Stake Advisory, LLC

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www.stake.rent

Form ADV Part 2A
Stake Advisory Client Brochure
March 1, 2019

Item 1 – Cover Page

This brochure ("Brochure") provides information about the qualifications and business practices of Stake Advisory, LLC ("Stake Advisory"), an investment adviser registered with the State of New York. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. Registration does not imply any certain level of skill or training.

If you have any questions about the contents of this brochure, please contact us at (646) 808-7270; or by email at advisory@stake.rent. Additional information about Stake Advisory, LLC is available on the SEC's website at www.adviserinfo.sec.gov. Stake Advisory's CRD number is 300369

Item 2 - Material Changes

This document represents an initial Form ADV Part 2A and therefore does not include any material amendments. We will review and update our brochure at least annually to make sure that it remains current.

Item 3 – Table of Contents

Item 4 – Advisory Business

Stake Advisory, LLC (hereinafter "Stake Advisory") is a registered investment adviser based in New York, New York, organized as a Limited Liability Company under the laws of the State of Delaware. We have been providing investment advisory services since 2019. Stake Advisory provides confidential investment management advisory to individuals. We give advice through consultation with the client: determination of financial objectives and cash flow management.

Stake Advisory is strictly a fee-only investment management firm. The firm does not sell annuities, insurance, stocks, bonds, mutual funds, limited partnerships, or other commissioned products. The firm is not affiliated with entities that sell financial products or securities. No commissions in any form are accepted. No finder's fees are accepted.

Our primary investment strategy is based on accumulation of savings. We believe it is the particular mix of investments that explains and produces a portfolio's rate of return and degree of fluctuations in value. We study research to design mixes of asset classes whose correlation coefficients attempt to obtain an appropriate level of return per unit of acceptable fluctuation or risk. "Correlation coefficients" means that one asset class will have a different pattern of return from another asset class; in simple terms, one investment may be going up in value while another is going down. The goal is to have a mix, so the entire portfolio is not going down at the same time, while growing at a desired rate. Stake Advisory does not act as a custodian of client assets. Our firm may take limited discretionary authority for the purpose of rebalancing client accounts. Stake Advisory places trades for clients under a limited power of attorney.

Periodic reviews are also communicated to provide reminders of the specific courses of action that need to be taken. More frequent reviews occur but are not necessarily communicated to the client unless immediate changes are recommended. Other professionals (e.g., lawyers, accountants, insurance agents, etc.) are engaged directly by the client on an as-needed basis. Conflicts of interest will be disclosed to the client in the unlikely event they should occur.

Types of Advisory Services

Stake Advisory provides investment supervisory. Clients may impose restrictions on investing in certain securities or types of securities. Agreements may not be assigned without client consent. The following agreements define the typical client relationships:

Portfolio Management

Clients may choose to have Stake Advisory manage their assets. Realistic and measurable goals are set and objectives to reach those goals are defined. As goals and objectives change over time, suggestions are made and implemented on an ongoing basis.

Our primary investment strategy is based on accumulating savings for short, medium, and long-term use by clients which influences the asset allocation of a portfolio. We study research to design mixes of asset classes whose correlation coefficients act to obtain the most return per unit of acceptable fluctuation or risk. Assets are invested primarily in exchange-traded funds, usually through discount brokers. A "buy and hold" strategy with regular re-balancing keeps the trading costs down and the allocation in line over time.

The scope of work and fee for a Portfolio Management Agreement is provided to the client in writing prior to the start of the relationship. A Management Agreement includes: cash flow assistance, portfolio management and performance reporting.

Assets Under Management
As of March 1, 2019, Stake Advisory manages $0 in assets on a discretionary basis and $0 in assets on a non-discretionary basis.

Item 5 – Fees and Compensation
Stake Advisory bases its fees on a percentage of assets under management or fixed fees.

Portfolio Management Fees
The annual Portfolio Management Agreement fee of 0-1% based on a percentage of managed assets.

Investment management fees are billed quarterly, in arrears, meaning that we invoice you after the three-month billing period has ended. Payment in full is expected upon invoice presentation. Fees are usually deducted from a designated client account to facilitate billing, with the client's consent.

Other Fees
Custodians may charge transaction fees on purchases or sales of certain mutual funds and exchange-traded funds. These transaction charges are usually small and incidental to the purchase or sale of a security. The selection of the security is more important than the nominal fee that the custodian charges to buy or sell the security.

Expense Ratios
Mutual funds and exchange traded funds generally charge a management fee for their services to run the fund. The management fee is called an expense ratio. For example, an expense ratio of 0.50% means that the mutual fund company charges one-half of one percent annually for their services. These fees are in addition to the fees paid by you to Stake Advisory.

Past Due Accounts and Termination of Agreement
The client or the investment manager may terminate an agreement by 30 days written notice to the other party. At termination, fees will be billed on a pro rata basis for the portion of the quarter completed. The portfolio value at the completion of the prior full billing quarter is used as the basis for the fee computation, adjusted for the number of days during the billing quarter prior to termination.

Stake Advisory reserves the right to stop work on any account that is more than 60 days overdue. In addition, Stake Advisory reserves the right to terminate any relationship where a client has willfully concealed or has refused to provide pertinent information about financial situations when necessary and appropriate, in Stake Advisory's judgment, to providing proper financial advice. Any unused portion of fees collected in advance will be refunded within 60 days.

Item 6 – Performance-Based Fees and Side-By-Side Management
Performance based fees are based on a share of capital gains on or capital appreciation of the client's assets. Stake Advisory does not use a performance-based fee structure because of the potential conflict of interest. Performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk than is suitable for the client.

Item 7 – Types of Clients
Stake Advisory generally provides investment advice to individuals. Generally, these individuals are saving for medium to long term expenses.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss
The main sources of information for security analysis include professional investment research and reports, financial books, publications, professional journals, and the World Wide Web.

Investment Strategy
Our primary investment strategy is based on intermediate capital appreciation of a portfolio. We believe it is the particular mix of investments that explains and produces a portfolio's rate of return and degree of fluctuations in value. We study research to design mixes of asset classes whose correlation coefficients act to obtain the most return per unit of acceptable fluctuation or risk. "Correlation coefficients" means that one asset class will have a different pattern of return from another asset class; in simple terms, one investment may be going up in value while another is going down. The goal is to have a mix, so the entire portfolio is not going down at the same time, while growing at a desired rate. Portfolios are diversified across major asset classes to minimize the risk associated with capital markets. Assets are invested primarily in no-load mutual funds and exchange-traded funds, usually through discount brokers or fund companies. A "buy and hold" strategy with regular re-balancing keeps the trading costs down and the allocation in line over time.

The investment allocation for a specific client is individually designed and is based upon the objectives stated by the client during consultations. The client may change these objectives at any time. Each client executes an Investment Policy Statement that documents their objectives and their desired investment strategy.

Risk of Loss

Stake Advisory does not want a client to take on more risk than they need to, to meet their financial goals. However, investing in securities involves risk of loss that clients should be prepared to bear. There is no "risk free" investment. Our investment approach constantly keeps the risk of loss in mind.

Investors face the following investment risks, which Stake Advisory attempts to minimize through prudent portfolio diversification:

- Interest-rate Risk: Changes in interest rates may cause investment prices to fluctuate. For example, when interest rates rise for new bonds, the market value lower yielding older bonds can decline. If you wanted to sell that older bond before its maturity date, you might get less than what you paid for it. If, however, interest rates are lower for new bonds, someone may be willing to pay you more for your older, higher-yielding, bond.
- Market Risk: The price of any security may drop in reaction to tangible and intangible events and conditions. This type of risk is associated with external factors such as political, economic and social conditions. These events can result in market declines, even though the underlying security is financially unchanged.
- Inflation Risk: When any type of inflation is present, a dollar in the future will not buy as much as a dollar today, because purchasing power is eroding at the rate of inflation.
- Currency Risk: Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- Reinvestment Risk: This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- Business Risk: These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like. This primarily relates to equities or stocks.
- Liquidity Risk: Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many buyers are available on short notice or if it is a standardized product. For example, Treasury Bills are highly liquid, while individual real estate properties are not.
- Financial Risk: Excessive borrowing to finance a business' operations decreases its profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

Item 9 – 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 us or the integrity of our management. There is no history of reportable legal or disciplinary events by our firm or our management persons.

Item 10 – Other Financial Industry Activities or Affiliations

We do not have any relationship or arrangement with other professionals that is material to our advisory business which creates any conflict of interest, nor do we receive any form of compensation from other firms or professionals.

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

Description of Our Code of Ethics
Stake Advisory has adopted a Code of Ethics (the "Code") to address investment advisory conduct. The Code focuses primarily on fiduciary duty, personal securities transactions, insider trading, gifts, and conflicts of interest. The Code includes Stake Advisory's policies and procedures developed to protect client's interests in relation to the following topics:

- The duty at all times to place the interests of clients first;
- The requirement that all personal securities transactions be conducted in such a manner as to be consistent with the code of ethics.
- The responsibility to avoid any actual or potential conflict of interest or misuse of an employee's position of trust and responsibility;
- The fiduciary principle that information concerning the identity of security holdings and financial circumstances of clients is confidential; and
- The principle that independence in the investment decision-making process is paramount.

A copy of Stake Advisory's Code of Ethics is available upon request to Kevin Riebe at (646) 808-7270; or by email at: advisory@stake.rent.

Personal Trading Practices
At times Stake Advisory and/or its Advisory Representatives may take positions in the same securities as clients, which may pose a conflict of interest with clients. We will not violate our fiduciary responsibilities to our clients. Front running (trading shortly ahead of clients) is prohibited. Should a conflict occur because of materiality, disclosure will be made to the client(s) at the time of trading. Incidental trading not deemed to be a conflict (i.e. a purchase or sale which is minimal in relation to the total outstanding value, and as such would have negligible effect on the market price), would not be disclosed at the time of trading.

The Chief Compliance Officer of Stake Advisory is Kevin Riebe. He reviews all employee trades each quarter. The personal trading reviews ensure that the personal trading of employees does not affect the markets, and that clients of the firm receive preferential treatment. Since most employee trades are small mutual fund trades or exchange-traded fund trades, the trades do not affect the securities markets.

Item 12 – Brokerage Practices

Selecting Brokerage Firms

Stake Advisory does not have any affiliation with product sales firms. Specific custodian recommendations are made to clients based on their need for such services. Stake Advisory recommends custodians based on the proven integrity and financial responsibility of the firm, the best execution of orders at reasonable commission rates, convenience and customer service, and access to desired investment products.

Stake Advisory recommends discount brokerage firms and trust companies (qualified custodians), such as Apex Clearing. Stake Advisory does not receive fees or commissions from any of these arrangements. We do not receive any referrals or payments from the brokerage firms or trust companies we recommend to clients.

Best Execution

Stake Advisory reviews the execution of trades at each custodian at least annually. The review is documented in the Stake Advisory Compliance Manual. Trading fees charged by the custodians are also reviewed on an annual basis. Stake Advisory does not receive any portion of the trading fees charged by custodians.

Item 13 – Review of Accounts

Periodic Reviews

For portfolio management clients, advisors review client accounts at least semi-annually, depending on the engagement. Account reviews are performed more frequently when market conditions dictate, such as when the overall markets drop by more than 10% in a single day.

Review Triggers

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

Regular Reports

Portfolio management clients receive quarterly or semi- annual portfolio updates. The written updates include performance information, as well as current and target asset allocations. All client assets are held at qualified custodians, and they provide account statements directly to clients at their address of record, usually monthly and at least quarterly.

Item 14 – Client Referrals and Other Compensation

Incoming Referrals

Stake Advisory receives referrals from clients and personal friends of clients, employees and other similar sources. The firm does not compensate referring parties for these referrals.

Referrals Out
Stake Advisory does not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them.

Item 15 – Custody
Stake Advisory is deemed to have custody solely because of our ability to deduct fees from client accounts. Clients will receive account statements at least quarterly from the broker-dealer or other qualified custodian. Clients are urged to compare custodial account statements with performance reports delivered by our firm for accuracy. Minor variations may occur because of reporting dates, accrual methods of interest and dividends, and other factors.

Item 16 – Investment Discretion
Stake Advisory will accept limited discretionary authority for the purpose of rebalancing client accounts. We will exercise discretionary authority only if the client has granted us such authority in the client advisory agreement. Discretionary authority extends to the type and amount of securities to be bought and sold and do not require advance client approval. We do not have the ability to make third party withdrawals from the client's account.

In a non-discretionary account, we will only purchase or sell securities which have been approved by clients in advance. In some cases, we may provide you with a list of recommended transactions that you can review, approve and execute in your account.

Item 17 – Voting Client Securities
Stake Advisory does not vote proxies. It is the client's responsibility to vote proxies. Clients will receive proxy materials directly from the custodian. Questions about proxies may be made via the contact information on the cover page.

Item 18 – Financial Information
We are required in this Item to provide you with certain financial information or disclosures about Stake Advisory's, financial condition. Stake Advisory 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.

Item 19 – Requirements of State-Registered Advisers
Stake Advisory is registered as an investment advisor in the State of New York and complies with all requirements set forth by the state.

A. Education and Business Background of Principal Executive Officers and Management Persons

Kevin Riebe is the Principal of Stake Advisory.

For more information, see Stake Advisory's Brochure Supplement.

B. <u>Other Businesses</u>

Stake Advisory is not actively engaged in any business other than giving investment advice.

C. <u>Performance-Based Fees</u>

As stated in Item 5, Stake Advisory does not receive performance-based fees.

D. <u>Material Disciplinary Disclosures for Management Persons of Stake Advisory</u>

Neither Stake Advisory nor its management persons have been involved in any events required to be disclosed by this Item.

E. <u>Material Relationships for Management Persons of Stake Advisory</u>

Neither Stake Advisory not its management persons have any other relationship or arrangement with issuers of securities.

F. <u>Business Continuity Plan</u>

Stake Advisory maintains a written Business Continuity Plan (BCP) identifying procedures relating to an emergency or significant business disruption, including death or incapacitation of key employees.