

**Form ADV Part 2A: Brochure**

Elder Law Management  
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[www.elderlawmanagement.com](http://www.elderlawmanagement.com)

**Material Changes**

There have been no material changes since the last annual update of the ELM brochure.

**This brochure provides information about the qualifications and business practices of Elder Law Management. If you have any questions about the contents of this brochure, please contact us at 412-456-1230. 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 Elder Law Management also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)**

## **Table of Contents**

<a href="#">Advisory Business.....</a>	<a href="#">3</a>
<a href="#">Fees and Compensation.....</a>	<a href="#">4</a>
<a href="#">Performance-Based Fees and Side-by-Side Management.....</a>	<a href="#">4</a>
<a href="#">Types of Clients.....</a>	<a href="#">4</a>
<a href="#">Methods of Analysis, Investment Strategies and Risk of Loss.....</a>	<a href="#">5</a>
<a href="#">Disciplinary Information.....</a>	<a href="#">5</a>
<a href="#">Other Financial Industry Activities and Affiliations.....</a>	<a href="#">5</a>
<a href="#">Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....</a>	<a href="#">5</a>
<a href="#">Brokerage Practices.....</a>	<a href="#">6</a>
<a href="#">Review of Accounts.....</a>	<a href="#">7</a>
<a href="#">Client Referrals and Other Compensation.....</a>	<a href="#">7</a>
<a href="#">Custody.....</a>	<a href="#">7</a>
<a href="#">Investment Discretion.....</a>	<a href="#">7</a>
<a href="#">Voting Client Securities.....</a>	<a href="#">8</a>
<a href="#">Financial Information .....</a>	<a href="#">8</a>
<a href="#">Requirements for State-Registered Advisers.....</a>	<a href="#">8</a>

### Advisory Business

Elder Law Management (ELM) was founded in 1994 in Pittsburgh, PA. There are two principal owners:

Ronald S. Jones, born April 21, 1958. Graduated University of Pittsburgh, Pittsburgh, PA, 1980, B.B.A., Business History. Graduated Duquesne University, Pittsburgh, PA, 1983, J.D. Law/Business. Graduated New York University, New York, NY, 1985, M.A., Taxation. Attended Northwestern University, Chicago, Illinois, 1986, Certificate in Accounting. Employed by US Steel/Marathon Oil, Chicago, Illinois as a Tax Attorney, 1985-1987. Employed by Klett, Lieber, Rooney & Schorling (currently Buchanan, Ingersoll & Rooney), Pittsburgh, PA as an associate, 1987-1990. Partner in the law firm of Jones & Cwalina, Pittsburgh, PA, 1991 to present. Adjunct Professor, Business School, Penn State University, College Park, PA 1988-Present.

Smeraldo Torchia, born January 13, 1952. Graduated University of Pittsburgh, Pennsylvania, 1979, B.A. in Economics. Attended University of Pittsburgh, Graduate School of Economics, Pittsburgh, PA, fall term, 1979. Employed by Foreign Credit Insurance Association, New York, NY, as a Financial Analyst, 1980-1981. Employed by Intercredit Agency, Inc., New York, NY, as Vice President, 1981-1987. Employed by Merrill Lynch, Pierce, Fenner and Smith, New York, New York, as a Financial Consultant, 1987-1989. Employed by Shearson Lehman Hutton, Pittsburgh, PA, as a Financial Consultant, 1989-1990. Employed by A.G. Edwards & Sons, Inc., Pittsburgh, PA, as an Investment Broker, 1990-1991, and as a Fixed Income Securities Analyst for the Institutional Sales Department, 1993. Registered Representative with Allegheny Investments Ltd., Pittsburgh, PA - 9/95 to 12/97.

ELM offers supervisory investment advisory services to individuals, pensions, trusts, estates, and businesses. We provide investment advice on a variety of types of investments, including, but not limited to:

- ✓ Exchange-listed equities
- ✓ Over-the-counter traded equities
- ✓ Foreign equities
- ✓ Corporate debt securities
- ✓ Certificates of deposit
- ✓ Municipal securities
- ✓ Mutual Funds
- ✓ U.S. government securities

ELM tailors investment portfolios to meet the specific needs of its clients. We do this by matching the goals and risk profiles of clients with specific blends of expected income and return. Clients may impose restrictions on investing in certain securities or types of securities.

As of February 24, 2011, we manage \$37,962,945.00 of client assets on a non-discretionary basis and \$0.00 on a discretionary basis.

### Fees and Compensation

ELM receives compensation for its advisory services either as a percentage of assets under management or by an hourly rate. The fee schedule is displayed below:

Less than \$1,000,000.00 under management	Greater than \$1,000,000 under management
.25% per quarter (1% annually)	Negotiable

Fees are either electronically deducted from clients' accounts or a client may opt to receive a bill for fees incurred. Fees are deducted or billed on a quarterly basis.

Clients may also pay additional fees associated with holding certain mutual funds. Clients will also incur brokerage and other transaction costs. Please refer to Page 6, Brokerage practices for additional information.

Clients must pay management fees in advance at the beginning of each quarter. If the advisory contract is terminated before the end of the billing period, a client may obtain a refund of a pre-paid fee. The amount of the refund will be pro-rated to reflect any unearned fees.

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

Not applicable. Elder Law Management does not accept performance-based fees.

### Types of Clients

ELM generally provides investment advice to a variety of types of clients, including but not limited to:

- ✓ Individuals
- ✓ Trusts
- ✓ Estates
- ✓ Partnerships
- ✓ Corporations
- ✓ Pension Plans

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

ELM employs fundamental and technical analysis when evaluating securities. The investment strategies used in formulating investment advice include:

- ✓ Long term purchases (securities held at least a year)
- ✓ Short term purchases (securities sold within a year)
- ✓ Trading (securities sold within 30 days)

With any investment strategy, material risks are involved, including:

- ✓ Market risk – also known as volatility, the day-to-day fluctuation in security prices
- ✓ Interest rate risk – the risk that an investment's value will change as a result of interest rates
- ✓ Credit or Default risk – the risk that a company will be unable to make payments on its debt obligations
- ✓ Country risk – the risk that a country will be unable to make payments on its debt obligations
- ✓ Political risk – the risk that a country will suddenly change its political policies

Investing in securities involves risk of loss that clients should be prepared to bear.

## Disciplinary Information

No legal or disciplinary events have occurred.

## Other Financial Industry Activities and Affiliations

ELM has business affiliations that are material to its advisory business or its clients with a related person who is a:

- ✓ Broker-dealer – ELM recommends to clients the use of Charles Schwab & Co.
- ✓ Law firm – ELM has an informal relationship with the law firm Jones & Cwalina, which is primarily involved in estate and retirement planning as well as pension consulting. Jones & Cwalina may refer clients to ELM. Mr. Jones is a partner with Jones & Cwalina.
- ✓ Insurance – in the normal course of business ELM sells life insurance products to its client base in conjunction with providing estate and retirement planning.
- ✓ Accounting Firm – Elder Law Management operates an accounting firm

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

ELM adopted a code of ethics which sets forth standards of conduct expected of advisory personnel and address conflicts that arise from personal trading by advisory personnel. ELM will provide a copy of its code of ethics to any client or prospective client upon request.

From time to time, advisory personnel will invest in the same securities that are recommended to clients. Advisory personnel may recommend securities to clients, or buy or sell securities for client accounts, at or about the same time that advisory personnel buys or sells securities for their own accounts. This potential conflict of interest is addressed in several ways. First, any time a recommended security is already owned by advisory personnel, advisory personnel must disclose this to clients. Second, pursuant to the ELM code of ethics, client trading must take priority over personal trading. Therefore, in the event that a decision to buy or sell a security has been made, it must first be executed in client accounts before any action is taken in personal accounts.

### Brokerage Practices

ELM believes that its relationship with Charles Schwab is in the best interest of its clients based upon the level of service afforded by Charles Schwab. Clients who choose to effect securities transactions through Charles Schwab pay commissions which are no higher than those obtainable from other full-service brokers. Charles Schwab also offers discount brokerage services to institutional accounts and others. Applicant has conducted surveys comparing Charles Schwab's commission rates to others in the industry and has found Schwab's rates to be well within the industry range.

Charles Schwab provides ELM with the Schwab Link computer program free of charge. This program is valued at \$60 per three (3) month period.

ELM does not receive research or other products and services other than execution from Charles Schwab or a third party in connection with client securities transactions ("soft dollar benefits").

ELM does not receive client referrals from broker-dealers.

ELM suggests that clients use Charles Schwab & Co. The client may, but is under no obligation to do so, choose to effect securities through Charles Schwab.

ELM believes that its relationship with Charles Schwab is in the best interest of its clients based upon the level of service afforded by Charles Schwab. Clients who choose to effect securities transactions through Charles Schwab pay commissions which are no higher than those obtainable from other full-service brokers. Charles Schwab also offers discount brokerage services to institutional accounts and others. Applicant has conducted surveys comparing Charles Schwab's commission rates to others in the industry and has found Schwab's rates to be well within the industry range.

ELM does not aggregate the purchase or sale of securities and there is no cost to clients for not aggregating.

### Review of Accounts

Each client's portfolio will be evaluated to assure compliance with the client's guidelines and objectives. ELM will review accounts from an aggregate asset diversification and individual security selection on a quarterly basis. Any account which may deviate significantly from the established investment policy will be subject to further review. ELM will monitor the extent to which current investment policy guidelines are being followed. Formal performance guidelines will be conducted semiannually or at the request of the client. There are currently two (2) reviewers at ELM: the President and the Investment Manager. The reviews will be conducted at the client's direction as to the performance of individual securities, the overall asset allocation in their portfolio, and the over management of their portfolio. To assist in the client review process, a monthly brokerage report will be provided listing the various asset classes and individual securities in each category. Clients will also be regularly furnished confirmations, transaction summaries and portfolio appraisal reports. All reports other than confirmations will be provided to clients on either a monthly, quarterly, or semi-annual basis, depending on the client's needs and wishes.

### Client Referrals and Other Compensation

ELM has a relationship with a number of individuals and firms whereby these individuals and firms are compensated for client referrals to ELM. The compensation paid to these individuals or firms is based on a percentage of fees billed and collected by ELM. In regard to any particular client, this percentage will not exceed fifty (50%) percent during the first twelve (12) months, to twenty-five (25%) percent during the second twelve (12) months and fifteen (15%) percent in subsequent years thereafter, for as long as the client is retained.

Notwithstanding, ELM retains the right to continue paying fifty (50%) percent of such billings in regard to individuals or outside corporate solicitors where ELM believe that significant referrals will be made.

In addition, ELM reserves the right to negotiate solicitors' fees for institutional accounts.

### Custody

ELM does not have custody over client accounts.

### Investment Discretion

ELM does not have discretionary authority to manage securities accounts on behalf of clients.

### Voting Client Securities

ELM does not have the authority to vote client securities. Clients will receive their proxies or other solicitations directly from their custodian or transfer agent, and can contact ELM with questions about a particular solicitation.

### Financial Information

ELM does not require or solicit prepayment of more than \$1,200 in fees per client.

As stated above, ELM does not have custody or discretionary authority, and no financial condition is likely to impair our ability to meet our contractual commitments to clients.

ELM has never been the subject of a bankruptcy petition at any time.

### Requirements for State-Registered Advisers

ELM is not actively engaged in any other businesses.

ELM or any management persons have *never* been involved in any of the following:

- a) An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500
- b) An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding

ELM or any management persons do not have any relationship or arrangement with any issuer of securities.