

Item 1 - Introduction

Blue Reef Capital is an investment adviser registered with the State of California and Florida. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://www.investor.gov/crs), which also provides educational materials about broker-dealers, investment advisers, and investing.

Item 2 – Relationships and Services

“What investment services and advice can you provide me?”

Investment Adviser: Blue Reef typically provides investment advisory services to retail investors, including high net worth individuals, their family members, related investment vehicles and trusts, as well as, charitable institutions, foundations, and other institutional clients. Blue Reef targets clients that typically have investable assets of at least \$500,000. Blue Reef will, as an accommodation and/or in its discretion, accept clients that have fewer investable assets. Blue Reef provides investment advisory services primarily through separate accounts by managing such assets directly and in combination with the use of mutual funds, exchange-traded funds (“ETFs”), affiliated funds, and other pooled investment vehicles. Blue Reef maintains several investment strategies that it manages internally, and may retain sub-advisors for other specialized investment strategies. Blue Reef structures client portfolios to account for client-specific needs and limitations, investment objectives and goals, and risk tolerance. Blue Reef also provides consulting services to advise clients about investments, investment advisers and/or pooled investment vehicles to be retained or invested in, as applicable, directly by the client.

Clients typically grant Blue Reef discretion, which means you allow Blue Reef to buy and sell investments in your account(s) without asking you in advance, pursuant to an Investment Management Agreement (“IMA”). As an investment adviser, Blue Reef owes you a fiduciary duty, which includes ongoing monitoring of your account.

For additional information, please see Blue Reef’s Form ADV, Part 2A brochure.

Conversation Starters:

“Given my financial situation, should I choose an investment advisory service? Should I choose a brokerage service? Should I choose both types of services? 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?”

Item 3 - Fees, Costs, Conflicts, and Standard of Conduct

“What fees will I pay?”

Description of Principal Advisory Fees and Costs: Most Blue Reef clients pay an annual management

fee of up to 1.10%, depending on, among other things, the size of the account, nature of the investment strategy, nature of the client relationship, and services provided to the client. Fees are negotiable at Blue Reef's sole discretion, and not all clients pay the same fee. Fees are charged on a monthly basis in arrears based on the average of the value of the assets in the accounts as of the end of each month. Blue Reef prorates the fee for the initial period and at the end of the relationship. In limited circumstances, Blue Reef provides consulting services for a fixed or variable fee basis.

Blue Reef offers different fees for different investment strategies. Given that Blue Reef charges different fees for different strategies, your advisor has an incentive to allocate you to the highest paying strategy. Moreover, the more assets that are in your advisory account, the more you will pay in fees, and we therefore have an incentive to encourage you to increase the assets in your account.

This can present a conflict of interest as Blue Reef has a financial incentive to allocate client assets to Designated Affiliated Funds. Advisor will only recommend investments, when recommendations are appropriate, in Designated Affiliated Funds when the investment is consistent with the relevant client's investment objective, goal, and risk profile. Additional Information: You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. For additional information, please see Blue Reef's Form ADV, Part 2A brochure.

Conversation Starter: "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?"

How else does your firm make money and what conflicts of interest do you have?"

- When we provide you with a recommendation as your broker-dealer or act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the recommendations and investment advice we provide you. For example, and as discussed above, potential conflicts include varying Advisory Fees paid by you to Blue Reef, revenue/commissions paid to Blue Reef, and investments in Designated Affiliated Funds.

Conversation Starter: "How might your conflicts of interest affect me, and how will you address them?"
"How do your financial professionals make money?"

- Blue Reef's advisors receive a percentage of the management fees that you pay to Blue Reef. Given Blue Reef charges different fees for different strategies, your financial professional has an

incentive to allocate you to the highest paying strategy. Moreover, the more assets that are in your advisory account, the more you will pay in fees, and we may therefore have an incentive to encourage you to increase the assets in your account. Blue Reef's other financial professionals are paid a base salary and are eligible for portfolio and firm performance bonuses, as well as a subjective individual performance bonus.

Item 4 – Disciplinary History “Do you or your financial professionals have legal or disciplinary history?” Yes. A free and simple search tool to research Blue Reef and their financial professionals can be found at: [Investor.gov/CRS](https://www.investor.gov/CRS).

Conversation Starter: “As a financial professional, do you have any disciplinary history? For what type of conduct?” **Item 5 – Additional Information** You can find additional information about Blue Reef's investment advisory services in Blue Reef's Form ADV. You can find additional and up-to-date information about our investment advisory services and request a copy of the relationship summary by calling (310) 948- 2226 or jose@bluereefcapital.com