



**FOX ASSET MANAGEMENT LLC**  
ESTABLISHED 1985 ♦ AN EATON VANCE COMPANY

VALUE-ORIENTED INVESTMENT MANAGEMENT



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This brochure provides information about the qualifications and business practices of Fox Asset Management LLC. If you have any questions about the contents of this brochure, please contact us at 877-841-7235 or [info@foxasset.com](mailto:info@foxasset.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Additional information about Fox Asset Management LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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***Schedule of Material Changes***

None at this time.



## **FOX ASSET MANAGEMENT LLC**

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### ***Advisory Business***

Fox Asset Management LLC, or “Fox”, is a registered investment advisor founded in 1985 that manages equity, fixed-income and balanced portfolios. Fox manages approximately \$2 billion in discretionary assets with an overall objective of superior long-term total return and capital preservation. With our clients’ specific investment guidelines in mind, we endeavor to help clients gain a level of comfort necessary to properly maintain a long-term perspective. Fox is a wholly-owned subsidiary of the Eaton Vance Corp.

### ***Fees and Compensation***

The company is compensated by a quarterly fee, which is negotiable and normally payable in advance on a case to case basis, based on the value of all assets including cash, computed as outlined in our Investment Management Agreement. Generally, fees on equity strategies range from .80% to 1% for the first \$5 million under management, scaling down to .50% for assets up to \$50 million. Our balanced products range from .60% to .90% for the first \$5 million under management, scaling down to .40% to .70% for assets up to \$50 million. Our fixed income products fees are .30% for the first \$10 million, scaling down to .20% for assets up to \$30 million. Finally, our growth and income strategy starts at .65% at the \$1 million level, scaling down to .40% for amounts above \$50 million. The standard minimum account size is \$2 million; however, fees and minimum account size vary depending on the particular product or program in which advisory services are rendered. In some cases, fees and/or minimum account size may be negotiable.

Fee rates for management of accounts in separately managed account or “wrap” programs generally will be less than individually-managed “institutional” or “high net worth” clients because the trading, client servicing and reporting is likely to be performed by the broker-dealer or financial service institution which sponsors the program.

Fox will bill quarterly, payable in advance based upon the assets under management at the beginning of each quarter. The investment management agreement may be terminated by either party upon thirty (30) days of written notice, which could result in a refund prorated to the client in cases where fees are paid in advance.

A complete description of Fox’s fees schedule is available upon request. Also, please refer to the section entitled, “Brokerage Practices” regarding trading expenses.

### ***Performance-Based Fees and Side-by-Side Management***

Fox may accept incentive fees where return expectations and the time period over which returns are measured are reasonable and agreeable to both parties. In short, Fox charges a management fee plus or minus an incentive fee based upon returns compared to an established return standard measured over a specified period of time. Fox maintains controls to ensure that material dispersion between accounts with performance-based fee arrangements and those that do not are within acceptable parameters.

### ***Types of Clients***

Fox provides investment advisory services with a specific investment philosophy and strategy. Each account is managed with a clear set of guidelines and objectives and is subject to ongoing review. Fox’s clients include individuals, pension and profit sharing plans, trusts, estates, or charitable organizations, endowments & foundations, corporations and other business entities. Fox has been retained by mutual fund companies to act as sub-advisor, and provides investment advisory services to wrap programs sponsored by various broker-dealers or financial services providers.



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### ***Methods of Analysis, Investment Strategies and Risk of Loss***

The firm's value-oriented equity strategy begins with a screening process that seeks to identify growing companies whose stocks sell at discounted price-to-earnings (P/E) and price-to-cash flow (P/CF) multiples. Fox favors such companies that maintain strong balance sheets and provide above-average dividend yields. We also attempt to discern situations where intrinsic asset values are not widely recognized. Rigorous fundamental analysis, from both a quantitative and qualitative standpoint, is applied to all investment candidates. The firm employs a disciplined "bottom-up" approach to identify undervalued stocks. We seek out emerging and established trends that point to profit growth not overly dependent on economic trends in our stock selection. We are typically fully invested, however, if cash builds because of our sell discipline, transitional cash is held until values that meet our criteria become available.

Please note, while Fox maintains a strong belief in the above strategy, investing in securities markets involves a certain amount of inherent risk and clients should be aware of the possibility of loss.

### ***Disciplinary Information***

There have been no enforcement actions of any kind including criminal, taken against our firm, its officers, directors or investment professionals, by the Securities and Exchange Commission, other regulatory bodies, or other legal authorities since the inception of our firm in 1985.

### ***Other Financial Industry Activities and Affiliations***

Both Fox and Eaton Vance Management, the management company of several mutual funds to which Fox provides advisory services, are wholly owned subsidiaries of Eaton Vance Corp. This may present a conflict in that Fox is under common control with an entity to which it provides investment advice. Fox maintains controls to ensure that material dispersion in the investment management services offered across products within the same strategy are within acceptable parameters. Eaton Vance Management also provides certain middle and back office services to Fox, including, but not limited to account and trade administration.

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

*Code of Ethics.* As described in the firm's Code of Ethics and Business Conduct, all Fox employees have the responsibility at all times to place the interests of clients first, and otherwise avoid situations which conflict, or appear to conflict with the interests of the client. Certain Fox employees are also dual employees of Eaton Vance Management. Those employees' actions are also covered under the Eaton Vance Code of Ethics.

*Participation/Interest in Client Transactions.* Fox may recommend securities or investment products in which the applicant or a related person has some financial interest. Fox employees may also buy or sell for themselves securities that it also recommends to clients.

*Personal Trading.* Fox and its officers, directors, employees and accounts in which affiliated persons have an investment interest, may at times buy or sell and have positions in securities which may be those recommended for purchase or sale to investment advisory clients. To mitigate any potential conflicts of interest in this regard, Fox has adopted various policies, including a Code of Ethics, which address the potential for self-dealing and conflicts of interest which may arise by personal trading of employees, officers and other affiliated persons.

### ***Brokerage Practices***

*Best Execution.* Fox has a fiduciary responsibility to achieve best execution for its clients. Fox shall seek to obtain the best overall execution of any portfolio transaction effected on behalf of its clients. In so doing, Fox considers



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the full range and quality of an executing broker-dealer firm's services. The determining factor in seeking best execution should be whether the transaction represents the best overall execution for the client. Fox enlists the services of a third party to conduct transaction cost analysis using one of the largest possible universe of trade data and employs the most commonly accepted benchmarks. The data is analyzed quarterly by the Best Execution & Soft Dollar Committee as well as members of the Investment Committee.

*Soft Dollars.* Fox uses soft dollars generated by client transactions to acquire brokerage and research services including research, statistical and quotation services, data, information and other services, products and materials that assist in the performance of Fox's investment responsibilities. Please note, in routing orders to institutions from which Fox receives brokerage or research services, clients may expect to pay higher commissions; however, Fox has implemented controls to assess the reasonableness of commissions in relation to the value of brokerage and research services on an ongoing basis. Soft dollar expenditures and proposals to amend allocation of services obtained via soft dollars are assessed quarterly by the Best Execution & Soft Dollar Committee as well as members of the investment committee.

*Directed Brokerage.* Clients may instruct Fox to execute a portion of portfolio transactions through a specific broker-dealer, but in doing so may forego certain benefits that would follow from providing Fox with complete discretionary authority to execute trades on clients' behalf. Such forgone benefits may include, but are not limited to, the possibility that clients could obtain more favorable commission rates or a better price on the securities transactions executed on its behalf. Fox understands that in return for the directed trades, a broker is likely providing additional services to the client such as custody and research. Fox generally limits the direction of executions to 65% of any one client's portfolio's trading volume as we feel that amounts above this level may hinder the firm's overall ability to control best execution, and may present the appearance that brokerage and research expenses which benefit the entire client base are being unduly subsidized by those accounts that do not direct their transactions.

### ***Review of Accounts***

Each portfolio is reviewed by the Fox staff at least weekly and all portfolios are reviewed quarterly by a senior portfolio manager. For most clients, Fox prepares and submits at least quarterly to each client a portfolio appraisal reflecting cost, market value and performance including a portfolio evaluation, performance report and statement of management fees.

### ***Client Referrals and Other Compensation***

Fox maintains agreements whereby a portion of its advisory fee is paid either to certain mutual funds for which Fox acts as investment manager and wrap sponsors for programs in which Fox participates. Fox also pays a periodic negotiated fee in exchange for services rendered by a third party consultant for purposes of assisting in the distribution of a mutual fund, domiciled in the Canadian Provinces, for which Fox acts as investment manager.

### ***Custody***

Clients typically provide Fox with complete discretionary authority to execute trades on client's behalf as well as limited authority to withdrawal monies for purposes of periodic billing. Industry standards require that Fox, in maintaining this discretion and authority, establish a reasonable belief that a "qualified custodian" performs certain functions on behalf of the adviser. Fox periodically determines whether the custodial firms in which its clients hold assets both qualify under as a "qualified custodian" and are performing functions, such as segregation of assets, transmission of account statements and identification of client assets on behalf of the adviser. Notwithstanding the quarterly materials which Fox provides, clients should regularly and carefully review the account statements provided by their custodian.



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### *Investment Discretion*

Fox acts as an investment manager to institutional and high net worth clients, mutual funds, as well as clients in wrap programs. In addition, when acting as a sub-adviser in certain “overlay” or “model” programs, Fox acts as a non-discretionary sub-adviser presenting a model portfolio to the program’s adviser that is responsible for execution, client reporting and other aspects of client services.

### *Voting Client Securities*

Fox manages its clients’ assets with the overriding goal of seeking to provide the greatest possible return to such clients consistent with governing laws and the investment policies of each client. When charged with the responsibility to vote proxies on behalf of its clients, Fox seeks to exercise its clients’ rights as shareholders of voting securities to support sound corporate governance of the companies issuing those securities with the principle aim of maintaining or enhancing the companies’ economic value.

### *Financial Information*

Fox is unaware of any financial condition that is reasonably likely to impair the firm’s ability to meet contractual commitments to its clients.

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## APPENDIX I

### *Investment Manager Profiles*

**This brochure supplement provides information about the investment professionals of the firm that supplements the above information about Fox Asset Management LLC. Please contact Fox at 877-841-7235 if you have any questions about the contents of this supplement.**

The below summaries provide the Educational Background and Business Experience of our Investment Manager Staff. Please note the following additional information:

- ♦ **Disciplinary Information:** There have been no enforcement actions of any kind including criminal, taken against our firm, its officers, directors or investment professionals, by the Securities and Exchange Commission, other regulatory bodies, or other legal authorities since the inception of our firm in 1985.
- ♦ **Other Business Activities and Additional Compensation:** None of our Investment Staff receive additional compensation or is engaged in investment-related or otherwise relevant outside business ventures which would otherwise present a potential conflict of interest.
- ♦ **Supervision:** Our broad investment process is managed by the Investment Committee which delegates product management responsibilities to a three-person Portfolio Construction Team. The Team Leader is accountable to the Co-Directors of the Firm. The Portfolio Construction Team is supported by a ten-person Research Platform, which operates under the direction of the Co-Directors of the Firm. Both the Portfolio Construction Team and the Research Group operate under the supervision and guidelines of the Investment Committee.





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**WILLIAM E. DODGE, CFA** *Date of Birth: June 29, 1949*

**Co-Director**

Mr. Dodge is a Co-Director of the firm and a member of the firm's Investment Committee. Prior to joining Fox, he founded and operated Nine Gates Capital (Delaware) from 2003 to 2005. From 1999 to 2002, he was President and Chief Equity Investment Officer of Delaware Investment Advisers, Inc. From 1996 to 1998, he served as President, Director of Marketing, and senior portfolio manager of Marvin & Palmer Associates in Wilmington, DE. From 1991 to 1996, he served as Chairman of the investment policy committee, Chief Investment Strategist, Co-Chairman of the Stock Selection Committee, and Assistant Director of Research for Dean Witter in New York City. From 1983 to 1991, he was a senior portfolio manager and senior equity analyst with E.I. du Pont de Nemours Pension Fund. Previously, he was Senior Vice President and Chief Trust Investment Officer with National Bank of Washington in Washington, D.C. Mr. Dodge co-authored *The High Performance CFO*, Irwin Publishing 1995, and has been widely quoted in the financial press. He has appeared on CNBC, CNN's Moneyline with Lou Dobbs, Wall Street Week with Louis Rukeyser, and CNN's Crossfire. Mr. Dodge served honorably in the United States Marine Corps from 1969-1971. Mr. Dodge earned a BBA in Marketing and MBA in Business and Finance from the University of Massachusetts. He was named School of Management's Alumnus of the Year in 1995 and served on the Investment Committee of the University Endowment Fund. He is a CFA charterholder and a member of the CFA Institute.

**GREGORY R. GREENE, CFA** *Date of Birth: November 13, 1966*

**Co-Director**

Mr. Greene is a Co-Director of the firm and a member of the firm's Investment Committee. He is the lead manager of the small-cap, mid-cap and smid-cap products. Prior to joining Fox, Mr. Greene was a Research Analyst responsible for the financial services and retail/consumer products industries in addition to being Head of Trading at Chris Blair Asset Management. Previously, he was a Vice President and Senior Position Trader in the Equity Trading department at Merrill Lynch. Before entering the financial industry, Mr. Greene was a First Lieutenant in the United States Marine Corps. Mr. Greene earned a BS in Finance from Boston College and an MBA in Finance and Accounting from New York University. He is a CFA charterholder and a member of the CFA Institute and the New York Society of Security Analysts.

**BRADLEY S. DANIELS, CFA** *Date of Birth: August 29, 1961*

**Vice President and Equity Portfolio Manager**

Mr. Daniels is a Vice President, Equity Portfolio Manager and a member of the firm's Investment Committee. Prior to joining Fox, Mr. Daniels was a Senior Equity Analyst on the Rorer Mid Cap Relative Value Portfolio at Rorer Asset Management in Pennsylvania. Previously, he worked at Schlarbaum Capital Management, LP and contributed a chapter to J. Clay Singleton's book *Core-Satellite Portfolio Management*. Earlier, he spent six years as a Lead Portfolio Manager at Miller, Anderson & Sherrerd/Morgan Stanley and began his career at Kidder Peabody & Co. as a Quantitative Analyst. Mr. Daniels earned a BA in Applied Mathematics from the University of Pennsylvania and an MBA from The Wharton School, University of Pennsylvania. In addition, he is a CFA charterholder, a member of the CFA Institute and is a member of the CFA Society of Philadelphia.



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**WILLIAM HOWARTH** *Date of Birth: May 1, 1962*

**Vice President and Fixed Income Portfolio Manager**

Mr. Howarth is a Vice President, Fixed Income Portfolio Manager and a member of the firm's Investment Committee. Prior to joining Fox, Bill was a Senior Portfolio Manager, Taxable Fixed Income – Corporate Sector Specialist at The Dreyfus Corporation. His primary focus during his 13 years at Dreyfus was on the corporate bond sector where he was responsible for issue selection, credit research, sector allocation, as well as sector rotation in corporate bonds. In addition to corporate bonds, Bill also specialized in cross over credits, high yield, preferred and convertible securities. He was part of a team that was responsible for over \$10 billion in client assets and the recipients of Lipper Awards for Top performance during his tenure. Mr. Howarth earned a BS from the University of Scranton and an MBA in Management Information Systems from St. Peters College.

**J. BRADLEY OHLMULLER, CFA** *Date of Birth: June 14, 1968*

**Vice President and Equity Portfolio Manager**

Mr. Ohlmuller is a Vice President, Equity Portfolio Manager and a member of the firm's Investment Committee. He was formerly a Vice President and research analyst at Goldman Sachs & Co., where he covered the healthcare facilities sector. Prior to joining Goldman Sachs, Mr. Ohlmuller followed the retail sector at Morgan Stanley. He began his career at Standard & Poor's as an analyst, following the regional banking, insurance and REIT industries in its Equity Research Department. Mr. Ohlmuller earned a BA in Political Science and an MBA in Finance from Loyola University Maryland. He is a CFA charterholder and a member of the CFA Institute and the New York Society of Security Analysts.

**JOHN A. CURRY** *Date of Birth: August 4, 1968*

**Vice President and Fixed Income Portfolio Manager**

Mr. Curry is a Vice President, Fixed Income Portfolio Manager and a member of the firm's Investment Committee. Prior to joining Fox, Mr. Curry was a Vice President, Portfolio Manager at Fred Alger Management, Inc. where he managed the fixed-income portion of Alger Balanced Funds. Previously at Fred Alger he was Portfolio Manager of the Alger Money Market Fund and the Alger Convertible Fund. Prior to joining Fred Alger, John was Managing Director of Whitehall Asset Management and Portfolio Manager. Previously he was Portfolio Manager at UBS Global Asset Management where he managed \$4 billion of the firm's institutional fixed-income assets. Earlier in his career, John was a Portfolio Analyst and Portfolio Manager/Trader responsible for \$1 billion of short duration fixed income assets at Metropolitan Life Insurance Co. John holds an MBA in Finance from Fordham University's Graduate School of Business and a BA in Economics from the University of Rochester.

**ROBERT J. MILMORE, CFA** *Date of Birth: April 3, 1969*

**Vice President and Equity Portfolio Manager**

Mr. Milmore is a Vice President, Equity Portfolio Manager and a member of the firm's Investment Committee. He was formerly a Manager of International Treasury at Cendant Corporation. Prior to joining Cendant, Mr. Milmore was a Vice President and Senior Equity Research Analyst at Arnhold & S. Bleichroeder covering the airline and internet travel sectors. Previously, Mr. Milmore followed the retail, textile, apparel, and footwear sectors at Morgan Stanley Dean Witter. He began his career in International Securities Lending at Bankers Trust Company. Mr. Milmore earned a BS in Finance with distinction from The Pennsylvania State University and an MBA from the University of Notre Dame. He is a CFA charterholder and a member of the CFA Institute and the New York Society of Security Analysts.