# CIRRUS RESEARCH LLC


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## Firm Brochure

(Part 2A of Form ADV)

This brochure provides information about the qualifications and business practices of CIRRUS. If you have any questions about the contents of this brochure, please contact us at 914-289-1411, or by email at satyap@cirrus-res.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 CIRRUS is available on the SEC's website at www.adviserinfo.sec.gov.

As of December 31, 2023 (change of address as of February 28, 2024)

## Material Changes

### Annual Update

The Material Changes section of this brochure will be updated annually when material changes occur since the previous release of the Firm Brochure.

### Material Changes since the Last Update

The U.S. Securities and Exchange Commission issued a final rule in July 2010 requiring advisers to provide a Firm Brochure in narrative "plain English" format. The new final rule specifies mandatory sections and organization.

### Full Brochure Available

Whenever you would like to receive a complete copy of our Firm Brochure, please contact us by telephone at 914-289-1411 or by email at satyap@cirrus-res.com.

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## Advisory Business

### Firm Description

CIRRUS RESEARCH, LLC ("CIRRUS") was founded in 2007.

CIRRUS is an Institutional customer-oriented professional registered Broker-Dealer and Investment Advisory research firm dedicated to delivering innovative analysis and insights to equity investors. Our approach is idea driven and disciplined, our services strategic and quantitative, and our products solely focused on the discovery of arbitrage and opportunistic situations for our clients.

In this endeavor we employ historically deep and accurate data across multiple markets. Our products utilize proprietary modeling and valuation tools specifically constructed to analyze and forecast volatility and risk in under-researched areas of the markets. Helping our clients achieve superior risk-adjusted returns through original and anticipatory analyses is our goal.

Cirrus is a seasoned, independent investment strategy research firm dedicated to delivering innovative analysis and elevated insights to Mid, Small, and Micro Cap investors. Our approach is idea-driven, personalized, and supported by a quantitative discipline. Cirrus helps you make the most informed decisions by focusing on your individual challenges and creating customized products and services that meet your unique needs. We have developed a proprietary set of analytics designed to support your idea generation process, due diligence, and portfolio management.

Our clientele includes active portfolio managers, fundamental and quantitative managers, research analysts, strategists, asset allocators, and risk managers at some of the largest global institutions.

CIRRUS prides itself on individual attention to each client and communicates with its clientele offering specialized and customized professional research services.

The Firm provides consulting services based on its research reports on a variable basis which includes reports on Industries and Sectors with valuation and historical metrics and mainly provides customized consultation to its clientele in regard to its professional research services.

CIRRUS receives payment that is determined by client on a case by case basis, as well as paid through fees that are tailored to each client's needs and value based assessment. The Firm's clients consist solely of Institutional Clients, which include Investment Companies, Broker-Dealers, Pension and Profit Sharing Plans and Hedge Funds. The firm is an SEC registered Broker-Dealer and is a member of FINRA. No finder's fees are accepted.

Principal Owners

The principal owner is SATYA PRADHUMAN.

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Types of Advisory Services

CIRRUS provides research and individualized support research consultation services. CIRRUS publishes and consults on various investment topics, generates support spreadsheets, sends data feeds and responds with bespoke projects that range from chart requests to hypothetical investment strategies among other various individualized client-initiated project work.

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Tailored Relationships

The goals and objectives for each client vary as each individual client has their own needs and goals.

Agreements may not be assigned without client consent.

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Types of Agreements

The following agreements define the typical client relationships.

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Financial Planning Agreement

CIRRUS does not have a financial planning agreement.

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Advisory Service Agreement

Cirrus does not have an Advisory Service Agreement.

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Retainer Agreement

In some circumstances, a *Retainer Agreement* is executed.

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Investment Management Agreement

CIRRUS does not have any Investment Management Agreements.

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Tax Preparation Agreement

CIRRUS does not offer tax preparation services.

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Hourly Planning Engagements

CIRRUS does not provide hourly planning services.

Asset Management

Stocks and bonds may be purchased or sold through a brokerage account (other than Cirrus) when appropriate. That brokerage firm charges a fee for stock and bond trades. CIRRUS may receive compensation, in any form, from other Broker-Dealers on a commission sharing or soft dollar basis but does not, at this time, execute trades as an introducing Broker-Dealer.

Initial public offerings (IPOs) are not available through CIRRUS.

Termination of Agreement

A Client may terminate any of the aforementioned agreements at any time by notifying CIRRUS in writing. If the client made an advance payment, CIRRUS will refund any unearned portion of the advance payment.

CIRRUS may terminate any of the aforementioned agreements at any time by notifying the client in writing. If the client made an advance payment, CIRRUS will refund any unearned portion of the advance payment.

## Fees and Compensation

Description

All Compensation arrangements are generally fee-based or consulting agreements that are individual to each client.

Payment schedules are agreed upon between CIRRUS and the client on a case-by-case basis.

## Types of Clients

Description

The Firm's clients consist mainly of Institutional Professional Clients, which include Professional Trading firms, Investment Advisors, Broker-Dealers, Banks, Investment Companies, Pensions, Hedge Funds, Charitable organizations or other business entities.

## Methods of Analysis

Investment strategy:

Our investment strategy includes classic equity strategy leveraging years of hand-scrubbed US data by size, sector/industry, risk, and style. We identify under and overvalued sectors and make active calls on select industries within those sectors.

Quantitative Modeling:

Cirrus Signature models, using proprietary factors, regularly produce portfolios that generate alpha signals; 24 Long and 4 Short models covering Large to Micro, Growth and Value that are individually tested.

Research Reports:

Designed to put our best ideas to work, our reports provide detailed macro observations regarding markets and trends with the potential to impact your performance.

Reports range from active strategy work on sector/industry developments or factor behavior that discusses the near and long-term implications to concise investigations of a market trend, zeroing in on drivers, impact, correlations and leaders/laggards. The macro picture is always illustrated at the stock level.

Proprietary Indicators:

Market intelligence tools to gauge risk and shifts in behavior;
Examples include Cirrus Risk Indicator (CRX), a contra-indicator on risk appetite for identifying market-timing opportunities.

Custom Portfolio Spreadsheets:

Stock ranks available at your fingertips; identify compelling or deteriorating characteristics based on examination of key factors including Quality, Price Momentum, Business Momentum, and Value. Short model identifies stocks with favorable short characteristics.

Performance Analytics:

Monthly performance exhibits by size, sector, industry, factors, models as well as a written distillation of the month's developments and trends.

Global Perspective:

We provide consistent comparisons across the global equity landscape for Small & Mid Cap companies with detailed and cleaned historical data for 10 key markets segmented by size and characteristics allowing clients to identify opportunities.

## Investment Strategies

CIRRUS offers research consulting services. Both the client and eventually CIRRUS's challenges are many and they tend to target issues such as market/risk posture, style, size, sector focus and stock picking. Portfolio manager clientele, running similar funds such as large cap growth, can have radically different strategies employed. As a result, their questions and needs can vary vastly. Importantly, CIRRUS covers investment managers that are responsible for varied strategies which include micro-cap to small to mid-cap and large capitalization firms. They can vary from running growth funds while others are responsible for value funds. A number of our managers run their funds fundamentally by picking stock by stock, while others run it from a macro level basing decisions on economic sensitivities and market factors.

The client could be focused on large, mid, small or micro sized companies; they can be growth-based or value driven or they can approach the fund from a bottoms-up or top-down focus. They can be global or domestic. These are some examples of the specialized nature of the Cirrus agenda for each client.

## Risk of Loss

All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

- Interest-rate Risk: Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- Market Risk: The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- Inflation Risk: When any type of 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.
- Currency Risk: Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- Reinvestment Risk: This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of

return (i.e., interest rate). This primarily relates to fixed income securities.

- Business Risk: These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- 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.
- Financial Risk: Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

## Disciplinary Information

### Legal and Disciplinary

The firm and its employees have not been involved in legal or disciplinary events related to past or present investment clients.

## Other Financial Industry Activities and Affiliations

### Financial Industry Activities

CIRRUS is registered as a securities Broker-Dealer with FINRA.

### Affiliations

None at this time.

## Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

### Code of Ethics

The employees of CIRRUS have committed to a Code of Ethics that is available for review by clients and prospective clients upon request. The firm will provide a copy of the Code of Ethics to any client or prospective client upon request.

### Participation or Interest in Client Transactions

CIRRUS and its employees may buy or sell securities that are also held by clients or in sectors that CIRRUS may review for a client. Employees may not

trade their own securities ahead of client recommendations in the event CIRRUS recommends a specific security. Employees must comply with the provisions of the *CIRRUS WSP and Compliance Manual*.

### Personal Trading

The Chief Compliance Officer of CIRRUS is SATYA PRADHUMAN. He or his designee reviews all employee trades on at least a quarterly basis. His trades are reviewed by THIRZA MORAN. The personal trading reviews ensure that the personal trading of employees does not affect the markets, and that employees of the firm do not receive preferential treatment.

## Brokerage Practices

### Selecting Brokerage Firms

CIRRUS does not have any affiliation with product sales firms.

### Best Execution

CIRRUS does not execute trades on any basis.

### Soft Dollars

CIRRUS receives soft dollar fees as payment for its professional research services.

### Order Aggregation

N/A

## Review of Accounts

CIRRUS does not introduce or hold any customer accounts.

## Client Referrals and Other Compensation

### Incoming Referrals

CIRRUS has been fortunate to receive many client referrals over the years. The referrals may come from current clients, attorneys, accountants, employees, personal friends of employees and other similar sources. The firm does not compensate referring parties for these referrals.

### Referrals Out

CIRRUS may accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them.

### Other Compensation

*N/A*

### Custody

### Account Statements/ Performance Reports /Net Worth Statements/ Investment Discretion

As stated earlier, CIRRUS does not introduce or hold any customer funds or securities, nor does it execute trades on behalf of customers.

## Financial Information

### Financial Condition

CIRRUS does not have any financial impairment that will preclude the firm from meeting contractual commitments to clients. A balance sheet is not required to be provided because CIRRUS does not serve as a custodian for client funds or securities and does not require prepayment of fees of more than $600 per client, and six months or more in advance, although as a Broker-Dealer CIRRUS does have an independent audit on an annual basis.

## Business Continuity Plan

### General

CIRRUS has a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, services or key people.

### Disasters

The Business Continuity Plan covers natural disasters such as snowstorms, hurricanes, tornados, and flooding. The Plan covers man-made disasters such as loss of electrical power, loss of water pressure, fire, bomb threat, nuclear emergency, chemical event, biological event, T-1 communications line outage, Internet outage, railway accident and aircraft accident. The Firm's computer data is backed-up weekly to a hard drive and monthly on disk and is maintained at an off-site location.

Alternate offices may be appointed to support ongoing operations in the event the main office is unavailable. It is our intention to contact all clients within five days of a disaster that dictates moving our office to an alternate location.

### Loss of Key Personnel

In the event of a Key Person's serious disability or death the firm maintains cross training of analysts in order to provide continued service to its clientele.

## Information Security Program

### Information Security

CIRRUS maintains an information security program to reduce the risk that personal and confidential information may be breached.

### Privacy Notice

CIRRUS is committed to maintaining the confidentiality, integrity and security of any information that is entrusted to us. We maintain a secure office to ensure that all information is not placed at unreasonable risk. We employ a firewall barrier, secure data encryption techniques and authentication procedures in our computer environment.

We do not provide personal information to mailing list vendors or solicitors. We require strict confidentiality in our agreements with unaffiliated third parties that require access to any personal information, including financial service companies, consultants, and auditors. Federal and state securities regulators may review our Company records and personal records as permitted by law.

Personally identifiable information will be maintained for clients, for the required period thereafter that records are required to be maintained by federal and state securities laws. After that time, information may be destroyed.

We will notify any appropriate parties in advance if our privacy policy is expected to change.

## Brochure Supplement (Part 2B of Form ADV)

### Education and Business Standards

CIRRUS requires that advisors in its employ have a bachelor's degree and further coursework demonstrating knowledge of financial planning. Examples of acceptable coursework include: an MBA, a CFP®, a CFA, a ChFC, JD, CTFA, EA or CPA. Additionally, advisors must have work experience that demonstrates their aptitude for financial planning and investment management.

## Professional Certifications

Employees have earned certifications and credentials that are required to be explained in further detail.

Certified Financial Planner (CFP): Certified Financial Planners are licensed by the CFP Board to use the CFP mark. CFP certification requirements:

- Bachelor's degree from an accredited college or university.
- Completion of the financial planning education requirements set by the CFP Board (www.cfp.net).
- Successful completion of the 10-hour CFP® Certification Exam.
- Three-year qualifying full-time work experience.
- Successfully pass the Candidate Fitness Standards and background check.

Chartered Financial Analyst (CFA): Chartered Financial Analysts are licensed by the CFA Institute to use the CFA mark. CFA certification requirements:

- Hold a bachelor's degree from an accredited institution or have equivalent education or work experience.
- Successful completion of all three exam levels of the CFA Program.
- Have 48 months of acceptable professional work experience in the investment decision-making process.
- Fulfill society requirements, which vary by society. Unless you are upgrading from affiliate membership, all societies require two sponsor statements as part of each application; these are submitted online by your sponsors.
- Agree to adhere to and sign the Member's Agreement, a Professional Conduct Statement, and any additional documentation requested by CFA Institute.

Enrolled Agent (EA): Enrolled Agents are enrolled by the Internal Revenue Service and authorized to use the EA designation. EA enrollment requirements:

- Successful completion of the three-part IRS Special Enrollment Examination (SEE), or completion of five years of employment by the IRS in a position which regularly interpreted and applied the tax code and its regulations.
- Successfully pass the background check conducted by the IRS.

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## Satya Dev Pradhuman, CEO, Sr. Research Analyst, Director of Research

Date of Birth: 07/16/1964

Educational Background:
• BS - Union College (1981-85);
• MBA - New York University (1991-92)

Business Experience:
• Cirrus Research LLC – 2/2007-Present-CEO, SR. RESEARCH ANALYST
• Pulse Trading LLC – 5/2007-9/2009 – Registered Rep
• Merrill Lynch – 1989-2007 –SR. RESEARCH ANALYST

Disciplinary Information: None

Additional Compensation: None

Supervision:
Satya Dev Pradhuman is supervised by Thirza Moran. She reviews Satya Dev Pradhuman's work through frequent office interactions as well as remote interactions. She also reviews Satya Dev Pradhuman's activities through our client relationship management system.
SUPERVISOR'S contact information:
PHONE 914-289-1415 EMAIL thirzam@cirrus-res.com
Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceeding: None

Bankruptcy Petition Notice: None

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## Georgiana Fung, CFA, Strategist

Date of birth: 2/10/1979

Educational Background:
• New York University (1997-2001); BS Finance & Marketing

Business Experience:
• Cirrus Research (2010-present)
• Merrill Lynch (1999-2007)

Disciplinary Information: None

Other Business Activities: None

Additional Compensation: None

Supervision:
Georgiana Fung is supervised by Satya D. Pradhuman, Sr. Research Analyst. He reviews Georgiana Fung's work through frequent office interactions as well as remote interactions. He also reviews Georgiana Fung's activities through our client relationship management system.
SUPERVISOR'S contact information:
PHONE: 914-289-1411 EMAIL satyap@cirrus-res.com

Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceeding: None

Bankruptcy Petition: None

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## Nicolas Palar, Research Analyst

Date of birth: 7/01/1985

Educational Background:
• Yeshiva University (2015-2016); MS Quantitative Economics.
• Vassar College (2005-2008); BA History.

Business Experience:
• Cirrus Research (2019-present)
• Ascent Investor Relations (2016-2019)

Disciplinary Information: None

Other Business Activities: None

Additional Compensation: None

Supervision:
Nicolas Palar is supervised by Satya D. Pradhuman, Sr. Research Analyst. He Nicolas Palar's work through frequent office interactions as well
as remote interactions. He also reviews Nicolas Palar's activities through our client relationship management system.
SUPERVISOR'S contact information:
PHONE: 914-289-1411 EMAIL satyap@cirrus-res.com

Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceeding: None

Bankruptcy Petition: None

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## Deigo Perezcano, Junior Analyst

Date of birth: 12/28/1993

Educational Background:

- BA - Tecnologico de Monterrey (2013-2017)

Business Experience:

- Cirrus Research (2021-present)
- Texas Ribs (2020-2020)
- Directo Telecom (2020-2020)
- Seale & Associates (2018-2019)
- Resuelve tu Deuda (2017-2018)

Disciplinary Information: None

Other Business Activities: None

Additional Compensation: None

Supervision:
Diego Perezcano is supervised by Satya D. Pradhuman, Sr. Research Analyst. He reviews Diego Perezcano's work through frequent office interactions as well as remote interactions. He also reviews Diego Perezcano's activities through our client relationship management system.
SUPERVISOR'S contact information:
PHONE: 914-289-1411 EMAIL: satyap@cirrus-res.com

Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceeding: None

Bankruptcy Petition: None