

## **Wrap Fee Program Brochure**

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**This Wrap Fee Program Brochure provides information about the qualifications and business practices of Amerant Investments, Inc. [“AMTI”, “Adviser”, “Firm” and/or “We”]. If you have any questions about the contents of this Brochure, please contact us at (305) 460-8599. 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 AMTI also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Item 2 – Material Changes**

This Item details material changes from the prior Wrap Brochure. The following change was made since the previous Wrap Brochures dated November 8, 2022:

Item 4 has been updated to reflect that the Portfolio Advisory Services (“PAS”) wrap fee program now offers discretionary or non-discretionary programs. Previously, the PAS wrap fee program only offered a non-discretionary option. Item 6 has been updated to include risks associated with investing in Options, Private Placements and Structured Products as these are new products that may be offered through the PAS wrap fee program. Please see Items 4 and 6 for additional information.

Additional information about AMTI 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 AMTI who are registered, or are required to be registered, as investment adviser representatives of AMTI.

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## **Item 4 – Services, Fees and Compensation**

### ***Overview***

AMTI sponsors two separate WRAP programs as described below.

### **Features of AMTI's Portfolio Advisory Services ("PAS")**

PAS is a WRAP product whereby AMTI, as investment adviser, registered with the U.S. Securities and Exchange Commission ("SEC")<sup>1</sup> is the program manager. PAS is either a non-discretionary or discretionary advisory program and is intended for customers looking for proactive and tailored advice and where AMTI monitors the clients' portfolio within a predefined framework. The Wealth Advisors will interact with the client to manage his/her investments under the following rules:

The client's Wealth Advisors ("WA") will assist the client in clarifying their investment needs, including but not limited to investment objective, tolerance for risk, investment experience, and investment time horizon; and will provide professional advice for a single advisory fee. The IC will work with the client in selecting the appropriate portfolio in an effort to assist the client in achieving their investment goals.

In non-discretionary PAS accounts, clients can buy/sell any security they wish in the account as long as the purchase doesn't overflow the limits of the account. AMTI will not execute transactions that will overflow account limits and for non-discretionary accounts, the client must provide final approval on all executions. Clients also agree that at all times the PAS account should be within the limits of the selected investment style and grants AMTI authority to keep the account within the investment guidelines of the client

For discretionary PAS accounts, AMTI will actively manage the portfolio based upon the Investment Guidelines agreed to by the client.

AMTI will provide certain types of monitoring of the PAS account such as maintaining it within its limits, by using the AMTI Account Monitoring Tool (AMT), ongoing monitoring of positions in the account and contacting the client with certain regularity to discuss investments. Research, advice, ongoing limited discretionary management and other investment adviser related services are provided by AMTI. Execution services are provided by AMTI as broker dealer. Clearing, custody and other brokerage related services are provided by the clearing firm and custodian, Pershing LLC.

### ***Features of AMTI's FIP***

The Fixed Income Portfolios (the "FIP"), is a Wrap product, whereby AMTI, has discretionary authority over clients' assets. Discretionary services require the customer to grant AMTI limited discretionary powers to actively manage the portfolio as per agreed upon Investment Guidelines. Discretion refers to AMTI being empowered by customers to implement, without prior consent, decisions related to Component Selection and Execution, as well as Periodic Rebalancing.

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<sup>1</sup> Registration with the SEC or any state securities authority does not imply a certain level of skill or training.

As noted above, the client's Wealth Advisors ("WA") will assist the client in clarifying their investment needs, including but not limited to investment objective, tolerance for risk, investment experience, and investment time horizon; and will provide professional advice for a single advisory fee. The IC will work with the client in selecting the appropriate portfolio in an effort to assist the client in achieving their investment goals.

The FIPs are intended as a low turnover buy-and-hold strategy and do not attempt to time the market or extract returns from active trading. AMTI's approach to analysis includes a series of filters to identifying the proper companies and securities for the model/strategy. The filters AMTI utilizes for this analysis may include but are not limited to, inclusion attributes of fixed income securities, such as duration, credit quality and coupon, and exclusions, such as minimum investable piece. Attributes of fixed income securities are examined so that securities that AMTI does not want in end client portfolios are excluded.

AMTI, sorts through specific attribute fields to discern the quality of one fixed income issuer versus another. In addition, bonds that have negative material events, failure to file financials, or other significant one-off events, are also excluded. These filters are subject to change.

AMTI analyzes market prices of qualified fixed income securities to that of recent trades of the same or similar securities to determine the relative value, and, as a result, a fair price to be paid for each security.

After filtering using a balanced approach with availability, price and credit, and any other criteria deemed appropriate, AMTI ensures compliance with sector and issuer diversification in determination of a recommended list of securities for purchase.

AMTI will run a similar issuer screening process when considering rebalancing trades. AMTI conducts its own credit analysis on all issuers considered and selected for FIP products. Uninvested cash balances in the FIP accounts will be invested daily in the default sweep money market fund chosen by AMTI for these types of accounts.

Although AMTI primarily trades away from its clearing broker-dealer, Pershing, LLC, Pershing, LLC, maintains custody of the client's funds and securities; collects interest and dividends; and performs the normal and customary execution and custodial services.

The client's profile is updated at least annually or more frequently depending upon material changes which are reported by the client. The client may impose reasonable investment restrictions<sup>2</sup> on their account with respect to the individual securities selected for investment by contacting AMTI.

### ***Performance Evaluation and Monitoring Services***

AMTI will monitor, rebalance<sup>3</sup>, and manage all of the changes to the client's account. AMTI may furnish quarterly performance measurement reports to its clients. These reports are intended to inform clients as to how their investments have performed during the selected period. Clients will

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<sup>2</sup> Acceptable restrictions are based on a variety of factors. Customers should discuss the limitations of imposing restrictions on the management of their account(s) with their Investment Consultant.

<sup>3</sup> Depending on the PAS program selected, AMTI requires client's prior approval for account rebalancing for the non-discretionary program. For the PAS discretionary program and the FIP program, AMTI does not require client approval because AMTI has discretion of the assets in the accounts.

also receive account statements from Pershing, LLC (the clearing broker-dealer) at least quarterly, detailing all of the activity in the client's account, including the amount of advisory fees paid directly to AMTI.

Information contained in the performance report is believed to be accurate, however, the accuracy and completeness of the information is not guaranteed; and is not intended to replace the account statements clients receive from Pershing, LLC, which is the custodian of client funds and securities for accounts participating in the PAS and FIP programs. The statements clients receive from Pershing should be considered the official record for all pertinent account information. While this performance report is provided in a different format from that of Pershing, and may vary in content and scope, clients should carefully compare the asset information to that contained in the Pershing account statement. Any discrepancies noted should be reported immediately to the client's IC. Clients should also notify AMTI promptly if they do not receive the account statements from Pershing on at least a quarterly basis. Calculations and data provided on the performance reports should not be relied upon for tax purposes, but rather clients should use the original transaction confirmations and 1099's instead.

### ***Advisory Fees***

The following reflects the standard advisory fee schedule charged to clients for the PAS and FIP programs.

#### **PAS Fee Schedule**

0.75% to 1.75% (depending on account type)

#### **FIP Fee Schedule**

0.85%

Program Fees are paid directly to AMTI and are expressed as an annual rate that is prorated for the quarterly billing period and is applied to the asset value of the account. For this purpose, asset value means the total fair market value of the eligible securities and cash in your account. Although the fees listed above are standard fees, they may, in some circumstances, be negotiable and may vary according to a variety of factors, such as size, type, and complexity of account. The fee charged is a percentage of all assets in the PAS and FIP programs. The fee is paid to AMTI as sponsor of the program in which client is invested. The fee includes two free wires per twelve month period to the client's personal account at Amerant Bank, but does not cover incidental fees, such as fees for subsequent wires to the client's personal account. A schedule of these charges may be obtained from the client's IC. Program fees will not be reduced or offset by these fees. Instead, these additional fees will reduce the overall return of your account. AMTI charges customers a single fee that covers research, advice, ongoing account management, brokerage executions, custody and other related services.

Since AMTI receives a fee for client participation in the PAS and FIP programs they may have an incentive to recommend it over other products or services.

### ***Comparison of Cost of Service***

Since the PAS and FIP are wrap products, whereby customers pay a single fee for investment advisory services and brokerage services, it may cost the client more or less than purchasing such services separately, generally depending upon commission rates, portfolio turnover and the cost of similar non-wrap discretionary investment advisory services. Clients should consider the amount of trading activity they anticipate and other factors when assessing the PAS and FIPs cost.

### ***Selection of Broker/Dealer***

You should note that in order to comply with principal trade restrictions, orders for most of our advisor programs are routed for agency execution, to a third party broker dealer, usually Pershing, LLC. However, if we believe it is consistent with our duty of best execution, AMTI as broker dealer, on agency basis, may execute the trades.

### ***Risks***

Accounts are subject to a variety of market and other risks, including illiquidity and volatility. Investment performance of any kind can never be and is not guaranteed—nor is past performance an indicator of future results. In executing transactions for your accounts, we will not be liable for losses caused directly or indirectly by government restrictions, exchange controls, exchange or market rulings, suspension of trading, acts of war, strikes or other conditions beyond our control, including but not limited to, extreme market volatility or trading volumes.

Automated systems are used to route and execute orders for the purchase and sale of securities for all advisory accounts. Generally, an order is routed to an execution center that we believe will provide the best execution. In determining the best way to execute an order for a client, we evaluate the following:

- The speed and certainty of execution
- The price and size improvement
- The overall execution quality

### ***Additional Fees***

AMTI may offer the client the ability to pledge their securities for a loan (either through margin, or a loan given by an affiliate bank). In the event a client chooses to utilize one of these services, they will incur extra charges as set forth in the disclosure documents and agreements for these arrangements. IC's may have a conflict of interest to offer these products as they receive compensation for such. Clients are urged to read all documentation regarding these services carefully before opting to participate.

It may be possible for AMTI to earn compensation for placing clients in certain selected money market fund sweep program(s) chosen for the customer. Unlike bank deposits, money market funds are not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any government agency, but rather are subject to coverage under the Securities Investor Protection Corporation (SIPC). SIPC provides protection of up to \$500,000 per customer including a maximum of \$250,000 for cash claims. Complete details of SIPC coverage can be found at [www.SIPC.org](http://www.SIPC.org). Although money market funds seek to preserve the value of your investment, it is possible to lose money by investing in a money market fund (see fund prospectus). In general, money market funds are designed and managed with the investment objective of preservation of capital, maintenance of liquidity and generating high current income.

## **Item 5 – Account Requirements and Types of Clients**

### ***Minimum Account Size***

There is a minimum initial and ongoing account size of \$500,000 and \$300,000 respectively required for investment in the PAS offered through AMTI. In some limited cases, AMTI may agree to waive or set lower minimums. AMTI reserves the right, in its sole discretion, to change account minimums, to terminate accounts that fall below the minimum account requirements, or require that additional monies or securities be deposited to bring the account up to the required minimum.

There is a minimum initial -and ongoing- account size of \$200,000 required for investment in the FIPs offered through AMTI. As with the PAS program in some limited cases, AMTI may agree to waive or set lower minimums. AMTI reserves the right, in its sole discretion, to change account minimums, to terminate accounts that fall below the minimum account requirements, or require that additional monies or securities be deposited to bring the account up to the required minimum.

An early redemption (account setup recovery) fee of 1% of the asset value prevalent at the time of such redemption applies to full redemptions executed within the first twelve (12) months of the initial funding of the account. Opening an account and implementing initial trades imply certain costs that are absorbed by AMTI for those clients that remain invested for at least 12 months. In the event the client needs to fully liquidate their portfolio before this time period, they can do so; however, 1% of the then prevalent investment amount will be discounted to cover the mentioned costs.

### ***Types of Clients***

The PAS and FIP programs are designed to assist clients (trusts, individuals and institutions). The FIP is not available to pension or profit sharing plans subject to the Employee Retirement Income Security Act.

### ***Termination of the PAS and FIP Account***

AMTI reserves the right to terminate the PAS and FIP or a client's PAS and FIP account and related agreement for any reason at any time by notice to the client. If AMTI terminates the agreement, the account will become an AMTI commission-based non-discretionary brokerage account and the client will no longer receive ongoing monitoring and investment advice with respect to the account and will not be charged the PAS and FIP fee. A client may terminate its PAS and FIP account by written notice to AMTI, in which case client will be responsible for any fees accrued up to the date of termination. In addition, an early redemption



(account setup recovery) fee of 1% of the asset value amount prevalent at the time of such redemption applies to full redemptions executed within the first twelve (12) months of the initial funding of the account. Upon termination, the account will become a commission-based non-discretionary brokerage account and the IC will not act in an investment advisory capacity for the client but rather in a brokerage capacity as a registered representative of AMTI. As a result, the client will no longer be charged a PAS and FIP fee, but instead will be charged transaction-based compensation (e.g., mark-ups/mark-downs and commissions) with respect to all transactions in the account. In addition, the IC will not have any responsibility to monitor the account or to provide investment advice with respect to the account.

AMTI reserves the right to decline any new account or refuse to maintain a current account at any time.

## **Item 6 – Portfolio Manager Selection and Evaluation**

The PAS and FIP are managed in-house at AMTI.

### ***A.-Selection of Investment Advisors and Performance Reviews***

For Accounts in FIPs and PAS, AMTI via Pershing's platform powered by Albridge, makes periodic performance reports available to clients upon request. The performance reports display the performance of the clients' Portfolio with the option to choose from three industry standard performance calculations: Modified Dietz, money-weighted or internal rate of return (IRR), and time-weighted returns (TWRs).

### ***B.-AMTI or AMTI Affiliates and Employees Acting as Portfolio Managers***

The FIPs overall strategies and day to day investment decisions are managed by the AMTI Investment Committee. The PAS is tailored advice. In all cases, individual state and federal licensing and exam regulations will govern, as applicable.

Recommending proprietary or affiliated products and managers raises a conflict of interest, because retaining those entities or purchasing those securities will result in increased compensation to AMTI. We address the conflicts of interest presented by the recommendation of strategies managed in house by disclosing our practices to you to ensure you make fully informed decisions in your selection of investment strategies.

### ***C.- Advisory Business***

It is important to note that investing in securities involves risk of loss that clients should be prepared to bear.

1. The method of analysis and investment strategies AMTI uses in formulating investment advice and/or managing assets for discretionary accounts is as follows:

a. *Investor Profile* - AMTI asks customers for personal and financial information in order to define, among other things, the investment objective, risk/volatility tolerance, investment horizon and income preference that will assist in Portfolio Selection;

b. *Portfolio Selection*- AMTI has developed several program portfolios. AMTI provides advice on portfolio selection based on the Investor Profile and needs. AMTI is able to accommodate, but on a very limited basis, custom-built portfolios. The Investment Guidelines include the constraints of the portfolios. Constraints include minimum number of issues in the portfolio, range of maturities at time of purchase and minimum average credit quality of the portfolio;

c. *Bond Selection and Execution* - In order to implement portfolios, AMTI selects bonds as described in section 4 above. Once bonds have been selected and approved by AMTI Investment Committee, they are purchased once a week for all accounts requiring implementation. Most bonds will have the approximate same weight in the portfolios at time of implementation;

d. *Performance Evaluation* - AMTI does not follow the performance of each strategy. Since the bonds purchased for different accounts in the same strategy will vary over time, and the strategies are not managed against a specific benchmark, we find any model performance would not be representative of the performance of other accounts in the strategy. Client specific performance is available on a quarterly basis;

e. *Rebalancing* -AMTI provides advisory services regarding portfolio rebalancing, including a) reinvesting cash from bond coupons and maturities; b) implementation of recommended changes in strategies, their weights and their components; and c) implementation of new portfolio selections as a result of changes in Investor Profile. Rebalancing a portfolio does not imply a better chance of obtaining a pre-determined, or for that matter any, level of return.

f. *Investing in Options* – The purchase or sale of an option by a client involves the payment or receipt of a premium payment and corresponding right or obligation to either sell the underlying investment for a specific price at a certain time or during a certain period. Purchasing options involves the risk that the underlying investment does not change in price in the manner expected, so that option expires worthless, and the client loses its premium. Selling options, involves potentially greater risk because the client is exposed to the extent of the actual price movement in the underlying investment in excess of the premium payment received.

g. *Investing in Private Companies* - There is little or no publicly available investment information about privately held companies. The information that is available may be more limited or less reliable for small private companies than is typically the case for a larger private or public company. The due diligence investigation undertaken by AMTI may not uncover all material information about a private company necessary to make a fully informed decision. In addition, the valuation of securities of privately held companies is less than public companies and may be subject to substantial market variations. Such investments involved a high degree of business and financial risk that can result in substantial losses.

h. *Structured Products* – Structured Products involve a higher degree of risk including but not limited to the following:

- **Potential Loss of Principal** – A client may lose money investing in structured products. Structured products are typically medium-term investments (terms ranging from 1 to 10 years) and, with limited exceptions, are suitable only for clients who are able to hold the investment until maturity. Some structured products are principal protected at maturity; others are not. For fully principal-protected structured products, a client will be entitled to the return of the full principal amount only if the client holds the structured product to maturity (or the call date if the structured product is callable at par or higher). Between purchase date and maturity, the market value (that is, the amount a client would receive if the client sold or redeemed the investment) of a structured product may fluctuate substantially. If an investor sells a structured product before maturity, the price may be less than the original invested amount, regardless of whether the structured product is principal protected or not.
- **Unpredictable Market Price Fluctuations** – The market value of structured products will be affected by unpredictable factors that interrelate in complex ways. These factors may include, but are not limited to, the price or level of the underlying asset, the volatility of the underlying asset, interest rates, dividend rates, the issuer's creditworthiness, time remaining to maturity and geopolitical conditions. Apart from these, there are many other factors that may affect the market value of structured products. The past performance of any of these factors is not indicative of future results.
- **Credit Risk** - Many structured products are issued in the form of unsecured debt. Therefore, clients are subject to the credit risk and default risk of the issuer. If the issuer of a structured product defaults on its obligation, clients will receive significantly less than the principal amount of the structured product, even if the product is principal-protected.
- **Liquidity Risk** – Structured products may or may not be listed on a securities exchange. Even if a structured product is listed on a securities exchange, there is no assurance that a liquid trading market for that structured product will develop.

While every attempt is made to rely on data AMTI considers reliable, AMTI cannot guarantee nor verify its accuracy. In addition, the data AMTI reviews is sometimes subjective in nature and open to interpretation. No guarantee or representation is made that the advisory strategies will be successful and there can be no assurance that the investment objective of the strategies will be achieved. Also, past performance is no guide to future performance, and the value of investments may go down as well as up.

- **There is a risk of misjudging the Investor Profile.** If an investor is not properly characterized in the correct profile, there is a risk the client might be matched to a portfolio with different risk return characteristics than would otherwise be required. If this portfolio has more volatility than the client can bear, the client could be faced with a situation where he will want to sell all positions at the worst possible time, thereby locking in losses.
- **Portfolio Selection risk.** There is a risk the client gets matched with the incorrect model portfolio. This mismatch might expose the client to a portfolio with suboptimal risk return characteristics. If this portfolio has more volatility than the client can bear, the client could be faced with a situation where he will want to sell all positions at the worst possible time, thereby locking in losses.

- **Component Selection risk.** There is a risk that AMTI chooses a component that underperforms for a prolonged period of time, or that defaults. As a result, there is also the risk that portfolios exhibit risk and return characteristics temporarily different from the intended ones.

AMTI portfolios are built keeping in mind a minimum level of diversification, be it by sector or by individual issuer. Because of this fact, portfolios can be, and usually are, exposed to one or several of the risks typically present in the components and sectors in which they invest, such as:

- **Emerging Markets & Sovereign Debt Risk:** Emerging and/or capital markets are typically those of which exhibit lower levels of social and economic development, and higher levels of share price and currency volatility. The securities markets of developing countries are not as large as the more established securities markets and have substantially less trading volume and regulatory oversight resulting in lower liquidity and higher price volatility. Investment in debt obligations (“Sovereign Debt”) issued or guaranteed by developing governments or their agencies and instrumentalities (“governmental entities”) involves a higher degree of risk.
- **Fixed Income Transferable Securities:** Debt securities are subject to both actual and perceived measures of creditworthiness. The “downgrading” of a rated debt security or adverse publicity and investor perception, which may not be based on fundamental analysis, could decrease the value and liquidity of the security, particularly in a thinly traded market. Changes in market rates of interest will generally affect some underlying fund’s asset values as the prices of fixed rate securities generally increase when interest rates decline and decrease when interest rates rise.

Investors should be aware that the list of risks is not all inclusive and that other risks may also be prevalent in the underlying securities from time to time. In addition, investors should note that AMTI has no control over the risks taken by the underlying securities, in which the client’s invest.

AMTI primarily recommends bonds to FIPs advisory clients. PAS clients recommendations are tailored and based on the client’s investment objectives, tolerance and other financial profile information.

### **Item 7-Client Information Provided to Portfolio Managers**

AMTI collects information from their clients through the completion of client profiles and risk tolerance questionnaires in order to assist in the development of investment strategies and the selection of model portfolios that are suitable to the clients’ needs. The information collected typically relates to: financial objectives, planned time horizons, risk tolerance, the source of funds to be invested, the client’s investment experience and considerations for tax sensitivity.

Each client is responsible for providing accurate and complete information to AMTI, as failure to do so could affect the IC’s recommendations. The client must contact his/her IC promptly whenever any

significant change in the client's personal or financial condition or investment goals occurs in order to discuss whether changes in asset allocation or investments selected for the client's PAS and FIP account are recommended. AMTI reminds clients to provide any updates on a quarterly basis and will consult no less frequently than annually with PAS and FIP clients to assess the status of their account and information.

## **Item 8-Client Contact with Portfolio Managers**

AMTI is the portfolio manager on the PAS and FIP accounts.

The client always has the ability to communicate with their IC regarding the investments made in the client's account and may place reasonable restrictions on investments in the FIP program.

## **Item 9-Additional Information**

### ***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 AMTI or the integrity of AMTI's management for a period of 10 years. AMTI does not have anything current to disclose in this Brochure. Please visit <https://brokercheck.finra.org/> for full disclosure of any events related to AMTI.

### ***Other Financial Industry Activities and Affiliations***

AMTI is dually registered as an investment adviser with the SEC and a broker-dealer with FINRA. As such, management persons of AMTI may also be registered as registered representatives of the broker dealer.

Neither AMTI nor any of its management persons are registered, nor have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

AMTI is 100% owned by Amerant Bank, N.A. Employees of Amerant Bank, N.A. may also be registered representatives of AMTI. Most customers of AMTI are customers of Amerant Bank, N.A. Clients are made aware that investments made through AMTI are not obligations of AMTI, nor deposits in the bank, may lose value and are not federally insured by the FDIC, or any other government agency.

Through this relationship clients may be offered, by branch officers, some of whom may also be supervised persons of AMTI, the option of obtaining a loan from Amerant Bank, N.A. secured by pledging their assets held with AMTI. Clients should be aware these types of loans may, among other things, make assets held at AMTI less liquid, may require the customer to increase individual risk tolerance, and may create a conflict of interest as Amerant Bank, N.A. will receive compensation from such arrangements. As such, supervised persons of AMTI that are also registered with Amerant Bank, N.A. may have an incentive to recommend this product to clients. AMTI indirectly benefits from this arrangement in that assets remain at AMTI under an advisory relationship. AMTI has put in place procedures to ensure that these types of arrangements are only recommended to clients who can bear the risks while receiving the benefits. Clients

entering into such arrangements are provided with additional disclosures related to this set up which they should read and consider carefully before proceeding.

The package of advisory services AMTI offers to clients may include utilizing AMTI's broker dealer operation to execute trades in client advisory accounts. This may create a conflict of interest. To mitigate this, AMTI waives commissions for advisory accounts that use AMTI's broker dealer.

### ***Code of Ethics***

AMTI has established, maintains and enforces a Code of Ethics (the "Code") in accordance with Rule 204A-1 under the Advisers Act. Among other things, the Code of Ethics includes the following provisions:

- (1) Standards of business conduct required of employees and other supervised persons, which standards reflect fiduciary obligations and those of supervised persons to advisory clients;
- (2) Terms requiring supervised persons to comply with applicable federal securities laws;
- (3) Terms and procedures relating to the review and approval of certain securities transactions and holdings by supervised persons;
- (4) Procedures for reporting violations of the Code of Ethics; and
- (5) Procedures for the receipt and acknowledgement of the Code of Ethics by supervised

AMTI will provide a copy of the Code of Ethics to any client or prospective client free of charge upon request.

### ***Participation or Interest in Client Transactions and Personal Trading***

AMTI and its personnel may buy or sell securities that are also held by clients. These personnel may not trade their own securities ahead of client trades. Personnel comply with the provisions of the AMTI Compliance Manual.

AMTI may receive distribution fees, as well as revenue sharing retrocessions, from fund companies whose products are being recommended to advisory clients. Such arrangements are disclosed in relevant agreements and detailed in fund prospectuses.

AMTI anticipates that, under certain circumstances, and consistent with clients' investment objectives, it will cause accounts over which AMTI has discretionary authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which AMTI, its affiliates and/or clients, directly or indirectly, have a position of interest.

AMTI' employees and associated persons are required to follow AMTI' Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of AMTI and its affiliates may trade for their own accounts in securities which are being recommended to and/or purchased on behalf of AMTI' clients. The Code is designed to assure that personal securities transactions, activities and interests of the employees of AMTI 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. The Code places limitations on certain transactions including placing restrictions on trading in close proximity to client trading activity. However, and because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from activity by a client. Employee trading is continually monitored under the Code of Ethics, in order to reasonably prevent conflicts of interest between AMTI and its clients.

Certain affiliated accounts may trade in the same securities as client accounts, on an aggregated basis, and when consistent with AMTI's obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. AMTI will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro-rata basis. Any exceptions will be explained on the order.

In the event that a conflict arises, AMTI's senior management will review the facts and circumstances and may take appropriate steps including (but not limited to) administrative actions, trade sanctions and/or the reversal of related trades associated with persons subject to the AMTI Code of Ethics.

AMTI's compliance staff reviews all reportable employee trades on a monthly basis. AMTI's Chief Compliance Officer's trades are reviewed separately by another member of Compliance. The personal trading reviews help ensure that the personal trading of employees does not affect the securities markets, or interfere with AMTI's fiduciary duties to its clients.

It is AMTI's policy that the firm will not affect any principal or agency cross securities transactions for advisory accounts. AMTI will also not cross trades between advisory accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

### ***Review of Accounts***

AMTI procedures require advisory accounts to be reviewed at least annually. Supervised persons responsible for the accounts are also responsible for the account review. AMTI currently has 13 Wealth Advisors with responsibility over advisory accounts and two Principals supervising them. There is no maximum number of accounts assigned for each reviewer. It is expected that, on average, each registered representative will oversee 70 accounts. The review process contains the following elements:

1. review of investment profile with customer:
2. review of portfolio performance with customer, and;

3. discuss performance with customer; and
4. address any need to change model portfolio.

Account reviews may also be initiated by one or more of the following events:

1. customer request;
2. sudden change in market conditions; and
3. changes in portfolio allocation.

The nature and frequency of reports to clients are determined primarily by the particular needs of each client. Both AMTI and the client receive a written statement from the custodian at least quarterly detailing all activity in the client's account. In addition, AMTI can provide quarterly performance reports for discretionary advisory accounts upon request. Clients have access to their assigned supervised person at any time.

### ***Client Referrals and Other Compensation***

As noted above, AMTI or its affiliates may receive compensation for services provided to clients outside the scope of the PAS and FIP. These services include brokerage commissions, margin or bank collateral loans.

### ***Financial Information***

AMTI is required in this Item to provide you with certain financial information or disclosures about AMTI's financial condition. AMTI 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. AMTI is also registered as a broker-dealer and is required to carry a minimum amount of net capital.

### **Item 10-Requirements for State-Registered Advisers**

Because AMTI is a federally registered investment adviser, this Item is not applicable.

### **Item 11-Privacy Notice**

#### **FACTS What Does AMTI Do With Your Personal Information?**

#### **WHY?**

Financial companies choose how they share your personal information. Federal law gives customers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.



## WHAT?

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

Social Security number and assets

Account balances and transactions history

Credit history and investment experience

## HOW?

All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons AMTI chooses to share; and whether you can limit this sharing.

Reasons we can share your Personal information	Does AMTI share?	Can you limit this sharing?
For our everyday business purposes: such as to process your transactions, maintain your accounts(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes: To offer our products and services to you	Yes	No
For joint marketing with other financial companies	We don't share	We don't share
For affiliates' everyday business purposes: information about your transactions and experiences	Yes	No
For our affiliates everyday business purposes: Information about your creditworthiness	Yes	Yes

For our affiliates to market to you	Yes	Yes
For non-affiliates to market to you	We don't share	We don't share

## TO LIMIT OUR SHARING

Call from the U.S. 1-800-100-5985 or from Venezuela 0-800-100-5985

Please note:

If you are a new customer, we can begin sharing your information 30 days from the date we sent this notice. When you are no longer our customer, we continue to share your information as described in this notice. However, you can contact us at any time to limit our sharing.

**QUESTIONS?** Call from the U.S. 1-800-100-5985 or from Venezuela 0-800-100-5985

## WHAT WE DO

How does AMTI protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
How does AMTI collect my personal information?	<p>We collect your personal information, for example, when you:</p> <ul style="list-style-type: none"> <li>-open an account or deposit money;</li> <li>-seek advice about your investments;</li> <li>-direct us to buy securities or direct us to sell your securities;</li> </ul> <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p>
Why can't I limit sharing?	Federal law gives you the right to limit only

	-sharing for affiliate's everyday business purposes-information about your creditworthiness;  -affiliates from using your information to market to you;  -sharing for non-affiliates to market to you.  State laws and individual companies may give you additional rights to limit sharing.
What happens when I limit sharing for an account I hold jointly with someone else?	Your choices will apply to everyone on your account - unless you tell us otherwise.

## DEFINITIONS

**Affiliates:** Companies related by common ownership or control. They can be financial and non-financial companies. Our affiliates include financial companies such as, Amerant Bank, N.A., Amerant Mortgage LLC., and Elant Bank and Trust Ltd.

**Non-affiliates:** Companies not related by common ownership or control. They can be financial or non-financial companies. Non-affiliates we share with include our clearing firm, Pershing, LLC.

**Joint marketing:** AMTI does not jointly market.