FIRM BROCHURE

Form ADV
Part 2A & 2B

This Brochure provides information about the qualifications and business practices of Analytic Investment Management LLC. If you have any questions about the contents of this Brochure, please contact us at 408-916-5689 or support @ aimanage.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 Analytic Investment Management LLC is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number for Analytic Investment Management LLC is 144752.

The registration of "Registered Investment Adviser" does not imply a certain level of skill or training.

Phone: 408-916-5689

Corporate Site: https://aimanage.com

Date of Brochure: January 31, 2019

ITEM 2 - MATERIAL CHANGES

Annual Update

This Brochure dated January 31, 2019 is prepared according to the SEC and State of California requirements and rules.

Material Changes since the Last Update

The date of previous annual update of the brochure from Analytic Investment Management LLC is Jan 5, 2018.

There is no material change since the last annual update of the brochure.

Full Brochure Available

Whenever you would like to receive a complete copy of our Firm Brochure, please contact us by telephone at: (408) 916 -5689 or by email at: support @ aimanage.com

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ITEM 4 - ADVISORY BUSINESS

A. Firm Description and Principal Owners

Analytic Investment Management LLC ("the Adviser"), CRD #144752, is a Registered Investment Adviser (RIA) firm in the State of California under the Investment Advisers Act of 1940.

As a Registered Investment Adviser, we have a legally binding fiduciary duty to hold clients' interests above our own in all matters.

The Adviser utilizes the following characters as its Chinese name of the business: "元亨投資管理公司". The Adviser was founded in 2007 by Hengfu Hsu, President and CEO of the Adviser, to provide:

- **Wealth management advice** to high net worth individuals and institutions, and
- **Investment management services** to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations, 3rd party registered investment advisers, and other business entities.

The Adviser is a fee-based advisory service firm, and the Adviser is directly compensated by clients. The Adviser does not sell 3rd party securities products on a commission basis, and the Adviser does not accept any compensation from 3rd party brokers/dealers.

The investment management services are provided through separately managed accounts for each client. The Adviser does not act as a custodian of client assets, and the client always maintains full control of own assets. The Adviser has discretion of client accounts and places trades for clients under a limited power of attorney agreement.

Investment adviser representatives of the Adviser are prohibited from receiving product commissions by selling securities products as unaffiliated registered representatives.

Investment adviser representatives of the Adviser are prohibited from placing annuity or life insurance products into clients' qualified retirement accounts (401k, defined benefit, IRA, pension).

Hengfu Hsu is the principal owner of the firm.

B. Type of Advisory Services Offered

- **Wealth management advice**: the Adviser provides consulting services including development and review of investment policy statement, investment performance measurement and evaluation, investment model research and development, asset allocation, investment selection, retirement planning, college funding planning, reviews of existing insurance and annuity policies, and stock option analysis. Engagements are limited in scope based on the client's unique circumstances. The Adviser gathers data including the client's goals, circumstances, financial condition, and risk tolerance. The Adviser then prepares and delivers analysis and recommendations to the client. Recommendations may be in a written/electronic format, or in the form of verbal (in-person or phone) discussion, or both. Clients engage on a "pay as you go" basis. Engagements are of a limited duration and end upon delivery of recommendations. Clients may re-engage the Adviser on an "as-needed" basis. **In offering wealth management advice service, a conflict exists between the interests of the Adviser and the interests of the client. The client is under no obligation to act upon the investment adviser's recommendation, and, if the client elects to act on any of the recommendations, the client is under no obligation to effect the transaction through the Adviser. This statement is required by California Code of Regulations, 10 CCR Section 260.235.2.**
- **Investment management services**: through "Capital Investment Technologies" and in-house proprietary software, the Adviser provides multiple styles of portfolios for clients to choose from. The Adviser uses proprietary software to analyze publicly traded securities to build portfolios with different investment objectives. Detailed portfolio descriptions and fee schedules are in Appendix C. Overview of "Capital Investment Technologies" is described in Item 8.A.

C. Tailor Advisory Services

- **Wealth management advice**: the Adviser tailors wealth management advice on individual case-by-case basis.
- **Investment management services**: based on clients' investment objectives, the Adviser helps clients select pre-built portfolios to be used in their accounts. The Adviser does not take clients' instructions to purchase or not to purchase specific securities. However, clients may impose restrictions from purchasing specific security symbols through setting of their brokerage accounts, and it is the responsibility of clients to work with brokerage to ensure the restriction is properly enforced.

D. Wrap Fee Programs

The Adviser does not provide or participate in any wrap fee program.

E. Amount of Client Assets

As of January 31, 2019, the Adviser manages 22 accounts for 14 clients on a discretionary basis, and the total amount of client assets is $6,172,495. The Adviser does not manage client assets on a non-discretionary basis.

ITEM 5 - FEE AND COMPENSATION

A. Compensation Description

- For wealth management advice clients, fees are charged on a "pay as you go" basis and are not pro-rated. Investment consulting advice is either charged by hour or charged by project. Hourly fee through online meeting is $120 per hour, and hourly fee for face-to-face meeting is $180 per hour, billed at one minute increments. Project based fee is negotiable at Adviser's sole discretion and may vary from client to client. Project based fee is quoted in advance and must be accepted by clients prior to project commencement.
- For investment management clients, the Adviser is directly compensated by the fee from clients for a percentage of assets under management for using the Adviser's portfolios. Complete portfolio fee schedules are in Appendix C. The fee schedules are not negotiable for individual clients, but the Adviser does offer exception under special circumstances.

B. Fee Deduction and Billing Methods

- For wealth management advice clients, clients are directly billed for fees incurred.
- For investment management clients, based on the account's net liquidation value, investment management fees of all portfolios are applied on a daily, monthly, or quarterly basis, depending on the brokerage accounts chosen by clients. Investment management fees calculated on a daily basis will be more accurate than on a monthly or quarterly basis, and the Adviser does recommend clients to choose a brokerage that does daily fee calculation and deduction. The Adviser utilizes brokerage's direct drafting of fees from client accounts, and all fees are calculated and deducted directly by the brokerage that clients select.

C. Other Fees or Expense Clients May Pay

When the Adviser's clients open brokerage accounts (individual, joint, pension, defined benefit, trust, corporate, partnership, traditional IRA, Roth IRA, SEP IRA, and direct rollover IRA) with third party brokerage, third party brokerage directly deducts securities transaction commissions and any other transaction costs from client accounts. The brokerage may charge fees, such as low balance maintenance fees, IRA account service fee, or real time data subscription fee, which are in addition to and separate from the investment advisory service fee. Brokerage may charge accounts for various transaction costs, retirement plan and administration fees, which are in addition to and separate from the investment advisory service fee. In addition, financial securities products, such as mutual funds, ETFs, and ETNs, are subject to annual expenses as described in the each product's prospectus. Some deposit banks of ADR securities the Adviser purchases in client accounts also charge fee to share holders directly. To avoid conflict of interests, The Adviser does not receive any compensation from brokerage chosen by clients. See Item 12.A. for more discussion about brokerage selection.

D. Payment of Client Fees

- For wealth management advice clients, clients agree to pay the balance of the initial fee quote or invoice to the Adviser prior to or upon presentation of recommendations to clients.
- For investment management clients, the Adviser does not allow supervised persons to take fee payment in advance from clients. Violation of supervised persons could result in immediate termination, and all advanced payments will be refunded to clients upon discovery.

E. Compensation from other Financial Products

To avoid conflict of interest, The Adviser does not sell 3rd party securities products on a commission basis, and the Adviser does not take any compensation from 3rd party brokers/dealers.

Investment adviser representatives of the Adviser are prohibited from receiving product commissions by selling securities products as unaffiliated registered representatives.

Investment adviser representatives of the Adviser are prohibited from placing annuity or life insurance products into clients' qualified retirement accounts (401k, defined benefit, IRA).

All material conflicts of interest under Section 260.238 (k) of the California Corporations Code are disclosed regarding the Adviser, its representatives or any of its employees, which could be reasonably expected to impair the rendering of unbiased and objective advice.

ITEM 6 - PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

In order to have closer alignment of the goals of the Adviser and the clients, instead of paying management fee based on a percentage of assets, qualified clients with minimum investment amount of $1,000,000 with the Adviser can elect to pay a performance-based fee for exactly the same portfolios. Performance-based fee is based on a share of capital appreciation of the net asset value of qualified clients' accounts.

Performance fees will only be charged in accordance with the provisions of California Code of Regulations Section 260.234.

Qualified clients, as defined by Rule 205-3 of the Investment Advisers Act and amended pursuant to the requirements of Section 418 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"), are those clients with either:

- minimum investment amount of $1,000,000 with the Adviser; or
- $2,100,000 in net worth, except that:

1) the person's primary residence will not be included as an asset;
2) indebtedness that is secured by the person's primary residence (e.g., a mortgage), up to the estimated fair market value of the primary residence at the time the advisory contract is entered into, will not be subtracted as a liability; and
3) indebtedness that is secured by the person's primary residence in excess of the estimated fair market value of the primary residence at the time the advisory contract is entered into will be subtracted as a liability.

Pursuant to Rule 205-3, the Adviser requires identification and proof to verify the status of qualified clients, including "look through" provision for certain qualified clients.

Under performance-based fee structure, qualified clients with minimum investment amount of $1,000,000 with the Adviser pay a quarterly performance fee equal to 20% of the capital appreciation of the net asset value of the account subject to 10-year look-back period of high water mark, with loss prorated for withdrawals. Net asset value of an account is calculated by account custodian. Performance fee is calculated and deducted by account custodian automatically after the end of a quarter (March 31, June 30, September 30, and December 31), and statements are electronically sent to qualified clients. 10-year look-back period of high water mark keeps track of cumulative losses per billing quarter for 40 quarters. A loss in any quarter is added to the 10-year look-back period's cumulative losses. A gain in any period decreases the cumulative loss recorded to date. Qualified clients do not pay fee to the Adviser if there is no capital appreciation of the assets over the high water mark at the end of the quarter. If qualified clients decide to withdraw assets from accounts with cumulative losses, withdrawals in the current quarter will reduce any cumulative losses that are carried over from previous quarters in proportion to the percentage of equity that was withdrawn. Accounts electing performance-based fee structure cannot be converted to percentage-based fee structure until quarterly performance-based fee is paid after the end of current quarter.

Two distinct fee structures have a potential conflict of interest, because fees paid using performance-based compensation structure could be significantly lower or higher than fees paid using percentage-based compensation structure. The Adviser manages all accounts following the same portfolio together using exactly the same approach regardless their choice of fee structures, and the Adviser does not have any incentive to recommend one fee structure over the other.

ITEM 7 - TYPE OF CLIENTS

Description

The Adviser generally provides investment advice to individuals, pension and profit sharing plans, trusts, estates, or charitable organizations, and corporations or business entities. Client relationships vary in scope and length of service.

Account Minimums

Each portfolio managed by the Adviser has a recommended minimum investment amount requirement, which is calculates based on the management effort as well as the commission rates from the brokerage the Adviser typically uses. The minimum investment amount requirement of each portfolio is listed in Appendix C. The minimum investment amount requirement is designed to control the commission expense to a reasonable range based on the historical return of each portfolio while having the Adviser properly compensated for its management effort. If clients choose a different brokerage from the one the Adviser generally uses, the recommended minimum investment amount could be different. The Adviser may waive or lower this minimum at its sole discretion.

ITEM 8 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

A. Methods of Analysis and Investment Strategies

The Adviser offers investment strategies across all asset classes including long-term purchases, short-term purchases, trading, and volatility related. The Adviser strives to build diversified portfolios to control the risk associated with markets. The investment strategies used for a specific client are based upon the objectives stated by the client during consultations. The client may change these objectives at any time. Many of the Adviser's strategies involve frequent trading through proprietary "Capital Investment Technologies", which enables the Adviser offers many actively managed stock selection alternatives to traditional buy-and-hold strategy, and the Adviser can objectively monitor and manage portfolios to seek upside return while controlling downsize risk. Following is the overview of "Capital Investment Technologies":

1) Capital Preservation Technology. On average, US equity market enters a bear market every 4 to 5 years. Capital Preservation Technology has a proprietary algorithm to detect the beginning of a cyclic bear market based on the aggregate earning of S&P500 companies. When the beginning of bear market is detected, portfolios enter Capital Preservation mode by moving all money to cash and waiting for the next bull market. The algorithm will not identify the exact top and bottom of the bear-bull cycles, and the algorithm will issue false signals at the beginning and the end of bear-bull transition. The goal is to preserve capital during the transition periods, not to grow capital.
2) Capital Appreciation Technology. Based on timeless and proven value investing principles, such as price to earning ratio, price to sales ratio, free cash flow, enterprise value, and debt to equity ratio, etc., Capital Appreciation Technology uses sophisticated computer algorithms to search all securities traded in major US exchanges, subject to trading constraints such as market capitalization or trading volume, to identify the most undervalued securities at any given time as well as calculate their respective weighting in the portfolio based on their appreciation probability. Unlike traditional value investing screens that only gives a stock either a pass or fail grade but nothing else in-between, or relies on human interpretation to post-process screened results to produce a list of potential securities to invest, Capital Appreciation Technology produces the exact list of securities and the exact weighting of each stock for a portfolio. Through the precise Capital Appreciation Technology, investment capital can achieve its maximum appreciation potential.
3) Capital Reuse Technology. Contrary to buy-and-hold strategy to put investment capital on the same securities over multi-year period, Capital Reuse Technology constantly looks for better opportunities to reuse current investment capital to buy undervalued securities by selling existing overvalued securities partially or in full. Capital Reuse Technology ensures the same investment capital work harder to participate stock mispricing opportunities.

B. Material Risks Involved

Investing in the financial markets involves risks, including the risk of principal loss. Don't invest with money you can't afford to lose. Information expressed in this Brochure is in no way intended as personalized investment advice or solicitation and should not be interpreted as such. Past performance is not necessarily indicative of future results. Performance results do not take into account any tax consequences.

Using the Adviser's strategies to invest carries significant amount of risks, which are described below:

Currency Risk - The relative value of the U.S. dollar-denominated portfolios managed by the Adviser may be affected by the risk that US currency devaluations affect client purchasing power.

Credit Risk - Financial intermediaries or security issuers may experience adverse economic consequences that may include impaired credit ratings, default, bankruptcy or insolvency, any of which may affect portfolio values or management. This risk applies to assets on deposit with any brokerage utilized by client. Exchange trading venues or trade settlement and clearing intermediaries could experience adverse events that may temporarily or permanently limit trading or adversely affect the value of securities. Any issuer of securities may experience a credit event that could impair or erase the value of the issuer's securities held by a client.

Market Risk - The profitability of portfolios substantially depends upon the Adviser correctly assessing the future price movements of stocks, bonds, and other securities and the movements of interest rates. There is no guarantee that the Adviser's judgment or investment decisions about particular securities will necessarily produce the intended results. The performance of any investment is subject to numerous factors which are neither within the control of nor predictable by the Adviser. Such factors include a wide range of economic, political, competitive, technological and other conditions that may affect investments in general or specific industries or companies. The Adviser's portfolios hold many securities overnight, and frequently stay invested in the market for many months. Any sudden terrorist attacks, natural disasters, wars, etc, will cause portfolios to lose significant amount of money overnight. The securities markets are volatile, which may adversely affect the ability of the Adviser to realize profits. The Adviser's judgment may prove to be incorrect, and a client might not achieve his/her investment objectives.

Foreign Investing and Emerging Markets Risk – Some portfolios may invest in non-U.S. securities (through ADRs and funds), which will give rise to risks relating to political, social and economic developments abroad, as well as risks resulting from the differences between the regulations to which U.S. and foreign issuers and markets are subject. Such risks may include: political or social instability, the seizure by foreign governments of company assets, acts of war or terrorism, withholding taxes on dividends and interest, high or confiscatory tax levels, and limitations on the use or transfer of portfolio assets. Enforcing legal rights in some foreign countries is difficult, costly and slow, and there are sometimes special problems enforcing claims against foreign governments.

Leverage Risk – Some portfolios may utilize leverage indirectly through investment in certain types of financial instruments with inherent leverage, such as leverage or inverse ETF, which may be purchased for a fraction of the price of the underlying securities while giving the purchaser the full benefit of movement in the market of those underlying securities. While such strategies and techniques increase the opportunity to achieve higher returns on the amounts invested, they also significantly increase the risk of loss.

Undervalued Securities Risk - Some portfolios intend to invest in undervalued securities. The identification of investment opportunities in undervalued securities is a difficult task, and there are no assurances that such opportunities will be successfully recognized or acquired. While investments in undervalued securities offer the opportunities for above-average capital appreciation, these investments involve a high degree of financial risk and can result in substantial losses. Returns generated from these investments may not adequately compensate for the business and financial risks assumed.

Small Companies Risk - Some portfolios invest in companies with small market capitalization. While smaller companies generally have potential for rapid growth, they often involve higher risks because they may lack the management experience, financial resources, product diversification and competitive strength of larger companies. The frequency and volume of their trading may be substantially less than is typical of larger companies. As a result, the securities of smaller companies may be subject to wider price fluctuations.

Trading Risk - The Adviser uses Interactive Brokers to send all trades to US exchanges for execution. Many US online brokers send small portions of trades to exchanges, and if this trend continues, exchange liquidity will dry up, price of securities become easier to manipulate, and market is susceptible to crash. Trading activities of stock market are highly controlled by autonomous computers, making it extremely susceptible to flash crash.

Hedging Risk - Investments in financial derivative instruments may be utilized in some portfolios to hedge against fluctuations in the relative values of its portfolio positions as a result of changes in currency exchange rates, interest rates and/or the equity markets or sectors thereof. Any hedging against a decline in the value of portfolio positions does not eliminate fluctuations in the values of portfolio positions or prevent losses if the values of such positions decline, but establishes other positions designed to gain from those same developments, thus moderating the decline in the portfolio positions' value. Such hedging transactions also limit the opportunity for gain if the value of the portfolio positions should increase.

High Yield Security Risk – Some portfolios invest in fixed-income securities that are rated below investment grade by one or more nationally recognized statistical rating organization ("NRSROs") or that are unrated and are deemed to be of similar quality ("high yield securities") may be subject to greater risk of loss of principal and interest than investments in higher-rated fixed-income securities.

Interest Rate Risk - Some portfolios invest in fixed income securities that will change in value in response to interest rate changes. The value of fixed income securities will generally decrease when interest rates rise, which may cause the value of the portfolio to decrease. In addition, investments in fixed income securities with longer maturities will fluctuate more in response to interest rate changes.

Fixed Income Call Risk - Many bonds, including agency, corporate and municipal bonds, and all mortgage-backed securities, contain a provision that allows the issuer to "call" all or part of the issue before the bond's maturity date. The issuer usually retains this right to refinance the bond in the future if market interest rates decline below the coupon rate. There are three disadvantages to the call provision. First, the cash flow pattern of a callable bond is not known with certainty. Second, because the issuer will call the bonds when interest rates have dropped, the portfolio is exposed to reinvestment rate risk – the Adviser will have to reinvest the proceeds received when the bond is called at lower interest rates. Finally, the capital appreciation potential of a bond will be reduced because the price of a callable bond may not rise much above the price at which the issuer may call the bond.

Inflation Risk - This results from the variation in the value of cash flows from a security due to inflation, as measured in terms of purchasing power. For example, if a portfolio purchases a 5-year bond in which it can realize a coupon rate of 5%, but the rate of inflation is 6%, then the purchasing power of the cash flow has declined. For all but inflation-linked bonds, adjustable bonds or floating rate bonds, bond portfolios is exposed to inflation risk because the interest rate the issuer promises to make is fixed for the life of the security.

Information Risk - The Adviser selects investments, in part, on the basis of information and data filed by issuers with various government regulators or made directly available to the Adviser by the issuers or through sources other than the issuers. Although the Adviser evaluates all such information and data and sometimes seeks independent corroboration when it's considered appropriate and reasonably available, the Adviser is not in a position to confirm the completeness, genuineness or accuracy of such information and data, and in some cases, complete and accurate information is not available.

Legislative and Tax Risk - Portfolios may directly or indirectly be affected by government legislation or regulation, which may include, but is not limited to: changes in investment adviser or securities trading regulation; change in the U.S. government's guarantee of ultimate payment of principal and interest on certain government securities; and changes in the tax code that could affect interest income, income characterization and/or tax reporting obligations. The Adviser does not engage in tax planning, and in certain circumstances a client may incur taxable income on her investments without a cash distribution to pay the tax due.

Competition Risk - The securities industry and the varied strategies and techniques to be engaged in by the Adviser are extremely competitive and each involves a degree of risk. The Adviser will compete with firms, including many of the larger securities and investment banking firms, which have substantially greater financial resources and research staffs.

Strategy Restrictions Risk - Certain institutions may be restricted from directly utilizing investment strategies of the type in which the Adviser may engage. Such institutions, including entities subject to ERISA, should consult their own advisers, counsel and accountants to determine what restrictions may apply and whether an investment in the Adviser is appropriate.

Trading Limitations Risk - For all securities, instruments and/or assets listed on an exchange, the exchange generally has the right to suspend or limit trading under certain circumstances. Such suspensions or limits could render certain strategies difficult to complete or continue and subject the Adviser to loss. Also, such a suspension could render it impossible for the Adviser to liquidate positions and thereby expose the Adviser to potential losses.

Market Lending Notes Risk - Notes are risky and speculative investments suitable only for investors of adequate financial means. The risks of investing mean that you may lose all or most of your investment. If an investor cannot afford to lose the entire amount of such investor's investment in the Notes, the investor should not invest in the Notes. A Client has no control over the payment schedule of a given loan. A Secondary Market to trade existing Notes may or may not be available, and even when available, there is no guarantee of liquidity, which means it may not be possible to accelerate the withdrawal of your investment. Investing in the Notes involve the risk that borrowers will not repay their loans, as the Notes are not guaranteed or insured by any governmental agency or instrumentality or any third party. The borrower can become late in payments, until the point when the Platform may decide to consider the loan has defaulted, after which any recovery is unlikely. Additional risks regarding the Notes are that a borrower makes an early repayment, in which case less interest will be paid, or that a borrower re-negotiate a payment schedule with the Platform, in which case the term and/or installments of the Loan may significantly change. Investment also involves the risk that the software does not operate as intended or purported, such as the software failing to execute or failing to connect to the platforms. Notes Lending Platforms may discontinue the servicing of the loans, in which case you would stop receiving payments for the Notes you have invested. State and/or federal regulations may change and fundamentally affect the nature of Market Lending. If a platform was found to violate state or federal laws (including usury laws), your investment may lose substantial value and/or you may lose all of the interest due on your note.

Mutual Funds/ETF Risks, including Net Asset Valuations and Tracking Error - Mutual fund and ETF shareholders are subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as mutual funds and ETFs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss. Shares of mutual funds are generally distributed and redeemed on an ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund's stated daily per share net asset value ("NAV"), plus any shareholders fees (e.g., sales loads, purchase fees, redemption fees). The per share NAV of a mutual fund is calculated at the end of each business day, although the actual NAV fluctuates with intraday changes to the market value of the fund's holdings. The trading prices of a mutual fund's shares may differ significantly from the NAV during periods of market volatility, which may, among other factors, lead to the mutual fund's shares trading at a premium or discount to NAV. Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least once daily for indexed-based ETFs and more frequently for actively managed ETFs. However, certain inefficiencies may cause the shares to trade at a premium or discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 50,000 shares or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares. Mutual Funds/ETF performance may not exactly match the performance of the index or market benchmark that the Mutual Funds/ETF is designed to track because 1) the Mutual Funds/ETF will incur expenses and transaction costs not incurred by any applicable index or market benchmark; 2) certain securities comprising the index or market benchmark tracked by the Mutual Funds/ETF may, from time to time, temporarily be unavailable; and 3) supply and demand in the market for either the Mutual Funds/ETF and/or for the securities held by the Mutual Funds/ETF may cause the Mutual Funds/ETF shares to trade at a premium or discount to the actual net asset value of the securities owned by the Mutual Funds/ETF. Clients should be aware that to the extent they invest in Mutual Funds/ETF securities they will pay two levels of advisory compensation – advisory fees charged by the Adviser plus any management fees charged by the issuer of the Mutual Funds/ETF. This scenario may cause a higher advisory cost (and potentially lower investment returns) than if a client purchased the Mutual Funds/ETF directly.

C. Significant or Unusual Risks

Some portfolios trade leverage/inverse/volatility ETFs/ETNs. Trading instruments with high leverage, such as leverage ETFs/ETNs, has the risk of losing substantial amount of investment in a relatively short period of time. Investors must read "FINRA: Leveraged and Inverse ETFs: Specialized Products with Extra Risks for Buy-and-Hold Investors" on FINRA web site: https://www.finra.org/investors/protectyourself/investoralerts/mutualfunds/p119778.

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 Analytic Investment Management LLC or the integrity of its management.

A. Criminal or Civil Action in a Domestic, Foreign or Military Court of Competent Jurisdiction

Currently there is no criminal or civil action against the Adviser, its management, or its supervised persons.

B. Administrative Proceeding Before the SEC, any Other Federal Regulatory Agency, any State Regulatory Agency, or any Foreign Financial Regulatory Authority

Currently there is no administrative proceeding against the Adviser, its management, or its supervised persons.

C. Self-Regulatory Organization (SRO) Proceeding

Currently there is no SRO proceeding against the Adviser, its management, or its supervised persons.

ITEM 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

A. Broker-Dealer Affiliations

The Adviser or any of its management persons is not registered as a broker-dealer and is not a registered representative of a broker-dealer.

B. FCM, CPO, CTA Affiliations

The Adviser or any of its management persons is not registered as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

C. Other Financial Industry Relationships

President/CEO of the Adviser, Hengfu Hsu, is an independent California insurance agent. From time to time, Hengfu Hsu sell insurance products to clients to protect wealth and to mitigate risks based on clients' needs and is compensated by commissions from insurance companies.

Adviser's representatives, in their individual capacities, may be licensed as insurance agents, and may recommend the purchase of certain insurance products and are compensated by commissions from insurance companies. No Adviser's client is under any obligation to purchase any commission products from Adviser's representatives. Clients are reminded that they may purchase insurance products recommended by Adviser through other unaffiliated insurance agencies.

Investment adviser representative of the Adviser may be a representative with another investment advisory firm, and may offer clients advice or products from other investment advisory firms. Clients should be aware that these services may involve a conflict of interest. The Adviser always acts in the best interest of the client and clients are in no way required to utilize the services of any representative of the Adviser in such individual's outside capacities.

The Adviser and its representatives may publish commentary, trading signals or newsletters via the Adviser's web sites, or third party web sites, for free or for subscription fees. There may be a conflict of interest arising from trading securities on behalf of our clients and recommendations made in the publishing media at the same time. At all times, we put our clients' interests first as part of our fiduciary duty, therefore, to avoid the conflict of interest, trades in clients' accounts are always executed at the highest priority, and publishing media will receive commentary, trading signals, or newsletter after clients' trades are executed.

D. Recommend or Select Other Investment Advisers

The Adviser does not recommend or select other Investment Advisers.

ITEM 11 - CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

A. Code of Ethics

Ethical culture is of critical importance to us. The Adviser has developed and implemented a Code of Ethics that sets forth standards of conduct expected of supervised persons in Appendix A. The Code of Ethics addresses, among other things, general ethical principles, reporting personal securities trading, exceptions to reporting securities trading, reportable securities, initial public offerings and private placements, reporting ethical violations, distribution of the Code, review and enforcement processes, and other situations where there is a possibility for conflicts of interest. The Code of Ethics is designed to protect clients by deterring misconduct, educating supervised persons regarding expectations and laws governing their conduct, and reminding that they are in a position of trust and must act with complete propriety at all times, protect the Adviser's reputation, guard against violation of the securities laws, and establish procedures for supervised persons to follow so that the Adviser may determine whether they are complying with ethical principles. The Adviser also includes its Privacy Policy in Appendix B.

B. Buy or Sell Securities with Material Financial Interest

The Adviser does not allow its related persons or supervised persons to recommend clients, or buys or sells for client accounts, securities in which supervised persons have a material financial interest. All buy and sell decisions in portfolios are determined by objective rules or computer algorithms, not by related persons or supervised persons. The Adviser does not allow its related persons or supervised persons to trade non-publicly traded securities. All trading is done in the US regulated stock exchanges, and no securities are directly passed between adviser and client accounts.

C. Personal Trading

The Adviser does not allow its related persons or supervised persons to recommend individual securities they invest to clients. All buy and sell decisions in portfolios are determined by objective rules or computer algorithms, not by related persons or supervised persons. All related persons or supervised persons invest in the same portfolios are required to participate aggregate trading together with all client accounts, or are required to trade their accounts under the Adviser's close supervision. Aggregate trading is described in item 12.B.

D. Recommend Securities

The Adviser does not allow its related persons or supervised persons to recommend individual securities to its clients and buy or sell the securities at the same time. Related persons or supervised persons can only discuss investment advice on portfolio basis, not at individual securities level. Any front running client accounts by related persons or supervised persons is prohibited and could result in immediate termination.

ITEM 12 - BROKERAGE PRACTICES

A. Selecting or Recommending Broker-Dealers

The Adviser recommends investment management clients open accounts with Interactive Brokers to be managed by the Adviser for the following reasons:

- Interactive Brokers has been selected based on their commission rates, execution capabilities, settlement, record keeping capabilities, trading platform and administrative infrastructure (https://individuals.interactivebrokers.com/en/general/education/comparebrokers.php).
- Interactive Brokers commission rates charged to the client is believed to be among the lowest available from any brokerage.
- Interactive Brokers is the only online broker the Adviser can find that sends trades directly to exchange and reports back execution exchange for each traded share, hence its execution price is less likely manipulated by broker.
- Interactive Brokers does daily NAV calculation and daily management fee calculation for client accounts, which also enables clients to monitor their own account balance on daily basis and do strict risk control if necessary.
- The Adviser believes that the total commission and fee cost to the client is among the lowest available from any brokerage.

Nonetheless the Adviser may select other custodians based on clients' investment objectives. Upon signing the investment advisory agreement, the Adviser will assist the client with opening an account with Interactive Brokers or other custodians.

The Adviser believes any special arrangement with brokerage firms significantly increase commission rates for client accounts. Accounts using high commission brokerage are likely to have fewer securities and less trading activities in their portfolios due to increased trading costs, and these highly concentrated and inactive portfolios will have higher degree of risk than portfolios that hold many securities and trade more frequently to manage risk.

Research and Other Soft Dollar Benefits

The Adviser pays all operating cost at its own expense. The Adviser does not receive soft dollars or any benefit from Interactive Brokers or any brokerage/custodian firm.

The Adviser believes any research and soft dollar arrangement with brokerage/custodian firms significantly increase commission rates for client accounts.

Brokerage for Client Referrals

The Adviser does not accept referrals from brokerage firms.

Directed Brokerage

The Adviser does not require clients to execute transactions through a specified brokerage firm.

B. Aggregate Trading

For investment management clients, the Adviser uses aggregate trading for client accounts of the same portfolio. In aggregate trading, the Adviser purchases and/or sells the same securities for many accounts. When possible, the Adviser aggregates the same transactions in the same securities for many clients who have the same brokerage firm. Clients in an aggregated transaction each receive the same price per share of unit, but, if they have different brokerage accounts, they may pay different commissions and have different execution prices. If more than one price is paid for securities in an aggregated transaction, each client in the aggregated transaction will typically receive the average price paid for the securities in the same aggregate transaction on that day. If the brokerage is unable to fill an aggregated transaction completely, but receives a partial fill of the aggregated transaction, brokerage will normally allocate the partially filled transaction to clients based on an equitable pro rata basis. The trading sequence of portfolios follows a rotational system by brokerage firms, so that clients of each brokerage firm will have their opportunity to participate in a transaction first. The actual client trade allocation sequence within each brokerage group in the rotation is usually made on a pro rata basis. This rotational trading mechanism and random allocation process of client transactions aims to provide, over the long-run, for fair treatment for each client account.

ITEM 13 - REVIEW OF ACCOUNTS

A. Periodic Reviews

For investment management clients, client accounts are reviewed at least monthly for consistency with clients' selected portfolios. Each Investment Advisory Representative of the Adviser performs reviews of his/her investment advisory accounts.

For investment consulting advice clients, accounts are reviewed per clients' requests and are charged on "pay-as-you-go" basis.

B. Review Triggers

For investment management clients, Investment Advisory Representatives of the Adviser typically review client accounts on weekly basis to ensure accounts' performance is consistent with clients' selected portfolios.

C. Regular Reports

For investment management clients, brokerage or custodian statements are sent directly from the brokerage or custodian firm, typically in electronics format, and are typically sent monthly and quarterly. The statements list the account positions, account activity, and other related information. Clients are also sent confirmations following each brokerage account transaction unless confirmations have been waived. If clients' brokerage or custodian account daily statements are available to the Adviser, the Adviser will prepare a daily-updated portfolio summary report for each account. The summary report shows the account performance and drawdown relative to a benchmark index, and the report is generated in electronics format.

ITEM 14 - CLIENT REFERRALS AND OTHER COMPENSATION

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

The Adviser and its supervised persons do not have any arrangements, oral or in writing, where it is paid cash by or receives some economic benefit (including commissions, equipment or other services) from a non-client in connection with giving advice to clients.

B. Advisory Firm Payments for Client Referrals

The Adviser does not pay any fee for client referrals.

ITEM 15 - CUSTODY

The Adviser does not have custody of client accounts, and it does not allow supervised persons to take custody of clients' funds. Violation of supervised persons could result in immediate termination. Custody of client accounts will be held at independent brokerage firms, primarily at Interactive Brokers.

ITEM 16 - INVESTMENT DISCRETION

For investment management clients, clients will complete an investment advisory agreement with the Adviser, and the investment advisory agreement does not give the Adviser the authority to withdraw funds or securities from client accounts. The agreement only gives the Adviser discretionary trading authorization and power of attorney to buy and sell securities in client accounts, to receive trade confirmations, to receive account statements, and to have brokerage calculate and deduct agreed upon advisory service fee. This agreement sets forth the authorization of us to determine, without obtaining specific client consent, the securities to be bought and sold and the amount of securities to be bought and sold. The Adviser determines buy and sell decision of investments in client accounts from the portfolios selected by clients in the investment advisory agreement.

For investment consulting advice clients, the Adviser does not have investment discretion or access to clients' accounts.

ITEM 17 - VOTING CLIENT SECURITIES

A. Proxy Voting Authority

The Adviser will not have or accept authority to exercise power with respect to client securities. The Adviser will not vote proxies on behalf of clients.

B. Clients' Proxy Votes

Clients will receive their proxies or other solicitations directly from their brokerage firm or a transfer agent. The Adviser does not offer opinion on proxies or solicitations. All of securities held in portfolios are determined by objective valuation methods, and the Adviser never makes buy or sell decisions based on proxies or solicitations.

ITEM 18 - FINANCIAL INFORMATION

A. Balance Sheet

The Adviser does not allow prepayment of advisory service fee, and does not allow supervised persons to take fee payment in advance from any client, therefore does not need to include a balance sheet with this Brochure.

B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients

The Adviser does not have and does not allow supervised persons to have discretionary authority or custody of client funds or securities, does not allow prepayment of advisory service fee, and the Adviser nor its management have any financial conditions that are likely to reasonably impair our ability to meet contractual commitments to clients.

C. Bankruptcy Petitions in Previous Ten Years

The Adviser has never been the subject of a bankruptcy petition at any time during the past ten years.

ITEM 19 - REQUIREMENTS FOR STATE-REGISTERED ADVISERS

A. Principal Executive Officers and Management Persons; Their Formal Education and Business Background

President/CEO of the Adviser is Hengfu Hsu, whose education and business background can be found on the FORM ADV Part 2B SUPPLEMENT of this Brochure.

B. Other Business in Which This Adviser is Actively Engaged

The main business activities of the Adviser is engaged are managing investment portfolios and providing investment advice. President/ CEO of the Adviser Hengfu Hsu's other business activities can be found on the FORM ADV Part 2B SUPPLEMENT of this Brochure.

C. How Performance Based Fees are Calculated and Degree of Risk to Clients

Qualified clients can elect to pay a performance-based fee structure, see Item 6 for detail.

D. Material Disciplinary Disclosures for Management Persons of This Firm

The Adviser or any of its management persons has not been found liable in an arbitration claim or in a civil, self-regulatory organization, or administrative proceeding.

E. Material Relationships That Management Persons Have With Issuers of Securities (if any)

The Adviser or its management team does not have any relationship or arrangement with any issuer of securities.

APPENDIXT A. ANALYTIC INVESTMENT MANAGEMENT LLC CODE OF ETHICS

Analytic Investment Management LLC is a Registered Investment Adviser registered under the Investment Advisers Act of 1940, and it adopted the Code of Ethics, which deters wrongdoing by promoting:

- honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- avoidance of conflicts of interest, including disclosure to an appropriate person or persons identified in the Code of any material transaction or relationship that reasonably could be expected to give rise to such a conflict;
- full, fair, accurate, timely, and understandable disclosure in reports and documents that a Company files with, or submits to, the government and in other public communications made by the Company;
- compliance with applicable governmental laws, rules and regulations;
- prompt internal reporting of suspected violations to an appropriate person or persons; and
- accountability for adherence to the Code.

The Code applies to officers, employees, and representatives of Analytic Investment Management LLC throughout the world, which includes all financial personnel and the senior financial officers, the principal executive officer and principal accounting officer/controller. Additionally, we expect non-employees who are representing us to follow similar high ethical business practice standards.

Failure to follow the Code will result in disciplinary action up to and including termination of employment or relationship with the Company.

We follow all compliance-related directives and requirements in all jurisdictions around the world where we do business. In some situations, the Company's standards exceed what is legally required.

Reporting Personal Securities Trading

Employees, officers, and representatives must report all personal transactions in securities with the Chief Executive Officer made by or on behalf of the officer or employee if he or she has a beneficial interest in the security.

a) Contents and filing of report. Employees and officers must file the report within ten business days after the end of each calendar quarter. The report must include the following information:

   1) The date of each transaction, the title and number of shares, the interest rate and maturity date (if applicable), and the principal amount of each security involved.
   2) The nature of each transaction (i.e., purchase, sale, or other type of acquisition or disposition).
   3) The price at which each transaction was effected.
   4) The name of the broker, dealer, or other intermediary effecting the transaction.
   5) The date the officer, representative, or employee submitted the report.

b) Report not required for certain transactions. The officer, representative or employee is not required to report a transaction if:

   1) He or she has no direct or indirect influence or control over the account for which the transaction was effected or over the securities held in that account;
   2) The transaction was in shares issued by an open-end investment company registered under the Investment Company Act of 1940;
   3) The transaction was in direct obligations of the government of the United States;
   4) The transaction was in bankers’ acceptances, bank certificates of deposit, commercial paper or high quality short term debt instruments, including repurchase agreements; or
   5) The officer, representative, or employee had an aggregate amount of purchases and sales of $10,000 or less during the calendar quarter.

Initial Public Offerings and Private Placements

Employees, representatives and officers must receive permission from the Chief Executive Officer to purchase (pre-clearance) before directly or indirectly acquiring beneficial ownership in securities in an initial public offering (IPO) or in a limited offering (a non-public offering). Beneficial ownership includes direct ownership and also includes acquisitions by members of an employee, representative or officer’s immediate family in the same household.

Company Opportunities

Employees, representatives, and officers are prohibited from taking personal advantage of opportunities that are discovered through the use of company property, information or position; using company property, information or position for personal gain; and competing with the Company.

Conflicts of Interest

Analytic Investment Management LLC will comply with all applicable laws in transactions with employees, representative and officers, companies with which officers are associated, and family members of employees, representatives and officers. Employees, representatives, officers, or the family members of employees, representatives and officers shall not receive any improper personal benefit by virtue of the position of the employee, representative or officer with Analytic Investment Management LLC.

Generally, any direct or indirect interest in, connection with, or benefit from outside activities, which might in any way adversely affect Analytic Investment Management LLC, involves a possible conflicts of interest situation. The Chief Executive Officer has responsibilities for monitoring and determining the response to all possible conflicts of interest situations by officers, representatives, employees and agents as well as the enforcement of legal requirements. Any material transaction or relationship that reasonably could be expected to give rise to such a conflict should be reported immediately to the Chief Executive Officer.

Confidentiality and Privacy

Employees, representatives and officers are responsible for compliance with Company policies and regulatory requirements regarding the protection, collection, use or release of certain information. We must balance the privacy interests of our employees and customers with our legitimate business needs for confidential information.

Fair Dealing

Employees, representatives and officers are expected to deal fairly with the Company's customers, suppliers, competitors and employees. No one should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair-dealing practice.

Protect and Properly Use Company Assets

Employees, representatives and officers should protect the Company's assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on the Company's profitability. All Company assets should be used for legitimate business purposes.

Comply with Laws, Rules and Regulations, including Insider Trading Laws

We proactively promote compliance with laws, rules and regulations, including insider trading laws. Insider trading is both unethical and illegal and will be dealt with decisively.

Supervisory procedures - Encourage Reporting of Illegal or Unethical Behavior

We do not tolerate, and take aggressive action against, unethical conduct or fraud whether perpetrated by employees, representatives, customers, vendors, those who sell our products, or others. The Chief Executive Officer oversees investigation and response to concerns, independent of Company management. We proactively promote ethical behavior and all employees and representatives are encouraged to talk to supervisors, managers or other appropriate personnel when in doubt about the best course of action in a particular situation. Employees, representatives and officers are expected to report suspected violations of laws, rules, regulations or the Code to the Chief Executive Officer. The Company does not allow retaliation for reports made in good faith.

APPENDIX B. ANALYTIC INVESTMENT MANAGEMENT LLC PRIVACY POLICY

Analytic Investment Management LLC requires clients provide current and accurate financial and personal information when signing advisory agreements. However, Analytic Investment Management LLC does not collect sensitive information from clients, such as social security numbers, credit card number, or account passwords. Analytic Investment Management LLC only stores clients' information in computers behind a secure firewall. Analytic Investment Management LLC will protect the information clients have provided in a manner that is safe, secure and professional. Analytic Investment Management LLC and its supervised persons are committed to protecting your privacy and to safeguarding that information.

Safeguarding Customer Documents

Analytic Investment Management LLC collects non-public client data in checklists, forms, in written notations, and in documentation provided to us by our clients for evaluation, registration, licensing or related consulting services.

Access to customer records is locked and monitored so that only those with approval may access the files.

No supervised person of Analytic Investment Management LLC who is not so authorized shall obtain or seek to obtain personal and financial customer information. No supervised person of Analytic Investment Management LLC with authorization to access personal and financial customer information shall share that information in any manner without the specific consent of the firm principal. Failure of supervised persons to observe Analytic Investment Management LLC procedures regarding customer and consumer privacy will result in immediate termination.

Sharing Nonpublic Personal and Financial Information

Analytic Investment Management LLC will not share such information with any affiliated or nonaffiliated third party except:

- When necessary to complete a transaction in a customer account, such as with the clearing firm or account custodians;
- When required to maintain or service a customer account;
- To resolve customer disputes or inquiries;
- With persons acting in a fiduciary or representative capacity on behalf of the customer;
- With rating agencies, persons assessing compliance with industry standards, or to the attorneys, accountants and auditors of the firm;
- In connection with a sale or merger of Analytic Investment Management LLC's business;
- To protect against or prevent actual or potential fraud, identity theft, unauthorized transactions, claims or other liability;
- To comply with federal, state or local laws, rules and other applicable legal requirements;
- In connection with a written agreement to provide investment management or advisory services when the information is released for the sole purpose of providing the products or services covered by the agreement;
- In any circumstances with the customer's instruction or consent; or
- Pursuant to any other exceptions enumerated in the California Information Privacy Act.

Opt-Out Provisions

It is not a policy of Analytic Investment Management LLC to share nonpublic personal and financial information with affiliated or unaffiliated third parties except under the circumstances noted above. Since sharing under the circumstances noted above is necessary to service customer accounts or is mandated by law, there are no allowances made for clients to opt out.

APPENDIX C. ANALYTIC INVESTMENT MANAGEMENT LLC PORTFOLIO DESCRIPTIONS AND FEE SCHEDULES

Focus Growth Portfolio

STRATEGY SUMMARY

Seek to capture mispricing opportunities in large cap stocks due to market inefficiency, by continuously computing relative valuation of all large cap stocks according to growth factors such as earnings and sales growth, P/E/G ratios, operating margins, debt-to-equity, free cash flow and relative price strength. Positions are sold or reduced when stocks become more expensive relative to other stocks based on valuation factors, and are replaced with stocks of cheaper valuations. Typically hold over 30 to 50 large cap stocks with annual turnover rate above 500%.

TIME HORIZON AND INVESTMENT OBJECTIVE

Long term aggressive growth of capital.

RISK LEVEL

Higher than US stock market.
Long only.
No margin.
No leverage.
Diversified stock positions.

MINIMUM INVESTMENT

$250,000

ANNUAL MANAGEMENT FEE

2%, prorated on a daily or monthly basis.

Retirement Smart Portfolio

STRATEGY SUMMARY

Integrate multiple portfolios to provide diversified broad exposure to different investment strategies in one single account, covering all investment styles, including large cap, mid cap, small cap, micro cap, growth, value, and absolute return. Portfolios used in Retirement Smart can be rotated or changed from time to time based on market conditions.

TIME HORIZON AND INVESTMENT OBJECTIVE

Long term aggressive growth of capital.

RISK LEVEL

Higher than US stock market.
Long and short (using inverse ETFs/ETNs to short).
No margin.
Use individual stocks, 3x leverage equity/fixed income/volatility related ETNs/ETFs.
Diversified stocks/ETNs/ETFs positions.

MINIMUM INVESTMENT

$1,000,000

ANNUAL MANAGEMENT FEE

2%, prorated on a daily or monthly basis.

APPENDIX D. ANALYTIC INVESTMENT MANAGEMENT LLC BUSINESS CONTINUITY PLAN

Please note the Adviser does not have custody of client assets or securities. Clients of the Adviser can contact custodian Interactive Brokers at any of its worldwide locations regarding their brokerage accounts at any time: https://www.interactivebrokers.com/en/?f=customerService&ib_entity=llc

Disasters

The Adviser has multiple sources of wired and wireless internet plans to access clients' account in case of natural disasters or man-made disasters, such as snow storms, hurricanes, tornados, flooding, loss of electrical power, fire, bomb threat, etc.

Alternative Offices

The Adviser has identified multiple alternative offices throughout Northern California to support on-going operations in the event the main office is unavailable due to disasters. All clients will be notified immediately via electronic communications when our office is moved to an alternative location.

Loss of Key Personnel

The Adviser has key person risk with Hengfu Hsu. In the event of Hengfu Hsu's death, Secretary of the Adviser, Hailing Chai, or Investment Advisory Representatives of the Advisor if any, will notify all clients to hire a new RIA firm or to work with a brokerage company to transfer separately managed accounts out of the Adviser's management.

Cyber Security

The Adviser accesses all clients' managed accounts through very secure multi factor authentication device that is only available to the Adviser. All operational data of the Adviser are backup in real time using encrypted communication and archived regularly offsite.

ITEM 1 – COVER PAGE

Hengfu Hsu
Analytic Investment Management LLC

Phone: 408-916-5689

This Brochure Supplement provides information about Hengfu Hsu that supplements Analytic Investment Management LLC’s brochure. You should have received a copy of that brochure. Please contact Hengfu Hsu if you did not receive Analytic Investment Management LLC’s brochure or if you have any questions about the contents of this supplement.

Additional information about Hengfu Hsu also is available on the SEC’s website at https://www.adviserinfo.sec.gov.

ITEM 2 – EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Year of Birth: 1967

Formal Education:

- M.S., Computer Engineering, University of Southern California, California, 1991-1992
- B.S., Electrical Engineering, National Tsing Hua University, Taiwan, 1986-1990
- B.S., Power Mechanical Engineering, National Tsing Hua University, Taiwan, 1986-1990

Licenses:

- CRD# 5040238: Series 63, Series 65
- California Department of Insurance: License# 0F03390
- Covered California Certified Insurance Agent

Business Background for the Previous Five Years:

- Analytic Investment Management LLC, President & CEO, 2007 to present.
- Xunuo USA Holdings, Inc., Chief Operating Officer, 2017 to 2018.

ITEM 3 – 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 each supervised person providing investment advice. No information is applicable to this Item for Hengfu Hsu.

ITEM 4 – OTHER BUSINESS ACTIVITIES

Hengfu Hsu spends around 8 hours a day on the business of Analytic Investment Management LLC. Hengfu Hsu is a California insurance licensee and spends up to 10 hour a month handling clients’ insurance service requests. Please read Items 5.E and 10.C in Form ADV Part 2A Firm Brochure for possible conflict of interest.

ITEM 5 – ADDITIONAL COMPENSATION

For providing advisory service to clients of Analytic Investment Management LLC, Hengfu Hsu is not compensated in any way from anyone who is not a client of Analytic Investment Management LLC. Hengfu Hsu does not receive any economic benefits from other companies for managing clients’ portfolios.

ITEM 6 – SUPERVISION

Hengfu Hsu is the President and CEO of Analytic Investment Management LLC, and Hengfu Hsu supervises all activities of Analytic Investment Management LLC according to all applicable securities regulatory requirements and highest ethical standards. Hengfu Hsu adheres to all required regulations, and follows all policies and procedures outlined in the firm’s policies and procedures manual, including the Code of Ethics.

ITEM 7 – REQUIREMENTS FOR STATE-REGISTERED ADVISERS

Hengfu Hsu has never been involved or found liable in any arbitration claim, proceeding, or bankruptcy petition.