



1. Introduction

Strategic International (“SI”) is an investment adviser registered with the U.S. Securities and Exchange Commission (“SEC”). The services offered and fees charged by an investment adviser differ from those of broker-dealers and it is important that you understand the differences. Free and simple tools are available to research investment adviser firms, broker-dealers, and their financial professionals at www.Investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing.

2. Relationships and Services: What investment services and advice can you provide me?

SI offers automated investment advisory and asset management services to retail investors. Specifically, SI uses quantitative analysis to construct and maintain efficient portfolios in accordance with the basic tenets of [Modern Portfolio Theory](#). Tolerance for risk is initially quantified using methods derived from [Prospect Theory](#) and [Behavioral Economics](#). A small portion of clients receive traditional, face-to-face services where advice and management are [discretionary](#). Regardless, SI monitors clients’ investments monthly and adjusts various allocations in accordance with predetermined objectives and risk characteristics.

Conversation Starters

- > Given my financial situation, should I choose an investment advisory service?
- > Why or why not? How will you choose investments to recommend to me?
- > What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?

Additional Information: *More detailed information about SI’s services can be found on [Form ADV Part 2A](#) (Items 4 and 7).*

3. Fees, Costs, Conflicts, and Standards of Conduct

What fees will I pay?

The fee for Automated Portfolio Management Services is 0.50% of the value of the account, regardless of its size. For face-to-face clients, Fees are usually negotiated on an individual basis as a percentage of assets under management. Regardless, fees are assessed quarterly. Custodians may charge transaction fees on purchases or sales of certain mutual funds and exchange-traded funds. Mutual funds, ETFs and private funds recommended by SI will sometimes charge management fees and/or performance fees, plus a number of other different types of expenses involved in offering and managing a fund. These fees and expenses are disclosed in the relevant documentation associated with said financial instrument (prospectus, private placement memorandum, etc.).

Additional Information: *You will pay fees and costs whether you make or lose money on your investments. Over time, these fees and costs will reduce any amount of money you make on your investments. Please make sure you understand what fees and costs you are paying. For more information, please refer to the section entitled “Fees and Compensation” on [Form ADV Part 2A](#) (Item 5).*

Conversation Starters

- > Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

- > What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

When SI acts as your investment adviser, SI must act in your best interest and not put its interest ahead of yours. At the same time, the way SI makes money may create some conflicts with your interests. You should understand and ask SI about these conflicts because they can affect the investment advice you receive. Here is an example to help you understand what this means:

Example: SI employees are allowed to trade securities in their personal accounts. Employees are required to preclear certain types of trades that have the potential to create conflicts of interest with clients.

Conversation Starters

- > How might your conflicts of interest affect me, and how will you address them?

For more information on conflicts of interest, please see the sections entitled, "Fees and Compensation," "Performance-Based Fees and Side-By-Side Management" "Other Financial Industry Activities and Affiliations" and "Brokerage Practices" on [Form ADV Part 2A](#).

How do your financial professionals make money?

SI is wholly owned by Taylor Shockey. Profit is made as a percentage of clients' assets under management assessed quarterly.

4. Disciplinary History: Do you or your financial professionals have legal or disciplinary history?

No. Please visit www.Investor.gov/CRS for a free and simple search tool to research SI and SI's financial professionals.

Conversation Starters

- > As a financial professional, do you have any disciplinary history? For what type of conduct?

5. Additional Information

You can find additional information about SI's investment advisory services on the [SEC's website](#). Face-to-face clients can request up-to-date information and a copy of SI's Relationship Summary by calling the number below. Automated portfolio management clients can find answers to this document's Conversation Starters [here](#).

Conversation Starters

- > Who is my primary contact person?
- > Is he or she a representative of an investment adviser or a broker-dealer?
- > Who can I talk to if I have concerns about how this person is treating me?

