

June 30, 2020

Item 1: Introduction

GBS Finance, LLC, (“GBS”). 1395 Brickell Ave Suite 100, Miami Florida, is an investment adviser registered with the Securities and Exchange Commission.

Item 2: Relationships and Services

What investment services can you provide me?

GBS Finance provides services to primarily high net-worth individuals, families, family offices, foundations, endowments and other institutions. GBS provides these services on a discretionary and non-discretionary basis for domestic and non-U.S. accounts.

Discretionary Services. GBS manages client portfolios pursuant to a variety of investment strategies that clients may select depending on their investment objectives and restrictions. Such strategies generally include, without limitation, equities, emerging markets, fixed income, collective investment vehicles and derivatives. More detailed information about these strategies is found below under “*Item 8: Methods of Analysis, Investment Strategies and Risk of Loss.*” Clients may impose restrictions on how GBS manages their accounts according to these strategies. These restrictions generally appear either in the client’s investment management agreement or in the investment guidelines adopted for the account.

Non-Discretionary Services. GBS provides non-discretionary management services to clients in the following areas:

- (1) GBS assists clients in the design and implementation of the architecture of overall investment programs, based on, among other things, each client’s financial circumstances, risk parameters, investment objectives and restrictions, and cash flow needs.
- (2) GBS provides recommendations with respect to liquidity management for the cash needs and goals of clients based on parameters and other information provided by each client.
- (3) GBS provides oversight, monitoring and review services with respect to the investment management services provided by third-party investment managers who manage portions of client assets (including via their management of pooled investment vehicles in which client assets may be invested) (“**Third-Party Managers**”).

As part of its services, GBS will offer to audit a prospective client’s portfolio to gain a better understanding of the allocations, current positions, volatility and risks across the entire portfolio, as well as the prospect’s investment suitability. GBS will also analyze the portfolio’s fee structure, including the client’s use of banks/custodians, and, where appropriate, make recommendations intended to improve portfolio efficiency that may result in the client paying lower fees and expenses than previously.

Which methods of analysis and investment strategies do you use?

GBS’ investment philosophy is focused on providing a diversified exposure across many asset classes and markets in order to help each client achieve its goals while keeping the overall portfolio risk as low as possible. GBS employs a comprehensive process to seek to effectively implement its investment philosophy.

The first step in the investment process is to define the universe of available investments, which includes, without limitation, Global developed and Emerging Equity Markets, Global Sovereign, High yield, Investment Grade and Corporate Bonds, Emerging Market Debt, Global inflation protected bonds, Global REITs, Commodities, Hedge Funds and Private Equity.

The second step in this process is to formulate a strategic asset allocation for each client. The strategic asset allocation is a forward-looking exercise aimed at identifying the best combination of the underlying asset classes to meet each client risk/return profile. This is achieved through a combination of optimization techniques (identifying various portfolios of the “efficient frontier”), as well as back-testing/stress-testing, liquidity considerations and client-specific restrictions. The strategic asset allocation is intended to serve as a benchmark or a guide to implement investments during the year and provide that each portfolio is properly invested from a risk/return profile.

The final step in the investment process is to implement the strategic asset allocation by selecting investments for each asset class/type of investment in the portfolio.

Item 3: Fees, Cost, Conflicts and Standard of Conduct

What fees will I pay?

GBS does not maintain a basic fee schedule. GBS may charge clients an investment management fee and/or a performance-based fee, which are generally negotiated with each client. The amount and other terms of such fees will be set forth in the investment management agreement entered into with the client and will vary with each client. Any performance fees will be charged in accordance with Section 205 of the Advisers Act and the conditions of Rule 205-3 thereunder.

Typically, GBS’ management fee for providing discretionary management services is based upon a percentage of the market value of assets under management and will be payable quarterly in arrears. GBS may, however, enter into negotiated arrangements where its management fee will be paid on different terms. Management fees will be prorated for partial periods and clients will be refunded the balance (if any) of any pre-paid fees.

GBS’ fees for non-discretionary and other services are negotiated on a case-by-case basis with each client based on the services to be provided.

What conflicts of interest do you have?

There are conflicts of interests that have been disclosed in the Form ADV part 2 but which are also available upon request to any person who wishes to receive them and also the steps GBS has taken to manage those conflicts of interest. For example, GBS may face certain actual or perceived conflicts of interest by managing accounts charged a performance-based fee and accounts charged only a management fee or a flat fee, including the possibility that GBS may have an incentive to favor accounts for which it receives performance-based fees or accounts charged a higher performance-based fee over accounts from which it receives a lower performance-based fee, in an effort to address these potential conflicts, GBS does not discriminate on an impermissible basis against one client or group of clients.

Item 4: Disciplinary History

Do you or your financial professionals have legal or disciplinary history?

As a registered investment adviser, GBS is required to disclose any legal or disciplinary events that would be material to a client’s or prospective client’s evaluation of GBS’ advisory business or the integrity of GBS’ management. GBS does not have any such legal or disciplinary items to report.

Item 5: Additional Information

Who is my primary contact person at your firm?

Your primary contact person is assigned at account inception as your investment adviser representative.

If you have any concerns please contact our Chief Compliance Officer, Maria Paula Sanchez, at 786-534-6681 or by e-mail at mpsanchez@gbsfinance.com .