



# Valori Solutions

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This brochure provides information about the qualification and business practices of Valor Solutions LLC. If you have any questions about the contents of this brochure, please contact us at (817)201-5569 or [sam@valorisolutions.com](mailto:sam@valorisolutions.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Valori Solutions LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Being a “registered investment advisor” in no way implies a certain level of skill or training, only that the securities board of Texas is aware of Valori Solutions LLC existence and conducts periodic audits to maintain its' integrity.

## **MATERIAL CHANGES**

The following are changes that occurred in the year 2022 for Valori Solutions LLC brochure.

1. Valori completed the transition of client accounts from Interactive Brokers LLC to Charles Schwab.

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## **ADVISORY BUSINESS**

Valori Solutions LLC (“Valori”) is an advisory firm that's been in business since the end of 2009. The principal, owner and only employee is Samuel C Rizzo (CRD#5045776) which has been that way since inception.

Valori is an advisor on many different asset classes that make up today's market. Such asset classes include, but are not limited to; Equities, Bonds, Futures and Commodities. Valori also provides advice on option contracts as it relates to the aforementioned asset classes. Commodity advice is however, limited to contracts dealing with Cattle and Futures relating to the Volatility Index, Currencies and Interest Rates.

Clearly, not all individuals have the risk tolerance to invest in the assets that advice is provided, so Valori will assess each individual's risk profile and tailor investments around those results. Valori subscribes to have a fiduciary duty to their clients and make only those recommendations that are consistent with the customer's best interests prohibiting the placing of interests ahead of the customer's interests. Valori in its fiduciary duty, must act in the best interest of the client and disclose any conflicts of interest that may be present.

Valori advises strictly on a discretionary basis, keeping in focus its fiduciary duty to clients.

## **FEEES AND COMPENSATION**

The Client will pay the Advisor a monthly Investment Advisory Fee at a negotiated annual rate of not more than 1.50% payable at the end of each month, based on the fair market value of portfolio assets under management in the Account at the end of the month. The Investment Advisory Fees in the first quarter of the Agreement shall be prorated from the inception date to the end of the first month.

Fees are calculated based on the month-end security valuations as provided by the Client's designated Custodian . The Custodian will automatically deduct investment Advisory Fees from the Client Account. The Advisor shall send a monthly invoice to the Custodian indicating the amount of the fees to be deducted from the Client Account. Clients will receive independent statements from the Custodian no less frequently than quarterly.

In addition, the Advisor will provide, upon request, the Client a written invoice itemizing the fee, including the calculation period covered by the fee, the account value and the methodology used to calculate the fee.

Expenses related to the ordinary servicing of the Account, including custody fees, security transaction fees, and/or program fees shall be paid by the Client. Other non-ordinary fees or fees incurred at the direction of the Client shall be paid by the Client. Operating fees of mutual funds and other investment product fees are deducted from the asset value of those investments as defined in the prospectus of the sponsor for each product.



## **PERFORMANCE BASED FEES**

The Qualifying Client (defined herein) will pay the Advisor a monthly Investment Advisory Fee at a fixed annual rate of 1.00% payable at the end of each month, based on the fair market value of portfolio assets under management in the Account at the end of the month. The Investment Advisory Fees in the first month of the Agreement shall be prorated from the inception date to the end of the first month.

Fees are calculated based on the month-end security valuations as provided by the Client's designated Custodian. The Custodian will automatically deduct investment Advisory Fees from the Client Account. The Advisor shall send a monthly invoice to the Custodian indicating the amount of the fees to be deducted from the Client Account. Clients will receive independent statements from the Custodian no less frequently than quarterly.

In addition, the Advisor will provide the Client a written invoice itemizing the fee, including the calculation period covered by the fee, the account value and the methodology used to calculate the fee. Expenses related to the ordinary servicing of the Account, including custody fees, security transaction fees, and/or program fees shall be paid by the Client. Other non-ordinary fees or fees incurred at the direction of the Client shall be paid by the Client. Operating fees of mutual funds and other investment product fees are deducted from the asset value of those investments as defined in the prospectus of the sponsor for each product.

In addition to the Investment Advisory Fee, the Advisor may receive a Performance Fee based upon any gains obtained in the Client's account for each calendar quarter. Performance fees are paid in arrears and will be equal to 10% of any gains in the Client account during the quarter, subject to a high water mark. Performance fees for the quarter shall be calculated from the date of the Agreement to the end of the first calendar quarter.

Performance Fees are calculated based on the quarter-end security valuations as provided by the Client's designated Custodian. Performance Fees will be automatically deducted from the Client Account by the Custodian. The Advisor shall send an invoice to the Custodian indicating the amount of the fees to be deducted from the Client Account along with monthly invoicing of Investment Advisory Fees. In addition, the Advisor will provide the Client a written invoice itemizing the fee, including the calculation of the Performance Fee.

Additional information regarding the calculation methodology for performance fees is provided in the Advisor's Form ADV Part 2, which is available upon request at no charge. The Advisor may modify the terms in this Section prospectively on at least 30 days prior written notice. The Client has the option of accepting the new fee schedule or terminating this Agreement pursuant to the termination provisions of this Agreement.

## **TYPES OF CLIENTS**

Valori's clients include individuals, high net worth individuals, trusts and estates. The minimum portfolio size is \$50,000 for investment advisory clients, although this may be negotiable under certain circumstances. Waivers or exceptions may be granted at the exclusive discretion of Valori. Valori may group certain related client accounts for the purposes of achieving the minimum account size.

A "Qualifying Client", one that certifies that it is financially sophisticated and meets one or more of the following conditions:

1. Client is a natural person who or a company that immediately after entering into the contract has at least \$1,000,000 under the management of the Advisor;
2. Client is a natural person who or a company that immediately prior to entering into the contract, has a net worth (together, in the case of a natural person, with assets held jointly with a spouse) of more than \$2,000,000 at the time the contract is entered into, excluding the primary residence of the Client.

## **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 Valori or the integrity of Valori's management. Valori has no information to disclose applicable to this Item.

## **OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

If Valori, in its capacity as an investment advisor, suggests that some type of insurance should be considered for a clients situation and given that Valori is not a licensed insurance agent, then Valori will recommend another investment advisor, with those qualifications, to fullfil the advisement. Valori, as a result, has never accepted nor sought compensation for these type of recommendations.

## **CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

### Code of Ethics

Valori must comply with a Code of Ethics and Statement for Insider Trading. The Code describes the Firm's high standard of business conduct, and fiduciary duty to its clients. The Code's key provisions include: ☺ Statement of General Principles ☺ Policy on and reporting of Personal Securities Transactions ☺ A prohibition on Insider Trading ☺ Restrictions on the acceptance of significant gifts ☺ Procedures to detect and deter misconduct and violations ☺ Requirement to maintain confidentiality of client information.

Valori acknowledges the terms of the Code of Ethics at least annually.

### Participation or Interest in Client Transactions

Financial Interest and Principal/Agency Cross Valori and its employees do not recommend to clients, or buy or sell for client accounts, securities in which they have a material financial interest. It is Valori's policy that the Firm will not affect any principal or agency cross securities transactions for client accounts. Valori will also not cross trades between client accounts.

### Personal Securities Transactions

Valori may buy or sell securities identical to those recommended to clients for their personal accounts. The Code of Ethics, described above, is designed to assure that the personal securities transactions, activities and interests of Valori 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 an employee to invest for their own accounts. In addition, the Code requires pre-clearance of many transactions. Nonetheless, because the Code of Ethics in some circumstances would permit the employee to invest in the same securities as clients, there is a possibility that the employee might benefit from market activity by a client in a security held by the employee. Employee trading is continually monitored under the Code of Ethics, and designed to reasonably prevent conflicts of interest between Valori and its clients.

## **BROKERAGE PRACTICES**

As a fee-based advisor, Valori nor its affiliated broker-dealer Charles Schwab ("CS") charges or receives Soft Dollar Benefits from third parties. Valori in its efforts to provide the most up to date information on its investment suggestions, uses research and other consultants through CS's platform, for which it compensates CS directly.

Valori, through its broker-dealer CS, has the ability to aggregate orders, but chooses not to do so as it conflicts with Valori's stated advisory practices of providing specific recommendations that fit each client's risk tolerance. Additionally, Valori feels that its fiduciary responsibilities to individuals could be violated by utilizing aggregate orders.

Many brokers trade against a client's orders or sell them to others to execute who will trade against them. CS continuously searches and reroutes to the best available prices for stocks, options and combinations.



## **REVIEW OF ACCOUNTS**

### Reviews

Investment portfolios are continuously reviewed and monitored. Factors that may trigger more frequent reviews include material market events or changes in a client's personal situation. In addition, each client portfolio is reviewed periodically for compliance with the investment policies, suitability of investments and client investment objectives.

### Review Triggers

Other conditions that may trigger a review are changes in market, political or economic conditions, tax laws, new investment information, and changes in a client's own situation.

### Reporting

Clients receive monthly portfolio analysis from Valori and periodic confirmations from their broker/dealers, mutual fund companies and/or custodians, as applicable.

## **CLIENT REFERRALS AND OTHER COMPENSATION**

Valori has never received or disbursed funds for a referral or any other service outside of its advisory business.

## **CUSTODY**

### Custody – Fee Debiting

Valori has one form of custody. Clients may authorize Valori (in the client agreement) to debit fees directly from the client's account at the broker dealer (custodian). Client investment assets will be held with a custodian agreed upon by the client and Valori. The custodian is advised in writing of the limitation of Valori's access to the account. The custodian sends a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of advisory fees paid directly to Valori.

### Custody – Account Statements

As described above, clients receive at least quarterly statements from the broker dealer that holds and maintains client's investment assets. Clients are urged to carefully review such statements and compare such official custodial records to the account statements or other reports that Valori provides. Valori statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

## INVESTMENT DISCRETION

Through the investment management agreement, Valori may accept limited power of attorney to act on a discretionary basis on behalf of clients. A limited power of attorney allows Valori to execute trades on behalf of clients. When such limited powers exist between the Valori and the client, Valori has the authority to determine, without obtaining specific client consent, both the amount and type of securities to be bought to satisfy client account objectives. Additionally, Valori may accept any reasonable limitation or restriction to such authority on the account placed by the client. All limitations and restrictions placed on accounts must be presented to Valori in writing. However, Valori consults with the client prior to each trade to obtain concurrence if a blanket trading authorization has not been given.

## VOTING CLIENT SECURITIES

Valori typically does not vote proxies on behalf of clients. Generally, clients retain the responsibility for receiving and voting proxies for securities maintained in their portfolios; clients receive these proxies directly from the custodians or transfer agents. Valori does render advice, at the request of the client, to or take any actions on behalf of clients with respect to any legal proceedings, including bankruptcies and shareholder litigation.

When the responsibility to vote proxies has been assigned to Valori, the firm's utmost concern is that all decisions be made solely in the best interest of the client. Valori will act in a prudent and diligent manner intended to enhance the economic value of the assets of the client's portfolio.

Clients may contact Valori at (817)201-5569 for any additional information regarding proxies.

## FINANCIAL INFORMATION

Valori 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.

Valori is not required to provide a balance sheet; Valori does not require prepayment of any type of fees.

## REQUIREMENTS FOR STATE-REGISTERED ADVISORS

### Principal and Owner

Samuel C Rizzo

### Business Background

|                          |                |
|--------------------------|----------------|
| UBS Financial Securities | 2006 – 2009    |
| Valori Solutions LLC     | 2009 – present |

### Education

|                            |            |
|----------------------------|------------|
| Texas A&M University       | BBA – 1981 |
| Industry Series Completion | 3,7 & 66   |