

## Item 1 – Cover Page

**Insight Securities, Inc.**  
**600 Central Ave. Suite 293**  
**Highland Park, IL. 60035**  
**224-632-4700**  
**WWW.INSIGHTAMERICAS.NET**

**September 29th, 2023**

This Brochure provides information about the qualifications and business practices of Insight Securities, Inc. (“Insight Securities”, “Insight”, “firm”, “we” and “our”). When we use the words “you”, “your” and “client” we are referring to you as our client or our prospective client. If you have any questions about the contents of this Brochure, please contact us at 224-632-4700, or via email at [info@insightamericas.net](mailto:info@insightamericas.net). 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.

Insight Securities is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an Adviser are intended to provide you with information about which you determine to hire or retain an Adviser.

Additional information about Insight Securities is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 – Material Changes

Please note that this Brochure includes a number of minor editorial changes in addition to the changes and modifications to this Brochure that are set forth below and reflect all of the “material changes” made to this brochure since our last delivery or posting of the Brochure on the SEC’s public disclosure website (IAPD) at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

### ***Material Changes:***

- Assets under management has been amended

We will offer or delivered subsequent Brochures within 120 days of the close of our business’ fiscal year, which is June 30. We will further provide you with a new Brochure, Supplements or summary as necessary based on material changes, at any time, without charge.

Currently, our Brochure may be requested by contacting our home office at 224-632-4700 and is free of charge.

Additional information about Insight Securities is also available via the SEC’s web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s web site also provides information about any persons affiliated with Insight Securities who are registered, or are required to be registered, as investment adviser representatives of Insight Securities.

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## **Item 4 – Advisory Business**

### **Insight Securities Investment Management**

#### ***Ownership***

Insight Securities is wholly owned by Intelligenics, Inc., a corporation that is owned by Carlos Legaspy as majority shareholder and Banco San Juan Internacional and GWM Partners as minority shareholders. Insight Securities management has changed as of April 24, 2020. Carlos Legaspy is Insights CEO and James Gaafar is Insights Chief Operating Officer (COO). Mr. Gaafar does not have any ownership rights of Insight Securities, Inc.

#### ***Assets under Management***

As of June 30, 2023; Insight Securities has approximately \$126,748,000 under management.

#### ***Services***

Insight Securities provides investment advice and portfolio management services on a continuing basis - including an appropriate allocation of managed assets among cash money market funds, equity, and bonds - with the selection of specific securities, which will provide proper diversification and help meet the client's stated investment objectives.

These services include the evaluation, design, construction, implementation, and monitoring of investment portfolios. Assets are allocated among appropriate investment categories in accordance with the client's financial objectives, liquidity constraints, expected time horizon, risk tolerance, and tax considerations as well as prevailing economic conditions and any other relevant factors. Existing assets are evaluated and appropriate hold or sell recommendations are made.

Insight maintains a Limited Power of Attorney and/or Trading Authority for all discretionary accounts for the purposes of directing and/or otherwise effecting investments on behalf of the managed account as well as for the direct payment of Insight's fees and/or payment of commissions, custodial fees and/or other charges incurred by the managed account.

Insight Securities also offers comprehensive fee-based financial planning. The planning process involves six steps:

- Identifying and Prioritizing Objectives
- Gathering Information
- Analyzing Information
- Developing a Plan which includes Proposing Recommendations
- Implementing the Plan
- Tracking Plan Progress

#### ***InSight Advisor Solutions***

In addition to Insight's standard advisory services the firm provides, InSight Securities will provide an open

architecture platform to independent registered investment advisors (“RIA”) that includes a suite of administrative services. These services include InSight’s RIA’s which had a former custodial contract with Charles Schwab and J.P. Morgan and InSight’s current clearing and custodial agreements with Interactive Brokers & Axos Clearing, a division of Bank of New York Mellon member FINRA/SIPC (“Interactive Brokers & Axos Clearing”) and TD Ameritrade, Inc., member FINRA/SIPC. (“TD Ameritrade”), Pictet Group, plus mutual fund distribution agreements and integrated staffing solutions.

InSight will receive a portion of the independent investment advisory fee for its overall administrative services. The independent registered investment advisor has sole discretion over its accounts which are on InSight’s advisory platform.

### ***Insight Worldview Strategies Program***

Insight Securities provides clients located in other countries (“Offshore Clients”) with access to Portfolio Managers located in foreign countries for the discretionary management of Offshore Client accounts.

Insight

Securities has entered into sub-advisory agreements with Portfolio Managers to offer the money management and advisory services of such Portfolio Managers to Offshore Clients of Insight Securities. No advisory fees will be paid by the Offshore Client to the Portfolio Manager for the management of the Offshore Client account. Insight Securities will be the respective Portfolio Manager’s advisory fees from the program fee paid by the Offshore Client to Insight. The Program Fee is comprised of:

- i. the brokerage commissions and/or other fees charged by Insight in connection with the execution of transactions in the account of the Offshore Clients accounts (“Execution Fees”) and
- ii. may be charged certain other fees for other services furnished to the Offshore Client (“Service Fees”).

Portfolio Managers are generally selected by manager recommendations from trusted industry professionals or through research performed that is particular to the country the Portfolio Manager is located in. This is followed by meetings and teleconferences to ensure that manager’s strategy meets the client’s objectives. In addition to the initial due diligence performed on the respective Portfolio Managers, Portfolio Managers are subjected to annual due diligence reviews which focus on material changes with respect to their disclosures, disciplinary history and investment styles and objectives.

#### ***Sub Advisory Services:***

Insight Securities, LLC serves as a subadvisor to BCP Advisors, LLC utilizing the GWM Pro Platform. Clients select the model portfolios with Black Rock within the GWM Pro Platform

#### ***Sub-Advisory Relationship Fee***

Insight Securities, LLC is a sub-advisor Insight Securities, LLC to BCP Advisors, LLC (“BCP Global”) for certain clients. Clients utilizing BCP Global will pay BCP Global an advisory fee, which is between 1.00% and 1.75% of the portfolio assets managed by BCP Global (the “BCP Advisory Fee”). The BCP Advisory Fee is paid monthly in arrears, and will be split by Insight Securities, LLC and BCP Global, with Insight Securities, LLC being entitled to the percentage of the BCP Advisory Fee with BCP receiving 0.33 basis points and Insight collecting the balance.

The Advisory Fee and BCP Advisory Fee are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers and other third parties such as fees charged for margin interest, custodial

fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Additionally, certain transactions such as short sales may result in transaction expenses in addition to investment advisory fees and broker execution costs, such as margin interest costs. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus.

### ***Client Data Feed***

If requested by the client, Insight Securities will set up the client's account information via a data feed established through Mastro. Mastro automatically consolidates and reconciles accounts, transactions and cash daily; performs institutional-quality reporting and analysis of risks, performance, managers, and fees. Clients utilizing Mastro will be invoiced and charged a monthly charge of \$15

## **Branch Offices**

Insight Securities has branch offices at the following locations:

- 1920 Manhattan Blvd.  
Spirit Lake, IA 51360
- 1600 Ponce de Leon Blvd., Suite 806  
Coral Gables, FL 33134
- 1853 William Penn Way  
Lancaster, PA 17601
- 221 N. Kansas St., Suite 727  
El Paso, TX 79901
- 999 Ponce De Leon Blvd., Suite 830  
Coral Gables, FL 33134

## **Item 5 – Fees and Compensation**

Fees for ongoing portfolio monitoring are generated based on annualized percentage range of 0.25% to 2.00% of portfolio assets. Fees are calculated and assessed on a quarterly basis by multiplying the assets under management by the applicable percent and dividing such product by four (4). The extent of monitoring services and all fees are agreed upon in writing prior to engagement. Monitoring fees are payable quarterly, 20 days into the quarter; and such fees will be deducted from a client's account(s) or billed to the client at their request. All fees may be negotiable under certain circumstances. Monitoring services may be terminated by either party at any time and for any reason. Any unearned fees are refunded on a pro-rata basis less reasonable startup cost.

Investment portfolios are monitored and re-evaluated on a regular basis. Asset allocation is maintained through re-balancing or adjusted as needed based on changes in client's objectives or prevailing economic conditions. Recommendations are made for placement of new funds as they become available. Clients may also be charged custodial service fees and transactional fees imposed by regulatory authorities; as well as brokerage costs, which are explained in Item 12 – Brokerage Practices.

Insight Securities also offers wrap-fee investment advice to clients in which Insight pays transaction-based fees. As such the advisor may have an incentive to recommend non-wrap investment advice to curtail transactional expenses incurred.

Investment Advisor representatives may also receive compensation from purchase and sale of securities and other investment products, including asset-based sales charges or service fees from the sales of investment company products in certain circumstances. Please note that while the advisor may rely on the broker dealer for best execution in terms of price, for securities that may involve an ongoing expense ratio, the advisor has an obligation to choose the most cost-effective product that still meets the client needs, i.e. the most favorable terms reasonably available under the circumstances.

The relationship between the parties may be terminated by either party upon 30 days written notice. Notwithstanding the above, if the appropriate disclosure statement was not delivered to the client at least 48 hours prior to the client entering into any written or oral advisory contract with this investment adviser, then the client has the right to terminate the contract, without a penalty, within five (5) business days after entering into the contract.

Charges for fee-based financial planning range from \$500-\$2,000, depending on the complexity of the case.

## **Insight Worldview Strategies Program**

### ***Program Fees:***

The Program Fee payable by the Offshore Client is comprised of:

- i. Execution Fees and
- ii. Service Fees that are charged the Offshore Client accounts by Insight. The Execution Fees and certain Service Fees shall be determined by Insight.

### ***Advisory Fees:***

No advisory fees will be paid by the Offshore Client to the Portfolio Manager for the management of the Offshore Client account. Notwithstanding that the Portfolio Manager(s), and their respective agents, in connection with the performance of their respective services shall be entitled to advisory compensation for their participation in the Program, it is the sole responsibility of Insight to compensate the selected Portfolio Managers for their advisory services provided to the Offshore Client. The advisory fees payable by Insight to the Portfolio Managers range from .85% of assets under management to 2.85% of assets under management, with the average fee per Offshore Client account being approximately 2.00% of assets under management.



## ***General Program Disclosure***

Additional information regarding these advisory arrangements will be disclosed by Insight Securities in the client agreement and by delivery of the Form ADV Part 2A for Insight Securities and the Disclosure Document for the respective Portfolio Manager. The Worldview Strategies Program may cost the client more than purchasing advisory services, transaction execution services and access to portfolio manager(s) advisory services separately. The factors that can bear upon the relative cost of the service or program include the cost of the services if provided separately, the trading activity in the client's account which results from client investment objectives and type of securities that are invested in.

## ***Minimum Account Balance***

If the client account value falls below the minimum account balance required by a specific Portfolio Manager, Insight and such Portfolio Manager shall have the right to terminate the Offshore Client Account.

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

Insight Securities does not charge performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client) or engage in side by side management.

## **Item 7 – Types of Clients**

Insight may provide portfolio management services to individuals, high net worth individuals, trusts, corporate pension and profit-sharing plans, Taft-Hartley plans, private investment funds, trust programs, other institutions and other Investment Advisors.

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

### **Risk of Loss**

All investment programs have certain risks that are borne by the investor. Investing in securities involves risk of loss that clients should be prepared to bear. Questions regarding risks may be directed to the firm.

### **Analysis**

Insight may use Charting, as well Fundamental, Technical and Cyclical analysis. Investment decisions take into consideration how a particular security will affect the overall portfolio. We assess its potential for growth and/or income, the security's impact on overall portfolio risk, and possible tax consequences. Factors that may be considered when making investment decisions include, but are not limited to (listed in alphabetical order):

- Ability to Communicate with Management
- Analyst Forecast
- Balance of Company Leverage & Liquidity

- Beta
- Book Value
- Business Mix
- Cash Flow
- Dividend Policy (Payout/Growth)
- Dividends
- Earnings Consistency & Quality
- Economic Considerations
- Economic MOAT
- EPS
- Historic Business Results & Growth
- Industry Outlook
- Industry/Sector
- Insider & Large Holders Transactions
- Institutional Ownership
- Investment Timeframe
- Local vs. Global
- Management Quality
- Market Liquidity & Capitalization
- Market Price vs. Fair Value
- Market Share of Products/Services
- Options & Premiums
- P/E Ratio
- P/E to Growth
- Profitable Margin Growth
- Return on Equity
- Return on Sales
- Return on Assets
- Sector vs. Current Holdings
- Suitability
- Tax Considerations
- Technical & Psychological Considerations
- Time of Year

## **Insight Securities Guidelines of Investing:**

Insight generally conforms to the following guidelines with respect to its investment methodology:

- Buy and hold good stocks and quality bonds
- Use options to mitigate risk and produce income
- Perform research to uncover hidden opportunities
- Analyze and discern the “big picture”
- Assess each investment’s potential for growth and/or income, overall impact on portfolio risk, and possible tax consequences

- Research Continuity and commitment to our strategy
- Maintain a long-term perspective
- Keep costs among the lowest and provide best-in-class wealth management services

## Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Insight or the integrity of Insight's management. Insight has no information applicable to this Item.

## Item 10 – Other Financial Industry Activities and Affiliations

### Principal Business Activities of Insight Securities

Insight Securities is registered as a broker-dealer with the SEC and various state jurisdictions and is a member of the Financial Industry Regulatory Authority ("FINRA") and the Municipal Securities Rulemaking Board ("MSRB"). As such, Insight may execute trades on behalf of the client's advisory account.

### General Practices

Insight, in its capacity as a broker-dealer, may be used to execute portfolio transactions for investment advisory clients of Insight. These transactions will be conducted subject to proper, and customary, disclosure including (but not limited to) compensation received by Insight and its registered representatives. Compensation will be received by Insight, as a broker dealer and/or other registered representatives when portfolio transactions are affected on behalf of investment advisory clients.

It is generally anticipated that Insight will be designated by the client as the broker-dealer for the execution of securities transactions, which are directed by Insight. To the extent that it is, Insight will seek to obtain the best combination of price and execution for such transactions; however, lower commissions or better execution may be available elsewhere, for example, by the execution of the transaction through a so called "discount broker."

**Additionally, Insight, as a broker-dealer, may buy securities for itself from, or sell securities it owns to clients of Insight, at which time commissions and or other markups/markdowns will be charged to those clients. To the extent this occurs, you will have the opportunity to approve such transaction prior to settlement.**

If an investment advisory client utilizes Insight as the broker-dealer of record, Insight's selection of money market mutual funds or comparable investments in which to hold cash reserves in the client's account will be limited to certain investments. The selection includes money market, municipal money market and government money-market funds, and the issuers of funds pay Insight a distribution fee in its capacity as a broker-dealer. This compensation is in addition to other fees, etc. received from client accounts. Insight's registered representatives do not receive additional compensation based on client account balances being held in the money-market funds ("trailers"). These "trailers are credited directly into client accounts. Additionally, cash balances arising from the sales of securities, redemption of debt securities, dividend and interest payments and funds received from clients may be invested/swept automatically daily. When securities are sold, funds are deposited on settlement date. Funds placed in a client's account by personal check usually will not be invested until the next business day following the day that the deposit is credited

to the client's account. Where an unaffiliated broker-dealer or other entity acts as custodian of the client's account assets, Insight will have no control over the manner in which the cash reserves will be handled. The client and/or custodian will make that determination.

Based upon the similarity of investments among client accounts having similar investment objectives, and the fact that Insight may direct the purchase of securities for more than one account simultaneously, and the possible appearance of similarity in the treatment of clients, all client accounts are handled under the following basic conditions, designed to prevent pooling of assets and/or the management of accounts on a de facto pooled basis, resulting in the existence of an investment company. The custody of accounts held by the custodian on behalf of Insight is structured such that each client's securities are held in nominee name only for ministerial purposes and each client's account is maintained as a separate account. The client's beneficial interest in a security does not represent an undivided interest in all the securities held by the custodian, but rather represents a direct and beneficial interest in the client's securities in the account.

Further, each client retains any and all rights afforded under the federal securities laws to proceed directly against the issuer of any underlying security in the client's account. Each client may withdraw, hypothecate, vote or pledge securities in their account upon notice to Insight and each client has the authority to instruct Insight in directing the purchase of certain securities through Insight that might otherwise be purchased in the client's account. At least annually, customer objectives are reviewed with the client and holdings reviewed with respect to keeping in line with those objectives.

Additionally, the RIA: Precise Investment Management is under common ownership as Insight Securities and is considered an affiliated entity.

## **Sale of Other Products and Services**

Certain associated persons of Insight are licensed insurance brokers, and as such, do on occasion sell insurance products to the clients of Insight. The amount of time spent on these activities is no more than two (2%) percent.

### ***Sub Advisor Relationship***

Insight Securities has established a partnership with BCP Global to offer investment advisory services to a carefully selected group of clients. As part of this collaboration, BCP Global operates as a provider of asset management services on a discretionary basis, catering to the unique needs and preferences of each client.

BCP Global leverages the services of Interactive Brokers, LLC ("IB"), a broker dealer registered with FINRA, to handle custody and execute transactions for the portfolio assets managed through BCP Global. Consequently, clients who opt for BCP Global as a sub-advisor under Insight Securities are required to initiate account openings with IB to ensure the proper management of their portfolio assets under BCP Global's stewardship.

To facilitate this process, each client engaging BCP Global is requested to furnish personal details, which encompass factors such as age, financial resources, investment experience, as well as goals and objectives. This information is collected via an interactive questionnaire presented through BCP Global's website and/or mobile application as an integral part of the client registration process.

BCP Global tailors its recommendations to create a portfolio that aligns with the specific investment requirements of each client. As the final step in the process, IB deducts advisory fees directly from the

clients' portfolio accounts maintained with them, with the fee being distributed between Insight Securities and BCP Global in accordance with their agreement.

## **Item 11 – Code of Ethics**

Insight has adopted a Code of Ethics to ensure that securities transactions by Insight employees are consistent with Insight's fiduciary duty to its clients and to ensure compliance with legal and regulatory requirements and the firm's standards of business conduct.

The principals and employees of the firm are permitted to invest in the same securities that the firm recommends to clients. They may recommend to clients or may buy and sell securities for client accounts at or about the same time that they buy or sell in their own account. This creates a conflict of interest because the principals and employees of the firm may have an incentive to execute their orders in front of client orders. To mitigate this conflict, employees are not permitted to enter buy or sell orders in the same or similar securities contemporaneously with client orders.

Insight requires transaction confirmation and quarterly reporting for all registered representatives who provide investment advisory services to clients of Insight Securities. A written copy of Insight's Code of Ethics is available upon request, free of charge.

## **Item 12 – Brokerage Practices**

Interactive Brokers & Axos Clearing is an independent and unaffiliated SEC-registered broker/dealer. Interactive Brokers & Axos Clearing and Insight are separate and unaffiliated. Interactive Brokers & Axos Clearing offers custody of securities, trade execution, clearance and settlement of transactions.

Pictet Group is a Swiss Based independent and unaffiliated broker/dealer. Pictet and Insight are separate and unaffiliated. Pictet offers custody of securities, trade execution, clearance and settlement of transactions.

Insight will supervise and direct the investments of the client accounts subject to such limitations as the client may impose in writing. Insight, as agent and attorney-in-fact with respect to the client's account, without prior consultation with the client, may place orders for the execution of such securities transactions with Insight or other third-party broker/dealers. Insight will allocate brokerage transactions in a manner it believes to be fair and responsible to its clients, and consistent with client objectives. Adhering to a strict formula will not be practicable given the variation in client objectives and guidelines.

Generally, Insight may place orders for the execution of transactions with Interactive Brokers & Axos Clearing, TD Ameritrade or another broker-dealer; however, such selection will be in compliance with Section 28(e) of the Securities Exchange Act of 1934. Further, both Interactive Brokers & Axos Clearing and TD Ameritrade custody and hold all customer funds and/or securities on behalf of Insight's brokerage customers for purposes of the Securities Investor Protection Act.

It is generally anticipated that Insight will be designated by the client as the broker-dealer for the execution of securities transactions which are directed by Insight. To the extent that we are designated as the broker-

dealer, we will execute, as a broker, all purchases and/or sales on behalf of a client's account through Interactive Brokers, Axos Clearing or Pictet Group. In this situation, Insight will not negotiate brokerage commissions on the client's behalf, and, therefore, the client may be paying more in sales commissions than those that might be negotiated by the client. For trades not directed to Insight by the advisory client, Insight will use its best efforts to obtain execution on the best terms reasonably available. When our advisory clients direct us to execute all or a portion of its transactions effected on their behalf with a specific broker, we do not negotiate commission rates on behalf of clients unless specifically directed to do so, and we do not determine whether commission rates charged by a broker selected by clients are the lowest available.

## **Item 13 – Review of Accounts**

Insight Securities, Inc., as investment advisor, reviews all investment advisory accounts. Changes in market prices, interest rates, news stories, earning reports, etc., that are deemed to influence a client account would initiate a review of the account. All investment advisory accounts are reviewed on a regular basis by Insights Compliance department overseen by James Kim Chief Compliance Officer.

Clients receive statements from the custodian of assets at least quarterly, or monthly, if there is activity in the account. (See Item 15 on Custody) Clients may give written request to receive their statements and trade confirmations electronically from the custodian.

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

### **Solicitor**

Insight Securities, LLC has solicitor agreements in place. Solicitors shall deliver to each prospect a Written Disclosure Statement (“Disclosure Statement”). Advisor shall pay the solicitation fee to Solicitor for so long as each Solicited Client remains a client of Advisor. Solicitors shall deliver to each prospect a Written Disclosure Statement (“Disclosure Statement”). Insight Securities, LLC will pay the solicitors a negotiated percentage of the advisory fees paid by each Solicited Client to Advisor.

In addition, Insight Securities, LLC has entered into Foreign Solicitor Agreements with a number of individuals (“Foreign Solicitors”) whereby the Foreign Solicitors refer clients to us. Foreign Solicitors will not provide any investment management services or render any investment advice on behalf of Insight Securities, LLC. Foreign Solicitors shall deliver to each prospect a Written Disclosure Statement (“Disclosure Statement”). Insight Securities, LLC will pay the solicitors a negotiated percentage of the advisory fees paid by each Solicited Client to Advisor. Any compensated solicitors for California advisory clients will be properly registered as solicitors and follow the requirements under CCR 260.236(c)(2).

Insight Securities does not have any arrangements, oral or in writing, where it is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients.

## Item 15 – Custody

Insight may recommend that clients establish brokerage accounts to maintain custody of clients' assets and to execute trades for their accounts. Insight has agreements with the following custodians, (as well as others not listed) as registered broker-dealers and SIPC members:

- Axos Clearing
- Interactive Brokers
- Pictet group (not a U.S. broker dealer, nor SIPC member)
- JPMorgan Stanley
- Citi Group
- Itaú

While Insight's attempt to recommend custodians based on anticipated services needed by the client, the final decision to custody assets with a given custodian is at the discretion of the Insight's clients, including those accounts under ERISA or IRA rules and regulations, in which case the client is acting as either the plan sponsor or IRA accountholder. Certain custodians may apply fees for custodial services rendered.

Insight is independently owned and operated, and not affiliated through management and control with the aforementioned custodians. Custodians provide Insight with access to its institutional trading and custody services, which are typically not available to 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 a pre-determined amount of the advisor's clients' assets are maintained in accounts at a Custodian. Each custodian'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.

Custodians are compensated by customers through commissions or other transaction-related or asset-based fees for securities trades that are executed through the custodian or that settle into custodial accounts.

The cost to trade securities varies between custodians; therefore, InSight may be motivated to recommend the custodian with the lowest trading cost in order to minimize their expenses.

Custodians may also make available to Insight other products and services that benefit Insight but may not benefit its clients' accounts. These benefits may include national, regional or Insight-specific educational events organized and/or sponsored by the custodian(s). Other potential benefits may include occasional business entertainment of personnel of Insight by custodian personnel, some of which may accompany educational opportunities. Other of these products and services assist Insight 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), provide research, pricing information and other market data, facilitate payment of Insight's fees from its clients'

accounts, 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 Insight accounts. The Custodians also makes available to Insight other services intended to help Insight 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, the custodians may make available, arrange and/or pay vendors for these types of services rendered to Insight by independent third parties. Custodians 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 Insight. While, as a fiduciary, Insight endeavors to act in its clients' best interests, Insight's recommendation that clients maintain their assets in accounts at a certain custodian may be based in part on the benefit to Insight of the availability of some of the foregoing products and services and other arrangements and not solely on the nature, cost or quality of custody and brokerage services provided, which may create a potential conflict of interest.

**Where a securities transaction occurs in an investment advisory accounts, the respective advisory clients will receive at least one report or statement for that month from their custodian that details transactions, lists all security positions, and realized and unrealized gains or losses.**

**Notwithstanding the above, advisory clients will receive quarterly reports or statements where no securities transactions occurred. These statements enable the client to review and audit the performance of their investment advisory account. Insight Securities urges you to carefully review your custodial statements.**

## **Item 16 – Investment Discretion**

Insight will supervise and direct the investments of the client accounts subject to such limitations as the client may impose in writing. Insight, as agent and attorney-in-fact with respect to the client's account, without prior consultation with the client, may, (a) direct the purchase, sell, exchange, conversion, and otherwise trade in stocks, bonds and other securities including money market instruments, (b) direct the amount of securities purchased, sold, exchanged, and otherwise traded.

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

As a matter of firm policy and practice, Insight Securities does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. Insight Securities may provide advice to clients regarding the clients' voting of proxies.

## **Item 18 – Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Insight Securities' financial condition. Insight Securities has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.