FORM ADV PART 2A
DISCLOSURE BROCHURE

Spotlight Investment LLC

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This brochure provides information about the qualifications and business practices of Spotlight Investment LLC . Being registered as a registered investment adviser does not imply a certain level of skill or training. If you have any questions about the contents of this brochure, please contact us at 954-681-1169. 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 Spotlight Investment LLC (CRD #304750) is available on the SEC's website at www.adviserinfo.sec.gov

JANUARY 16, 2023

Item 2: Material Changes

Annual Update

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

Material Changes since the Last Update

Initial Massachusetts Filing (07/08/2019).

Address Change (01/08/2020)

Florida Filing (09/16/2020)

Annual Update (02/27/2021)

Information Related to Margin Accounts Added (03/29/2021)

Annual Update (02/05/2022)

Annual Update (01/16/2023)

Full Brochure Available

This Firm Brochure being delivered is the complete brochure for the Firm.

Item 3: Table of Contents

Form ADV – Part 2A – Firm Brochure

Item 4: Advisory Business

Firm Description

Spotlight Investment LLC (“Spotlight”) was founded in 2019. Juan De Jesus is 100% owner.

Types of Advisory Services

FINANCIAL PLANNING AND CONSULTING

Spotlight offers financial planning services and a thorough review of all applicable topics including but not limited to, Retirement Planning, Succession Planning, Education Planning, Legacy Planning, Insurance Planning, Investment Planning, Budget Planning, Personal Financial Planning, Tax Planning, Major Purchase Planning, Debt Management Planning, Business Exit Planning, and Cash Flow Analysis.

A description of Spotlight’s financial services is described below:

Retirement Planning: Spotlight will conduct an analysis of retirement expenses, social security benefits, nest egg size and more to determine when it is feasible to retire. The retirement portfolio also takes further consideration. Depending on the individual, a Liability Matching or Variable Withdrawal portfolio might be explored. There is significant tax management to be done during retirement, such as IRA-to-Roth-IRA conversions and Minimum Required Distributions. While Spotlight is not a tax consultant, Spotlight does know what strategies might be the most beneficial such that the client can meet with their tax advisor, ask the right questions and develop an optimal strategy.

Investment Planning: A thorough analysis of client’s financials would be performed, as well as a quantitative assessment of their risk tolerance and future savings contributions. From here, a sound and diversified asset allocation of various core asset classes (equities, bonds and real estate) would be developed.

Succession Planning: After getting an understanding of the institution’s financials, Spotlight can help consult on whether the institution is in a solid financial footing in the case of an unproductive period of time (a real risk during succession).

Budget Planning: Spotlight will approach budget planning by getting a general picture of all of the client’s expenses and tracking them to some level of detail. If savings rate needs to be boosted to meet future financial objectives, then it becomes a conversation to understand client priorities to potentially enact budget trimming.

Debt Management Planning: Spotlight would get a picture of all of the liabilities of the client, the rates associated with them and any particular tax advantages from itemization. From there, if the rate or debt size is deemed too large or risky, appropriate recommendations for paying it off faster (or fully, if possible) would be made. Many individuals are cash flow constrained from debt, which would require budget planning as well.

Education Planning: Spotlight will explore different educational account options for the client. In general, there are financial aid and tax advantages to some choices (like 529 plans) that other ones do not have (like prepaid tuition).

Personal Finance Planning: Having obtained a list of client financial goals and their priorities (many which are part of this list), Spotlight can advise in how these different goals can be met. For example, educational planning should generally take a backseat to retirement planning.

Business Exit Planning: This is highly dependent on the specific circumstances but it entails getting a good understanding of the business selling opportunity in order to advice whether it is sensible to do so at that point in time. All business capital has market opportunity cost so bringing an investment advisory viewpoint to a business owner can prove helpful.

Legacy Planning: Recommendations about how to invest funds as well as estate planning will be the main focus. Spotlight does not have estate planning attorneys on staff but can provide the client with questions to ask when looking for an estate planner attorney. Spotlight is a strong proponent of Trusts and would recommend clients to explore those.

Tax Planning: This planning involves ensuring investment losses are harvested often to offset gains and income to the extent it is possible. It also involves recommending highly tax efficient investment choices, which can depend on income. Additionally, it might guide what tax-advantaged accounts, if any, are advisable. And when deemed appropriate, recommend to the client to seek tax experts for further advise.

Cash Flow Analysis: An analysis of the individual's or institution's cash flow will be performed in order to assess their ability to deal with cash needs. It might be necessary to implement changes to ensure adequate cash flow as well as determine investment opportunities for cash flow reinvestment.

Insurance Planning: Involves analyzing the places where additional insurance would be prudent. This is generally in health care, liability, disability and life insurance. Some individuals are simply not insured appropriately for these risks. It also entails determining where insurance is inappropriate because the cost in the case of an event would not affect the individual significantly. Spotlight does not have insurance professionals on staff but would advise and educate clients where appropriate to seek insurance professional services.

Major Purchase Planning: This will generally refer to home or car purchases. In addition to helping ensure the purchase is within the client budget (since it is extremely easy to overspend in these areas), Spotlight will also recommend strategies to better credit score before acquiring the asset. From then on, Debt Management Planning and Cash Flow Analysis would be utilized to understand whether the debt should be prepaid at all.

If a conflict of interest exists between the interests of Spotlight and the interests of the Client, the Client is under no obligation to act upon Spotlight's recommendation. If the Client elects to act on any of the recommendations, the Client is under no obligation to effect the transaction through Spotlight. Financial plans will be completed and delivered inside of sixty (60) days contingent upon timely delivery of all required documentation.

Mr. Juan De Jesus is not an insurance and/or tax professional, clients should consult with a tax and or insurance professional before acting on any advice in these areas.

ASSET MANAGEMENT

If asset management services are applicable, Spotlight offers non-discretionary direct asset management services to advisory Clients. Spotlight will determine the securities to be bought or sold and the amount of the securities to be bought or sold. However, Spotlight will obtain prior Client approval before executing any transactions. Spotlight will offer Clients ongoing portfolio management services by determining individual investment goals, investment time horizons, objectives, and risk tolerance. Investment strategies, investment selection, asset allocation, portfolio monitoring and the overall investment program will be based on the above factors.

Spotlight shall with prior Client approval:

1. Direct the Custodian to invest and reinvest or sell the Account assets in common and preferred stocks, bonds, debentures, notes, mutual fund shares, exchange traded funds, options.
2. Direct the Custodian to exercise or abstain from exercising any options, privileges or rights held as part of the account.
3. Render to Client at least quarterly a written statement of the investments of the Account. This statement may come directly from the Custodian.

Client Tailored Services and Client Imposed Restrictions

The goals and objectives for each Client are documented in our Client files. Investment strategies are created that reflect the stated goals and objectives. Clients may impose restrictions on investing in certain securities or types of securities.

Agreements may not be assigned without written Client consent.

Wrap Fee Programs

Spotlight does not sponsor any wrap fee programs.

Client Assets under Management

As of fiscal year end (12/31/2021), Spotlight had approximately $10,357,588.10 assets under management.

Item 5: Fees and Compensation

Method of Compensation and Fee Schedule

FINANCIAL PLANNING AND CONSULTING

Spotlight charges a fixed fee for financial planning. Prior to the planning process, the Client will be provided an estimated plan fee. Services are completed and delivered inside of sixty (60) days contingent upon timely delivery of all required documentation. Client may cancel within five (5) business days of signing Agreement with no obligation and without penalty. If the Client cancels after five (5) business days, any unearned fees will be refunded to the Client, or any unpaid earned fees will be due to Spotlight. The refund will be calculated on a pro-rata basis using an hourly fee of $200 based on the number of hours completed. Spotlight reserves the right to waive the fee should the Client implement the plan through Spotlight.

FIXED FEES

Financial Planning Services are offered based on a flat fee between $2,000 and $8,000.

Fees for financial plans are:

Billed 50% in advance with the balance due upon plan delivery.

ASSET MANAGEMENT

Spotlight offers non-discretionary direct asset management services to advisory Clients. Spotlight charges an annual investment advisory fee based on the total assets under management of 0.40% annually. Fees are billed quarterly in arrears based on an average daily balance of the account for the previous quarter. The calculation for the average daily balance is based on the formula (A/D) x (F/P).

A = the sum of the daily balances in the billing period

D = number of days in the billing period

F = annual management fee

P = number of billing periods per year

For example (based on quarterly billing period): the first step taken using the average-daily-balance calculation method would be to take the average of the values of the Client's account over the course of the entire quarter. For instance, 85 days at $1 million plus 6 days at $500,000 averages out to approximately $967,032. Based on the formula (A/D) x (F/P), the example would be: (88,000,000/91) x (.004/4) = $967.03.

Lower fees for comparable services may be available from other sources. Clients may terminate their account within five (5) business days of signing the Investment Advisory Agreement with no obligation and without penalty. Clients may terminate advisory services with thirty (30) days written notice. For accounts opened or closed mid-billing period, fees will be prorated based on the days services are provided during the given period. All unpaid earned fees will be due to Spotlight. Client shall be given thirty (30) days prior written notice of any increase in fees. Any increase in fees will be acknowledged in writing by both parties before any increase in said fees occurs.

Client Payment of Fees

For financial planning, flat fees, Spotlight will invoice the Client directly. The invoice will include account information and instructions to pay for the fee by transferring the amount due to Spotlight's business checkings account.

Fees for financial plans are

Billed 50% in advance with the balance due upon plan delivery.

Spotlight, in its sole discretion, may charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with clients, etc.).

Investment management fees are due quarterly in arrears. Spotlight uses Interactive Brokers (IBKR) as a custodian. IBKR offers an automated billing arrangement that clients can sign up for to have the quarterly investment advisory fee automatically calculated and deducted from the client account. The Client will receive quarterly statements directly from IBKR, which disclose the fees deducted. If the Client does not desire to use this billing arrangement, then Spotlight will calculate the fee every quarter and invoice the Client directly, similarly to the process for the financial plan fee. Spotlight will not at any time instruct IBKR to deduct fees directly from the Client account.

Additional Client Fees Charged

Custodians may charge transaction fees on purchases or sales of certain mutual funds, equities, and exchange-traded funds. These charges may include Mutual Fund transactions fees, postage and handling and miscellaneous fees.

For more details on the brokerage practices, see Item 12 of this brochure.

Prepayment of Client Fees

Spotlight does not require any prepayment of fees of more than $500 per Client and six months or more in advance.

Fees for financial plans are billed 50% in advance with the balance due upon plan delivery

If the Client cancels after five (5) business days, any unearned fees will be refunded to the Client, or any unpaid earned fees will be due to Spotlight.

External Compensation for the Sale of Securities to Clients

Spotlight does not receive any external compensation for the sale of securities to Clients, nor do any of the investment advisor representatives of Spotlight.

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

Sharing of Capital Gains

Fees are not based on a share of the capital gains or capital appreciation of managed securities.

Spotlight does not use a performance-based fee structure because of the conflict of interest. Performance-based compensation may create an incentive for Spotlight to recommend an investment that may carry a higher degree of risk to the Client.

Item 7: Types of Clients

Description

Spotlight generally provides investment advice to individuals.

Client relationships vary in scope and length of service.

Account Minimums

Spotlight has a $50,000.00 minimum to open accounts for new clients. This minimum can be waived, depending on the circumstances.

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

Methods of Analysis

Security analysis methods may include fundamental analysis. Portfolio design may use methodology from Modern Portfolio Theory, Factor Investment, and Risk-Parity Theory. Investing in securities involves risk of loss that Clients should be prepared to bear. Past performance is not a guarantee of future returns.

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.

Modern Portfolio Theory is the theory of finance that attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return. It accomplishes this by carefully choosing the proportions of various assets in order to help achieve a potentially higher level of risk diversification and a more efficient portfolio.

Factor Investment is an approach that aims to capture risk premia from a wide variety of sources in order to help produce a more diversified risk exposure. Factors that may be included in the portfolio are market beta, market capitalization, value and term.

Risk-Parity Theory is an investment approach where asset allocation is determined by the underlying security's risk source and level of volatility. Risk parity is achieved once every risk source contributes a similar amount of risk and no one risk dominates. By using this process, the goal of the portfolio would be to have a more uniform risk exposure while being less susceptible to any one risk.

In developing a financial plan for a Client, Spotlight's analysis may include cash flow analysis, investment planning, risk management, tax planning and estate planning. Based on the information gathered, a detailed strategy is tailored to the Client's specific situation.

The main sources of information include books, textbooks, papers from economists and mathematicians, back testing software and Monte Carlo simulators.

Investment Strategy

The investment strategy for a specific Client is based upon the objectives stated by the Client during consultations. The Client may change these objectives at any time. Spotlight executes a Client profile form or similar form that documents Client objectives and their desired investment strategy. Note that for most Clients, a cash (non-margin) account will be generally recommended. In some circumstances, having the ability to borrow and/or leverage an account via margin or derivatives could be useful. In these situations, a margin account can be utilized if the Client desires it.

Other strategies may include long-term purchases, short-term purchases, borrowing against assets (margin), trading, and option writing (including covered options, uncovered options or spreading strategies).

Security Specific Material Risks

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 and should discuss these risks with Spotlight:

- *Market Risk*: The prices of securities held by mutual funds in which clients invest may decline in response to certain events taking place around the world, including those directly involving the companies whose securities are owned by a fund; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and currency, interest rate and commodity price fluctuations. Investors should have a long-term perspective and be able to tolerate potentially sharp declines in market value.
- *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.
- *Inflation Risk*: When any type of inflation is present, a dollar today will buy more than 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.
- *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.
- *Management Risk:* The advisor's investment approach may fail to produce the intended results. If the advisor's assumptions regarding the performance of a specific asset class or fund are not realized in the expected time frame, the overall performance of the client's portfolio may suffer.
- *Equity Risk:* Equity securities tend to be more volatile than other investment choices. The value of an individual mutual fund or ETF can be more volatile than the market as a whole. This volatility affects the value of the client's overall portfolio. Small- and mid-cap companies are subject to additional risks. Smaller companies may experience greater volatility, higher failure rates, more limited markets, product lines, financial resources, and less management experience than larger companies. Smaller companies may also have a lower trading volume, which may disproportionately affect their market price, tending to make them fall more in response to selling pressure than is the case with larger companies.
- *Fixed Income Risk:* The issuer of a fixed income security may not be able to make interest and principal payments when due. Generally, the lower the credit rating of a security, the greater the risk that the issuer will default on its obligation. If a rating agency gives a debt security a lower rating, the value of the debt security will decline because investors will demand a higher rate of return. As nominal interest rates rise, the value of fixed income securities held by a fund is likely to decrease. A nominal interest rate is the sum of a real interest rate and an expected inflation rate.
- *Investment Companies Risk:* When a client invests in open end mutual funds or ETFs, the client indirectly bears their proportionate share of any fees and expenses payable directly by those funds. Therefore, the client will incur higher expenses, which may be duplicative. In addition, the client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives). ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above or below their net asset value or (ii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are de-listed from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally. Adviser has no control over the risks taken by the underlying funds in which client invests. Other potential risks client face investing in ETFs:

    - Risks associated with a change in Authorized Participants and non-participation of Authorized Participants; and
    - The risk that the ETF may not tract the index as designed.

- *REIT Risk:* To the extent that a client invests in REITs, it is subject to risks generally associated with investing in real estate, such as (i) possible declines in the value of real estate, (ii) adverse general and local economic conditions, (iii) possible lack of availability of mortgage funds, (iv) changes in interest rates, and (v) environmental problems. In addition, REITs are subject to certain other risks related specifically to their structure and focus such as: dependency upon management skills; limited diversification; the risks of locating and managing financing for projects; heavy cash flow dependency; possible default by borrowers; the costs and potential losses of self-liquidation of one or more holdings; the possibility of failing to maintain exemptions from securities registration; and, in many cases, relatively small market capitalization, which may result in less market liquidity and greater price volatility.

- *Derivatives Risk:* Funds in a client's portfolio may use derivative instruments. The value of these derivative instruments derives from the value of an underlying asset, currency or index. Investments by a fund in such underlying funds may involve the risk that the value of the underlying fund's derivatives may rise or fall more rapidly than other investments, and the risk that an underlying fund may lose more than the amount that it invested in the derivative instrument in the first place. Derivative instruments also involve the risk that other parties to the derivative contract may fail to meet their obligations, which could cause losses.

- *Foreign Securities Risk:* Funds in which clients invest may invest in foreign securities. Foreign securities are subject to additional risks not typically associated with investments in domestic securities. These risks may include, among others, currency risk, country risks (political, diplomatic, regional conflicts, terrorism, war, social and economic instability, currency devaluations and policies that have the effect of limiting or restricting foreign investment or the movement of assets), different trading practices, less government supervision, less publicly available information, limited trading markets and greater volatility. To the extent that underlying funds invest in issuers located in emerging markets, the risk may be heightened by political changes, changes in taxation, or currency controls that could adversely affect the values of these investments. Emerging markets have been more volatile than the markets of developed countries with more mature economies.

- *Long-term purchases*: Long-term investments are those vehicles purchased with the intension of being held for more than one year. Typically, the expectation of the investment is to increase in value so that it can eventually be sold for a profit. In addition, there may be an expectation for the investment to provide income. One of the biggest risks associated with long-term investments is volatility, the fluctuations in the financial markets that can cause investments to lose value.

- *Short-term purchases*: Short-term investments are typically held for one year or less. Generally, there is not a high expectation for a return or an increase in value. Typically, short-term investments are purchased for the relatively greater degree of principal protection they are designed to provide. Short-term investment vehicles may be subject to purchasing power risk — the risk that your investment's return will not keep up with inflation.
- *Trading risk*: Investing involves risk, including possible loss of principal. There is no assurance that the investment objective of any fund or investment will be achieved.
- *Options Trading*: The risks involved with trading options are that they are very time sensitive investments. An options contract is generally a few months. The buyer of an option could lose his or her entire investment even with a correct prediction about the direction and magnitude of a particular price change if the price change does not occur in the relevant time period (i.e., before the option expires). Additionally, options are less tangible than some other investments. An option is a "book-entry" only investment without a paper certificate of ownership.
- *Margin/Leverage*: Clients may borrow from their portfolio (margin account) to either acquire additional assets, fund expenditures, or serve as collateral for derivatives. Each Client must sign a separate custodian margin agreement before margin is extended to that Client account. A Client might have a Reg-T margin account, whose margin requirements follows a specific set of collateral requirements set by the SEC. A Client might instead opt for a Portfolio Margin account, where collateral levels are determined continuously via a risk-based model from the broker. The client's custodian may require a percentage of assets under management to be pledged as collateral for the margin amount. Clients risk that in a falling market (which may occur within any time frame, like in a "Flash Crash"), the pledged collateral will be insufficient to cover a margin call by their custodian. The use of margin may also result in interest charges in addition to all other fees and expenses associated with the security involved. Use of margin ultimately entails, just like any form of investment with borrowing, the possibility of losing more money than one initially invested. Losses and gains in the value of the securities also have a magnified effect on the balance of the account when using margin. Spotlight will perform a periodic review of client accounts for adherence to client investment objectives and risk tolerances.

All investment programs have certain risks that are borne by the investor.

Item 9: Disciplinary Information

Criminal or Civil Actions

Spotlight and its management have not been involved in any criminal or civil action.

Administrative Enforcement Proceedings

Spotlight and its management have not been involved in administrative enforcement proceedings.

Self- Regulatory Organization Enforcement Proceedings

Spotlight and its management have not been involved in legal or disciplinary events that are material to a Client's or prospective Client's evaluation of Spotlight or the integrity of its management.

Pursuant to Mass. Code Regs. 12.205(8)(d), Client can obtain the disciplinary history of Spotlight or its representatives upon request of the Massachusetts Securities Division.

Item 10: Other Financial Industry Activities and Affiliations

Broker-Dealer or Representative Registration

Spotlight is not registered as a broker-dealer and no affiliated representatives of Spotlight are registered representatives of a broker-dealer.

Futures or Commodity Registration

Neither Spotlight nor its employees are registered or has an application pending to register as a futures commission merchant, commodity pool operator, or a commodity trading advisor.

Material Relationships Maintained by this Advisory Business and Conflicts of Interest

Managing Member Juan De Jesus is a contracted engineer with Cascodium LLC where he designs and develops hardware/firmware. More than 90% of his time is spent on this activity. There is no conflict of interest as Spotlight Investment LLC clients are not solicited for services provided by Cascodium LLC.

Recommendations or Selections of Other Investment Advisors and Conflicts of Interest

Spotlight does not select or recommend other investment advisors.

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

Code of Ethics Description

The employees of Spotlight have committed to a Code of Ethics ("Code"). The purpose of our Code is to set forth standards of conduct expected of Spotlight employees and addresses conflicts that may arise. The Code defines acceptable behavior for employees of Spotlight. The Code reflects Spotlight and its supervised persons' responsibility to act in the best interest of their Client.

One area the Code addresses is when employees buy or sell securities for their personal accounts and how to mitigate any conflict of interest with our Clients. We do not allow any employees to use non-public material information for their personal profit or to use internal research for their personal benefit in conflict with the benefit to our Clients.

Spotlight's policy prohibits any person from acting upon or otherwise misusing non-public or inside information. No advisory representative or other employee, officer or director of Spotlight may recommend any transaction in a security or its derivative to advisory Clients or engage in personal securities transactions for a security or its derivatives if the advisory representative possesses material, non-public information regarding the security.

Spotlight's Code is based on the guiding principle that the interests of the Client are our top priority. Spotlight's officers, directors, advisors, and other employees have a fiduciary duty to our Clients and must diligently perform that duty to maintain the complete trust and confidence of our Clients. When a conflict arises, it is our obligation to put the Client's interests over the interests of either employees or the company.

The Code applies to "access" persons. "Access" persons are employees who have access to non-public information regarding any Clients' purchase or sale of securities, or non-public information regarding the portfolio holdings of any reportable fund, who are involved in making securities recommendations to Clients, or who have access to such recommendations that are non-public.

Spotlight will provide a copy of the Code of Ethics to any Client or prospective Client upon request.

Investment Recommendations Involving a Material Financial Interest and Conflict of Interest

Spotlight and its employees do not recommend to Clients securities in which we have a material financial interest.

Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest

Spotlight and its employees may buy or sell securities that are also held by Clients. In order to mitigate conflicts of interest such as front running, employees are required to disclose all reportable securities transactions as well as provide Spotlight with copies of their brokerage statements.

The Chief Compliance Officer of Spotlight is Juan De Jesus. He reviews all employee trades each quarter. The personal trading reviews ensure that the personal trading of employees does not affect the markets and that Clients of the firm receive preferential treatment over employee transactions.

Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest

Spotlight does not maintain a firm proprietary trading account and does not have a material financial interest in any securities being recommended and therefore no conflicts of interest exist. However, employees may buy or sell securities at the same time they buy or sell securities for Clients. In order to mitigate conflicts of interest such as front running, employees are required to disclose all reportable securities transactions as well as provide Spotlight with copies of their brokerage statements.

The Chief Compliance Officer of Spotlight is Juan De Jesus. He reviews all employee trades each quarter. The personal trading reviews ensure that the personal trading of employees does not affect the markets and that Clients of the firm receive preferential treatment over employee transactions.

Item 12: Brokerage Practices

Factors Used to Select Broker-Dealers for Client Transactions

Spotlight requires the use of Interactive Brokers as broker-dealer. Spotlight selected Interactive Brokers based on a number of factors including but not limited to their relatively low transaction fees and reporting ability. Spotlight relies on its broker to provide its execution services at the best prices available. Lower fees for comparable services may be available from other sources. Clients pay for any and all custodial fees in addition to the advisory fee charged by Spotlight.

- *Directed Brokerage*
  Spotlight does not allow directed brokerage accounts.
- *Best Execution*
  Investment advisors who manage or supervise Client portfolios have a fiduciary obligation of best execution. The determination of what may constitute best execution and price in the execution of a securities transaction by a broker involves a number of considerations and is subjective. Factors affecting brokerage selection include the overall direct net economic result to the portfolios, the efficiency with which the transaction is affected, the ability to effect the transaction where a large block is involved, the operational facilities of the broker-dealer, the value of an ongoing relationship with such broker and the financial strength and stability of the broker. The firm does not receive any portion of the trading fees.
- *Soft Dollar Arrangements*
  Spotlight does not receive soft dollar benefits.

Aggregating Securities Transactions for Client Accounts

Spotlight is authorized to aggregate purchases and sales and other transactions. Spotlight aggregates transactions across multiple Client accounts to achieve lower transactional costs for all Clients involved in the transaction.

Item 13: Review of Accounts

Schedule for Periodic Review of Client Accounts or Financial Plans and Advisory Persons Involved

Account reviews are performed quarterly by the Chief Compliance Officer of Spotlight. Account reviews are performed more frequently when market conditions dictate. Reviews of Client accounts include, but are not limited to, a review of Client documented risk tolerance, adherence to account objectives, investment time horizon, and suitability criteria, reviewing target bans of each asset class to identify if there is an opportunity for rebalancing, and reviewing accounts for tax loss harvesting opportunities.

Financial plans generated are updated as requested by the Client and pursuant to a new or amended agreement. Spotlight suggests updating at least annually.

Review of Client Accounts on Non-Periodic Basis

Other conditions that may trigger a review of Clients' accounts are changes in the tax laws, new investment information, and changes in a Client's own situation.

Content of Client Provided Reports and Frequency

Clients receive written account statements no less than quarterly for managed accounts. Account statements are issued by Spotlight's custodian. Client receives confirmations of each transaction in account from Custodian and an additional statement during any month in which a transaction occurs.

Item 14: Client Referrals and Other Compensation

Economic benefits provided to the Advisory Firm from External Sources and Conflicts of Interest

Spotlight does not receive any economic benefits from external sources.

Advisory Firm Payments for Client Referrals

Spotlight does not compensate for Client referrals.

Item 15: Custody

Account Statements

All assets are held at qualified custodians, which means the custodians provide account statements directly to clients at their address of record at least quarterly. Clients are urged to compare the account statements received directly from their custodians to any documentation or reports prepared by Spotlight.

Spotlight does not have the authority to directly deduct advisory fees from Client accounts. Spotlight does not have the authority to instruct the custodian (IBKR) to deduct advisory fees from Client accounts either. Spotlight is not deemed to have custody of Client assets and has no access to Client assets. Clients can pay for the quarterly account management fee by singing up for automated billing with IBKR, the custodian, as per the SEC FAQ III.1 on Advisory Custody Rule:

"Q: A client has instructed its custodian to debit the client's account for advisory fees each quarter. The custodian makes all fee calculations, based on the advisory contract. The adviser does not calculate the fee, nor does it send a bill. Does the adviser have custody?

A: If the qualified custodian is not a related person of the adviser, the adviser does not have custody. Under these circumstances, the custodian is acting only as agent for the client, and the adviser does not have access to the client's funds. (Modified May 20, 2010.)"

Source: https://www.sec.gov/divisions/investment/custody_faq_030510.htm

Spotlight does not use Standing Letters of Authorization (SLOA) with Client accounts. However, in the event such a letter is used, Spotlight and its qualified custodian will meet the following seven (7) conditions in order to avoid maintaining full custody:

1. The Client provides an instruction to the qualified custodian, in writing, that includes the Client's signature, the third party's name, and either the third party's address or the third party's account number at a custodian to which the transfer should be directed.
2. The Client authorizes Spotlight, in writing, either on the qualified custodian's form or separately, to direct transfers to the third party either on a specified schedule or from time to time.
3. The Client's qualified custodian performs appropriate verification of the instruction, such as a signature review or other method to verify the Client's authorization, and provides a transfer of funds notice to the Client promptly after each transfer.
4. The Client has the ability to terminate or change the instruction to the Client's qualified custodian.
5. Spotlight has no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the Client's instruction.
6. Spotlight maintains records showing that the third party is not a related party of Spotlight or located at the same address as Spotlight.
7. The Client's qualified custodian sends the Client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

Item 16: Investment Discretion

Discretionary Authority for Trading

Spotlight accepts non-discretionary authority to manage securities accounts on behalf of Clients. Spotlight will obtain prior Client approval before executing each transaction. Under no circumstance will Spotlight assume discretionary trading authority for Client accounts.

The Client approves the custodian to be used. Spotlight does not receive any portion of the transaction fees or commissions paid by the Client to the custodian.

Item 17: Voting Client Securities

Proxy Votes

Spotlight does not vote proxies on securities. Clients are expected to vote their own proxies. The Client will receive their proxies directly from the custodian of their account or from a transfer agent.

When assistance on voting proxies is requested, Spotlight may provide recommendations to the Client. If a conflict of interest exists, it will be disclosed.

Item 18: Financial Information

Balance Sheet

A balance sheet is not required to be provided because Spotlight does not serve as a custodian for Client funds or securities and Spotlight does not require prepayment of fees of more than $500 per Client and six months or more in advance.

Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients

Spotlight has no condition that is reasonably likely to impair our ability to meet contractual commitments to our Clients.

Bankruptcy Petitions during the Past Ten Years

Spotlight has not had any bankruptcy petitions in the last ten years.

Item 19: Requirements for State Registered Advisors

Principal Executive Officers and Management Persons

The education and business background for all management and supervised persons can be found in the Part 2B of this Brochure.

Outside Business Activities

The outside business activities for all management and supervised persons can be found in the Part 2B of this Brochure.

Performance Based Fee Description

Neither Spotlight nor its management receive performance based fees. Please see Item 6 of the ADV 2A for more information.

Disclosure of Material Facts Related to Arbitration or Disciplinary Actions Involving Management Persons

None to report.

Item 1 Cover Page

SUPERVISED PERSON BROCHURE

Form ADV Part 2B

Juan De Jesus

Spotlight Investment LLC

Office Address:
1451 Tremont Street, Apt 3F
Boston, MA 02120

Tel: 954-681-1169

jfd@spotlightinvestment.com

www.spotlightinvestment.com

This brochure supplement provides information about Juan De Jesus and supplements the Spotlight Investment LLC brochure. You should have received a copy of that brochure. Please contact Juan De Jesus if you did not receive the brochure or if you have any questions about the contents of this supplement.

Additional information about Juan De Jesus (CRD #7145342) is available on the SEC's website at www.adviserinfo.sec.gov.

JANUARY 16, 2023

Brochure Supplement (Part 2B of Form ADV)

Supervised Person Brochure

Principal Executive Officer – Juan De Jesus

- Year of birth: 1995

Item 2 - Educational Background and Business Experience

Educational Background:

- Massachusetts Institute of Technology; Masters - Engineering; 2018
- Massachusetts Institute of Technology; Bachelor's - Engineering; 2017

Business Experience:

- Spotlight Investment LLC; Managing Member/Investment Advisor Representative; 06/2019-Present
- Cascodium LLC; Engineering Contractor; 02/2018-Present
- Full-Time Student; 06/2009-01/2018

Item 3 - Disciplinary Information

Criminal or Civil Action: None to report.
Administrative Proceeding: None to report.
Self-Regulatory Proceeding: None to report.

Item 4 - Other Business Activities Engaged In

Managing Member Juan De Jesus is a contracted engineer with Cascodium LLC where he designs and develops hardware/firmware. More than 90% of his time is spent on this activity. There is no conflict of interest as Spotlight Investment LLC clients are not solicited for services provided by Cascodium LLC.

Item 5 - Additional Compensation

Juan De Jesus does not receive any additional compensation and he does not receive any performance-based fees.

Item 6 - Supervision

Since Juan De Jesus is the sole owner and investment adviser representative of Spotlight, he is solely responsible for all supervision, formulation and monitoring of investment advice offered to Clients. He will adhere to the policies and procedures as described in the firm's Compliance Manual. He can be reached at jfd@spotlightinvestment.com or 954-681-1169.

Item 7 - Requirements for State-Registered Advisors

Arbitration Claims: None to report.
Self-Regulatory Organization or Administrative Proceeding: None to report.
Bankruptcy Petition: None to report.