

## **1. A (1) Provides investment Advisory services.**

Empire Investments Advisors DBA Jesup & Lamont Advisors (JLA) provides Investment Advisory Services by identifying the needs, goals, risk tolerance, and time horizon of our clients and by performing a regular analysis and review of portfolios utilizing a quantitative and qualitative approach. The Investment Advisor Representative provides advice concerning the attainment, holdings, management, reinvestment and disposition of cash, securities, and other assets of the of the clients' portfolio in relationship to the suitability of their financial needs and goals.

Company approved analytical tools, research and software will be used to determine our clients' investment goals and objectives. These tools can address any level of risk from conservative to aggressive portfolios, tailored to fit the financial needs of the client.

All client accounts will be reviewed at least annually, or more frequently, and any reallocation or rebalancing of assets will be executed as market conditions dictate or due to a change in the investment objectives or needs of the client.

### **Management Fees**

JLA's fees are based on a percentage of assets under management. Fees are calculated and payable quarterly in advance and may be deducted directly from the client's account by the custodian, or the fees can be billed directly to the client. Fees are based upon the market value of the account at inception and at the end of each calendar quarter thereafter.

**All fees are negotiable with a maximum allowable fee of 3%.**

The minimum Managed Account balance required to open a Managed Account is \$25,000. JLA may, at its discretion, reduce the minimum Managed Account balance, and negotiate fees with employees, or clients. Fees will be charged against the managed assets, including cash balances, money market fund shares and other Managed Account positions.

### **Termination of Agreements**

A client agreement may be cancelled at any time, by either party, for any reason, upon receipt of 30 days written notice. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable. The client has the right to terminate an agreement without penalty within five business days after entering into the agreement.

### **Manages investment advisory accounts not involving investment supervisory services**

JLA estimates that 5% of its income will be generated by Separate Account Management. JLA has arrangement where JLA can offer clients separate account management using managers of stocks and bonds. Generally, Separate Account Managers have minimum account size requirements, which may range from \$100,000 to \$500,000. JLA does not have the authority to decide or execute any securities transactions on behalf of a client and all investment decisions are made by the separate account manager. JLA will assist the client in establishing an account to be managed by the separate account manager and will act on behalf of the client with the Manager and the client when necessary. JLA will receive a fee, which is in accordance with the fee schedule below. Fees are negotiable.

Account Size	Maximum Advisory Fee
\$50,000 - \$250,000	2.00%
\$250,001 - \$750,000	1.75%
\$750,001 - \$1,000,000	1.25%
\$1,000,001 - \$5,000,000	1.00%
\$5,000,001 – and above	Negotiable

In addition to the advisory fee paid to JLA, the client will pay an advisory fee to the separate account manager for management services. The Separate Account Manager's fee will be disclosed in their Form ADV or disclosure brochure.

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### **Furnishes investment advice through consultations not included in either service described above and on more that an occasional basis, furnishes advice to clients on matters not involving securities.**

JLA estimates that 10% of its income will be derived from Financial Planning services. JLA's representatives may provide clients with a written financial plan for a fee. Client will furnish JLA's representative with complete and up-to-date information about his or her personal circumstances and financial goals and objectives. The financial plan may include an analysis of one or more of the following: assets, liabilities, projected income, income tax position, insurance programs, retirement plans, and investment portfolios.

The fee for preparing a financial plan will be determined on the basis of the anticipated amount of work to be done and will be disclosed up front. The fee is negotiable and will not exceed \$5,000 per any individual plan. The fee is payable half upon entering into an agreement for financial planning services and the balance upon delivery of the plan. Clients also have the option of paying for the plan up front.

A conflict of interest may exist between the interest of JLA and or its representatives and the interest of the client in that the representative offering financial planning and investment advisory services for a fee and also offer various securities products for which they may be paid a commission. The securities products available through representatives may be limited to certain products that have been reviewed and made available for offering through JLA's associated broker/dealer.

Lower fees for comparable services may be available from other sources. Material conflicts of interest may exist. If a material conflict of interest exists, JLA must disclose the nature of that conflict with the client.

Client is advised that the investment recommendations and financial advice offered by JLA or its representatives are not of a legal or accounting nature and the client should coordinate and discuss the impact of this financial advice with their attorney and or accountant. The client is advised that it is necessary to inform JLA and its representative promptly with respect to any changes in the client's financial condition, situation, and investment goals and objectives. Failure to notify JLA or its representatives of any such changes could result in investment recommendations not meeting the needs of the client. Please note that Special Account Management may not be available in all states.

### **Types of Investments (Other)**

In addition to other investment vehicles, a JLA Investment Advisor Representative may also offer advice or recommend the use of Exchange Traded Fund (ETF's) as part of or to be included within a client's portfolio.

### **Education and Business Standards**

JLA requires that all of its Registered Investment Advisor Representatives, who are involved in determining or providing investment advice to clients, to have, at a minimum, passed the Uniform Combined State Law Examination (Series 63 and Series 66) or the Uniform Investment Advisor Law Examination (Series 65).

If the Registered Investment Advisor Representative is registered with a broker-dealer he or she must also have passed the FINRA General Securities Registered Representative Examination (Series 7) and the Uniform Securities Agent State and the Uniform Combined State Law Examination (Series 63 and Series 66) or the equivalent. JLA also requires that its supervisory personnel to pass the FINRA General Securities Principal examination (Series 24). JLA employees must also be properly registered as investment advisor representatives in the state in which they have a place of business.

### **Education and Business Background**

Name: Donald A. Wojnowski Jr.

Birth Year: 1960

Business Background Previous Five Years:

President of Jesup & Lamont Inc Holding Company (2007 to present)

President of Empire Investment Advisors DBA Jesup & Lamont Advisors (2003 to present)

President of Jesup & Lamont Securities, Inc.

Name: G. DeWayne McNally CFP

Birth Year: 1950

Formal Education after high school: Southern Nazarene University

Business Background Previous Five Years:

President of The Advisory Group 1978- Present

Board of Trustees And Investment Committee

For Oklahoma Public Employees Retirement System 1994-Present

Jesup & Lamont Advisors

Name: Brad Szczecinski

Birth Year: 1967

Formal Education after high school: University of Toledo

Business Background for the preceding five years:

Column Capital Group

Ernst & Young

InterOcean Wealth Management

Jesup & Lamont Advisors

### **Other Business Activities**

Mr. Wojnowski is the President of Jesup & Lamont Inc. ("JLI") and Executive Managing Director of Wealth Management for Jesup & Lamont Securities Corporation ("JLSC"). JLSC provides brokerage services to approximately 50,000 customer accounts. Presently Mr. Wojnowski spends approximately 90% of his time with JLSC and JLI.

### **Other Financial Industry Activities or Affiliations – broker-dealers**

JLA, through common control and ownership, is affiliated with both JLSC and JLI. JLSC will execute all transactions for JLA. JLA representatives are registered representatives with JLSC. Clients are under no obligation to purchase or sell securities through JLSC or its registered representatives; however, if they choose to implement the plan, commissions may be earned in addition to any fees paid for advisory services. Commissions may be higher or lower at JLSC than at other broker/dealers. JLA representatives who are associated with JLSC may have a conflict of interest in having clients purchase securities and or insurance related products through JLSC in that the higher their production with JLSC the greater potential for obtaining a higher payout on commissions earned. JLA representatives may be restricted to only offering those products and services that have been reviewed and approved for offering to the public by JLSC and JLA.

### **Other Financial Industry Activities or Affiliations – other investment advisor**

JLA may contract with various third party managers in order to offer the managers services to clients of JLA as discussed above. Such third party managers may pay a portion of the advisory fee collected from the client to JLA and a portion will be allocated to JLA representatives. JLA representatives may be limited to only recommending and utilizing the services of third party managers that have been reviewed by JLA.

In addition the advisory fees set forth under item 1 D; client may pay internal fund expenses, including advisory fees to the manager of any mutual fund they purchase. Such advisory fees are not shared with JLA and are compensation to the fund manager. Clients should read the mutual fund prospectus prior to making any investment decisions.

Advice offered by a JLA representative may involve investment in mutual funds. Mutual funds may carry loads (i.e. sales charges) that may be up-front or on a contingent deferred basis or be no-loads or on a contingent deferred basis or be no-loads with no initial or contingent deferred sales charges. Clients are advised that JLA representatives have a conflict of interest in recommending mutual funds that carry a load due to such mutual funds paying JLA a commission should the purchase be made through JLA representatives. A portion of the commission paid to JLA will be passed to JLA representatives who are also registered representatives of JLSC.

### **Other Financial Industry Activities or Affiliations – insurance company or agency**

JLA representatives may be licensed life, health, and accident insurance brokers with all appropriate state Departments of Insurance, and may receive customary commissions on insurance products sold.

### **Participation or Interest in Client Transactions**

JLA, JLSC, JLI, and /or its officers, principals and employees may buy and sell the same securities as those for JLA clients or recommend to clients that they buy or sell securities products in which JLA, JLSC, JLI, and /or its officers, principals and employees may have some financial interest. All transactions executed by JLSC as broker, or agent, will receive compensation for effecting securities transactions for clients of JLA. JLSC may act as a principal buying and selling securities for itself from or engage in selling securities it owns to any client. As a broker for any person other than a client JLSC may effect transactions in which client securities are sold to or bought from a brokerage customer.

### **Conditions for Managing Accounts**

JLA provides an investment supervisory service and it requires a minimum balance of \$25,000 to open a Managed Account. Accounts valued under \$25,000 may be subject to more risk and volatility that can exist with trying to diversify smaller accounts and absorb market fluctuations. Third party managers may have established minimums that will vary from that of JLA. Disclosure of each third party manager's minimum requirement is included in the appropriate brochures and or the Form ADV Part II for the third party manager.

### **Investment Brokerage Discretion – Securities bought or sold and amount to be bought or sold**

JLA has discretionary authority to determine the specific mutual funds as well as the dollar amount of mutual funds to be bought or sold in the client's Managed Account. These transactions are based upon a predetermined asset allocation strategy, and agreed upon in writing by the client and JLA. JLA representatives may have limited discretion to purchase or sell securities in a clients account and to determine the amount of securities purchased or sold for the account, provided the discretion granted by the client is reduced to writing granting such limited discretion. Representatives who are not granted limited discretionary authorization may result in trades not being executed until agreed to by the client.

**Does Applicant or a related person suggest brokers to clients?**

JLA will refer its clients to JLSC due to JLSC's common control of affiliated companies. This enables JLA to promptly correct any problems noted in its Managed Accounts and to maintain additional supervision over Managed Account trading activity. JLA representatives who are associated with JLSC may have a conflict of interest in having clients purchase securities and or insurance related products through JLSC in that the higher their production with JLSC the greater potential for obtaining a higher payout on commissions earned. Lower fees for comparable services may be available from other sources.