

MSF Investment Advisory LLC

Firm Brochure - Form ADV Part 2A

This brochure provides information about the qualifications and business practices of MSF Investment Advisory LLC. If you have any questions about the contents of this brochure, please contact us at (855) 449-7100 or by email at: mberry@msf-advisors.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 MSF Investment Advisory LLC is also available on the SEC's website at www.adviserinfo.sec.gov. MSF Investment Advisory LLC's CRD number is: 166649

40 Boggs Hill Rd
Newtown, Connecticut, 06470
(855) 449-7100
mberry@msf-advisors.com
www.msfcompanies.com

Registration does not imply a certain level of skill or training.

Version Date: 03/19/2021

Item 2: Material Changes

There are no material changes in this brochure from the last annual updating amendment of MSF Investment Advisory LLC on March 26, 2020. Material changes relate to MSF Investment Advisory LLC's policies, practices or conflicts of interests.

Item 3: Table of Contents

Item 1: Cover Page	
Item 2: Material Changes	i
Item 3: Table of Contents	1
Item 4: Advisory Business	5
A. Description of the Advisory Firm.....	5
B. Types of Advisory Services.....	5
Investment Supervisory Services.....	5
Financial Planning	5
Services Limited to Specific Types of Investments	5
C. Client Tailored Services and Client Imposed Restrictions	6
D. Wrap Fee Programs	6
E. Amounts Under Management.....	6
Item 5: Fees and Compensation	6
A. Fee Schedule	6
Investment Supervisory Services Fees	6
Financial Planning Fees.....	7
Hourly Fees.....	7
Fixed Fees	7
B. Payment of Fees	8
Payment of Investment Supervisory Fees	8
Payment of Financial Planning Fees.....	8
C. Clients Are Responsible For Third Party Fees	8
D. Prepayment of Fees.....	8
E. Outside Compensation For the Sale of Securities to Clients	8
1. This is a Conflict of Interest.....	8
2. Clients Have the Option to Purchase Recommended Products from Other Brokers	9
3. Commissions are the Primary Source of Income for this Registered Investment Adviser	9
4. Advisory Fees in Addition to Commissions or Markups	9

Item 6: Performance-Based Fees and Side-By-Side Management	9
Item 7: Types of Clients	9
Minimum Account Size	9
Item 8: Methods of Analysis, Investment Strategies, and Risk of Investment Loss	10
A. Methods of Analysis and Investment Strategies	10
Methods of Analysis	10
Charting analysis	10
Fundamental analysis	10
Technical analysis	10
Cyclical analysis	10
Investment Strategies	10
B. Material Risks Involved	10
Methods of Analysis	10
Fundamental analysis	10
Technical analysis	10
Cyclical analysis	11
Investment Strategies	11
C. Risks of Specific Securities Utilized	11
Item 9: Disciplinary Information	12
A. Criminal or Civil Actions	12
B. Administrative Proceedings	12
C. Self-regulatory Organization (SRO) Proceedings	12
Item 10: Other Financial Industry Activities and Affiliations	12
A. Registration as a Broker/Dealer or Broker/Dealer Representative	12
B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor	13
C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests	13
D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections	13
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .	13

A.	Code of Ethics	13
B.	Recommendations Involving Material Financial Interests	14
C.	Investing Personal Money in the Same Securities as Clients	14
D.	Trading Securities At/Around the Same Time as Clients' Securities	14
Item 12:	Brokerage Practices	15
A.	Factors Used to Select Custodians and/or Broker/Dealers	15
1.	Research and Other Soft-Dollar Benefits	15
2.	Brokerage for Client Referrals	15
3.	Clients Directing Which Broker/Dealer/Custodian to Use	15
B.	Aggregating (Block) Trading for Multiple Client Accounts	15
Item 13:	Reviews of Accounts	16
A.	Frequency and Nature of Periodic Reviews and Who Makes Those Reviews	16
B.	Factors That Will Trigger a Non-Periodic Review of Client Accounts	16
C.	Content and Frequency of Regular Reports Provided to Clients	16
Item 14:	Client Referrals and Other Compensation	16
A.	Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)	16
B.	Compensation to Non - Advisory Personnel for Client Referrals	16
Item 15:	Custody	17
Item 16:	Investment Discretion	17
Item 17:	Voting Client Securities (Proxy Voting)	17
Item 18:	Financial Information	17
A.	Balance Sheet	17
B.	Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients	18
C.	Bankruptcy Petitions in Previous Ten Years	18
Item 19:	Requirements For State Registered Advisers	18
A.	Principal Executive Officers and Management Persons; Their Formal Education and Business Background	18
B.	Other Businesses in Which This Advisory Firm or its Personnel are Engaged and Time Spent on Those (If Any)	18
C.	How Performance-based Fees are Calculated and Degree of Risk to Clients	18

D. Material Disciplinary Disclosures for Management Persons of this Firm..... 18

E. Material Relationships That Management Persons Have With Issuers of Securities (If Any)19

Item 4: Advisory Business

A. Description of the Advisory Firm

MSF Investment Advisory LLC is a Limited Liability Company organized in the state of Connecticut. The firm was formed in January of 2013, and the principal owner is Michael Scott Berry.

B. Types of Advisory Services

MSF Investment Advisory LLC (hereinafter "MSFIA") offers the following services to advisory clients:

Investment Supervisory Services

MSFIA offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. MSFIA 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. Investment Supervisory Services include, but are not limited to, the following:

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

MSFIA evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

Financial Planning

MSFIA takes a multidisciplinary approach to financial plans and financial planning which may include, but are not limited to; incorporating investments, insurance, benefit plans, cash flow analysis, and retirement analysis. These services are based on hourly fees or fixed fees and the final fee structure is documented in Exhibit II of the Financial Planning Agreement.

Services Limited to Specific Types of Investments

MSFIA generally limits its investment advice and/or money management to mutual funds, equities, bonds, fixed income, debt securities, ETFs, insurance products including

annuities, and government securities. MSFIA may use other securities as well to help diversify a portfolio when applicable.

C. Client Tailored Services and Client Imposed Restrictions

MSFIA offers the same suite of services to all of its clients. However, specific client financial plans and their implementation are dependent upon the client Investment Policy Statement which outlines each client’s current situation (income, tax levels, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

Clients may not impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs.

D. Wrap Fee Programs

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and any other administrative fees. MSFIA does not participate in any wrap fee programs.

E. Amounts Under Management

MSFIA has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$0.00	\$87,000,000.00	December 2020

Item 5: Fees and Compensation

A. Fee Schedule

Investment Supervisory Services Fees

Total Assets Under Management	Annual Fee
Up to \$1,000,000	1.50%
\$1,000,001 - \$3,000,000	1.00%
\$3,000,001 - \$10,000,000	0.75%
Above \$10,000,000	Negotiable

These fees are negotiable depending upon the needs of the client and complexity of the situation, and the final fee schedule is attached as Exhibit II of the Investment Advisory Contract. Fees are paid quarterly in arrears.

Because fees are charged in arrears no refund policy is needed. Fees that are collected in arrears will be based on the amount of work completed up to the day of termination within the quarter terminated. Clients may terminate their contracts without penalty, for full refund, within 5 business days of signing the advisory contract.

Advisory fees are withdrawn directly from the client's accounts with client written authorization.

Financial Planning Fees

Hourly Fees

Depending upon the complexity of the situation and the needs of the client, the hourly fee for these services is \$500. The fees are negotiable, and the final fee schedule will be attached as Exhibit II of the Financial Planning Agreement. Fees are paid in advance, but never more than six months in. Fees that are charged in advance will be refunded based on the prorated amount of work completed at the point of termination. Clients may terminate their contracts without penalty within five business days of signing the advisory contract.

The fee refunded will be the balance of the fees collected in advance minus the hourly rate times the number of hours of work that has been completed up to and including the day of termination.

Fixed Fees

Fixed fees are between \$500 - \$50,000. Fixed fees and financial planning fees are paid in advance, monthly or quarterly and can be paid by check or withdrawn directly from clients accounts. Depending upon the complexity of the situation and the needs of the client, the rate for creating client financial plans is \$500. Fees are paid in advance, but never more than six months in advance. Fees that are charged in advance will be refunded based on the prorated amount of work completed at the point of termination. The fees are negotiable, and the final fee schedule will be attached as Exhibit II of the Financial Planning Agreement. Clients may terminate their contracts without penalty within five business days of signing the advisory contract.

The fee refunded will be the balance of the fees collected in advance minus the hourly rate times the number of hours of work that has been completed up to and including the day of termination.

B. Payment of Fees

Payment of Investment Supervisory Fees

Advisory fees are withdrawn directly from the client's accounts with client written authorization. Fees are paid quarterly in arrears.

Payment of Financial Planning Fees

Hourly Financial Planning fees are paid monthly or quarterly via check in advance, but never more than six months in advance. Fees that are charged in advance will be refunded based on the prorated amount of work completed at the point of termination.

Fixed Financial Planning fees are paid monthly or quarterly via check in advance, but never more than six months in advance. Fees that are charged in advance will be refunded based on the prorated amount of work completed at the point of termination.

C. Clients Are Responsible For Third Party Fees

Clients are responsible for the payment of all third-party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by MSFIA. At times, we may reduce our advisory fee to offset all or a portion of the transaction fee that clients pay to the custodian. Please see Item 12 of this brochure regarding broker/custodian.

D. Prepayment of Fees

MSFIA collects fees in advance and arrears. Fees that are collected in advance will be refunded based on the prorated amount of work completed at the point of termination and the total days during the billing period. Fees will be returned within fourteen days to the client via check.

The fee refunded will be the balance of the fees collected in advance minus the daily rate* times the number of days in the quarter up to and including the day of termination. (*The daily rate is calculated by dividing the quarterly AUM fee by the number of days in the termination quarter).

E. Outside Compensation For the Sale of Securities to Clients

1. This is a Conflict of Interest

A supervised person of the firm may accept compensation for the sale of insurance products. This presents a conflict of interest and gives the supervised person and the firm an incentive to recommend products based on the compensation received rather than on the client's needs. When recommending the sale of products for which a

supervised person receives compensation, the firm will document the conflict of interest in the client file and inform the client of the conflict of interest.

2. *Clients Have the Option to Purchase Recommended Products from Other Brokers*

Clients always have the option to purchase recommended products through other brokers or agents that are not affiliated with the firm.

3. *Commissions are the Primary Source of Income for this Registered Investment Adviser*

Commissions are not the firm's primary source of compensation.

4. *Advisory Fees in Addition to Commissions or Markups*

Advisory fees that are charged to clients are not reduced to offset the commissions or markups on securities or investment products recommended to clients.

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

MSFIA 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.

Item 7: Types of Clients

MSFIA generally provides investment advice and/or management supervisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Corporations
- ❖ Private Investment Fund

Minimum Account Size

There is no account minimum.

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

A. Methods of Analysis and Investment Strategies

Methods of Analysis

MSFIA's methods of analysis include charting analysis, fundamental analysis, technical analysis, cyclical analysis.

Charting analysis involves the use of patterns in performance charts. MSFIA uses this technique to search for patterns used to help predict favorable conditions for buying and/or selling a security.

Fundamental analysis involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

Technical analysis involves the analysis of past market data; primarily price and volume.

Cyclical analysis involved the analysis of business cycles to find favorable conditions for buying and/or selling a security.

Investment Strategies

MSFIA uses long term trading and short-term trading.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

B. Material Risks Involved

Methods of Analysis

Charting analysis strategy involves using and comparing various charts to predict long and short-term performance or market trends. The risk involved in solely using this method is that only past performance data is considered without using other methods to crosscheck data. Using charting analysis without other methods of analysis would be making the assumption that past performance will be indicative of future performance. This may not be the case.

Fundamental analysis concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

Technical analysis attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not work long term.

Cyclical analysis assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy are two-fold: 1) the markets do not always repeat cyclical patterns and 2) if too many investors begin to implement this strategy, it changes the very cycles they are trying to take advantage of.

Investment Strategies

Long term trading is designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Short term trading generally holds greater risk and clients should be aware that there is a material risk of loss using any of those strategies.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

C. Risks of Specific Securities Utilized

MSFIA generally seeks investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international equity markets. The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) are not guaranteed or insured by the FDIC or any other government agency.

Private Placements carry a substantial risk as they are subject to less regulation than are publicly offered securities, the market to resell these assets under applicable securities laws may be illiquid, due to restrictions, and liquidation may be taken at a substantial discount to the underlying value or result in the entire loss of the value of such assets.

Mutual Funds: Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. They can be of bond "fixed income" nature (lower risk) or stock "equity" nature (mentioned above).

Equity investment generally refers to buying shares of stocks by an individual or firms in return for receiving a future payment of dividends and capital gains if the value of the stock increases. There is an innate risk involved when purchasing a stock that it may decrease in value and the investment may incur a loss.

Treasury Inflation Protected/Inflation Linked Bonds: The Risk of default on these bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal.

Fixed Income is an investment that guarantees fixed periodic payments in the future that may involve economic risks such as inflationary risk, interest rate risk, default risk, repayment of principal risk, etc.

Debt securities carry risks such as the possibility of default on the principal, fluctuation in interest rates, and counterparties being unable to meet obligations.

Stocks & Exchange Traded Funds (ETF): Investing in stocks & ETF's carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy).

Precious Metal ETFs (Gold, Silver, Palladium Bullion backed "electronic shares" not physical metal): Investing in precious metal ETFs carries the risk of capital loss.

Long term trading is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various other types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

Short term trading risks include liquidity, economic stability and inflation.

Past performance is not a guarantee of future returns. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

Item 9: Disciplinary Information

A. Criminal or Civil Actions

There are no criminal or civil actions to report.

B. Administrative Proceedings

There are no administrative proceedings to report.

C. Self-regulatory Organization (SRO) Proceedings

There are no self-regulatory organization proceedings to report.

Item 10: Other Financial Industry Activities and Affiliations

A. Registration as a Broker/Dealer or Broker/Dealer Representative

Neither MSFIA nor its representatives are registered as, or have pending applications to become, a broker/dealer or a representative of a broker/dealer.

B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

Neither MSFIA nor its representatives are registered as or have pending applications to become a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor.

C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests

Michael Scott Berry is the managing member and a consultant with Michael Scott Financial. He spends approximately 20 hours per week in this business. Michael Scott Berry is a licensed insurance agent. From time to time, he will offer clients advice or products from those activities. Clients should be aware that these services pay a commission and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. MSF Investment Advisory LLC always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of MSF Investment Advisory LLC in such individual's capacity as an insurance agent or consultant.

MSF Investment Advisory, LLC serves as the adviser to the Private Fund, Magnolia Land Fund LLC, in which a client may be solicited to invest. Magnolia Land Management Company LLC serves as the managing member of the Private Fund. Michael S. Berry is owner and managing partner of Magnolia Land Management Company LLC. The Private Fund is offered to certain sophisticated investors who meet certain requirements under applicable state and/or federal securities laws. Investors to whom the Fund(s) is offered will receive a private placement memorandum and other offering documents.

D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections

MSFIA does not utilize nor select other advisers or third-party managers. All assets are managed by MSFIA management.

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

A. Code of Ethics

We have a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and

Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Our Code of Ethics is available free upon request to any client or prospective client.

B. Recommendations Involving Material Financial Interests

As described in Item 10C, MSFIA and its associated persons may recommend that clients invest in the Magnolia Land Fund. A conflict of interest exists because the Fund compensates MSF Investment Advisory LLC for investment advisory services and also compensates Magnolia Land Management Company LLC for administrative and managerial services. The fees paid by the Fund to Magnolia Land Management Company are separate and apart from the advisory fees of MSFIA. As a result, persons associated with MSFIA have a financial incentive to recommend the Fund over other available investments. You should refer to the offering documents of the Fund for a complete description of the fees, investment objectives, risks and other relevant information associated with investing in this affiliated Fund. As a fiduciary, our firm and its associated persons will always act in our client's best interest and clients are not required invest in such investments if they do not wish to do so.

C. Investing Personal Money in the Same Securities as Clients

From time to time, representatives of MSFIA may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of MSFIA to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. MSFIA will always document any transactions that could be construed as conflicts of interest and will always transact client business before their own when similar securities are being bought or sold.

D. Trading Securities At/Around the Same Time as Clients' Securities

From time to time, representatives of MSFIA may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of MSFIA to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. MSFIA will always transact client's transactions before its own when similar securities are being bought or sold.

Item 12: Brokerage Practices

A. Factors Used to Select Custodians and/or Broker/Dealers

MSFIA considers the following factors when determining which custodian to recommend to clients; relatively low transaction fees, name recognition, powerful background and access to mutual funds and ETFs. Based on these factors, TD Ameritrade Institutional, a Division of TD Ameritrade, Inc., member FINRA/SIPC/NFA., Pershing, member FINRA/SIPC and Lincoln Financial were chosen to be the recommended custodians. MSFIA will never charge a premium or commission on transactions, beyond the actual cost imposed by Custodian.

1. *Research and Other Soft-Dollar Benefits*

MSFIA receives no research, product, or services other than execution from a broker-dealer or third-party in connection with client securities transactions (“soft dollar benefits”).

2. *Brokerage for Client Referrals*

MSFIA receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

3. *Clients Directing Which Broker/Dealer/Custodian to Use*

MSFIA allows clients to direct brokerage; however, MSFIA may recommend custodians. MSFIA may be unable to achieve most favorable execution of client transactions if clients choose to direct brokerage. This may cost clients money because without the ability to direct brokerage MSFIA may not be able to aggregate orders to reduce transactions costs resulting in higher brokerage commissions and less favorable prices. Not all investment advisers allow their clients to direct brokerage.

B. Aggregating (Block) Trading for Multiple Client Accounts

MSFIA maintains the ability to block trade purchases across accounts. Block trading may benefit a large group of clients by providing MSFIA the ability to purchase larger blocks resulting in smaller transaction costs to the client. Declining to block trade can cause more expensive trades for clients.

Item 13: Reviews of Accounts

A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews

Client accounts are reviewed at least quarterly only by Michael Scott Berry, Managing Member. Michael Scott Berry is the chief advisor and is instructed to review clients' accounts with regard to clients' respective investment policies and risk tolerance levels. All accounts at MSFIA are assigned to this reviewer.

All financial planning accounts are reviewed upon financial plan creation and plan delivery by Michael Scott Berry, Managing Member. There is only one level of review and that is the total review conducted to create the financial plan.

B. Factors That Will Trigger a Non-Periodic Review of Client Accounts

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

C. Content and Frequency of Regular Reports Provided to Clients

Each client will receive at least monthly from the custodian, a written report that details the client's account including assets held and asset value which will come from the custodian. MSFIA does not provide additional written reports, all required reports will be sent by the custodian.

Item 14: Client Referrals and Other Compensation

A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)

MSFIA does not receive any economic benefit, directly or indirectly from any third party for advice rendered to MSFIA clients.

B. Compensation to Non – Advisory Personnel for Client Referrals

MSFIA does not compensate non-advisory personnel (solicitors) for client referrals.

Item 15: Custody

Client accounts are held at a qualified custodian and client will receive statements directly from the custodian. MSFIA, with client written authority, has limited custody of client's assets through direct fee deduction of MSFIA's fees only. If the client chooses to be billed directly by TD Ameritrade Institutional, a division of TD Ameritrade, Inc. Member FINRA/SIPC/NFA or Pershing Member FINRA.SIPC MSFIA would have constructive custody over that account and must have written authorization from the client to do so. Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy. MSFIA urges clients to compare account statements they receive from their custodian with those they receive from MSFIA.

In addition, MSFIA has custody of the assets of the Magnolia Land Fund. An independent public accountant will audit the Fund annually and the audited financial will be distributed to investors in the Fund.

Item 16: Investment Discretion

MSFIA provides discretionary and non-discretionary investment advisory services to clients. The Investment Advisory Contract established with each client outlines the discretionary authority for trading. Where investment discretion has been granted, MSFIA generally manages the client's account and makes investment decisions without consultation with the client as to what securities to buy or sell, when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, or the price per share.

Item 17: Voting Client Securities (Proxy Voting)

MSFIA will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

Item 18: Financial Information

A. Balance Sheet

MSFIA does not require nor solicit prepayment of more than \$500 in fees per client, six months or more in advance and 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

In light of the COVID-19 coronavirus and historic decline in market values, MSF Companies has elected to participate in the CARES Act's Paycheck Protection Program ("PPP") to strengthen its balance sheet. MSF Companies intends to use this loan predominantly to continue payroll for the firm and may ultimately seek loan forgiveness per the terms of the PPP. Due to this and other measures taken internally, MSF Companies has been able to operate and continue serving its clients.

C. Bankruptcy Petitions in Previous Ten Years

MSFIA has not been the subject of a bankruptcy petition in the last ten years.

Item 19: Requirements For State Registered Advisers

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

MSFIA currently has only one management person/executive officer; Michael Scott Berry. Michael Scott Berry's education and business background can be found on the Supplemental ADV Part 2B form.

B. Other Businesses in Which This Advisory Firm or its Personnel are Engaged and Time Spent on Those (If Any)

Michael Scott Berry's other business activities can be found on the Supplemental ADV Part 2B form.

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

MSFIA 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.

D. Material Disciplinary Disclosures for Management Persons of this Firm

No management person at MSFIA or MSFIA has been involved in an arbitration claim or been found liable in a civil, self-regulatory organization, or administrative proceeding that is material to the client's evaluation of the firm or its management.

E. Material Relationships That Management Persons Have With Issuers of Securities (If Any)

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