Item 1: Cover Page

Part 2A of Form ADV
Firm Brochure

December 31, 2025

1035 Capital Management LLC

CRD No. 306526

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This brochure provides information about the qualifications and business practices of 1035 Capital Management LLC. If you have any questions about the contents of this brochure, please contact us at 314-332-4688. 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. Registration with the SEC or state regulatory authority does not imply a certain level of skill or expertise.

Additional information about 1035 Capital Management LLC is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: Material Changes

This Firm Brochure is our disclosure document prepared according to regulatory requirements and rules. At this time there are no material changes.

Item 3: Table of Contents

Item 1: Cover Page 1
Item 2: Material Changes 2
Item 3: Table of Contents 3
Item 4: Advisory Business 6
A. 1035 Capital Management LLC 6
B. Advisory Services Offered 6
C. Client-Tailored Services and Client-Imposed Restrictions 6
D. Wrap Fee Programs 6
E. Client Assets Under Management 7
Item 5: Fees and Compensation 8
A. Methods of Compensation and Fee Schedule 8
B. Client Payment of Fees 8
C. Additional Client Fees Charged 9
D. Prepayment of Client Fees 9
E. External Compensation for the Sale of Securities to Clients 9
Item 6: Performance-Based Fees and Side-by-Side Management 10
Item 7: Types of Clients 11
Item 8: Methods of Analysis, Investment Strategies, and Risk of Loss 12
A. Methods of Analysis and Investment Strategies 12
B. Investment Strategy and Method of Analysis Material Risks 14
C. Security-Specific Material Risks 14
Item 9: Disciplinary Information 16
A. Criminal or Civil Actions 16
B. Administrative Enforcement Proceedings 16
C. Self-Regulatory Organization Enforcement Proceedings 16
Item 10: Other Financial Industry Activities and Affiliations 17
A. Broker-Dealer or Representative Registration 17
B. Futures or Commodity Registration 17
C. Material Relationships Maintained by this Advisory Business and Conflicts of Interest 17

D. Recommendation or Selection of Other Investment Advisors and Conflicts of Interest....17

Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading....18

A. Code of Ethics Description....18

B. Investment Recommendations Involving a Material Financial Interest and Conflicts of Interest....18

C. Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest....18

D. Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest....19

Item 12: Brokerage Practices....20

A. Factors Used to Select Broker-Dealers for Client Transactions....20

B. Aggregating Securities Transactions for Client Accounts....24

Item 13: Review of Accounts....27

A. Schedule for Periodic Review of Client Accounts or Financial Plans and Advisory Persons Involved....27

B. Review of Client Accounts on Non-Periodic Basis....27

C. Content of Client-Provided Reports and Frequency....27

Item 14: Client Referrals and Other Compensation....28

A. Economic Benefits Provided to the Advisory Firm from External Sources and Conflicts of Interest....28

B. Advisory Firm Payments for Client Referrals....28

Item 15: Custody....29

Item 16: Investment Discretion....30

Item 17: Voting Client Securities....31

Item 18: Financial Information....32

A. Balance Sheet....32

B. Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients....32

C. Bankruptcy Petitions During the Past Ten Years....32

Item 19: Requirements for State-Registered Advisors....33

A. Principal Executive Officers and Management Persons....33

B. Outside Business Activities Engaged In....33

C. Performance-Based Fee Description....33

D. Disclosure of Material Facts Related to Arbitration or Disciplinary Actions Involving Management Persons....33

E. Material Relationships Maintained by this Advisory Business or Management Persons with Issuers of Securities....33

Item 4: Advisory Business

A. 1035 Capital Management LLC

1035 Capital Management LLC ("1035 Capital" and/or "the firm") is a limited liability company organized under the laws of the State of Missouri. Chris Abbott is the sole member. 1035 Capital is a newly formed investment adviser.

B. Advisory Services Offered

1035 Capital offers investment management services including a small cap core and all cap high yield preferred portfolios, which are described in more detail in Item 8 of this disclosure brochure.

1035 Capital requires the client to grant the firm ongoing and continuous discretionary authority to execute its investment strategies. The client will execute instructions regarding 1035 Capital's trading authority as required by each custodian of client assets. Pursuant to this grant of discretionary authority, the client authorizes 1035 Capital to purchase and sell shares of securities in the client's account(s).

In addition to providing 1035 Capital with information regarding their personal financial circumstances, investment objectives and tolerance for risk, clients are obligated to provide the firm with any reasonable investment restrictions in writing that should be imposed on the management of their portfolio, and to promptly notify the firm of any changes in such restrictions or in the client's personal financial circumstances, investment objectives, goals and tolerance for risk. 1035 Capital will remind clients of their obligation to inform the firm of any such changes or any restrictions that should be imposed on the management of the client's account. 1035 Capital will also contact clients at least annually to determine whether there have been any changes in a client's personal financial circumstances, investment objectives and tolerance for risk.

C. Client-Tailored Services and Client-Imposed Restrictions

Each client's account will be managed in accordance with the firm's small cap core strategy or as mutually agreed upon by the client and the firm in light of any reasonable restrictions imposed by the client on the management of the account—for example, restricting the type or amount of security to be purchased in the portfolio.

D. Wrap Fee Programs

1035 Capital does not participate in wrap fee programs. (Wrap fee programs offer services for one all-inclusive fee.)

E. Client Assets Under Management

As of December 31, 2025, 1035 Capital is a newly formed investment adviser and has $5.1M in discretionary assets under management.

Item 5: Fees and Compensation

A. Methods of Compensation and Fee Schedule

1035 Capital's will charge an annual fee based upon a percentage of the market value of the assets under its management based on the following fee schedules. **Fees are negotiable**. The advisory fee is non-tiered and the annualized fee percentage identified below represents the fee applied to the entire account value and based on the account value as of the last business day of the previous quarter.

Retail

Assets Under Management	Annualized Fee
Assets less than $500,000	1.60%
$500,001 to $1,000,000	1.50%
$1,000,001 to $5,000,000	1.40%
$5,000,001 and above	1.25%

Institutional

Assets Under Management	Annualized Fee
First $10M	100 bps
$10,000,000 to $25,000,000	90 bps
$25,000,000 to $50,000,000	80 bps
$50,000,000 and above	Negotiable

The client authorizes the qualified custodian to automatically deduct fees and all other charges payable hereunder from the assets in the account when due with such payments to be reflected on the next account statement sent to the client. If insufficient cash is available to pay such fees, securities in an amount equal to the balance of unpaid fees will be liquidated to pay for the unpaid balance. In the event the client has an ERISA-governed plan, fee modifications must be approved in writing by the client. Asset-based fees are always subject to the investment advisory agreement between the client and 1035 Capital. The fees will be prorated if the investment advisory relationship commences otherwise than at the beginning of a calendar quarter. Adjustments for significant contributions to a client's portfolio (20% of the portfolio value or $10,000, whichever is greater) are prorated for the quarter in which the change occurs; no adjustments will be made for withdrawals.

B. Client Payment of Fees

1035 Capital will deduct advisory fees directly from the client's account provided that (i) the client provides written authorization to the qualified custodian, and (ii) the qualified custodian sends the client a statement, at least quarterly, indicating all amounts disbursed from the account. The client is responsible for verifying the accuracy of any fee calculation, as the client's custodian will not verify the calculation.

C. Additional Client Fees Charged

All fees paid for investment advisory services are separate and distinct from the fees and expenses charged by exchange-traded funds, alternative investment sponsors, broker-dealers, and custodians. Such fees and expenses are charged to the clients account and are described in each exchange-traded fund prospectus, offering memoranda for each alternative investment sponsor, each separate account manager's Form ADV and Brochure and Brochure Supplement or similar disclosure statement, and by any broker-dealer or custodian. Clients are advised to read these materials carefully. Please refer to the Brokerage Practices section (Item 12) for additional information regarding the firm's brokerage practices.

D. Prepayment of Client Fees

1035 Capital generally requires fees to be prepaid on a quarterly basis. 1035 Capital's fees will either be paid directly by the client or disbursed to 1035 Capital by the qualified custodian of the client's investment accounts, subject to prior written consent of the client. The custodian will deliver directly to the client an account statement, at least quarterly, showing all investment and transaction activity for the period, including fee disbursements from the account.

A client investment advisory agreement may be canceled at any time by the client, or by 1035 Capital with 30 days' prior written notice to the client. Upon termination, any unearned, prepaid fees will be promptly refunded. The client has the right to terminate an agreement without penalty within five business days after entering into the agreement.

Right of Rescission:
The Client has the right to terminate this Agreement without penalty within five (5) business days after signing if the Firm's Form ADV Part 2 (and supplements) were delivered less than 48 hours prior to, or at the time of, signing this Agreement. The Client must provide written notice of termination to the Firm within this period. Any prepaid fees will be refunded on a pro-rata basis, less fees earned for services rendered prior to termination."

E. External Compensation for the Sale of Securities to Clients

1035 Capital advisory employees are compensated primarily through a salary and bonus structure. Certain 1035 Capital advisory employees may be paid a percentage of the management fee from client assets under management. The independent contractor is compensated by a percentage of the management fees generated from clients' portfolio assets. Please see item 5.A. above for further details. 1035 Capital is not paid any sales, service, or administrative fees for the sale of mutual funds or any other investment products with respect to managed advisory assets.

Item 6: Performance-Based Fees and Side-by-Side Management

1035 Capital does not charge performance-based fees.

Item 7: Types of Clients

1035 Capital offers its investment services to individuals and high-net-worth individuals and their respective trusts and estates, family offices and institutions, endowments, foundations.

1035 Capital generally requires a minimum account size of $50,000. 1035 Capital, in its sole discretion, may waive the required minimum.

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

A. Methods of Analysis and Investment Strategies

A.1. Portfolio Strategies

1035 Capital offers the Small Cap Core Portfolio, All Cap High Yield Portfolio, Investment Grade Preferred Portfolio and a Commodity Trend Following Portfolio. In addition, based upon the client's personal and financial circumstances, 1035 Capital may design a customized portfolio of securities that address specific client needs, objectives, and tolerance for risk in addition to those in the portfolios listed above.

Small Cap Core Portfolio Strategy

- Catalyst-driven investing is our unique bottom-up strategy to ensure each company we invest in is fundamentally sound with ample scenarios to drive future outperformance.
- We strive for "intelligent diversification," balancing the benefit of multiple positions while maintaining high active share—a key characteristic for differentiated portfolio performance.
- We implement a proprietary sector selection model to systematically allocate among sectors and industries.
- We continuously monitor our companies to ensure execution of our investment thesis; if not, we will replace with a new idea.
- Our proprietary risk management and selling tools help manage the uncertainties inherent in equity investing.

All Cap High Yield Preferred Portfolio Strategy

- Target preferred stocks and baby bonds issued by companies with stable or improving balance sheet and debt metrics resulting in higher than justified dividend yields given the improving financial outlook for the company.
- Focus primarily on operating companies as opposed to financial companies, although we do not explicitly exclude securities of financial companies.
- We strive for "intelligent diversification," balancing the benefit of multiple positions while allocating our holdings among sectors, unlike traditional preferred stock funds which tend to be heavily weighted toward financial issues.
- We aim to buy preferred stocks that we can buy and hold for the long term, resulting in low portfolio turnover.
- Continuously monitor our investments to ensure stable or improving financial conditions; if not, we will replace with a new idea.

Investment Grade Preferred Portfolio Strategy

- Target preferred stocks issued by companies with that have "investment grade" preferreds, as rated by one of the major rating agencies (S&P, Moody's, Fitch, Egan Jones). This focuses the strategy on highly credit worthy borrows, but due to being slightly lower than fixed income it results in higher dividend yields relative to similar bonds.
- This portfolio is concentrated in Financial and Utility companies, although we do not explicitly exclude securities of other operating companies.
- We strive for "intelligent diversification," balancing the benefit of multiple positions while allocating our holdings among sectors, unlike traditional preferred stock funds which tend to be heavily weighted toward financial issues.
- We aim to buy preferred stocks that we can buy and hold for the long term, resulting in low portfolio turnover.
- Continuously monitor our investments to ensure stable or improving financial conditions; if not, we will replace with a new idea.

Commodity Trend Following Portfolio Strategy

- This is a strategy that aims to provide exposure to a basket of commodities, via ETF's, when they are strongly trending upward. When the trend is positive the portfolio buys an equally weighted allocation to that commodity. When the trend shifts negative on a specific commodity the portfolio sells that position and goes to cash.
- This portfolio focuses on 7 commodities: Coffee, Cotton, Gold, Silver, Oil, Palladium & Copper.
- This portfolio will take a $1/7^{th}$ of the total portfolio position, or about 14.25%, in any of the commodities listed above when they are positively trending as assessed by our in house trend following model.
- Continuously monitor our in-house model to evaluate the trend of the seven commodities used for this portfolio.

A.2. Methods of Analysis

1035 Capital uses the following methods of analysis in formulating its investment advice and/or managing client assets:

Fundamental Analysis. 1035 Capital attempts to identify those companies that have a unique catalyst driving its shareholder value. Through a combination of our proprietary financial modeling, our estimates of relative valuation, return on investment and related factors, we evaluate the attractiveness of a market or security. We look at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of a company itself) to determine if the market or security is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

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

Macros/Sector Analysis. 1035 Capital employs a rigorous analysis that is designed to identify companies that operate, what in our view, are the most advantageous sectors and industries for investment.

Technical Analysis. 1035 Capital, through the use of technical analysis, attempts to identify how a particular company's stock (or Commodity) has been acting in various market cycles and compares that against its peer group to find optimal entry and exit points.

A.3. Material Risks of Investment Instruments

1035 Capital generally invests in small capitalization equity securities as detailed below:

- Equity securities:
  - Exchange-listed securities
  - Securities traded over-the-counter
  - Foreign issuers listed on domestic or foreign exchanges

Equity Securities. Investing in individual companies involves inherent risk. The major risks relate to the company's capitalization, quality of the company's management, quality and cost of the company's services, the company's ability to manage costs, efficiencies in the manufacturing or service delivery process, management of litigation risk, and the company's ability to create shareholder value (i.e., increase the value of the company's stock price). Foreign securities, in addition to the general risks of equity securities, have geopolitical risk, financial transparency risk, currency risk, regulatory risk, and liquidity risk.

B. Investment Strategy and Method of Analysis Material Risks

Our investment strategy is generally model driven, with variability for risk tolerance. In addition, we may design a customized portfolio of securities that address specific client needs, objectives, and tolerance for risk.

Long-Term Purchases. 1035 Capital generally purchases securities with the idea of holding them in the client's account for a year or longer, although this approach may vary significantly depending on the individual company's specific situation, 1035 Capital's forecast, current market environment, business environment, and related factors.

C. Security-Specific Material Risks

There is an inherent risk for clients who have their investment portfolios heavily weighted in one security, one industry or industry sector, one geographic location, one investment manager, one type of investment instrument (equities versus fixed income). Clients who have diversified portfolios, as a general rule, incur less volatility and therefore less fluctuation in portfolio value

than those who have concentrated holdings. Concentrated holdings offer the potential for higher gain, but also offer the potential for significant loss.

Item 9: Disciplinary Information

A. Criminal or Civil Actions

There is nothing to report on this item.

B. Administrative Enforcement Proceedings

There is nothing to report on this item.

C. Self-Regulatory Organization Enforcement Proceedings

There is nothing to report on this item.

Item 10: Other Financial Industry Activities and Affiliations

A. Broker-Dealer or Representative Registration

1035 Capital neither has an affiliate broker-dealer nor is in process of registering an affiliate as a broker-dealer.

B. Futures or Commodity Registration

1035 Capital is not registered as a commodity firm, futures commission merchant, commodity pool operator, or commodity trading advisor and does not have an application to register pending.

C. Material Relationships Maintained by this Advisory Business and Conflicts of Interest

There are no material relationships to report.

D. Recommendation or Selection of Other Investment Advisors and Conflicts of Interest

1035 Capital does not recommend separate account managers or other investment products in which it receives any form of referral or solicitor compensation from the separate account manager or investment product sponsor.

Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

A. Code of Ethics Description

In accordance with the Advisers Act, 1035 Capital has adopted policies and procedures designed to detect and prevent insider trading. In addition, 1035 Capital has adopted a Code of Ethics (the "Code"). Among other things, the Code includes written procedures governing the conduct of 1035 Capital's advisory and access persons. The Code also imposes certain reporting obligations on persons subject to the Code. The Code and applicable securities transactions are monitored by the chief compliance officer of 1035 Capital. 1035 Capital will send clients a copy of its Code of Ethics upon written request.

1035 Capital has policies and procedures in place to ensure that the interests of its clients are given preference over those of 1035 Capital, its affiliates and its employees. For example, there are policies in place to prevent the misappropriation of material non-public information, and such other policies and procedures reasonably designed to comply with federal and state securities laws.

B. Investment Recommendations Involving a Material Financial Interest and Conflicts of Interest

1035 Capital does not engage in principal trading (i.e., the practice of selling stock to advisory clients from a firm's inventory or buying stocks from advisory clients into a firm's inventory). In addition, 1035 Capital does not recommend any securities to advisory clients in which it has some proprietary or ownership interest.

C. Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest

1035 Capital, its affiliates, employees and their families, trusts, estates, charitable organizations and retirement plans established by it may purchase the same securities as are purchased for clients in accordance with its Code of Ethics policies and procedures. The personal securities transactions by advisory representatives and employees raises conflicts of interest when they trade in a security that is:

- owned by the client, or
- considered for purchase or sale for the client.

Such conflict generally refers to the practice of front-running (trading ahead of the client or disadvantaging the client), which 1035 Capital specifically prohibits. 1035 Capital has adopted policies and procedures that are intended to address these conflicts of interest. These policies and procedures:

- require our advisory representatives and employees to act in the client's best interest

- prohibit fraudulent conduct in connection with the trading of securities in a client account
- prohibit employees from personally benefitting by causing a client to act, or fail to act in making investment decisions
- prohibit the firm or its employees from profiting or causing others to profit on knowledge of completed or contemplated client transactions
- allocate investment opportunities in a fair and equitable manner
- provide for the review of transactions to discover and correct any trades that result in an advisory representative or employee benefitting at the expense of a client.

Advisory representatives and employees must follow 1035 Capital's procedures when purchasing or selling the same securities purchased or sold for the client.

D. Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest

1035 Capital, its affiliates, employees and their families, trusts, estates, charitable organizations, and retirement plans established by it may effect securities transactions for their own accounts that differ from those recommended or effected for other 1035 Capital clients. 1035 Capital will make a reasonable attempt to trade securities in client accounts at or prior to trading the securities in its affiliate, corporate, employee or employee-related accounts. Trades executed the same day will likely be subject to an average pricing calculation (please refer to Item 12.B.3 Order Aggregation). It is the policy of 1035 Capital to place the clients' interests above those of 1035 Capital and its employees.

Item 12: Brokerage Practices

A. Factors Used to Select Broker-Dealers for Client Transactions

A.1. Custodian Recommendations

1035 Capital may recommend that clients establish brokerage accounts with Interactive Brokers, a FINRA registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Although 1035 Capital may recommend that clients establish accounts at the custodian, it is the client's decision to custody assets with the custodian. 1035 Capital is independently owned and operated and not affiliated with custodian. For 1035 Capital client accounts maintained in its custody, the custodian generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through the custodian or that settle into custodian accounts.

1035 Capital considers the financial strength, reputation, operational efficiency, cost, execution capability, level of customer service, and related factors in recommending broker-dealers or custodians to advisory clients.

In certain instances and subject to approval by 1035 Capital, 1035 Capital will recommend to clients certain other broker-dealers and/or custodians based on the needs of the individual client, and taking into consideration the nature of the services required, the experience of the broker-dealer or custodian, the cost and quality of the services, and the reputation of the broker-dealer or custodian. The final determination to engage a broker-dealer or custodian recommended by 1035 Capital will be made by and in the sole discretion of the client. The client recognizes that broker-dealers and/or custodians have different cost and fee structures and trade execution capabilities. As a result, there may be disparities with respect to the cost of services and/or the transaction prices for securities transactions executed on behalf of the client. Clients are responsible for assessing the commissions and other costs charged by broker-dealers and/or custodians.

A.1.a. How We Select Brokers/Custodians to Recommend

1035 Capital seeks to recommend a custodian/broker who will hold client assets and execute transactions on terms that are overall most advantageous when compared to other available providers and their services. We consider a wide range of factors, including, among others, the following:

- combination of transaction execution services along with asset custody services (generally without a separate fee for custody)
- capability to execute, clear, and settle trades (buy and sell securities for client accounts)
- capabilities to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- breadth of investment products made available (stocks, bonds, mutual funds, exchange-traded funds (ETFs), etc.)

- availability of investment research and tools that assist us in making investment decisions
- quality of services
- competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate them
- reputation, financial strength, and stability of the provider
- their prior service to us and our other clients
- availability of other products and services that benefit us, as discussed below

A.1.b. Client's Custody and Brokerage Costs

For client accounts that the firm manages, the custodian generally does not charge clients separately for custody services but is compensated by charging commissions or other fees on trades that it executes or that settle into the custodian's accounts. The custodian's commission rates applicable to the firm's client accounts were negotiated based on the firm's commitment to maintain a certain minimum amount of client assets at the custodian. This commitment benefits the client because the overall commission rates paid are lower than they would be if the firm had not made the commitment. In addition to commissions, the custodian charges a flat dollar amount as a "prime broker" or "trade away" fee for each trade that the firm has executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into the client's custodian account. These fees are in addition to the commissions or other compensation the client pays the executing broker-dealer. Because of this, in order to minimize the client's trading costs, the firm has the custodian execute most trades for the account.

A.1.c. Soft Dollar Arrangements

As a result of the firm's recommendation to clients to custody assets with a specific custodian, the firm is deemed to be in receipt of soft dollar benefits from said custodian. These soft-dollar benefits are in the form of institutional trading and custody services, other products and services, and additional compensation received from custodians. Please refer to the following Items A.1.d. through A.1.h. for disclosure of such benefits.

A.1.d. Institutional Trading and Custody Services

The custodian provides 1035 Capital with access to its institutional trading and custody services, which are typically not available to the custodian's retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as a certain minimum amount of the advisor's clients' assets are maintained in accounts at a particular custodian. The custodian's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

A.1.e. Other Products and Services

Custodian also makes available to 1035 Capital other products and services that benefit 1035 Capital but may not directly benefit its clients' accounts. Many of these products and services may be used to service all or some substantial number of 1035 Capital's accounts, including accounts not maintained at custodian. The custodian may also make available to 1035 Capital software and other technology that

- provide access to client account data (such as trade confirmations and account statements)
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- provide research, pricing and other market data
- facilitate payment of 1035 Capital's fees from its clients' accounts
- assist with back-office functions, recordkeeping and client reporting

The custodian may also offer other services intended to help 1035 Capital manage and further develop its business enterprise. These services may include

- compliance, legal and business consulting
- publications and conferences on practice management and business succession
- access to employee benefits providers, human capital consultants and insurance providers

The custodian may also provide other benefits such as educational events or occasional business entertainment of 1035 Capital personnel. In evaluating whether to recommend that clients custody their assets at the custodian, 1035 Capital may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors it considers, and not solely the nature, cost or quality of custody and brokerage services provided by the custodian, which creates a conflict of interest.

A.1.f. Independent Third Parties

The custodian may make available, arrange, and/or pay third-party vendors for the types of services rendered to 1035 Capital. The custodian may discount or waive fees it would otherwise charge for some of these services or all or a part of the fees of a third party providing these services to 1035 Capital.

A.1.g. Additional Compensation Received from Custodians

1035 Capital may participate in institutional customer programs sponsored by broker-dealers or custodians. 1035 Capital may recommend these broker-dealers or custodians to clients for custody and brokerage services. There is no direct link between 1035 Capital's participation in such programs and the investment advice it gives to its clients, although 1035 Capital receives economic benefits through its participation in the programs that are typically not available to retail investors. These benefits may include the following products and services (provided without cost or at a discount):

- Receipt of duplicate client statements and confirmations

- Research-related products and tools
- Consulting services
- Access to a trading desk serving 1035 Capital participants
- Access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts)
- The ability to have advisory fees deducted directly from client accounts
- Access to an electronic communications network for client order entry and account information
- Access to mutual funds with no transaction fees and to certain institutional money managers
- Discounts on compliance, marketing, research, technology, and practice management products or services provided to 1035 Capital by third-party vendors

The custodian may also pay for business consulting and professional services received by 1035 Capital's related persons, and may pay or reimburse expenses (including client transition expenses, travel, lodging, meals and entertainment expenses for 1035 Capital's personnel to attend conferences). Some of the products and services made available by such custodian through its institutional customer programs may benefit 1035 Capital but may not benefit its client accounts. These products or services may assist 1035 Capital in managing and administering client accounts, including accounts not maintained at the custodian as applicable. Other services made available through the programs are intended to help 1035 Capital manage and further develop its business enterprise. The benefits received by 1035 Capital or its personnel through participation in these programs do not depend on the amount of brokerage transactions directed to the broker-dealer.

1035 Capital also participates in similar institutional advisor programs offered by other independent broker-dealers or trust companies, and its continued participation may require 1035 Capital to maintain a predetermined level of assets at such firms. In connection with its participation in such programs, 1035 Capital will typically receive benefits similar to those listed above, including research, payments for business consulting and professional services received by 1035 Capital's related persons, and reimbursement of expenses (including travel, lodging, meals and entertainment expenses for 1035 Capital's personnel to attend conferences sponsored by the broker-dealer or trust company).

As part of its fiduciary duties to clients, 1035 Capital endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by 1035 Capital or its related persons in and of itself creates a conflict of interest and indirectly influence 1035 Capital's recommendation of broker-dealers for custody and brokerage services.

A.2. Brokerage for Client Referrals

1035 Capital does not engage in the practice of directing brokerage commissions in exchange for the referral of advisory clients.

A.3. Directed Brokerage

A.3.a. 1035 Capital Recommendations

1035 Capital typically recommends Interactive Brokers as custodian for clients' funds and securities and to execute securities transactions on its clients' behalf.

A.3.b. Client-Directed Brokerage

Occasionally, clients may direct 1035 Capital to use a particular broker-dealer to execute portfolio transactions for their account or request that certain types of securities not be purchased for their account. Clients who designate the use of a particular broker-dealer should be aware that they will lose any possible advantage 1035 Capital derives from aggregating transactions. Such client trades are typically effected after the trades of clients who have not directed the use of a particular broker-dealer. 1035 Capital loses the ability to aggregate trades with other 1035 Capital advisory clients, potentially subjecting the client to inferior trade execution prices as well as higher commissions.

B. Aggregating Securities Transactions for Client Accounts

B.1. Best Execution

1035 Capital, pursuant to the terms of its investment advisory agreement with clients, has discretionary authority to determine which securities are to be bought and sold, and the amount of such securities, the executing broker, and the commission rates to be paid to effect such transactions. 1035 Capital recognizes that the analysis of execution quality involves a number of factors, both qualitative and quantitative. 1035 Capital will follow a process in an attempt to ensure that it is seeking to obtain the most favorable execution under the prevailing circumstances when placing client orders. These factors include but are not limited to the following:

- The financial strength, reputation and stability of the broker
- The efficiency with which the transaction is effected
- The ability to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any)
- The availability of the broker to stand ready to effect transactions of varying degrees of difficulty in the future
- The efficiency of error resolution, clearance and settlement
- Block trading and positioning capabilities
- Performance measurement
- Online access to computerized data regarding customer accounts
- Availability, comprehensiveness, and frequency of brokerage and research services
- Commission rates
- The economic benefit to the client

- Related matters involved in the receipt of brokerage services

Consistent with its fiduciary responsibilities, 1035 Capital seeks to ensure that clients receive best execution with respect to clients' transactions by blocking client trades to reduce commissions and transaction costs. To the best of 1035 Capital's knowledge, these custodians provide high-quality execution, and 1035 Capital's clients do not pay higher transaction costs in return for such execution.

Commission rates and securities transaction fees charged to effect such transactions are established by the client's independent custodian and/or broker-dealer. Based upon its own knowledge of the securities industry, 1035 Capital believes that such commission rates are competitive within the securities industry. Lower commissions or better execution may be able to be achieved elsewhere.

B.2. Security Allocation

Since 1035 Capital may be managing accounts with similar investment objectives, 1035 Capital may aggregate orders for securities for such accounts. In such event, allocation of the securities so purchased or sold, as well as expenses incurred in the transaction, is made by 1035 Capital in the manner it considers to be the most equitable and consistent with its fiduciary obligations to such accounts. 1035 Capital's allocation procedures seek to allocate investment opportunities among clients in the fairest possible way, taking into account the clients' best interests. 1035 Capital will follow procedures to ensure that allocations do not involve a practice of favoring or discriminating against any client or group of clients. Account performance is never a factor in trade allocations.

1035 Capital's advice to certain clients and entities and the action of 1035 Capital for those and other clients are frequently premised not only on the merits of a particular investment, but also on the suitability of that investment for the particular client in light of his or her applicable investment objective, guidelines and circumstances. Thus, any action of 1035 Capital with respect to a particular investment may, for a particular client, differ or be opposed to the recommendation, advice, or actions of 1035 Capital to or on behalf of other clients.

B.3. Order Aggregation

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. Subsequent orders for the same security entered during the same trading day may be aggregated with any previously unfilled orders. Subsequent orders may also be aggregated with filled orders if the market price for the security has not materially changed and the aggregation does not cause any unintended duration exposure. All clients participating in each aggregated order will receive the average price and, subject to minimum ticket charges and possible step outs, pay a pro rata portion of commissions.

To minimize performance dispersion, "strategy" trades should be aggregated and average priced. However, when a trade is to be executed for an individual account and the trade is not in the best interests of other accounts, then the trade will only be performed for that account. This

is true even if 1035 Capital believes that a larger size block trade would lead to best overall price for the security being transacted.

B.4. Allocation of Trades

All allocations will be made prior to the close of business on the trade date. In the event an order is "partially filled," the allocation will be made in the best interests of all the clients in the order, taking into account all relevant factors including, but not limited to, the size of each client's allocation, clients' liquidity needs and previous allocations. In most cases, accounts will get a pro forma allocation based on the initial allocation.

1035 Capital acts in accordance with its duty to seek best price and execution and will not continue any arrangements if 1035 Capital determines that such arrangements are no longer in the best interest of its clients.

Item 13: Review of Accounts

A. Schedule for Periodic Review of Client Accounts or Financial Plans and Advisory Persons Involved

Managed portfolios are reviewed on an ongoing basis for appropriateness and relative value of investments. Regularly scheduled meetings are held to discuss current developments and relative merits of particular investments. Holdings for each client account are appraised and reviewed for accuracy from an administrative, accounting, and investment viewpoint by the portfolio manager or investment team. 1035 Capital will also contact clients at least annually to determine whether there have been any changes in a client's personal financial circumstances, investment objectives, and risk tolerance.

B. Review of Client Accounts on Non-Periodic Basis

1035 Capital may perform ad hoc reviews on an as-needed basis if there have been material changes in the client's investment objectives or risk tolerance, or a material change in how 1035 Capital formulates investment advice.

C. Content of Client-Provided Reports and Frequency

Statements listing portfolio assets, transactions during the reporting period, and summary reports of performance for the portfolio during the reporting period may be furnished on a monthly, quarterly or other basis, depending on the client's specific direction.

The client's independent custodian provides account reports directly to the client no less frequently than quarterly. The custodian's statement is the official record of the client's securities account and supersedes reports created on behalf of the client by 1035 Capital.

Item 14: Client Referrals and Other Compensation

A. Economic Benefits Provided to the Advisory Firm from External Sources and Conflicts of Interest

Other than what is disclosed in Item 12 regarding benefits the firm receives from the custodian(s), 1035 Capital does not receive economic benefits for referring clients to third-party service providers.

B. Advisory Firm Payments for Client Referrals

1035 Capital may pay for third-party referrals. In such cases, disclosure by the referring agent and 1035 Capital will be made to the client at or before the time of account opening.

Item 15: Custody

Under government regulations, 1035 Capital is deemed to have custody of a client's assets if the client authorizes us to instruct their custodian to deduct our advisory fees directly from the client's account. The custodian maintains actual custody of clients' assets. The firm does not accept or maintain physical custody of client funds or securities. Clients will receive at least quarterly account statements directly from their custodian containing a description of all activity, cash balances and portfolio holdings in the client's account. Clients are urged to compare their fees to their advisory agreements and custodian statements to ensure accuracy. The custodian's statement is the official record of the account.

Item 16: Investment Discretion

1035 Capital requires its clients to provide them with discretionary authority to manage the client account. Clients shall grant a limited power of attorney to 1035 Capital with respect to trading activity in their accounts by signing the appropriate custodian limited power of attorney form. In those cases, 1035 Capital will exercise full discretion as to the nature and type of securities to be purchased and sold, and the amount of securities for such transactions. Investment limitations may be designated by the client as outlined in the investment advisory agreement.

Item 17: Voting Client Securities

1035 Capital does not take discretion with respect to voting proxies on behalf of its clients. 1035 Capital will endeavor to make recommendations to clients on voting proxies regarding shareholder vote, consent, election or similar actions solicited by, or with respect to, issuers of securities beneficially held as part of 1035 Capital supervised and/or managed assets. In no event will 1035 Capital take discretion with respect to voting proxies on behalf of its clients.

Except as required by applicable law, 1035 Capital will not be obligated to render advice or take any action on behalf of clients with respect to assets presently or formerly held in their accounts that become the subject of any legal proceedings, including bankruptcies.

From time to time, securities held in the accounts of clients will be the subject of class action lawsuits. 1035 Capital has no obligation to determine if securities held by the client are subject to a pending or resolved class action lawsuit. 1035 Capital also has no duty to evaluate a client's eligibility or to submit a claim to participate in the proceeds of a securities class action settlement or verdict. Furthermore, 1035 Capital has no obligation or responsibility to initiate litigation to recover damages on behalf of clients who may have been injured as a result of actions, misconduct, or negligence by corporate management of issuers whose securities are held by clients.

Where 1035 Capital receives written or electronic notice of a class action lawsuit, settlement, or verdict affecting securities owned by a client, it will forward all notices, proof of claim forms, and other materials to the client. Electronic mail is acceptable where appropriate and where the client has authorized contact in this manner.

Item 18: Financial Information

A. Balance Sheet

1035 Capital does not require the prepayment of fees of $500 or more, six months or more in advance, and as such is not required to file a balance sheet.

B. Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients

1035 Capital does not have any financial issues that would impair its ability to provide services to clients.

C. Bankruptcy Petitions During the Past Ten Years

There has been no bankruptcy to report within the last 10 years.

Item 19: Requirements for State-Registered Advisors

A. Principal Executive Officers and Management Persons

Chris Abbott is the Managing Member of 1035 Capital. Education and business background information are included in the Brochure Supplement provided with this Brochure.

B. Outside Business Activities Engaged In

Other than what has been supplied in response to Item 10 of this Brochure, there is no additional information to disclose.

C. Performance-Based Fee Description

1035 Capital may charge performance-based fees. See Item 6 of this Brochure.

D. Disclosure of Material Facts Related to Arbitration or Disciplinary Actions Involving Management Persons

Other than what has been supplied in response to Item 9, there is no additional information to disclose.

E. Material Relationships Maintained by this Advisory Business or Management Persons with Issuers of Securities

Other than what has been supplied in response to Item 10.C. of this Brochure, there is no additional information to disclose.