

# Charles J. Piermani Associates Client Brochure

*This brochure provides information about the qualifications and business practices of Charles J. Piermani Associates. If you have any questions about the contents of this brochure, please contact us at (610) 275-7544 or by email at: [email@piermanibearoff.com](mailto:email@piermanibearoff.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 Charles J. Piermani Associates is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Charles J. Piermani Associates's CRD number is: 4346385*

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*Registration does not imply a certain level of skill or training.*

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## **Item 2: Material Changes**

There are no material changes in this brochure from Charles J. Piermani Associates' last annual update filing. Material changes relate to Charles J. Piermani Associates' policies, practices or conflicts of interests only.

## Item 3: Table of Contents

### Table of Contents

Item 2: Material Changes.....	i
Item 3: Table of Contents.....	ii
Item 4: Advisory Business.....	1
A. Description of the Advisory Firm.....	1
B. Types of Advisory Services.....	1
Charles J. Piermani Associates (hereinafter “CJPA”) offers the following services to advisory clients:.....	1
Investment Supervisory Services .....	1
Financial Planning.....	1
Services Limited to Specific Types of Investments .....	1
C. Client Tailored Services and Client Imposed Restrictions .....	2
D. Wrap Fee Programs.....	2
E. Amounts Under Management.....	2
Item 5: Fees and Compensation.....	3
A. Fee Schedule.....	3
Investment Supervisory Services Fees.....	3
Financial Planning Fees .....	3
HOURLY FEES .....	3
B. Payment of Fees.....	3
Payment of Investment Supervisory Fees .....	3
Payment of Financial Planning Fees .....	3
C. Clients Are Responsible For Third Party Fees .....	3
D. Prepayment of Fees .....	4
E. Outside Compensation For the Sale of Securities to Clients.....	4
Item 6: Performance-Based Fees and Side-By-Side Management .....	4
Item 7: Types of Clients .....	4
Minimum Account Size.....	4
Item 8: Methods of Analysis, Investment Strategies and Risk, of Investment Loss .....	4
A. Methods of Analysis and Investment Strategies.....	4
Technical analysis.....	4
B. Material Risks Involved .....	5
C. Risks of Specific Securities Utilized .....	5
Item 9: Disciplinary Information .....	5
Item 10: Other Financial Industry Activities and Affiliations.....	5
A. Registration as a Broker/Dealer or Broker/Dealer Representative .....	5

B.	Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor.....	5
C.	Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests.....	6
D.	Selection of Other Advisors or Managers and How This Adviser is Compensated for Those Selections.....	6
Item 11: Code of Ethics, Participation in Transactions, Personal Trading.....		6
A.	Code of Ethics.....	6
B.	Recommendations Involving Material Financial Interests .....	6
C.	Investing Personal Money in the Same Securities as Clients.....	6
D.	Trading Securities At/ Around the Same Time as Clients' Securities .....	7
Item 12: Brokerage Practices.....		7
A.	Factors Used to Select Custodians and/or Broker/Dealers .....	7
1.	Research and Other Soft-Dollar Benefits .....	7
2.	Brokerage for Client Referrals .....	7
3.	Clients Directing Which Broker/Dealer/Custodian to Use .....	7
B.	Aggregating (Block) Trading for Multiple Client Accounts .....	7
Item 13: Reviews of Accounts .....		8
A.	Frequency and Nature of Periodic Reviews and Who Makes Those Reviews.....	8
B.	Factors That Will Trigger a Non-Periodic Review of Client Accounts.....	8
C.	Content and Frequency of Regular Reports Provided to Clients.....	8
Item 14: Client Referrals and Other Compensation .....		8
A.	Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes) .....	8
B.	Compensation to Non -Advisory Personnel for Client Referrals.....	8
Item 15: Custody .....		8
Item 16: Investment Discretion .....		9
Item 17: Voting Client Securities (Proxy Voting).....		9
Item 18: Financial Information.....		9
A.	Balance Sheet .....	9
B.	Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients .....	9
C.	Bankruptcy Petitions in Previous Ten Years .....	9

## Item 4: Advisory Business

### A. Description of the Advisory Firm

This firm has been in business since November 17, 1995, and the principal owner is Charles J. Piermani.

### B. Types of Advisory Services

Charles J. Piermani Associates (hereinafter "CJPA") offers the following services to advisory clients:

#### *Investment Supervisory Services*

CJPA offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. CJPA creates an Investment Policy Statement for each client, which outlines the client's current situation (income, tax levels, and risk tolerance levels) and then constructs a plan (the Investment Policy Statement) to aid in the selection of a portfolio that matches each client's specific situation. Investment Supervisory Services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment policy
- Asset selection
- Regular portfolio monitoring

CJPA evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. CJPA will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

#### *Financial Planning*

Financial plans and financial planning may include, but are not limited to: investment planning, life insurance; tax concerns; retirement planning; college planning; and debt/credit planning.

#### *Services Limited to Specific Types of Investments*

CJPA does not limit its investment advice and/or money management to specific types of investments or securities. CJPA may a variety of securities to help diversify a portfolio when applicable.

### **C. Client Tailored Services and Client Imposed Restrictions**

CJPA offers the same suite of services to all of its clients. However, specific client financial plans and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent CJPA from properly servicing the client account, or if the restrictions would require CJPA to deviate from its standard suite of services, CJPA reserves the right to end the relationship.

### **D. Wrap Fee Programs**

CJPA does not participate in any wrap fee programs.

### **E. Amounts Under Management**

CJPA has the following assets under management:

<b>Discretionary Amounts:</b>	<b>Non-discretionary Amounts:</b>	<b>Date Calculated:</b>
\$37,845,979	\$0.00	09/27/2010

## **Item 5: Fees and Compensation**

### **A. Fee Schedule**

#### ***Investment Supervisory Services Fees***

Depending on the size of the account and the estimated number of hours of supervision required, these services are based on an hourly fee of \$100. The final fee schedule will be attached in the Investment Advisory Contract. Fees are paid yearly or quarterly in advance and clients may terminate their contracts with thirty days written notice. All fees charged are non refundable. Clients may terminate their contracts without penalty, for full refund, within 5 business days of signing the advisory contract.

#### ***Financial Planning Fees***

##### ***HOURLY FEES***

The hourly fee for these services is \$100. The final fee schedule will be attached in the Financial Planning Agreement. Fees are paid in advance, but never more than six months in advance, with the remainder due upon presentation of the plan. All fees charged are non refundable. Clients may terminate their contracts without penalty within five business days of signing the advisory contract.

### **B. Payment of Fees**

#### ***Payment of Investment Supervisory Fees***

Advisory fees are paid via check or cash. Fees are paid yearly or quarterly in advance.

#### ***Payment of Financial Planning Fees***

Hourly Financial Planning fees are paid via check or credit card in advance, but never more than six months in advance. Fees that are charged are nonrefundable.

### **C. Clients Are Responsible For Third Party Fees**

Clients are responsible for the payment of all third party fees (i.e. custodian fees, mutual fund fees, transaction fee etc.). Those fees are separate and distinct from the fees and

expenses charged by CJPA. Please see Item 12 of this brochure regarding broker/custodian.

#### **D. Prepayment of Fees**

CJPA collects fees in advance. All fees that are collected in advance are nonrefundable.

#### **E. Outside Compensation For the Sale of Securities to Clients**

Neither CJPA nor its supervised persons accept any compensation for the sale of securities or other investment products, including asset-based sales charges or services fees from the sale of mutual funds.

### **Item 6: Performance-Based Fees and Side-By-Side Management**

CJPA does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

### **Item 7: Types of Clients**

CJPA generally provides investment advice to the following Types of Clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals

#### ***Minimum Account Size***

There is an account minimum, \$25,000, which may be waived by the investment advisor, based on the needs of the client and the complexity of the situation.

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

#### **A. Methods of Analysis and Investment Strategies**

CJPA's utilizes technical analysis for the primary method of investing.

*Technical analysis* involves the analysis of past market data; primarily price and volume.



**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### **B. Material Risks Involved**

CJPA uses Long Term and Short Term Purchases. CJPA utilizes investment strategies that are designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### **C. Risks of Specific Securities Utilized**

CJPA generally seeks investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international equity markets.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **Item 9: Disciplinary Information**

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of this advisory business or the integrity of our management.

## **Item 10: Other Financial Industry Activities and Affiliations**

### **A. Registration as a Broker/Dealer or Broker/Dealer Representative**

Neither CJPA nor its representatives are registered as a broker/dealer or as representatives of a broker/dealer.

### **B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor**

Neither CJPA nor its representatives are registered as a FCM, CPO, or CTA.

### **C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

Charles J. Piermani is a tax consultant. From time to time, he will offer clients advice or products from those activities. CJPB always acts in the best interest of the client.

### **D. Selection of Other Advisors or Managers and How This Adviser is Compensated for Those Selections**

CJPB does not utilize nor select other advisors or third party managers. All assets are managed by CJPB management.

## **Item 11: Code of Ethics, Participation in Transactions, Personal Trading**

### **A. Code of Ethics**

We have a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Clients may request a copy of our Code of Ethics from management.

### **B. Recommendations Involving Material Financial Interests**

CJPB does not recommend that clients buy or sell any security in which a related person to CJPB has a financial interest.

### **C. Investing Personal Money in the Same Securities as Clients**

From time to time, representatives of CJPB may buy or sell securities for themselves that they also recommend to clients. CJPB will always document any transactions that could be construed as conflicts of interest and will always transact client business before their own when similar securities are being bought or sold.

## **D. Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, representatives of CJPAs may buy or sell securities for themselves at or around the same time as clients. CJPAs will not trade non-mutual fund or non-ETF securities 5 days prior to or 5 days after trading the same security for clients.

## **Item 12: Brokerage Practices**

### **A. Factors Used to Select Custodians and/or Broker/Dealers**

The Custodian was chosen based on their relatively low transaction fees and access to mutual funds and ETFs. CJPAs will never charge a premium or commission on transactions, beyond the actual cost imposed by Custodian.

#### **1. *Research and Other Soft-Dollar Benefits***

CJPAs receive no research, product, or service other than execution from a broker-dealer or third-party in connection with client securities transactions ("soft dollar benefits").

#### **2. *Brokerage for Client Referrals***

CJPAs receive no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

#### **3. *Clients Directing Which Broker/Dealer/Custodian to Use***

CJPAs allow clients to direct brokerage. CJPAs may be unable to achieve most favorable execution of client transactions if clients choose to direct brokerage. This may cost clients money because without the ability to direct brokerage CJPAs may not be able to aggregate orders to reduce transactions costs resulting in higher brokerage commissions and less favorable prices.

### **B. Aggregating (Block) Trading for Multiple Client Accounts**

CJPAs maintain the ability to block trade purchases across accounts. While block trading may benefit clients by purchasing larger blocks in groups, we do not feel that the clients are at a disadvantage due to the best execution practices of our custodian.

## **Item 13: Reviews of Accounts**

### **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

Client accounts are reviewed monthly only by Charles J. Piermani, Managing Member. Charles J. Piermani is the chief advisor and is instructed to review clients' accounts with regards to their investment policies and risk tolerance levels. All accounts at IA are assigned to this reviewer.

### **B. Factors That Will Trigger a Non-Periodic Review of Client Accounts**

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

### **C. Content and Frequency of Regular Reports Provided to Clients**

Each client will receive a monthly written report detailing the clients account performance, which may come from the custodian.

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

### **A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)**

CJPA does not receive any economic benefit, directly or indirectly from any third party for advice rendered to CJPA clients.

### **B. Compensation to Non -Advisory Personnel for Client Referrals**

CJPA does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

## **Item 15: Custody**

CJPA does not take custody of client accounts at any time. Clients will receive account statements from the custodian and should carefully review those statements.

## **Item 16: Investment Discretion**

For those client accounts where CJPAC provides ongoing money management or investment advice with ongoing supervision, CJPAC maintains limited power of authority over client accounts with respect to securities to be bought and sold and amount of securities to be bought and sold. All buying and selling of securities is explained to clients in detail before an advisory relationship has commenced.

## **Item 17: Voting Client Securities (Proxy Voting)**

CJPAC will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

## **Item 18: Financial Information**

### **A. Balance Sheet**

CJPAC does not require nor solicit prepayment of more than \$1,200 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

### **B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients**

Neither CJPAC nor its management have any financial conditions that are likely to reasonably impair our ability to meet contractual commitments to clients.

### **C. Bankruptcy Petitions in Previous Ten Years**

Neither CJPAC nor its management have been the subject of a bankruptcy petition in the last ten years.