Item 1 – Cover Page ADV Part 2A Firm Brochure

SCN Capital, LLC

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August 20, 2026

This disclosure brochure provides information about the qualifications and business practices of SCN Capital, LLC. If you have any questions about the contents of this disclosure brochure, please contact Sujit Naran at (714) 396-5886 or suj@scn-capital.com. The information in this disclosure brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Registration as an investment adviser does not imply a certain level of skill or training.

Additional information about SCN Capital, LLC is also available on the Internet at http://www.adviserinfo.sec.gov. SCN Capital, LLC's CRD number is 343107.

Item 2 – Material Changes

As a newly registered investment adviser, there are no material changes to SCN Capital, LLC's business to report in this Item 2 at this time.

Item 3 – Table of Contents

Item 4 – Advisory Business

Formed in June 2026, SCN Capital, LLC (“SCN,” “we,” or “our”) is an investment adviser registered with the State of California (“California”). Registration with California does not imply a certain level of skill or training. SCN is wholly owned by Sujit Naran (“Mr. Naran”). Mr. Naran serves as SCN's President and is solely responsible for providing investment advisory services on behalf of SCN.

Services Generally

SCN offers both comprehensive financial planning, as well as discretionary investment management services. The firm's financial planning services are embedded within the firm's portfolio management services and provide clients with advice on key topics such as cash flow and budgeting, funding a college education, retirement planning, and risk management, estate or tax planning, among others. Ongoing and continuous supervision of clients' portfolios are provided through our portfolio management services offering as well as engaging the services of institutional investment managers.

SCN does not provide pension consulting services. References in this Brochure to services for retirement plan accounts (such as 401(k) plans) refer solely to SCN's discretionary investment management services provided with respect to such accounts, and do not constitute pension consulting services.

Before providing any services to you, we enter into a written agreement (“Agreement”). The Agreement describes the services we will provide and the related fees. Clients can terminate their Agreement without penalty within five business days after entering into the Agreement with us. We do not offer non-discretionary investment management services.

Clients may impose reasonable restrictions on SCN's discretionary management authority, including restrictions on investing in particular securities or types of securities. Any such restriction must be provided to SCN in writing and is subject to SCN's acceptance; SCN will accept a restriction so long as it is not too operationally onerous to implement and is consistent with SCN's fiduciary duty to the client.

SCN does not sponsor or participate in any wrap fee program in providing portfolio management services.

SCN also offers periodic educational seminars and workshops to clients and prospective clients on general financial literacy topics (such as budgeting, retirement readiness, and basic investment concepts). These seminars and workshops are offered free of charge and do not constitute individualized investment advice.

Financial Planning Services

Financial Planning is not offered as a stand-alone service, but rather embedded within your portfolio management services fee. SCN believes a written and comprehensive financial plan is the foundation which will guide you through every financial decision you make. Our planning is comprehensive and incorporates all aspects of a client's life, including but not limited to:

- Cashflow
- Tax planning
- Retirement Planning
- Education Planning
- Estate planning
- Risk Management

With a thorough understanding of your objectives and needs, we work with you to formulate a plan that includes an integrated set of strategies based on established planning and investment techniques. We then periodically review and measure your progress to remain aligned with your plan. This process keeps our understanding of your situation fresh and allows us to update your plan as needed.

Clients are under no obligation to implement their financial plan through SCN or engage the services of any SCN recommended professional. Implementation of your plan is at your sole discretion.

A conflict of interest exists between the interests of SCN and the interests of a financial planning client because implementation of SCN's recommendations, including the recommendation that a client engage SCN for discretionary investment management, generally results in additional compensation to SCN. The client is under no obligation to act upon any recommendation made by SCN, and if the client elects to act on any such recommendation, the client is under no obligation to effect the resulting transaction through SCN.

Discretionary Investment Management Services

SCN offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. SCN creates an Investment Policy Statement for each client, which outlines the client's current situation (income, tax levels, and risk tolerance levels) and then constructs a plan to aid in the selection of a portfolio that matches each client's specific situation. Portfolio management services include, but are not limited to, the following:

- Investment strategy
- Personal investment policy
- Asset allocation
- Asset selection
- Risk tolerance
- Regular portfolio monitoring

SCN evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. As accepted in each client agreement, SCN will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

SCN seeks to provide that investment decisions are made in accordance with the fiduciary duties owed to its accounts and without consideration of SCN's economic, investment or other financial interests. To meet its fiduciary obligations, SCN attempts to avoid, among other things, investment or trading practices that systematically advantage or disadvantage certain client portfolios, and accordingly, SCN's policy is to seek fair and equitable allocation of investment opportunities/transactions among its clients to avoid favoring one client over another over time. It is SCN's policy to allocate investment opportunities and transactions it identifies as being appropriate and prudent among its clients on a fair and equitable basis over time.

Selection of Other Advisers Services

SCN may direct clients to third-party investment advisers to manage all or a portion of the client's assets. The decision to use a third-party investment adviser will be determined by SCN and is dependent on each client's unique goals and objectives. Before selecting other advisers for clients, SCN will always ensure those other advisers are properly licensed or registered as an investment adviser. SCN conducts due diligence on any third-party investment adviser, which will involve one or more of the following: phone calls, meetings and review of the third-party adviser's performance and investment strategy. SCN then makes investments with a third-party investment adviser by referring the client to the third-party adviser. SCN will review the ongoing performance of the third-party adviser as a portion of the client's portfolio.

SCN does not receive compensation, directly or indirectly, from any third-party adviser to which it refers clients beyond the advisory fee described in Item 5, which SCN uses, in its discretion, to compensate the third-party adviser; the client does not pay the third-party adviser separately.

Client Obligations

In providing its services, SCN shall not be required to verify any information received from you or from your other professionals, and we are expressly authorized to rely thereon. Moreover, each client is advised that it remains his or her responsibility to promptly notify us if there is ever any change in his or her financial situation or investment objectives for the purpose of reviewing, evaluating, and revising SCN's previous recommendations and/or services.

Important Information for Retirement Investors

In instances when we recommend that you rollover retirement assets or transfer existing retirement assets (such as a 401(k) or an IRA) to our management, we have a conflict of interest. This is because we will generally earn additional revenue when we manage more assets. In making the recommendation, however, we do so only after determining that the recommendation is in your best interest. Further, in making any recommendation to transfer or rollover retirement assets, we do so as a "fiduciary," as that term is defined in ERISA or the Internal Revenue Code, or both. We also acknowledge we are a fiduciary under ERISA or the Internal Revenue Code with respect to our ongoing investment advisory recommendations and discretionary asset management services, as described in the advisory agreement we execute with you. To the extent we provide non-fiduciary services to you, those will be described in the advisory agreement.

Amount of Assets Under Management

As of August 11, 2026, SCN had $0 in assets under management.

Item 5 – Fees and Compensation

Financial Planning is not offered as a stand-alone service, but rather embedded within your portfolio management services fee. Ongoing discretionary investment management fees are asset-based. All fees are negotiable in SCN's sole discretion depending on a given Client's particular situation, needs, and requirements. Lower fees for comparable services may be available from other sources.

SCN's educational seminars and workshops, described in Item 4 above, are offered free of charge; SCN does not charge any fee for these seminars or workshops.

Investment Management Fees – Discretionary Investment Management Services

Our AUM fees for investment management services are calculated and billed quarterly in arrears and are based on the average daily balance of your account(s) during the quarter based on the following schedule:

Household Fee Schedule

$0 - $999,999: 1%

$1,000,000 - $1,999,999: 0.9%

$2,000,000 - $3,999,999: 0.8%

$4,000,000 and above: 0.75%

The fee schedule above is a straight-tier (flat-fee) schedule, not a blended schedule. This means that the fee rate corresponding to the tier in which a household's total assets under management fall is applied to the household's entire balance, rather than being applied only incrementally within each tier.

Example: A household with $2,500,000 in assets under management falls within the $2,000,000–$3,999,999 tier and is charged a flat annual fee of 0.80% on its entire balance, for a total annual fee of $20,000.00 (an effective rate of 0.80% of assets under management). By further example, a household with $2,000,000 under management would be charged a flat annual fee of 0.80% ($16,000.00), and a household with $5,000,000 under management would be charged a flat annual fee of 0.75% ($37,500.00). This annual fee is billed quarterly in arrears at one-fourth (1/4) of the amount calculated above, based on the average daily balance for the quarter, and would be prorated and adjusted from quarter to quarter as the average daily balance changes.

SCN may modify or change the fee schedule described above at any time upon at least 30 days' advance written notice to Client, subject to Client's right to terminate the advisory agreement before any fee increase becomes effective; however, when a modification results in a more advantageous fee schedule to Client, Client will be entitled to the modified fee schedule immediately.

Any future accounts opened under this household are assumed to fall within the fee schedules stated above unless otherwise documented and approved by both the Client and Adviser.

Selection of Other Advisers Fees

SCN will include any fee paid to the third-party adviser with its standard fee (i.e., there will be no additional fees from third-party advisers to be paid by clients since SCN will pay those fees). This relationship will be memorialized in each contract between SCN and each third-party adviser.

All fees are negotiable if deemed appropriate by SCN in our sole discretion. Additionally, not all clients pay the same fees, but no Client pays more than shown in the above tables. The actual fees you will be charged will be described in your Agreement with us.

The Agreement between us grants SCN authority to instruct your custodian to deduct the fees directly. If there is insufficient cash in your account to pay your fees, or if we do not receive payment under a fixed-fee Agreement, an equal balance of securities in your portfolio may be sold to pay our fee. The fee charged will appear on the statements the custodian provides to you, and we encourage you to review the statement carefully and compare it to the terms of your Agreement with us. Your custodian will not independently confirm the accuracy of the fees we ask them to deduct.

You will incur additional fees and costs, beyond our advisory fees. These include brokerage and custodial charges that are described more fully in Item 12, Brokerage Practices. Also, to the extent we invest in mutual funds or exchange-traded funds ("ETFs") for your portfolio, those investments include internal management fees and other costs that are expressed as the funds' "expense ratio" and that are separate from and in addition to our own management fees. We try to select funds and ETFs that have low expense ratios and that will therefore have a lower negative impact on return over time.

We do not impose a minimum fee or account size to establish a relationship.

Compensation for the Sale of Securities or Other Investment Products

Mr. Naran does not receive compensation for the sale of securities or other investment products.

Termination

Our advisory services may be terminated at any time, by any of the parties, for any reason, upon receipt of written notice to the other party. Client may terminate the advisory agreement without penalty within five (5) business days after entering into the agreement. Services will be terminated without penalty and we will cooperate fully in any requests to deliver funds and securities held in your account(s) to another custodian. Your custodian may charge an Account Transfer fee, which is detailed in their fee schedules. If we decide to initiate termination of our services, we will provide you written notice.

Item 6 – Performance-Based Fees and Side-By-Side Management

SCN does not charge performance-based fees.

Item 7 – Types of Clients

We provide investment advice to individuals, high net worth individuals, corporations, and 401(k) retirement plans.

SCN does not require a minimum account size or minimum dollar amount of assets to open or maintain an advisory account.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis

SCN utilizes the investment concepts described in Modern Portfolio Theory, which holds that the goal of an efficient portfolio is to minimize investment risk and maximize return. This is accomplished through diversified portfolios comprised predominantly of exchange-traded funds representing various asset classes. The appropriate mix of asset classes for each portfolio is determined using asset allocation software, and exchange-traded fund selection involves rigorous, regular reviews of fund performance for each asset class.

Some of the risks involved with using this method include the risk that the analysis will not identify the investments that perform best over any specific future time frame, investments fail to outperform the return of their asset class benchmark, and the investments lose value.

We also heavily rely on fundamental analysis when formulating investment advice. Fundamental analysis is a method of evaluating a security by attempting to measure its intrinsic value by examining related economic, financial and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of a company). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short). Fundamental analysis is considered to be the opposite of technical analysis. Fundamental analysis is about using real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security.

On a much more infrequent basis, we may use technical analysis which is a method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity. Technical analysts believe that the historical performance of stocks and markets are indications of future performance. Technical analysis is even more subjective than fundamental analysis in that it relies on proper interpretation of a given security's price and trading volume data. A decision might be made based on a historical move in a certain direction that was accompanied by heavy volume; however, that heavy volume may only be heavy relative to past volume for the security in question, but not compared to the future trading volume. Therefore, there is the risk of a trading decision being made incorrectly, since future trading volume is an unknown.

Investment Strategies

SCN uses the following investment strategies when managing client assets and/or providing investment advice:

- Medium and Long Term diversified portfolios using stocks, bonds, alternatives and cash. Rebalanced periodically to maintain target allocations;
- Short to intermediate term adjustments based on market conditions, valuations, interest rates, and economic outlook; and
- Primarily low cost ETF's for broad diversification and direct indexing for tax efficient investing.

Risk of Loss

- **Asset Allocation.** The primary risk of asset allocation is that a client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the proportions of different asset types will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client’s goals. All investing involves risks that clients must be prepared to bear. While losses can and will occur, we generally recommend a broad and diversified allocation of ETFs and mutual funds, thereby reducing specific risks associated with a concentrated or undiversified portfolio. Below are some of the risks present with investing generally, as well as some key risks of different types of investments. In general, investing in securities with concentrated exposures to (i) particular asset class(es) and/or (ii) a particular sector and/or (iii) one or a select few markets involves greater risk than investing in investments that have greater diversification.

- **Equity-Related Securities.** Prices of common stock react to the economic conditions of the company that issued the security; industry and market conditions; as well as other factors, and may fluctuate widely. Investments related to the value of stocks may rise and fall based on an issuer’s actual and anticipated earnings, changes in management, the potential for takeovers and acquisitions, and other economic factors. Similarly, the value of other equity-related securities, including preferred stock, warrants and options may also vary widely. Market conditions may affect certain types of stocks (such as large-SCN or technology-related) to a greater extent than other types of stocks. If the stock market declines, the value of a portfolio will also likely decline and, although stock values can rebound, there is no assurance that values will return to previous levels.

- **Exchange-Traded Funds.** ETFs are bought and sold on a securities exchange that attempt to track the performance of a specific index (such as the S&P 500), a commodity, or a basket of assets (such as a set of technology-focused, country-specific, or other sector-specific stocks). The risks of owning an ETF generally reflect the risks of owning the underlying securities they are designed to track, although lack of liquidity in an ETF could result in its being more volatile than the underlying securities. ETFs have management fees that increase their costs. ETFs are also subject to other risks, including: the risk that their prices may not correlate perfectly with changes in the underlying index (tracking error); the risk that the ETF will trade at prices that differ, sometimes materially, from the ETF's net asset value; and illiquidity risk, especially for narrowly-focused ETFs, including the risk of possible trading halts.

- **Fixed-Income Securities.** Prices of fixed income instruments (e.g., bonds) can exhibit some volatility and change daily. Investments in fixed income instruments present numerous risks, including credit, interest rate, reinvestment and prepayment risk, all of which affect the price of the instruments. For instance, a rise in interest rates will generally cause the price of bonds to go down. If the security is held to maturity and the issuer does not default, a client should receive the face amount of the bond at the maturity date, as well as stated interest payments while the bond is held. In this case, the change in price prior to maturity may not affect the client. If the client needs to sell prior to maturity, however, he/she would likely experience a loss. Where a client's fixed income exposure is to bond funds or fixed-income ETFs, the fund or ETF does not itself "mature," although different issues held by the fund/ETF will mature and will experience price fluctuations. Investors are therefore highly dependent on the manager's ability to accurately anticipate the impact of rate changes and to appropriately manage the portfolio to achieve both adequate returns and reasonable risk. In addition, the value of fixed income instruments may decline in response to events affecting the issuer, its credit rating or any underlying assets backing the instruments.

- **Foreign Market Risk.** The securities markets of many foreign countries, including emerging countries, have substantially less trading volume than the securities markets of the United States, and securities of some foreign companies are less liquid and more volatile than securities of comparable United States companies. As a result, foreign securities markets may be subject to greater influence by adverse events generally affecting the market, by large investors' trading significant blocks of securities, or by large dispositions of securities, than as it is in the United States. Further, many foreign governments are less stable than that of the United States. There can be no assurance that any significant, sustained instability would not increase the risks of investing in the securities markets of certain countries. While we typically gain exposures to foreign markets through ETFs or mutual funds, rather than investing directly in foreign securities, the limited liquidity of some foreign markets may affect our ability to acquire or dispose of securities at a price and time it believes is advisable. We may also obtain exposure to international markets through debt instruments with multi-national banks. These securities pose the risks associated with domestic fixed-income securities, as well as the risks posed by foreign securities.

- **Inflation Risk.** When inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation. This affects all investments, but longer-term fixed income securities are particularly susceptible.

- **Liquidity Risk**. Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not. Certain instruments may have no readily available market or third-party pricing. Some private placements, for example, have virtually no secondary market. Interval funds offer periodic purchase and/or redemptions through the issuer, subject to specific restrictions. Reduced liquidity may have an adverse impact on market price and the ability to sell particular securities when necessary to meet cash needs or in response to a specific economic event, such as the deterioration of creditworthiness of an issuer. Reduced liquidity in the secondary market for certain securities may also make it more difficult to obtain market quotations based on actual trades for the purpose of valuing the security. Clients should invest in illiquid (or relatively illiquid) assets only to the extent they have adequate other liquid assets available to fund current and ongoing cash requirements.

- **Market Risk.** The price of any security, including stocks, bonds, ETFs, or mutual funds may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a particular security's underlying circumstances. For example, political, economic and social conditions may trigger market events.

- **Mutual Funds.** Mutual funds are professionally-managed investments that pool money from multiple investors to purchase securities. Mutual funds may be broad-based (e.g., focused on the market overall, or focused on large-capitalization companies), or they can be narrower in scope, such as those focused on the technology industry or the securities of specific country. The risks of mutual funds are generally connected to the risks of the underlying securities they hold. Mutual funds do not trade on an exchange but are priced daily based on the net asset value of the securities held in the fund. Investors buy or sell fund shares based on that end-of-day price.

Single Investment Adviser Representative Risk

- **Key Person Risk.** As mentioned, SCN is operated by a single investment adviser representative, Mr. Naran. As a result, clients are exposed to key person risk. If Mr. Naran becomes unavailable due to illness, incapacity, or other unforeseen circumstances, SCN's ability to provide advisory services may be disrupted or delayed. We have implemented a business continuity plan to address such scenarios; however, there can be no assurance that services will continue without interruption. Additionally, SCN is developing a formal succession plan; however, there is no assurance that such plan will result in a seamless transition.
- **Operational & Internal Control Risk.** Due to SCN's size, certain functions such as trading, compliance, and client servicing are performed by the same individual. This lack of segregation of duties may increase the risk of operational errors or conflicts of interest, although we have adopted policies and procedures designed to mitigate such risks, and we also employ a third-party compliance consultant to administer and oversee various aspects of our compliance program.

Item 9 – Disciplinary Information

Investment advisors are required to disclose specific regulatory and legal events, as well as other events that would be material to your evaluation of SCN or its management's integrity. We do not have anything to disclose in response to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

Neither SCN nor Mr. Naran are registered as, or have an application pending to register as, a broker-dealer, futures commission merchant, commodity pool operator, a commodity trading advisor, or as an associated person of such entities.

Mr. Naran holds an individual California insurance license (license number 0L87102). Notwithstanding his license, neither Mr. Naran nor SCN offers or sells insurance products to clients, and Mr. Naran does not receive, and SCN does not receive, any commission or other compensation from the sale of insurance products.

As described in Item 4 above, SCN may recommend that clients engage third-party investment advisers to manage all or a portion of the client's assets. SCN does not receive compensation, directly or indirectly, from any recommended third-party adviser beyond SCN's own advisory fee described in Item 5, which SCN, in its discretion, uses to compensate the third-party adviser; clients are not charged an additional fee by the third-party adviser.

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

Code of Ethics Summary

An investment adviser is a fiduciary and has a fiduciary duty to all clients. SCN has established a Code of Ethics to comply with the requirements of the securities laws and regulations that reflects its fiduciary obligations. SCN's Code of Ethics covers Mr. Naran and all of our employees, officers, directors and IARs ("supervised persons"). We require our supervised persons to consistently put your interests first. SCN imposes certain requirements on its supervised persons to ensure that we meet our fiduciary responsibilities to you. We will promptly provide you with a complete copy of our Code of Ethics upon written request.

Employee Personal Securities Transactions Disclosure

Mr. Naran may recommend securities in which he has a material financial interest. Mr. Naran and other SCN supervised persons may also buy or sell for his personal accounts investment products identical to those recommended to you. This creates a potential conflict of interest. It is the express policy of SCN that all of our supervised persons must place clients' interests ahead of their own when implementing personal investments. Neither SCN nor its supervised persons will buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of employment or association with SCN unless the information is also available to the investing public upon reasonable inquiry. SCN does not allow supervised persons to purchase securities at the same time as clients unless it happens incidentally as part of a firm-wide rebalance or model change.

SCN has disclosed in this Brochure the material conflicts of interest of which it is aware that may impair the rendering of unbiased and objective advice to clients, consistent with CCR Section 260.238(k).

Item 12 – Brokerage Practices

SCN does not maintain custody of the separate account assets we manage, though we may be deemed to have custody if you give us authority to withdraw assets from your separate account under certain circumstances (see Item 15, below). Your assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank. SCN currently recommends the custodial and brokerage services of Charles Schwab ("Schwab") a registered broker-dealer and member SIPC. We are independently owned and operated and are not affiliated with Schwab. While we recommend Schwab as custodian/broker, clients will decide whether to do so and will open accounts with Schwab by entering an account agreement directly with them. We do not open accounts for clients, though we may assist in doing so.

How We Select Brokers/Custodians

We seek to recommend a custodian/broker that will hold client assets and execute transactions on terms that are, overall, most advantageous when compared with other available providers and their services. We consider a wide range of factors, including: combination of transaction execution and custody services; capability to execute, clear and settle trades; capability to facilitate transfers and payments; breadth of available investment products; availability of investment research and tools; quality of services; competitiveness of pricing; reputation, financial strength, security and stability; dedicated service team; prior service to us and our clients; and availability of other products and services that benefit us. We have determined that having Schwab execute most trades is consistent with our duty to seek "best execution" of Client trades.

(Sections on Your Brokerage and Custody Costs, Products and Services Available from Schwab, Research and Other Soft Dollar Benefits, Aggregation, Trade Errors, and Directed Brokerage are unchanged by this redline and continue to appear in the Brochure as previously drafted.)

Item 13 – Review of Accounts

Account Reviews

Managed assets are reviewed at least quarterly. While the calendar is the main triggering factor, reviews can also be conducted at your request. Reviews will include investment strategy and objectives review and making a change if strategy and objectives have changed. Reviews are conducted by Mr. Naran.

Statements and Reports

Qualified custodians send account statements at least quarterly. Quarterly reports are available upon request. These reports are not a substitute for the custodian's statements. We urge you to carefully compare any report we send with the custodian's statement and to let us know about any discrepancies.

Item 14 – Client Referrals & Other Compensation

We do not pay anyone for referrals or receive payment for referrals. Please see Item 12, above, for non-cash benefits received from our relationship with Schwab.

Item 15 – Custody

All client assets are held with a qualified custodian and never by SCN. Because, however, we have the ability to deduct fees directly from your custodial account, we are deemed to have a limited form of custody.

SCN has custody of client funds or securities solely as a consequence of its authority to deduct its advisory fee directly from client accounts. SCN maintains written authorization from each client to deduct its advisory fee from the client's account held with the qualified custodian. Each time a fee is directly deducted from a client's account, SCN concurrently: (i) sends the qualified custodian an invoice or statement of the amount of the fee to be deducted from the client's account; and (ii) sends the client an invoice or statement itemizing the fee, including the formula used to calculate the fee, the value of the assets under management on which the fee was based, and the time period covered by the fee. SCN relies on these safeguards in lieu of an annual surprise examination, and has notified the Commissioner of its intent to do so on Form ADV, consistent with CCR Section 260.237(b)(3).

Your custodian will send you an account statement at least quarterly showing all holdings in your account, as well as all activity that occurred, including any fees deducted from your account during the statement period.

We do provide reports to you that supplement, but do not replace, the custodial statements. We urge you to carefully compare the reports we send you with the custodian's statement and to notify us if you see any discrepancies.

Item 16 – Investment Discretion

We manage client assets on a discretionary basis for our discretionary investment management services. We obtain our authority through a limited power of attorney contained in your Agreement with us. We will accept restrictions on our discretionary authority as long we do not consider too operationally onerous to implement effectively, and as long as we believe the restrictions are consistent with our fiduciary to you. Any restrictions you impose, and we accept will be described in writing.

Item 17 – Voting Client Securities

We do not vote clients' proxies. You will receive proxies or other solicitations directly from your custodian. If you have questions about a specific proxy, you may call us to discuss them.

Item 18 – Financial Information

At no time do we charge fees more than $500, six or more months in advance. SCN does not have any financial condition that impairs our ability to meet obligations to our Clients. In addition, neither SCN, its management, nor Mr. Naran have been the subject of a bankruptcy proceeding.

Item 19 – Requirements for State Registered Advisers

Principal Executive Officers and Management Persons

SCN currently only has one management person: Mr. Naran. Education and business background can be found in Mr. Naran's Form ADV Part 2B brochure supplement.

Other Business Activities

Other business activities for each relevant individual can be found on the Form ADV Part 2B brochure supplement for each such individual.

Calculation of Performance-Based Fees and Degree of Risk to Clients

SCN does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

Material Disciplinary Disclosures for Management Persons of This Firm

There are no civil, self-regulatory organization, or arbitration proceedings to report under this section.

Material Relationships That Management Persons Have with Issuers of Securities

Neither SCN, nor its management persons, has any relationship or arrangement with issuers of securities.

Business Continuity Plan

SCN maintains a written Business Continuity Plan ("BCP") designed to protect client interests and to enable SCN and Mr. Naran to meet their existing fiduciary obligations to clients in the event of an emergency or significant business disruption, including the incapacitation, dissolution, or death of Mr. Naran. Clients may request a summary description of SCN's BCP by contacting the firm.