel to report all accounts and securities holdings covered by the Code at the commencement of their employment and annually thereafter. On a quarterly basis, all personnel must report all personal securities transactions. The Code is designed to assure that the personal securities transactions, activities, and interests of personnel will not interfere with (1) making decisions in the best interest of advisory clients, and (2) implementing such decisions, while, at the same time, allowing employees to invest for their own accounts.

A copy of Carissima Capital’s Code of Ethics is available to any client or prospective client upon request.

Item 12 – Brokerage Practices

Carissima Capital generally recommends that investment management accounts be maintained at Charles Schwab & Co., Inc. ("Schwab"), a FINRA registered broker-dealer, member SIPC. Although Carissima Capital may recommend clients establish accounts with Schwab, it is ultimately the client's decision to custody assets with Schwab by entering into a formal custodial/clearing agreement relationship with the chosen broker-dealer/custodian.

How Carissima Capital Selects Broker-Dealers/Custodians

Factors that Carissima Capital considers in recommending a broker-dealer/custodian to clients include financial strength, reputation, execution capabilities, pricing, research, and service.

Research & Additional Benefits

Carissima Capital can receive from Schwab (or any other broker-dealer/custodian, investment manager, platform, or fund sponsor) free or discounted support services and/or products, certain of which assist Carissima Capital to better monitor and service client accounts maintained at such institutions.

Services that Generally Benefit only Carissima Capital

Included within this category is investment-related research, pricing information, market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted and/or gratis consulting services, discounted and/or free attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by Carissima Capital to further its investment advisory business operations.

Directed Brokerage/Directed Accounts

Carissima Capital may accept directed brokerage arrangements (when a client requires that account transactions be effected through a specific broker-dealer). In any such client directed brokerage/directed account, the client (and/or the client's employer/plan sponsor) will negotiate terms and arrangements for their account with that broker-dealer, and Carissima Capital will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by Carissima Capital. The client must accept that such direction may cause the account to incur higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions that the accounts would otherwise incur had the client determined to effect transactions through an alternative clearing arrangement that may be available through Carissima Capital. Higher transaction costs adversely affect account performance. Carissima Capital will generally work with clients who direct us to manage their 401(k) plan at their place of employment.

Transactions for directed brokerage/directed accounts will generally be executed following the execution of portfolio transactions for non-directed accounts.

Aggregation of Accounts

Orders for the same security entered on behalf of more than one client will generally be aggregated (i.e., blocked or bunched) subject to the aggregation being in the best interests of all participating clients. All clients participating in each aggregated order shall receive the average price and subject to minimum ticket charges.

Item 13 – Review of Accounts

Carissima Capital, through its principal, monitors client accounts on a periodic basis, at least monthly, or upon notification of changes in the client's financial situation or investment objectives as communicated by the client to Carissima Capital. The client's investment account, their investment objectives, the continued appropriateness of the investment strategy selected by the client and the client's tolerance for risk are reviewed.

Reviews of the investment positions in a client's account are conducted as necessary. The performance of all securities owned in a client's account in conjunction with a given investment strategy(ies) is reviewed on a timetable consistent with the objectives of the strategies. If a change of investment position is dictated in a client's account and Carissima Capital has discretionary authority to direct trades in that account, provided, however, that as general practice Carissima Capital will obtain prior consent of the client; then instructions are given by Carissima Capital to the custodian broker, investment company, or insurance company to execute the appropriate change of investment position. Subject to the foregoing, these instructions may be given without prior consultation with the client. If a change of investment position is dictated in a client's account and Carissima Capital does not have the discretionary authority to direct trades in that account, then the client is responsible to provide investment instructions to their custodian broker, investment company or insurance company.

Regular Reports

In general, clients receiving investment advisory services will receive written reports from Carissima Capital at least quarterly which outlines the value of their account. Accompanying these statements is an inquiry seeking to ascertain whether a client's investment objectives, financial circumstances or personal needs have changed. Additional reports relative to account performance and transactions are provided on a client-by-client basis as needed or requested

Clients will also receive quarterly or monthly statements from their broker-dealer/custodian that include the value of securities held in the client's account, and confirmation of all securities transactions in the account during the month. Carissima Capital is not responsible for the accuracy of or for maintaining copies of such statements for or on behalf of the client. Clients should carefully review the broker dealer/custodian's statements and should compare these statements to the reports provided by Carissima Capital.

Item 14 – Client Referrals and Other Compensation

Economic Benefits Provided by Third Party for Advice to Clients

Generally

Carissima Capital does not receive any economic benefit, directly or indirectly from any third party for advice rendered to Carissima Capital clients.

Schwab

With respect to Schwab, Carissima Capital receives access to Schwab's institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them under certain circumstances. Schwab's services include brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, 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. For Carissima Capital client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Schwab also makes available to Carissima Capital other products and services that benefit Carissima Capital but may not benefit its clients' accounts. These benefits may include national, regional or Carissima Capital specific educational events organized and/or sponsored by Schwab Advisor Services. Other potential benefits may include occasional business entertainment of personnel of Carissima Capital by Schwab Advisor Services personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist Carissima Capital in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts, if applicable), provide research, pricing information and other market data, facilitate payment of AAG's fees from its clients' accounts (if applicable), and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of Carissima Capital's accounts. Schwab Advisor Services also makes available to Carissima Capital other services intended to help Carissima Capital manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance and marketing. In addition, Schwab may make available, arrange and/or pay vendors for these types of services rendered to Carissima Capital by independent third parties. Schwab Advisor Services 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 Carissima Capital. Carissima Capital is independently owned and operated and not affiliated with Schwab. Schwab does not supervise Carissima Capital and has no responsibility for Carissima Capital's management of clients' portfolios or Carissima Capital's other advice or services.

Compensation to Non-Advisory Personnel

Carissima Capital does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

Item 15 – Custody

Carissima Capital does not maintain physical custody of client assets; rather, all client assets (including cash and securities) are held by the client's qualified custodian. For certain clients, Carissima Capital is deemed to have custody since it can withdraw funds and securities from the client's account and/or directly debit its advisory fee. If required, Carissima Capital will engage a Certified Public Accountant to conduct a surprise annual examination of the affected accounts.

Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. Carissima Capital may also provide a written periodic report summarizing account activity and performance. Clients are encouraged to compare those written period reports to the quarterly account statements received directly from the broker-dealer/custodian and/or program sponsor.

Item 16 – Investment Discretion

Carissima Capital is typically granted discretion by limited power of attorney to select the amount and nature of the securities purchased and sold in relation to those investment strategies selected by the client. As a general practice, however, Carissima Capital will obtain the consent of the client prior to initiating transactions in the client's account.

At the inception of each client relationship or upon request, Carissima Capital will document any client requested limitations/restrictions to apply to the management of their account. Due to the additional care required by client accounts containing restrictions, Carissima Capital will typically execute transactions for these accounts after transactions have been submitted for accounts without such restrictions.

Item 17 – Voting Client Securities

Carissima Capital does not vote client proxies for discretionary and nondiscretionary accounts under management. Therefore, although Carissima Capital may provide investment advisory services relative to client investment assets, those clients maintain exclusive responsibility for directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets.

Client shall in no way be precluded from contacting Carissima Capital for advice or information about a proxy or class action vote. However, Carissima Capital shall not be deemed to have voting authority solely because of providing such advice to the client.

Should Carissima Capital inadvertently receive proxy or class action information for a security held in client's account, Carissima Capital will immediately forward such information on to the client but will take no further action regarding voting such proxy or class action. Upon termination of its Agreement with the client, Carissima Capital shall make a good faith and reasonable attempt to forward proxy or class action information inadvertently received by Carissima Capital to the forwarding address provided by the client.

Item 18 – Financial Information

Carissima Capital has never filed for bankruptcy and is not aware of any financial condition expected to affect its ability to manage client accounts.

Item 19 - Requirements for State-Registered Advisers

- A. Information on Carl J. Kempf III, who is responsible for the day-to-day management of the Firm's accounts, is located in the Firm's ADV Part 2B Brochure Supplement.
- B. The Firm is not actively engaged in any business, nor does it sell products or other services, other than giving investment advice.
- C. The Firm does not manage any accounts that are subject to performance-based fees.
- D. The Firm is required to disclose material facts regarding certain arbitration events or civil, self-regulatory or administrative proceedings involving it or its management persons. Neither the Firm nor any management person of the Firm has been involved in any events required to be disclosed by this section.
- E. Neither the Firm nor any management persons have any special relationships or arrangements with any issuer of securities beyond the information listed in Item 10 above.

The Chief Compliance Officer, Carl J. Kempf III, for Carissima Capital is available to answer questions regarding this Brochure and may be contacted at carlkempf@carissimacapital.com.