

**Item 1: Cover Page**

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**Tower View Investment Management & Research LLC**

**191 N. Broadway #705  
Milwaukee, WI 53202**

**1.414.791.6834  
www.tower-view.com  
raman@tower-view.com**

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

Our current registration does not imply a certain level of skill or training.

Additional information about Raman J. Ghei and Tower View is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 2: Material Changes**

There are no material changes to this ADV from our last annual filing.

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#### **Item 4: Advisory Business**

##### **A.) Description of Tower View Investment Management & Research LLC (“Tower View”)**

Tower View is based in Milwaukee, Wisconsin and has been in operation since 1999.

The assets of our clients are held with the Schwab Institutional Division of Charles Schwab & Co., Inc. We do not take possession of our clients’ assets, nor do we have any authority over them other than for investment purposes. We only invest in publicly traded securities.

Tower View was founded, and remains solely owned, by Raman J. Ghei, CFA. References to the *Managing Director* in this brochure refer to Raman J. Ghei. Raman has approximately twenty-five years experience managing investments.

##### **B.) Our Services**

We are fee-based investment advisors and not a brokerage firm. We are paid a fee each year, which varies on a client-by-client basis, depending upon the level of assets under management.

We do not possess custody over our clients’ assets. Clients must instead select a brokerage firm or other custodian to hold their investments.

We do not earn a commission on transactions and do not impose any sales charges or other fees upon our clients. We do not sell insurance, limited partnerships, or annuities.

We assist our clients, not only with their investments, but also with college and retirement expense planning to the extent that it drives the asset allocation decision.

We provide research services to other investment management firms.

We only invest in publicly traded securities.

We are not licensed financial planners and our services are limited to investments in stocks, bonds, and mutual funds.

##### **C.) Management of Client Accounts**

At Tower View, our primary objective is to fulfill the long-term investment goals of our clients in a prudent manner. To achieve these goals, we examine each client’s financial objectives and risk tolerances, and then structure a diversified portfolio for them. When selecting assets we also take into consideration to the economic environment and relative attractiveness of different securities. All investments in financial assets carry significant risk of volatility, and thus are subject to short-term and/or permanent loss of value and income.

Asset mixes are based upon client income needs and risk tolerances. Higher income needs and lower risk tolerances generally lead to higher weightings in fixed income holdings such as bonds.

We monitor all purchased securities both internally and with reliable external sources.

We manage investment portfolios on a strictly discretionary basis. Therefore, subject to the investment parameters of each portfolio, Tower View has the authority to determine, without obtaining client consent, both which and how many securities are to be purchased or sold in each account.

Clients may impose reasonable restrictions upon the management of their accounts at the discretion of Tower View to accept or reject these restrictions. Restrictions must be agreed to in advance and be in writing.

#### **D.) Wrap Fees**

We do not participate in Wrap Fee Programs, whereby management fees are combined with brokerage fees and rolled into one annual fee.

#### **E.) Assets Under Management**

As of the end of 2011, Tower View managed approximately \$63,500,000 in discretionary assets and \$0 in non-discretionary assets.

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

#### **A.) Management Fees**

##### **FEE SCHEDULE**

First \$500,000	1.25%
Next \$1,000,000	1.00%
Next \$3,500,000	0.75%
Additional Investments	0.50%

In some circumstances fees can be negotiable but will not exceed 1.25% of assets.

#### **B.) How Management Fee(s) are Paid**

Clients may choose to have their management fee(s) deducted from their account(s), or they may pay by check. Management fees are billed on a quarterly basis.

#### **C.) Other Fees**

Tower View does not charge any other fees. Clients will, however, incur brokerage fees on all transactions (see Section 12).

**D.) When Management Fee(s) are Paid**

Management fee(s) are paid in advance for each quarter. If the management agreement is cancelled during a quarter, unearned fees (pro-rata) will be refunded.

Clients may cancel their management agreement with us within the first five (5) business days of signing the contract without incurring any advisory fees for any reason, including, but not limited to, our failure to provide our firm's disclosure brochure at least 48 hours prior to signing the investment advisory contract.

**E.) Other Commissions**

We do not accept any sales charges or compensation for the sale of any securities or investment products. We do not bill any performance or other fees to our clients.

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

Tower View does not maintain any client relationships, nor is it seeking any, that are charged performance based fees or any other fees/charges other than those stated in our fee schedule (see Section 5).

**Item 7: Types of Clients**

We do not have any requirements or restrictions in terms of the size of the accounts we take under our management. Our clients consist of both individuals and families.

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

**A.) Types of Analysis**

Tower View's method of security analysis relies heavily on fundamental company, sector and industry reviews. We do not use technical analysis. Tower View reviews research and publications from around the world to identify the stocks, bonds, and mutual funds which, we believe, represent good long-term investments. Bonds are selected using the same methods used to select equities with a reliance on generally available ratings of credit quality. Individual stocks are selected upon review of absolute and relative price/earnings ratios, expected growth rates, competitive positions, research and development spending, management history, dividends and dividend growth, debt levels, returns on equity, and net profit margins.

**B.) Risks**

Investments with Tower View carry significant risk of volatility, and thus are subject to potential short-term and/or permanent loss of value and income.

**C.) Other Types of Risks**

All investments in financial assets carry risks including but not limited to: market risk, transaction costs, poor investment choices, and unexpected changes in one's personal circumstance requiring portfolio shifts at inopportune times.

**D.) Additional Risks**

We invest in foreign stocks and below investment grade bonds which carry additional currency, credit and liquidity risks.

**Item 9: Disciplinary Information**

We are not currently under investigation, nor ever have we sustained any legal or disciplinary action that would be material to an existing or prospective client's evaluation of our advisory business or the integrity of management. This includes, but is not limited to:

- A. A criminal or civil action such as a felony.
- B. An administrative proceeding before the SEC
- C. A self-regulatory organization.

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

Tower View does not maintain any formal referral relationships with any other professional practices, brokerage firms or investment advisors, nor any non-financial firm. We currently provide research services to another investment advisor; however, that relationship does not in any way interfere with the management of client portfolios because no general trading restrictions are placed on Tower View clients as a condition of this service relationship.

No one at Tower View has plans to become a broker dealer or commodity broker. Further, no one at Tower View has relations with any of the following entities which would create a potential conflict of interest other than that noted above:

1. Broker dealer, municipal securities dealer, or government securities dealer or broker
2. Investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company, or an offshore fund)
3. Other investment adviser or financial planner
4. Futures commission merchant, commodity pool operator, or commodity trading advisor
5. Banking or thrift institution
6. Accountant or accounting firm
7. Lawyer or law firm
8. Insurance company or agency
9. Pension consultant

- 10. Real estate broker or dealer
- 11. Sponsor or syndicator of limited partnerships

We do not recommend, nor select, outside advisors for our clients other than those included in our business continuity planning.

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

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

We use an internal Code of Ethics which, in general terms, forbids any practices which are either illegal or against the best interest of our clients. We will provide a copy of our Code of Ethics to any existing or prospective client upon request.

#### **B.) Personal Trading & Related Potential Conflicts of Interest**

Tower View employees may purchase or sell the securities recommended to our clients within the confines of the firm's personal trading restrictions and procedures. Tower View's employees routinely invest in the same securities recommended to their clients in an effort to ensure the employees and clients share a vested interest in the security's performance. However, employees are forbidden from managing their own accounts and must designate Tower View as the investment adviser with discretionary authority over their account's trading activity. All stocks purchased for clients are held in the investment portfolio of certain employees, including the Managing Director and his immediate family. In general, while client transactions are often placed simultaneously with employee personal trades, the former may be placed ahead of the latter if the Managing Director believes a client may be negatively impacted by the employee transaction(s).

Employees may also participate in client block trades - obtaining the same average stock price as the firm's clients - so long as the Managing Director determines that the client is not likely to be harmed by the employee's participation in the block trade.

From time to time, the Managing Director may purchase a position within a security prior to investing client accounts in that security with the sole objective of evaluating that security's attractiveness before investing in it on behalf of clients. Personal trades are only placed ahead of client transactions when Tower View deems its clients will not be materially harmed by such personal trading activity.

Tower View maintains a Code of Ethics and Personal Trading Policy (The Code) which governs personal trading by Tower View employees. The Code, among other items, requires employees to adhere to ethical standards established by the firm, and requires all employees and their immediate families to provide the Managing Director/Chief Compliance Officer with reports of personal security holdings and transactions.

## **Item 12: Brokerage Practice**

### **1. Research & Soft Dollar Benefits**

Tower View does not maintain, nor intend to start, any soft-dollar arrangements, whereby we would receive services in exchange for directing brokerage commissions.

Tower View recommends that clients establish brokerage accounts with the Schwab Institutional Division of Charles Schwab & Co., Inc. (Schwab) to maintain custody of clients' assets and to settle trades for their accounts. However, Tower View could recommend its clients utilize other qualified broker/dealers in an effort to obtain access to other securities not available through Schwab. Although Tower View commonly recommends its clients establish accounts at Schwab, it is ultimately the client's decision to custody assets with them. Tower View is independently owned and operated, and thus not affiliated with Schwab.

Schwab provides Tower View with access to its institutional trading and custody services which typically are not available to Schwab retail investors. These services are not contingent upon Tower View committing any specific amount of business with Schwab (i.e. assets in custody or trading commissions). Schwab's brokerage services include the execution of security transactions, custody, research, and access to mutual funds and other investments that are otherwise typically only available to institutional investors with a significantly higher minimum initial investment.

For Tower View client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are initially executed through Schwab or that settle into Schwab accounts.

It has been our experience that brokerage commissions paid by the typical account range anywhere from 0.1% to 1.0% of assets per year. However, these commissions may be higher or lower in the future. We have negotiated with Schwab a lower commission on international trades and mutual fund trades and are continually looking for ways to reduce our clients' brokerage expenses.

### **2. Use of Commissions to Gain Clients**

We do not direct any brokerage commissions in exchange for client referrals, nor do we request or require that clients direct us to execute transactions through a specified broker-dealer since directing brokerage may be of a greater cost to our clients.

### **3. Directing Your Trades To Brokers of Your Choice**

Clients are permitted to select a custodian other than Schwab to execute their trades. In making such an instruction, the client may forego any savings on execution costs that Tower View could obtain for other clients, such as cost savings from negotiating volume discounts on bunched orders. Clients who use different brokers may also receive a different a transaction price or commission rate. Tower View currently does not have any clients who direct trades to a specific broker-dealer.



#### **4. Trading Practices**

When practical, client trades in the same security will be bunched in a single order (block) in an effort to obtain the best security price available. If the block order is not filled by day-end (to-date this has never happened), Tower View will allocate shares executed to underlying accounts on a pro-rata basis subject to client trading costs; i.e. we are likely to sell the entire position in smaller accounts and partial positions in larger accounts. It is expected that this trade aggregation and allocation policy will be applied consistently. However, Tower View may deviate from this policy if the application of such results in an unfair or inequitable treatment to some or all of Tower View's clients.

Investment opportunities in IPOs are generally made available to clients that are both eligible to participate and deemed to be appropriate. Investments in Initial Public Offerings (IPOs) are generally treated in the same manner as any other security. The Managing Director is responsible for making these determinations. To date, Tower View has not participated in any initial public offerings during its tenure as an investment advisor.

#### **Item 13: Review of Accounts**

In general, investments in client accounts are reviewed on a daily basis by Tower View's Managing Director with respect to economic conditions, capital markets, recent economic and market developments, security positions, and client objectives. Each individual asset is also continuously monitored using various databases and research sources.

The Managing Director typically reviews each client's account at least twice per month to monitor asset allocation and position sizes, while cash levels are reviewed at least once per week.

Clients receive both Monthly Brokerage Statements from their custodian, as well as Quarterly Statements from Tower View. Quarterly Tower View statements include the client's billing statement(s) and a letter discussing strategy. Every six months, a Performance Summary is also included. Clients may request that we email them Monthly Tower View Statements as well. Clients may also elect to have the statements from their custodian sent to them electronically via email, resulting in a discounted brokerage commission from their custodian. These clients may request Tower View also obtain an electronic copy of their brokerage statement so we can print it out and mail it to them for their paper records. Further, clients are also sent an Annual Management Fee Report and Privacy Policy. Clients are encouraged to review all correspondence for errors and omissions.

The typical client should expect the following upon opening an account with Tower View: All their current holdings - unless there are significant tax issues to contend with - will be sold and replaced with securities that are part of the Tower View model portfolio. Depending upon the account size and client objectives, these purchases will either be made in one large program or gradually over time. These sales and purchases will not be part of block trades. Following the initial repositioning of the account, future buys and sells are more likely to be part of block

trades as investments are added to and/or subtracted from the model portfolio. It is our experience that this initial repositioning can incur brokerage commissions in the range of 0.25% of assets depending upon the account size and complexity.

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

We do not pay any compensation to outside sources for referrals, nor do we currently have any solicitation agreements in place.

#### **Item 15: Custody**

All clients receive account statements from their broker-dealer, bank, or other qualified custodian. Clients also receive account statements from Tower View which include an excerpt urging them to compare the account statements they receive from the qualified custodian with those they receive from us.

Tower View does not have the ability to withdraw funds from client accounts for personal use, nor do we have access to client funds other than strictly for trading purposes and the payment of management fees as authorized by the client.

Tower View can assist clients in implementing Standing Letters of Authorization which enable Schwab to transfer funds to the client's bank, or issue checks to be sent to the client's address of record. Such letters are directions between the client and the client's custodian. Any role played by Tower View is purely administrative in nature and often entails making sure the client's directions are properly carried out.

#### **Item 16: Investment Discretion**

Tower View manages investment portfolios on a strictly discretionary basis. Therefore, subject to the investment parameters of each portfolio, Tower View has discretionary authority to determine, without obtaining specific client consent, both which and how many securities are to be purchased or sold in each account.

Clients are able to impose reasonable limitations on this discretion - such as the retention of certain securities - but these limitations must be put into writing. As part of our discretionary authority, clients sign a Limited Power of Attorney with Schwab granting Tower View trading and fee paying authorization. A Tower View Management Agreement and Client Profile are also signed by our clients highlighting investment restrictions and parameters.

**Item 17: Voting Client Securities**

Tower View does not vote proxies on behalf of its clients. Rather, all proxy materials are sent directly to clients who are then personally responsible for voting proxies. Upon client request, Tower View will provide information to clients to assist them in making a determination of how to vote a specific proxy. The final decision of how to vote a proxy rests with the client.

Further, as a matter of policy, Tower View generally does not elect to participate in class action lawsuits on behalf of its clients. Rather, such decisions are the responsibility of the client or an entity designated by the client. Upon client request, Tower View will only assist the client in determining whether they should pursue a particular class action lawsuit by aiding in the development of an applicable cost-benefit analysis. We do not, however, provide legal advice.

**Item 18: Financial Information**

Tower View does not require payment of any fees more than three months in advance, and currently does not have any material concerns related to its financial condition.

**Item 19: Requirements for State-Registered Advisers**

A.) The sole owner and person with authority to make investment decisions and changes in client portfolios (a special security key password is required to access all trading and client requests to move money applications and only the Managing Director holds this security key) at Tower View is the Managing Director Raman J. Ghei. He was born in 1964, graduated from the University of Wisconsin-Madison in 1985, began work in the financial industry in 1986, earned a Chartered Financial Analyst designation in 1990, and his background is as follows:

- Chartered Financial Analyst (CFA) since 1990
- Twenty five years of investment experience
- Founder & Owner of Tower View Investment Management since 1999

For the seven years prior to founding Tower View, Raman was the Senior Portfolio Manager/Director of Research/Partner at Concord Investment Company in Chicago. His responsibilities included equity research, company organization, portfolio management and writing economic and market research reports.

Before working at Concord, Raman spent the prior six years as both an Investment Officer at First Wisconsin Trust Company in Milwaukee and as Director of Research for the Feldman Investment Group in Chicago.

- B. Neither the Managing Director nor Tower View is actively engaged in any other business.
- C. Neither Raman nor other members of Tower View receive any commissions or income from the sale of any mutual funds or other securities. We do not have any client relationships with performance fees.
- D. No one at our firm has been found liable of any of the following:
1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
    - (a) an investment or an investment-related business or activity;
    - (b) fraud, false statement(s), or omissions;
    - (c) theft, embezzlement, or other wrongful taking of property;
    - (d) bribery, forgery, counterfeiting, or extortion; or
    - (e) dishonest, unfair, or unethical practices.
  2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
    - (a) an investment or an investment-related business or activity;
    - (b) fraud, false statement(s), or omissions;
    - (c) theft, embezzlement, or other wrongful taking of property;
    - (d) bribery, forgery, counterfeiting, or extortion; or
    - (e) dishonest, unfair, or unethical practices.
- E. Neither Raman nor any other members of Tower View have any relationships with any issuers of securities.