

# **Socrates Invest LLC**

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Winter Park, FL 32789  
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## **Firm Brochure Form ADV, Part 2A**

Prepared for Filing with our Form ADV Part 1

Amendment

Dated: February 27, 2024

Item 1 – Cover Page

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This Firm Brochure (“Brochure”) provides information about the qualifications and business practices of Socrates Invest LLC which we may refer to in this brochure as “the Adviser,” “we,” “us,” or “Socrates.” If you have any questions about the contents of this Brochure, please contact Mario Socrates, Chief Compliance Officer at [mario@socratesinvest.com](mailto:mario@socratesinvest.com) or (877) 855-1355.

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.

Socrates Invest LLC is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. We have elected to make the required disclosures pursuant to the format and requirements of Form ADV Part 2A in satisfaction of our fiduciary notice requirements.

Currently, our Brochure may be requested by contacting our Chief Compliance Officer or it is also available via the SEC’s web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s web site also provides information about any persons affiliated with us who are registered, or are required to be registered, as investment adviser representatives of the Adviser. Our firm’s CRD # is 316464.

Item 2 – Material Changes

This Form ADV Part II brochure had been initially prepared as a part of the registered investment adviser initial Form ADV as well as our initial registration filing process. Socrates Invest LLC is required to advise our clients and prospective clients of any material changes to our Brochure.

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## Item 4 – Advisory Business

### Firm Description

Socrates was formed on April 14, 2021 as a Delaware limited liability company. The individuals involved in the management of our business are Mario Socrates, Justin Corrado and Ryan Dodds (the “Managers”). Mario Socrates and Ryan Dodds will serve as the firm’s principals (the “Principals”). Socrates is a registered investment advisor with the State of Florida, New Jersey and New York. Associates of the Adviser may register, become licensed or meet certain exemptions to registration and/or licensing within additional other jurisdictions where investment advisory business may be conducted.

### Advisory Services

Socrates focuses exclusively on constructing portfolios and providing advice on investments in cryptocurrencies, decentralized finance, and/or other blockchain technology, including, but not limited to, digital coins, altcoins, stablecoins, decentralized application tokens or protocol tokens (collectively, “Digital Assets”). Socrates provides its advisory services through separately managed client accounts. **Given the exclusive focus from Socrates on Digital Assets, our advice, investment programs or model portfolios do not represent a complete investment program and clients should not invest in Digital Assets as the sole component of their investment plan. Investing in Digital Assets involves a higher risk tolerance than other asset classes and are highly speculative.**

Socrates will provide on-going management and oversight for each of our client’s separately managed accounts. With respect to each client account, we consider our client’s overall investment profile, investment objectives, stated guidelines, risk tolerance and financial parameters to make recommendations for certain Digital Assets. Digital Assets can be classified and regulated as (i) securities, (ii) commodities, and/or (iii) currencies. Socrates focuses on evaluating Digital Assets and, through the use of key service providers on behalf of your account, seeks provide you access and advice with respect to such Digital Assets. As the Digital Asset class evolves, we may identify new Digital Assets in our investment strategies.

The Digital Assets on the Gemini Exchange are custodied by Gemini Trust Capital, LLC (“Gemini”), a qualified custodian. Consequently, when purchasing Digital Assets on behalf of clients, Socrates is limited to Digital Assets supported by Onramp Invest, Inc. (“Onramp”) and Gemini. Gemini is a U.S. Department of Treasury Financial Crimes Enforcement Network (“FinCEN”) registered money services business, which is licensed as a money transmitter in nearly every state. More information about Gemini can be found on their website at <https://www.gemini.com>. Clients will execute a custodial account agreement with us, Onramp and Gemini which provides Socrates discretionary trading authority to execute transactions on the Gemini Exchange utilizing the Onramp platform.

To facilitate operational efficiency in transacting in the Digital Assets available at Gemini, the Client acknowledges that, during the Term of this Agreement, the Adviser will procure and utilize, on behalf of the Account, the Onramp platform account servicing software. Unless otherwise determined by the Adviser, on-going use of Onramp is a requirement to receive the Account management services under this Agreement from the Adviser. Through its software which has been integrated with the Gemini exchange, Onramp enables the Adviser to conduct risk-based investment modeling of Digital Assets and facilitates the operational requests with Gemini. As noted below, access to the platform of services from Onramp are charged separately and paid directly to Onramp after deduction from your Account by Gemini.

Socrates intends to provide investment advisory services to separately managed accounts on a discretionary basis. For our advisory services provided on discretionary basis, this means that Socrates may, without prior consultation with the client, select, buy, sell, and trade in Digital Assets on your behalf. Socrates does permit reasonable restrictions on the grant of discretionary authority as may be noted in our advisory agreement from time to time. Although Socrates will have discretionary authority, Socrates will not have money movement authority in client accounts, except with respect to the deduction of Management Fees as described in this Brochure. Our advisory services to separately managed accounts do not include legal or tax advice.

#### Assets Under Management (“AUM”)

As of February 27, 2024 we managed approximately \$60,000 in discretionary assets under management and \$0 in non-discretionary assets under management.

#### Model Portfolio Strategies, Account Maintenance and Trade Execution

Socrates will provide recommended Digital Asset allocations among various model portfolios (“Allocation Baskets”). As noted above, recommendations to Allocation Baskets will be based on a client’s goals, risk tolerance, investment objectives, or will reflect reasonable client-imposed restrictions on the management of their account. Models can be further customized on an account-by-account basis. Clients invest directly in the Digital Assets that make up each of the Allocation Baskets and some assets may be included in multiple Allocation Baskets. The Allocation Baskets feature different exposure to various risk-adjusted return profiles to Digital Assets. For each client account, Socrates customizes various allocation recommendations within the Allocation Baskets.

In opening an account with Socrates, clients will be required to provide personal information about themselves, including their comprehensive financial resources, investment goals and objectives through a questionnaire and an interview with a representative of Socrates. In building out a client profile, Socrates considers our client’s employment status, income, investment goals and reasons to invest, time horizon and overall net assets.

Socrates evaluates each client's situation and will propose a portfolio plan from among the Allocation Baskets. As compared to other asset classes, although investing in Digital Assets generally is considered a speculative asset class with higher risk and higher volatility, our Allocation Baskets reflect a relative range of risk tolerances within each Allocation Basket classification. For example, we have classified each of our Allocation Baskets based on the risk/growth profile of the portfolio. Although certain of the Allocation Baskets represent a higher risk profile, we believe each Allocation Basket corresponds to mix of Digital Assets with an appropriate risk adjusted potential return.

Given that Socrates is focused on Digital Assets, it likely that Socrates will not manage the entire financial picture or investable assets of our clients. Therefore, it is the client's responsibility to provide a full and complete picture of their financial profile and update Socrates of all material changes. Digital Assets are not suitable for all investors. As such, the suitability of the investment allocation recommendations is limited by a client's risk tolerance and relies on the accuracy and completeness of the information provided by the client.

Socrates makes recommendations to clients with respect to allocations within its available Allocation Baskets. Client's must grant discretionary trading authority to Socrates. As the value of a client's Digital Asset investments fluctuate or the risk profile of a particular Allocation Basket changes, Socrates will automatically rebalance our client's model "portfolios" in accordance with each Allocation Basket's target goals. A rebalance may result in the addition of one or more Digital Assets, the removal of one or more assets, or a change to the relative holdings of each asset within an Allocation Basket. Clients may not opt-out of an Allocation Basket rebalance. Socrates or the broker-dealer account custodian holding client accounts will notify clients of any additions or deletions of digital assets from an Allocation Basket. Clients may request to withdraw their allocation from any Allocation Basket at any time.

In the event, Digital Assets in any of the Allocation Baskets which were initially supported by Onramp and/or Gemini are no longer supported, Socrates will coordinate with and work with clients on potential exit strategy for such Digital Assets.

As noted above, Socrates, through Onramp, will work with Gemini for Digital Asset exchange services on your behalf. Socrates is not a digital asset exchange. Socrates does not guarantee a market for all requested trades but will use its best efforts to execute all actions requested in a timely manner. Rather, Socrates makes initial recommendations as to allocations across the baskets, which clients can then discuss with Socrates. Clients are expected to let Socrates know of any changes to a client's goals, risk tolerance, or investment objectives.

#### Flat Rate Consulting Services

We may also provide Digital Asset consulting and financial planning on a flat, hourly or monthly rate. These services will involve accumulating and organizing information about your current and desired financial status and identifying your specific goals and objectives and risk tolerance to make Digital

Asset recommendations. However, in connection with our Digital Asset consulting and financial planning services, we will not: (i) manage or oversee an account on your behalf, (ii) directly perform trading or execution of Digital Assets as an exchange, (iii) actively manage or monitor your account with discretionary power, or (iv) provide legal or tax advice.

### Sub-Advisory Services

Socrates may also serve as a sub-advisor for other managed accounts. This means that Socrates may provide sub-advisory services to unaffiliated, third-party investment advisers which manage accounts on behalf of their clients (each a “Direct RIA”). Under this arrangement, through execution of a sub-advisory agreement, by and among Socrates, a Direct RIA and its respective client, Socrates is selected to oversee and manage a segregated portion of a client’s assets. In such a scenario: (i) clients will remain the client of the Direct RIA, (ii) the Direct RIA’s client must maintain a custody account with Gemini, (iii) the Direct RIA is responsible for determining that the Digital Assets recommended by Socrates are appropriate for the Direct RIA client and (iv) the Direct RIA will maintain the right to override a recommended allocation to our Digital Assets on behalf of their own client. As of the date of this Brochure, Socrates does not anticipate engaging sub-advisors on behalf of its own clients.

### Assets Under Advisement (AUA) Services Through L1 Advisors Platform

Socrates may offer qualified clients with appropriate risk tolerance, advisory services for certain Digital Assets available through decentralized exchanges. For this service, clients will utilize self-custodial wallets such as Metamask, Trust Wallet or any WalletConnect-supported wallet and allow Socrates to recommend trades for clients to execute on their own utilizing the L1 Advisors non-custodial wealth management platform. Clients will connect their self-custodial wallets to this platform (<https://l1advisors.com/for-clients>), whereby, the platform will grant Socrates read only access to their portfolio within their self-custodial wallet along with the ability for Socrates to make transaction recommendations to clients. Clients will be required to review and approve such recommendations in order to facilitate the recommended transaction.

### Educational Services

With respect to our separately managed accounts (or account where we are engaged as a sub-adviser), we charge a fee based on a percentage of our client’s assets under management (the “Socrates Management Fee”). The Socrates Management Fee for each account is paid monthly in an amount ranging from zero (0%) up to one and one-half percent (1.50%) on an annualized basis, payable monthly in arrears, based on the calendar month-end account value. The Socrates Management Fees is negotiated on a client-by-client basis. The Socrates Management Fee is deducted directly from a client’s account(s) held with Gemini.

## Item 5 – Fees and Compensation

### Advisory Fees for Assets Under Management

With respect to our separately managed accounts (or account where we are engaged as a sub-adviser), we charge a fee based on a percentage of our client's assets under management (the "Socrates Management Fee"). The Socrates Management Fee for each account is paid monthly in an amount ranging from zero (0%) up to one and one-half percent (1.50%) on an annualized basis, payable monthly in arrears, based on the calendar month-end account value. The Socrates Management Fees is negotiated on a client-by-client basis. The Socrates Management Fee is deducted directly from a client's account(s) held with Gemini.

### Third-Party Fees for Assets Under Management

As noted above, our Clients will also utilize the third-party platform management and administrative services of Onramp. Separately from the Socrates Management Fee, our Client's will also be responsible to pay the "Onramp Platform Fee." As described below, the Onramp Platform Fee is 70 basis points (0.70%) per transaction taken on behalf of a Client's account as further described below). The Onramp Platform Fee is deducted directly from a client's account(s) held with Gemini. Asset values are provided by Gemini and are calculated as of the close of business on the last trading day of the calendar month. Any applicable custody, trading, or transaction fees are included in the Onramp Platform Fee.

Each client's portion of the Onramp Platform Fee is based on the value of client's assets being traded utilizing the Onramp platform. The Onramp Platform Fee of 70 basis points per transaction is calculated and paid at time of the trade to Onramp. While the Onramp Platform Fee may be subject to change at the custodian's discretion, Socrates will advise clients of such changes as soon as reasonably possible.

Both the Socrates Management Fee and the Onramp Platform Fee withdrawn directly from your account(s) pursuant to written authorization contained within our advisory agreement with you. Our fees are negotiable, and the specific terms and conditions are described in each our client agreements. Socrates has no formal refund policy because the Socrates Management Fee is payable and is assessed in arrears.

With respect to our services as a sub-adviser with a Direct RIA, the specific terms and conditions of any sub-advised account arrangement will be described in the sub-advisory agreement between us, the client and each Direct RIA. Depending on the applicable sub-advisory agreement, our fees might be paid by the Direct RIA, out of their own fee, or by the Direct RIA's clients. There may also be additional certain account or expense reimbursements paid to us by the Direct RIA or its client and



detailed in such sub-advisory agreement.

#### Fee Disclosure

Clients receive quarterly statements from Gemini and/or Onramp, which reflects the deduction of the Socrates Management Fee and the Onramp Platform Fee.

#### Advisory Fees for Assets Under Advisement

With respect to providing assets under advisement services to clients, we charge a fee based on a percentage of our client's assets under advisement (the "Socrates Advisement Fee"). The Socrates Advisement Fee for each account will be paid monthly in an amount ranging from zero (0%) up to two and one-half percent (2.50%) on an annualized basis, payable monthly in arrears, based on the calendar month-end account value. The Socrates Advisement Fees is negotiated on a client-by-client basis. The Socrates Advisement Fee is billed directly to client through the L1 Advisor platform or outside of the platform.

#### Third-Party Fees for Assets Under Advisement

Separately from the Socrates Advisement Fee, clients will be responsible to pay Socrates for the cost of using the L1 Advisor platform which is up to 0.5% of assets under advisement.

#### Financial Planning, Education, and Consulting Fees

We will also perform individual or small group educational, financial planning or consulting services for a negotiated flat rate or for a per hourly rate. The hourly rate is negotiable and will not exceed \$300 per hour. The time is tracked and rounded to the tenth of an hour. The rate depends upon the level of complexity of the service, experience and expertise of the personnel used to do the work.

The cost of an educational seminar (defined as an education group meeting exceeding ten individuals) will either be calculated using the hourly rate of up to \$300 per hour and will be based on the time devoted to the meeting or will be at a flat rate of up to \$2,000 per seminar plus reimbursement for reasonable travel expenses if applicable.

#### **Item 6 – Performance-Based Fees**

Socrates does not charge performance-based compensation to any of its clients. If, in the future, Socrates decided to charge performance-based compensation to qualified clients, it would supplement this brochure to include the material aspects of such an arrangement.

## Item 7 – Types of Clients

Socrates provides its services to the following types of client's: individuals, trusts, estates, or business entities, or other unaffiliated investment advisors. Socrates generally requires a \$1,000 minimum account size. Socrates, in its sole discretion, may accept a lower minimum requirement with respect to certain accounts.

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

### Methods of Analysis

Socrates' objective is to build and offer Allocation Baskets that provide varying risk and reward trade-offs based on client's parameters objective and risk tolerance. The risk associated with Allocation Baskets is that each Allocation Basket may have a different level of risk and return, so each may behave differently over time. In formulating Allocation Baskets along with investment advice, Socrates will utilize a variety of strategies such as, fundamental analysis, technical analysis, and modern portfolio theory. Socrates will also evaluate other factors such as, historical and expected returns of assets, historical and expected correlations of assets, use case of assets, projected income potential of assets, risk control parameters. quantitative and statistical tools and valuation methodologies and Socrates may utilize information from a wide range of sources, including but not limited to: financial publications; inspections review of project use cases activities; project press releases and whitepapers; research and due diligence material prepared by Socrates; rating or timing services; regulatory reports; liquidity pool of assets; third-party data providers and research consultants; outside consultants, experts and other professionals; and other public sources. In addition to information on specific investments, the information sourced and relied on by Socrates may include categories such as the economic factors, industries news, technology, statistical information, market data, accounting and tax law interpretations, political developments, pricing and appraisal services, credit analysis, risk measurement analysis, performance analysis. As a result of these different varying methodologies strategies employed utilized by Socrates, recommendations may differ from, or be inconsistent with, fundamental opinions for the same digital asset. Socrates may use computer-based technology to display these factors more readily and to create asset allocation recommendations.

Socrates will generally assess investments digital assets and build Allocation Baskets on the basis of financial, macroeconomic, and other applicable projections. Estimates of an opportunity's the Allocation Baskets merits and risks will normally be based primarily on investment professional judgments, or third-party advice and reports. In all cases, projections are only estimates of future results that are based upon assumptions made at the time that the formulation and projections of Allocation Baskets projections are developed. There can be no assurance that the Allocation Basket assumptions or any digital asset within an Allocation Basket will be accurate or that the estimated results will be achieved, and actual results may vary significantly from the projections. General economic, political and market conditions, which are difficult to predict, can have an adverse impact on the reliability of such projections. Assumptions or projections about an asset's viability, stability, growth, or predictability of costs; demand; or revenues generated by an investment or other factors associated therewith may, due to various risks and uncertainties including those described herein, differ

materially from actual results.

In building the Allocation Buckets of various digital assets, Socrates will evaluate these and other factors before making investments:

- Historical and expected returns of assets
- Historical and expected correlations of assets
- Use case of assets
- Income potential of assets
- Risk control parameters

#### Investment Strategy Allocation Baskets

Socrates investment strategies are comprised of the following Allocation Baskets:

- Large Cap – Staple Digital Assets (i.e. Bitcoin, Ethereum, etc.; typically higher market cap)
- Mid Cap – Hybrid (mix of Staple Digital Assets and Emerging Digital Assets)
- Emerging Digital Assets Small Cap (i.e. alternative coins; typically lower market cap)
- Crypto currencies – for example BTC, LTC, and ZCASH
- Layer One focused – for example ETH, SOL
- Other baskets as market conditions change

Socrates investment strategies may include any of the Allocation Baskets above, based on the Client's objectives and risk tolerance, which may be modified at any time. It is important for each Client to notify Socrates with any changes in investment objectives and risk tolerance. All investment programs have certain risks that are borne by the client and investing in digital assets involves risk of loss. Clients should be prepared to bear the risk of complete loss. Our investment strategies may include any of the above, based on the Client's objectives and guidelines, which may be modified at any time. It is important for each Client to remember to update Socrates with any changes in investment objectives and guidelines. Although we will seek to manage the Client's assets in a manner consistent with the Client's risk tolerance, there can be no guarantee that our efforts will be successful. Clients should be prepared to bear the risk of complete loss.

#### Risk Factors

As noted above, Digital Assets are very speculative investments, involve a high degree of risk, and are not suitable for all investors. You must have the financial ability, experience, and willingness to bear the heightened risks of investing in Digital Assets, including a complete loss of your investment. Digital Assets trade 24 hours a day, 7 days a week, and internationally and require constant active management. **Digital Asset accounts and value balances are not protected or insured by the Federal Deposit Insurance Corporation or Securities Investor Protection Corporation.** You must evaluate your particular financial circumstances to determine whether or not trading in Digital Assets is appropriate for you. You should not invest funds in cryptocurrencies that you cannot afford to lose. The trading of cryptocurrencies can result in substantial losses, including most if not all of your investment. For that reason, you should not use funds that are earmarked for special purposes, such as retirement funds, debt repayment funds, amounts needed for emergency expenses, tuition or household expenses or funds otherwise required by your lifestyle, to trade cryptocurrencies.

POTENTIAL CLIENTS SHOULD BE AWARE THAT AN INVESTMENT IN DIGITAL ASSETS INVOLVES A HIGH DEGREE OF RISK. THESE INVESTMENTS ARE SPECULATIVE. THEIR PURCHASE INVOLVES A HIGH DEGREE OF RISK AND YOU COULD LOSE YOUR ENTIRE INVESTMENT. YOU SHOULD CONSIDER ALL RISK FACTORS BEFORE INVESTING.

Digital Asset cryptocurrencies are digital instruments that are intended to function as a store of value or a medium of exchange. Although cryptocurrencies are often exchangeable for various fiat currencies, unlike fiat currencies, cryptocurrencies are not backed by any government or central bank and do not constitute legal tender. Cryptocurrencies have no intrinsic value and there is no investment underlying cryptocurrencies. The price of cryptocurrencies is based on the agreement of the parties to a transaction, which may or may not be based on the market value of the cryptocurrency at the time of the transaction. The fluctuations of cryptocurrency prices are much greater than the price fluctuations of fiat currencies, which are also risky to trade. Certain cryptocurrencies have experienced daily price volatility of more than 20%, including sudden drops in price. If participants in a given cryptocurrency market change their view about the value of a given cryptocurrency versus fiat currency, the price of the cryptocurrency can decline precipitously. It may be difficult to liquidate a position in cryptocurrencies at all or, if possible, such liquidation may occur at a significant loss. It is possible that the market for a given cryptocurrency can collapse altogether.

Generally accepted auditing methods for cryptocurrencies do not exist and cryptocurrency platforms do not have consistent methods for auditing their holdings and some do not have audits at all. The lack of generally accepted auditing methods and a centralized pricing source pose a variety of valuation challenges. In addition, the dispersed liquidity may pose challenges for market participants trying to exit a position, particularly during periods of stress.

The cybersecurity risks of cryptocurrencies and related “wallets” or spot exchanges include hacking vulnerabilities, cybersecurity attacks and a risk that publicly distributed ledgers may not be immutable. A cybersecurity event could result in a substantial, immediate and irreversible loss for market participants that trade cryptocurrencies. Cryptocurrency transactions may be irreversible, and, accordingly, losses due to a cybersecurity event may not be recoverable. Even a minor cybersecurity event in a cryptocurrency is likely to result in downward price pressure on that product and potentially other cryptocurrencies. In addition, the trading of cryptocurrencies may be adversely affected by network connectivity issues and dissemination of inaccurate data. You may incur losses due to software or hardware failures and system failures. Not only are the cryptocurrency markets volatile, but they are subject to fraud and other trading aberrations.

Cryptocurrency exchanges, as well as other intermediaries, custodians and vendors used to facilitate cryptocurrency transactions, are relatively new and largely unregulated in both the United States and many foreign jurisdictions. There are no standard capital requirements for cryptocurrency platforms nor are there guarantors in the event a cryptocurrency exchange fails. The opaque underlying spot market and lack of regulatory oversight creates a risk that a cryptocurrency exchange may not hold sufficient cryptocurrencies or other funds to satisfy its obligations and that such deficiency may not be easily identified or discovered. In addition to a higher level of operational risk than regulated futures or securities exchanges, cryptocurrency exchanges can experience volatile market movements, flash

crashes, fraud, various forms of market manipulation, theft, transaction processing delays and other cybersecurity risks. Trading in cryptocurrencies may be halted by the various trading venues due to unusual trading activity, outages or other problems with a cryptocurrency platform.

Changes in government regulation, such as the suspending or restricting of trading activity in a particular cryptocurrency or currencies, may adversely affect your ability to trade and exchange your cryptocurrencies and may decrease the value of any cryptocurrency in your account. In the United States, cryptocurrency markets are not subject to federal regulatory oversight, but cryptocurrency exchanges are subject to federal anti-money laundering regulation and may be regulated by one or more state regulatory bodies. As compared to regulated markets, such as the United States securities markets, there are no uniform regulations governing trading or other mechanisms to prevent market manipulation or to normalize the cryptocurrency markets when they experience volatility issues.

Unlike the laws, rules and regulations governing the United States securities markets, there are generally no laws, rules or regulations that require anyone to continue to support a cryptocurrency market, and there is no assurance that a person who accepts a virtual currency as payment today will continue to do so in the future. Notwithstanding the foregoing, many cryptocurrency derivatives are subject to regulation by the CFTC. In addition, the SEC has cautioned that many initial coin or “token” offerings are likely to fall within the definition of a security and subject to U.S. securities laws. As a result, cryptocurrencies currently face an uncertain regulatory landscape in the United States and many foreign jurisdictions.

The relatively new and rapidly evolving technology underlying cryptocurrencies introduces unique risks. For example, a unique private key is required to access, use or transfer a cryptocurrency on a blockchain or distributed ledger. The loss, theft or destruction of a private key may result in an irreversible loss. Changes in the technology of a given cryptocurrency platform or changes resulting from cybersecurity attacks include but are not limited to a “fork,” which can have a negative impact on the value of a particular cryptocurrency and can result in the loss or cancellation of a cryptocurrency position or a sudden loss of value.

Many cryptocurrencies allow market participants to offer miners (i.e., parties that process transactions and record them on a blockchain or distributed ledger) the ability to earn a fee. While not mandatory, a fee is generally necessary to ensure that a transaction is promptly recorded on a blockchain or distributed ledger. The amounts of these fees are subject to market forces, and it is possible that the fees could increase substantially during a period of stress. In addition, cryptocurrency exchanges, wallet providers and other custodians may charge relatively high fees as compared to custodians in many other financial markets.

### **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of us or the integrity of our management team. Socrates, has no disclosures to report.

## Item 10 – Other Financial Industry Activities and Affiliations

Socrates is not a registered broker-dealer, bank, thrift or savings institution, registered money transmitter, futures commission merchant, commodity pool operator, or commodity trading advisor, and does not have an application pending or requirement to register as such.

## Item 11 – Code of Ethics

We have adopted a Code of Ethics for all individuals providing services to our clients. This Code of Ethics sets forth its high standard of business conduct, and fiduciary duty to our clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, and establishes personal securities trading procedures, among other things. All persons associated with us must acknowledge the terms of the Code of Ethics annually, or as amended. We will not be participating as a principal in any transactions alongside the client. You may request a copy of our Code of Ethics by contacting our Chief Compliance Officer.

Representatives of Socrates Invest, LLC may buy or sell Digital Assets for our own accounts that we may or may not have recommended to Socrates clients. Socrates and its representatives will always place the interest of its clients above its own respective interests. To mitigate or remedy any conflicts of interest or perceived conflicts of interest, we will monitor our proprietary and personal trading reports for adherence to our Code of Ethics. Representatives of Socrates may buy or sell Digital Assets for themselves at or around the same time as clients. In any instance where similar Digital Assets are being bought or sold, we will uphold our fiduciary duty by always transacting on behalf of our clients before transacting for our own benefit. In other words, we will generally be “last in” and “last out” for the trading day when trading occurs in close proximity to client trades. Front running (trading shortly ahead of clients) is prohibited.

Socrates Invest and its investment advisory representatives are active digital asset investors and most likely will invest in and hold many of the Digital Assets with respect to which they are providing client advice and recommendations. Firm investment advisory representatives and associated person are strictly prohibited from front-running client trades, and under the firm Code of Ethics, the Chief Compliance Officer, or designee, will monitor employee personal trading for potential conflicts with respect to client trading. The firm will also maintain certain policies and procedures designed to prevent supervised persons from misusing material non-public information and to address certain actual and potential conflicts of interest that may arise when supervised persons engage in outside business activities or accept, provide, offer or give gifts or entertainment events.

The firm may cause clients to enter into transactions and arrangements involving actual or potential conflicts of interest. The firm will review any transactions involving material conflicts of interest and take such actions as it deems necessary or appropriate to ensure that the terms of such transactions are fair and reasonable under the circumstances. Generally, the firm will make disclosure to and seek approval from clients with respect to transactions involving conflicts of interest with respect to such

client.

### **Item 12 – Brokerage Practices**

In addition to an account with Onramp, we will work with, and require, clients to establish an account with Gemini, a qualified custodian under general securities laws. Socrates has discretion to directly execute trades, available on the Gemini platform utilizing the Onramp software as a service. We do not receive any commissions, referrals, payments, soft dollars, broker-dealer proprietary research, or third party research from the brokerage firms or trust companies we recommend to clients as a benefit in connection with the client arrangements or their securities transactions. Socrates does not have any directed brokerage arrangements.

Socrates focuses on best execution at all times possible. If Socrates buys or sells the same securities on behalf of more than one client, then it may (but would be under no obligation to) aggregate or bunch such securities in a single transaction for multiple clients in order to seek more favorable prices, lower brokerage commissions, or more efficient execution. In such case, Socrates would place an aggregate order with the broker on behalf of all such clients in order to ensure fairness for all clients; provided, however, that trades would be reviewed periodically to ensure that accounts are not systematically disadvantaged by this policy.

There is no guarantee that client trades will be aggregated. This may result in the client paying more for their transaction than those whose trades had been aggregated.

### **Item 13 – Review of Accounts**

We shall continuously monitor the accounts, expenses and transactions of our clients and shall ensure the ongoing reporting obligations to our clients. We will generally conduct reviews of client accounts at least quarterly. The account review includes analyzing copies of Client Gemini quarterly account statements and performance reports from Gemini and/or Onramp. Clients will have access to their accounts on Gemini and/or Onramp at all times. We will keep in place at all times a current Business Continuity Plan (BCP). The BCP seeks to avoid a disruption of service to clients in the event of an emergency or unforeseen loss of key personnel, due to disability or death. We will provide a copy of our BCP to each client with which we conduct business. The plan will be reviewed annually and updated whenever we have a material change to our operations, structure, business or location.

### **Item 14 – Client Referrals and Other Compensation**

We do not receive any economic benefit from any person for providing investment advice or other advisory services to our client. We may, from time to time and from our own resources, compensate third party solicitors for new client referrals. The details of available Socrates Invest referral programs are available on the Socrates Invest website.

### **Item 15 – Custody**

“Custody” means holding directly or indirectly, client funds or securities, or having any authority to obtain possession of them or has the ability to appropriate them. Under applicable law, Socrates has

custody merely because of direct account fee deduction. Therefore, consistent with best practices and required custody safekeeping requirements, your account will be maintained by Gemini, an unaffiliated, qualified custodian.

Account assets are not held by Socrates. The custodian or Onramp will send you quarterly statements showing all disbursements for the account including the amount of fee deductions from your account. You will receive periodic account statements from Gemini and/or Onramp. We urge you to carefully review and compare your account statements that you have received directly from Gemini and/or Onramp as Gemini is the custodian of record.

#### **Item 16 – Investment Discretion**

Socrates operates with discretionary trading authority, which means that we will assist you by placing trades in your account (including account rebalancing) that correspond to your investment strategy. Similar to a limited power of attorney, discretionary trading authority allows the implementation of investment strategies as well as trading decisions, such as the purchase or sale of a security on behalf of your account, without requiring your prior authorization. Discretionary authority will be granted through your written authorization to Socrates.

#### **Item 17 – Voting Client Securities**

We are not responsible for proxy voting matters with regard to any client assets.

#### **Item 18 – Financial Information**

Registered investment advisers are required in this Item to provide its clients with certain financial information or disclosures about its financial condition. We do not have any financial condition likely to impair the ability to meet commitments to our clients. Nor has the firm or any of its management been subject to bankruptcy. We do not require fees in excess of \$500 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

#### **Item 19 – Requirements for State-Registered Advisers**

Marios A. Socrates and Ryan Dodds are serving as the firm's principals and as supervisory management persons. Part 2B contains biographical information including their formal education and business background information. No supervised person of the firm is compensated for advisory services based on performance. No supervised person of the firm has been found liable in an arbitration claim of damages in excess of \$2,500, nor have they been found liable in a civil, self-regulatory organization, or administrative proceeding, nor does any supervised person of the firm have a relationship with an issuer of securities. Neither Marios A. Socrates nor Ryan Dodds has been the subject of a bankruptcy petition at any time during the last 10 years. The firm does not have any relationships or arrangements with any issuer of securities.



## **Socrates Invest LLC**

### **Marios A. Socrates**

501 N. Orlando Ave Ste 313 #461  
Winter Park, FL 32789  
Phone: (877) 855-1355

### **Part 2B of Form ADV Brochure Supplement**

This brochure supplement provides information about Mr. Socrates that supplements the Socrates Invest LLC brochure. If you did not receive a copy of that brochure or if you have any questions about the contents of this supplement, please contact Socrates Invest LLC at (877) 855-1355. Additional information about Mr. Socrates is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

ITEM 1: COVER PAGE

Dated: February 2024

## **Item 2. Educational Background and Business Experience**

### Name

Marios A. Socrates

Co-Founder, Chief Compliance Officer, Head of Crypto

### Educational Background

The CryptoCurrency Certification Consortium – Certified Bitcoin Professional (2020)

Bernard Baruch College, Bachelor of Business Administration

Greico Financial Training Institute – Training for Securities Licensing – Series 7

New York University – Forensic Accounting (Non-Certified)

### Business Experience

Socrates Invest LLC – Co-Founder, Head of Crypto, March 2021 to present

Over 10 years of experience in private and public sectors with a focus on financial reporting, project management, contract administration, and procurement. Prior projects include overseeing multi-billion dollar projects, guiding teams through complex contracting solutions, leading negotiations, and overseeing budgets. Adept at risk mitigation, insurance strategies, and financial reporting.

## **Item 3. Disciplinary Information**

Registered investment advisors are required to disclose certain material facts regarding any criminal, civil, legal or industry/professional association disciplinary event that would be material to your evaluation of each officer or a supervised person providing investment advice. No reportable information is applicable to this section for Marios A. Socrates.

### Other Business Activities

New York State Real Estate Broker

New York State Notary

#### **Item 4. Other Financial Industry Activities and Affiliations**

Mr. Socrates is not registered and has no application pending to register, as a (i) broker-dealer or a registered representative of a broker-dealer, or (ii) futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

#### **Item 5. Additional Compensation**

Mr. Socrates does not receive any compensation for investment advisory activities other than those described in this Brochure Supplement and the Firm's Brochure.

#### **Item 6. Supervision**

Mr. Socrates is one of the Firm's co-founder. Mr. Socrates will be ultimately responsible for investment decision-making and oversight of each of the Firm's supervised persons. Mr. Socrates is the Firm's Co-Founder and has no direct supervisor.

#### **Item 7. Requirements for State-Registered Advisers**

##### **A.1 Arbitration Claims**

None. See Item 19 of Part 2A (Firm Brochure).

##### **A.2 Self-Regulatory Organization or Administrative Proceedings**

None. See Item 19 of Part 2A (Firm Brochure).

##### **B. IAR Bankruptcy Petitions**

Marios A. Socrates has not been the subject of a bankruptcy petition at any time during the last 10 years.

# **Socrates Invest LLC**

## **Ryan L. Dodds**

501 N. Orlando Ave Ste 313 #461

Winter Park, FL 32789

Phone: (877) 855-1355

### **Part 2B of Form ADV Brochure Supplement**

This brochure supplement provides information about Mr. Dodds that supplements the Socrates Invest LLC brochure. If you did not receive a copy of that brochure or if you have any questions about the contents of this supplement, please contact Socrates Invest LLC at (877) 855-1355. Additional information about Mr. Dodds is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

ITEM 1: COVER PAGE

Dated: February 2024

## **Item 2. Educational Background and Business Experience**

Ryan L. Dodds

Co-Founder, Head of Product

### Educational Background

BA International Business from Rollins College

MBA Technology and Operations from Rollins College Crummer Graduate School of Business

### Business Experience

Socrates Invest LLC – Co-Founder, Head of Product, March 2021 to present

12 years of software product design, management, sales, and marketing for numerous venture backed and public companies in industries such as Customer Relationship Management (CRM), enterprise customer support, hedge fund analytics, and payments.

## **Item 3. Disciplinary Information**

Registered investment advisors are required to disclose certain material facts regarding any criminal, civil, legal or industry/professional association disciplinary event that would be material to your evaluation of each officer or a supervised person providing investment advice. No reportable information is applicable to this section for Mr. Dodds.

## **Item 4: Other Financial Industry Activities and Affiliations**

Mr. Dodds is not registered and has no application pending to register, as a (i) broker-dealer or a registered representative of a broker-dealer, or (ii) futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

## **Item 5. Additional Compensation**

Mr. Dodds does not receive any compensation for investment advisory activities other than those described in this Brochure Supplement and the Firm's Brochure.

## **Item 6. Supervision**

Mr. Dodds is one of the Firm's co-founders. Mr. Dodds is the Firm's Co-Founder and has no direct supervisor.

## **Item 7. Requirements for State-Registered Advisers**

### A.1 Arbitration Claims

None. See Item 19 of Part 2A (Firm Brochure).

### A.2 Self-Regulatory Organization or Administrative Proceedings

None. See Item 19 of Part 2A (Firm Brochure).

### B. IAR Bankruptcy Petitions

Ryan Dodds has not been the subject of a bankruptcy petition at any time during the last 10 years.