

# **BOSSHARD INVESTMENT MANAGEMENT CO., LLC**

## **CLIENT BROCHURE**

*This brochure provides information about the qualifications and business practices of Bosshard Investment Management Co., LLC. If you have any questions about the contents of this brochure, please contact us at (330)666-6886 or via email directly to our office administrator at [laura.deluca@valmarksecurities.com](mailto:laura.deluca@valmarksecurities.com).*

*The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC").*

*Additional information about Bosshard Investment Management Co., LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).*

*Bosshard Investment Management Co., LLC's SEC number is: 801-65231*

*The firm's CRD number is: 138851*

**130 Springside Drive  
Suite 210  
Akron, OH  
44333  
(330) 666-6886  
[mitch.deane@valmarksecurities.com](mailto:mitch.deane@valmarksecurities.com)**

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

Version Date 6/27/2012

## ITEM 2: MATERIAL CHANGES

On July 28, 2010, the United State Securities and Exchange Commission published "Amendments to Form ADV" which amends the disclosure document that we provide to clients as required by SEC Rules. This Brochure dated 6/27/12 is a new document prepared according to the SEC's new requirements and rules.

This year, the only material changes resulted from Bosshard Investment Management Co., LLC's ("*BIMCO*") switching from registration with the SEC to the State of Ohio, and the addition of T. Mitchell Deane as the firm's Chief Compliance Officer.

In the future, this Item will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes. We will also reference the date of our last annual update of our brochure.

In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will further offer to provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested anytime by contacting your personal investment advisor representative or by contacting BIMCO at 330-666-6886.

Additional information about BIMCO is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with BIMCO who are registered, or are required to be registered, as investment adviser representatives of BIMCO.

## ITEM 3: TABLE OF CONTENTS

<b>Cover Page</b>	<b>1</b>
<b>Item 2: Material Changes</b>	<b>2</b>
<b>Item 3: Table of Contents</b>	<b>3</b>
<b>Item 4: Advisory Business</b>	<b>7</b>
A. Description of the Advisory Firm	7
B. Types of Advisory Services	7
1. Investment Management Services	8
2. Selection of Independent Managers	10
3. Consultation Services	11
C. Client Tailored Services and Client Imposed Restrictions	12
D. Wrap Fee Program	13
E. Amounts Under Management	14
<b>Item 5: Fees, Compensation and Termination of Services</b>	<b>14</b>
A. Fee Schedules	14
1. Investment Management Services	14
2. Selection of Independent Managers	15
3. Consultation Services	15
B. Payment of Fees	16
1. Investment Management Services	16
2. Selection of Independent Managers	17
3. Consultation Services	17
C. Clients Are Responsible For Third Party Fees	17
D. Prepayment of Fees	18
E. Outside Compensation For the Sale of Securities to Clients	18
<b>Item 6: Performance-Based Fees &amp; Side-By-Side Management</b>	<b>18</b>

**ITEM 3: TABLE OF CONTENTS**  
*(Continued)*

<b>Item 7: Types of Clients and Minimum Account Size</b>	<b>19</b>
<b>Item 8: Methods of Analysis, Investment Strategies, and Risk of Investment Loss</b>	<b>19</b>
A. Methods of Analysis and Investment Strategies	19
1. Fundamental Analysis	21
2. Other	22
B. Material Risks Involved	24
C. Risks of Specific Securities Utilized	24
<b>Item 9: Disciplinary Information</b>	<b>25</b>
<b>Item 10: Other Financial Industry Activities and Affiliations</b>	<b>26</b>
A. Registration as a Broker/Dealer ("BD") or BD Representative	26
B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Adviser	26
C. Relationships Material to this Advisory Business and Possible Conflicts of Interests / Other Business Activities	26
D. Selection of Other Advisors or Managers and Compensation	27
<b>Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading</b>	<b>28</b>
A. Code of Ethics	28
B. Recommendations Involving Material Financial Interests	30
C. Investing Personal Money in the Same Securities as Clients	30
D. Trading Securities At/Around the Same Time as Clients' Securities	31
<b>Item 12: Brokerage Practices</b>	<b>32</b>
A. Factors Used to Select Custodians and/or Broker/Dealers	32
1. Research and Other Soft-Dollar Benefits	35

**ITEM 3: TABLE OF CONTENTS**  
***(Continued)***

2. Brokerage for Client Referrals	36
3. Clients Directing Which Broker/Dealer/Custodian to Use	36
B. Aggregating (Block) Trading for Multiple Client Accounts	37
<b>Item 13: Reviews of Accounts</b>	<b>38</b>
A. Frequency and Nature of Periodic Reviews	38
B. Reviewers	39
C. Factors That Will Trigger a Non-Periodic Account Reviews	39
D. Content and Frequency of Regular Reports to Clients	39
<b>Item 14: Client Referrals and Other Compensation</b>	<b>40</b>
A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Sales Awards or Other Benefits)	40
B. Compensation to Non-Advisory Personnel for Client Referrals	40
<b>Item 15: Custody</b>	<b>41</b>
<b>Item 16: Investment Discretion</b>	<b>41</b>
<b>Item 17: Voting Client Securities (Proxy Voting)</b>	<b>42</b>
<b>Item 18: Financial Information</b>	<b>42</b>
A. Balance Sheet	42
B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients	42
C. Bankruptcy Petitions in Previous Ten Years	42
<b>Item 19: Requirements for State-Registered Advisers</b>	<b>42</b>

## ITEM 4: ADVISORY BUSINESS

### A. DESCRIPTION OF THE ADVISORY FIRM.

Bosshard Investment Management Co., LLC, ("*BIMCO*", or "*Adviser*"), has been a Registered Investment Adviser since 2006. Since that time, BIMCO has maintained its registration with the United States Securities and Exchange Commission and its notice filing in Ohio. The Adviser may provide services to residents of other states under each state's registration exemptions, if applicable. Alternatively, the Adviser will notice file in other states when deemed necessary.

BIMCO is an independently owned fee-only advisory practice founded by Otto Bosshard, its President. Mr. Bosshard is 100% owner of the Adviser. Prior to 2006, Otto Bosshard worked in various capacities in the financial services industry and this experience dates back to 1976.

BIMCO is headquartered and maintains its sole office in Akron, OH.

The Adviser has no affiliated entities.

In 2011, Otto Bosshard entered into a contractual agreement with ValMark Advisors Inc. whereby ValMark Adviser's will purchase BIMCO in the event Mr. Bosshard decides to retire or is no longer able to provide services to clients. When that the time comes, clients will be promptly notified of the upcoming change and will be welcome to continue services, if desired under the firm's new ownership.

### B. TYPES OF ADVISORY SERVICES

Bosshard Investment Management Co., LLC ("*Bosshard Investment Management*", "*BIMCO*" or "*Adviser*") offers professional *fee-based* investment advisory services. The term "fee-based" means that BIMCO is compensated only in the form of investment advisory fees paid by clients. Depending upon the nature of services desired, the Adviser offers its services on a fee basis which may include fixed fees as well as fees based upon assets under management.

While not the primary focus of their business, Advisory Representatives of the Adviser are also Registered Representatives of an unaffiliated broker/dealer firm. Advisory Representatives may offer securities brokerage services under a commission arrangement.

Advisory Representatives are also dually registered with an unaffiliated investment advisory firm. In this capacity, Advisory Representatives may offer other investment management programs that may be of interest to clients.

BIMCO is not a broker/dealer or a custodial firm. Therefore BIMCO does not execute securities transactions or custody assets. Any transactions in securities will be executed by an unaffiliated custodial firm of clients' choosing.

## Advisory Business

(continued)

BIMCO's services are primarily provided to individuals; high net worth individuals, pension and profit sharing plans; trusts, estates and charitable organizations; corporations or other business entities; and occasionally to associations or groups. This ADV 2A Brochure provides disclosure relating to the Adviser's services, fees, and other material information. Please read it carefully and if questions should arise, please contact Mitchell Deane, Chief Compliance Officer of BIMCO.

Bosshard Investment Management Co. offers **Investment Management Services** that provide for ongoing and continuous advice and services. The Adviser also offers Services related to the **Selection of Independent Managers** and **Consultation Services** on a limited basis.

BIMCO is committed to helping its clients build, manage, and preserve their wealth, and to provide assistance in helping clients to achieve their stated financial goals. BIMCO may offer a complimentary initial consultation to discuss services available, to give a prospective client the opportunity to review services desired, and to determine the possibility of a potential Client-Adviser relationship. Services begin only after the client and Adviser formalize the relationship with a properly executed Client Agreement.

After the formal engagement, the Adviser and client will share in a data gathering and discovery process in an effort to determine the client's needs, goals, intentions, time horizons, risk tolerance and investment objectives, based upon information provided by the client and the nature of services requested. The client and Adviser may complete an investment policy statement or similar document.

**1. Investment Management Services** are ongoing in nature and provide for ongoing and continuous advice and services. In the delivery of initial and ongoing services, the Adviser will include a review of the overall aspects of a client's current financial situation and consider both long and short-term objectives, or as directed by the client. The Adviser can also tailor services to focus only on certain portfolio components, depending upon the client's wishes and/or the nature of the engagement.

BIMCO welcomes the opportunity to provide individualized services. However, where investment management services or information are limited, clients must understand that comprehensive investment needs and or objectives may not be fully considered due to the client's option not to receive limited services, the lack of information received, and/or client disclosure.

After an analysis and data-gathering process and depending upon the nature of services desired, BIMCO may prepare reviews, analysis, asset allocation recommendations, and may recommend specific investments.

While BIMCO will typically recommend investments in exchange traded funds, it may assist the client with other investments such as: Mutual funds, individual securities, and other investments as listed on Item 3 of Form ADV Part 2A. Depending on the

## **Advisory Business**

*(continued)*

needs of a client, the Adviser may evaluate or offer advice on U.S. Government securities, tax-exempt municipal bonds, and other fixed-income securities. The Adviser will construct a diversified portfolio of investments that are within its realm of expertise. Additionally, if requested and based upon information provided by the client, BIMCO can prepare an evaluation of existing portfolio investments and provide recommendations for other investments as deemed appropriate.

The Adviser may agree to provide general consultation regarding any other investment product that may be held by the client at the start of the advisory relationship but will not manage these investments unless specifically noted in the Client Agreement (Addendum or Exhibit). The Adviser normally recommends or offers advice on the investments noted in the preceding paragraph. In some cases, services will be limited to Consultation only, to provide a review of the offering document for the appropriateness of the investment, and may not provide ongoing investment management services (such as is the case for partnerships, hedge funds, lease investments, etc).

Services and investment recommendations in connection to assets invested in a corporate retirement plans are limited to those offered within the plan and via the plan's contracted service providers.

Where an existing portfolio has been designed by the client or another party, BIMCO can provide recommendations for ongoing management; re-design, adjustments or re-balancing.

Clients engaging investment advisory services must play an active role. The Adviser requires the client to participate in the formation of the investment plan, investment advice and recommendations.

After an analysis and data-gathering process and depending upon the nature of services desired, BIMCO may prepare reviews, analysis, asset allocation recommendations, and may recommend specific investments. The Adviser's asset allocation services and rebalancing services are provided to clients invested in exchange traded funds and other assets, as outlined in the designed investment strategies.

The ongoing Investment Management Services provided are based upon unique individual needs as stated by the client. BIMCO will allocate the client's assets among various investments, taking into consideration the overall management style selected by the client. The Adviser may utilize its own pre-designed model for the portfolio or custom design one specifically. However, in every case clients receive individualized advice.

Once the managed portfolio has been implemented or transferred for services, BIMCO can provide continuous monitoring, recommendations and investment advice as outlined in the engagement for services. The ongoing Investment Management Services are based upon the investment strategy or policy agreed upon between



## Advisory Business

(continued)

BIMCO and the client. As described in this Brochure, clients can delegate limited discretionary authority to the Adviser, if desired. In providing ongoing Investment Management Services, the Adviser will manage investor funds in accordance with an investment strategy selected by the client and the Adviser will remain available for ongoing advice and recommendations. BIMCO will monitor the portfolio in accordance with the directives provided or no less than quarterly. The Adviser's Investment Management Services are continuous in nature and therefore are ongoing until terminated by either party.

Ongoing services require that clients maintain contact with BIMCO. While frequent contact is desired, Clients should meet with BIMCO no less than annually (either telephonically or in person). However, clients are obligated to promptly notify the Adviser of any changes in the client's personal situation, lifestyle situation, needs, and financial condition that may alter the client's goals and objectives and to provide the Adviser with the opportunity to review investment strategies to help ensure that investment strategies continued to be structured appropriately, based upon what we know about our clients. Clients may call the office at any time during normal business hours to discuss the client's portfolio, financial situation or investment needs directly with the client's Advisory Representative.

Certain clients may desire to place or keep certain assets within their account(s) that are selected by client and are not the subject of investment advice by Adviser. These are "self-directed" assets. The Adviser will have no responsibility to manage any "self-directed" assets in client accounts and the Adviser accepts no liability to those clients in connection with any loss relating to the "self-directed" assets. In such cases, the Adviser has/will not pass on the suitability of self-directed assets. Should the Adviser ever assist clients with self-directed implementation it may do so only as a value-added service at the client's request. The Adviser will therefore not manage this facet of the client's portfolio unless specifically agreed in writing.

**2. Selection of Other Advisers.** BIMCO may recommend that certain clients authorize the active discretionary management of all or a portion of their assets by independent investment manager(s) either directly or through a wrap fee program ("*Independent Manager(s)*"), based upon the stated investment objectives of the client. The terms and conditions under which the client shall engage the Independent Manager(s) shall be set forth in separate written agreements between (1) the client and the Adviser and (2) the client and the designated Independent Manager(s) and/or wrap fee program sponsor. BIMCO shall continue to render advisory services to the client relative to the ongoing monitoring of investment except where services are provided by Advisory Representatives in their capacity as Advisory Representatives with ValMark Advisers. In such cases, these services will be provided via a separate agreement between the Client and ValMark Advisers.

Factors that BIMCO will generally consider in recommending Independent Manager(s) include the client's stated investment objective(s), the Manager's style of management, performance, reputation, financial strength, reporting, pricing, and research. BIMCO is limited to utilizing only service providers approved for use by

## **Advisory Business**

*(continued)*

BIMCO's unaffiliated supervising broker/dealer and investment advisory firm.

The Investment Management fees charged by the designated Independent Manager(s), together with the fees charged by a wrap fee program sponsor and corresponding designated broker-dealer/custodian of the client's assets, may be exclusive of, and in addition to, BIMCO's Investment Management fee set forth herein.

BIMCO may refer clients with portfolios of \$1 million or less to ValMark's Investment Management Wrap program, The Optimized Portfolio System ("TOPS™"). ValMark Adviser's is the sponsor of TOPS™.

TOPS™ is a goal-based asset allocation program, which seeks to provide a return that is commensurate with the risk associated with their models. The portfolios of TOPS™ invest, primarily, in Exchange-Traded Funds (hereinafter, referred to as "ETFs").

When ETFs are not available for a particular asset category, closed-end mutual funds will be chosen.

Clients are welcome but are never obligated to utilize TOPS™. Should clients participate in this program, Advisory Representatives receive normal investment management fees from ValMark Adviser's as outlined in the ValMark Adviser's ADV Part 2A Brochure and as discussed in the Wrap Fee Brochure data.

In addition to BIMCO's ADV Part 2A and applicable 2B brochures, clients can also expect to receive the written disclosure statements of the designated Independent Manager(s) and wrap fee program sponsor (if applicable) as required by securities rules and regulations.

Certain Independent Manager(s) may impose more restrictive account requirements and varying billing practices than the Adviser. In such instances, the Adviser may alter its corresponding account requirements and/or billing practices to accommodate those of the Independent Manager(s) or wrap fee program sponsor.

The selected Independent Manager is responsible for portfolio management, portfolio reporting services, best execution review, quarterly reporting, trade error resolution, custodial reconciliations, and implementation of trades within their respective programs. Certain Independent Managers require minimum portfolio conditions as outlined in each Manager's disclosure materials.

**3. Consultation Services** are dependent upon the nature and scope of services to be provided. Consulting Services are mainly provided to companies whereby the Adviser may provide consulting services to the company's investment committees. Consultation Services are available on a fixed fee basis.

The Adviser can provide analysis and consultation relating to comprehensive areas of interest or need, or the Adviser's services may be focused on certain financial or investment considerations at the request of the client. Where services are limited in

**Advisory Business**  
(continued)

scope, the client must understand that the Adviser cannot take the client's total financial issues and concerns into consideration due to the limited nature of services.

The services to be provided and the fee arrangement will be based upon the circumstances and needs of the client as presented to the Adviser. When providing plan-related services, the advice and recommendations are limited to plan offerings.

The Adviser may follow a course of discovery (data-gathering), analysis and recommendations, pertaining to one or more of the following considerations or needs as identified by the client. BIMCO gathers information as provided by the client through personal interviews in order to address the requested services. BIMCO may suggest the client work closely with the client's attorney, accountant, investment committee, insurance agent, third-party consultants selected by the client, and the client's custodian. Implementation of any advice or recommendations, in whole or in part, is entirely at the client's discretion via the service provider of the client's choice. The Adviser will not have any form of limited discretion to execute transactions.

BIMCO does not provide Financial Planning Services.

**C. CLIENT TAILORED SERVICES AND CLIENT IMPOSED RESTRICTIONS**

BIMCO recognizes that each client is unique and therefore the Adviser focuses on providing individualized services. The Adviser can tailor services to focus only on certain portfolio components, depending upon the client's wishes and/or the nature of the engagement. However, where client services or information are limited, clients must understand that comprehensive financial and/or investment needs and objectives may not be fully considered due to the client's option to receive limited services, the lack of information received, and/or client disclosure.

The Adviser and client will share in a data gathering and discovery process in an effort to determine the client's stated needs, goals, intentions, time horizons, risk tolerance and investment objectives, based upon information provided by the client and depending upon the nature of services requested. The client and Adviser may complete a risk assessment, investment policy statement or similar document, depending upon the nature of services to be provided.

Clients are welcome to set parameters on the Adviser's limited discretionary authority in writing as to types of investments and amounts purchased or sold. Clients may also impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs and these directives will be set forth in writing in the client's Investment Policy Statement or similar document.

Where clients retain authority to implement recommendations, they are welcome to do so in whole or in part via the financial services provider(s) of their choice.

Clients may make additions to and withdrawals from their account at any time.

## **Advisory Business**

*(continued)*

Additions may be in cash or securities provided that the Adviser reserves the right to liquidate any transferred securities, or decline to accept particular securities into a client's account. The Adviser may consult with its clients about the options and ramifications of transferring securities when provided pre-notification of the client's intentions. In such cases, clients are advised that when transferred securities are liquidated, they are subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications.

Clients may withdraw account assets on notice to the Adviser, subject to the usual and customary securities settlement procedures. The Adviser reserve the right to terminate services based upon withdrawals since BIMCO normally designs its portfolios as long-term investments and assets withdrawals may impair the achievement of a client's investment objectives.

Clients may choose to make self-directed securities transactions which are investments that are not reviewed and/or not recommended by the Adviser. In such cases, the Adviser has not passed on the suitability of said investments and while the Adviser may assist with client-directed implementation as a value-added service at the client's request, the Adviser will not manage these types of investments unless agreed in writing.

### **D. WRAP FEE PROGRAMS**

BIMCO does not sponsor or manage a wrap fee program. As previously disclosed in Item 4.B(2), BIMCO may recommend other investment programs, including wrap fee programs offered by affiliated and unaffiliated Independent Managers, to certain clients. This may be the case when the Adviser determines that the program offering(s) may be of interest to the client and may help the client reach stated goals and objectives.

As disclosed in Item 4.B(2), BIMCO may refer clients with portfolios of \$1 million or less to ValMark's Investment Management Wrap program, The Optimized Portfolio System ("TOPS™"). ValMark Adviser's is the sponsor of TOPS™.

TOPS™ is a goal-based asset allocation program, which seeks to provide a return that is commensurate with the risk associated with their models. The portfolios of TOPS™ invest, primarily, in Exchange-Traded Funds (hereinafter, referred to as "ETFs"). When ETFs are not available for a particular asset category, closed-end mutual funds will be chosen.

Clients are welcome but are never obligated to utilize TOPS™. Should clients participate in this program, Advisory Representatives receive normal investment management fees from ValMark Adviser's as outlined in the ValMark Adviser's ADV Part 2A Brochure and as discussed in the Wrap Fee Brochure data.

Clients are welcome but are never obligated to use any service provider the Adviser may recommend. As discussed herein, the client may incur additional fees than those charged by the Adviser, the designated Independent Manager(s), wrap fee program sponsor (if applicable), and corresponding broker-dealer and custodian.

**Advisory Business**  
(continued)

These fees are disclosed in the program's written disclosure documents.

**E. AMOUNTS OF ASSETS UNDER MANAGEMENT**

BIMCO's fiscal year end assets under management as reported in the Adviser's 2011 ADV Part IA fiscal year end filing are: \$61.7 million.

**ITEM 5: FEES, COMPENSATION  
AND TERMINATION OF SERVICES**

**A. FEE SCHEDULES**

BIMCO is only compensated for advisory services in the following manner: A percentage of assets under management or fixed fees (which are dependent upon the nature and scope of a Consultation Services engagement).

1. Advisory fees for **Investment Management Services**. Advisory fees for Investment Management Services are agreed upon at the time of engagement and range between .50% and 1% annually.

The Adviser's fees are charged quarterly or semi-annually in arrears and based upon the market value of the portfolio, set forth by the client's custodian, as of the last market day of the relevant calendar month. The timing of the billing will be agreed upon at engagement. Where services are initiated at any time other than the beginning of a calendar quarter, advisory fees will be pro-rated.

In the rare case where there is an absence of a portfolio value (via the custodial firm), the Adviser will utilize at least one independent third party to assess the value of the particular holding.

The Adviser reserves the right to modify fees (higher or lower) at the time of engagement, depending upon the nature of the engagement, complexity of services, time to be incurred, for pre-existing relationships, or other special situations and at the Adviser's discretion. The Adviser reserves the right to re-evaluate fees at anytime through the engagement and where fees are scheduled to increase due to changes in services, complexities, additional consultation needs, or other reasons, the Adviser will provide 30 days notice to the client. Clients are welcome to terminate services at any time. The Adviser may also agree to waive fees (all or for a specified time period) for family members, certain pre-existing relationships, charitable organizations, or religious foundations.

In the event the client should request additional services outside the scope of the Investment Management Agreement, the Adviser's fixed rate project services may apply. The Adviser would notify the client when additional fees will apply, before

**FEES, COMPENSATION AND  
TERMINATION OF SERVICES**  
(continued)

engaging in additional efforts.

A client may terminate any advisory agreement for Investment Management services without penalty (full refund or no fees due) within 5 business days of signing the Agreement if the Adviser's ADV Part 2A was not delivered prior to engagement. Alternatively, Management Services are ongoing until the client receives notice of termination or renewal. Either party may terminate the agreement by providing written notice. The Adviser will issue an invoice for partial services if services are terminated prior to the end of a billing period.

**2. Selection of Independent Managers.** Fees associated with the unaffiliated Independent Managers are based upon the assets under management within the Independent Manager's investment or wrap fee program. The investment management fees charged by the designated *Independent Manager(s)*, together with the fees charged by the wrap fee program sponsor and corresponding designated broker-dealer/custodian of the client's assets, may be exclusive of, and in addition to, the Adviser's investment advisory fee set forth above. Clients incur additional fees than those charged by the Adviser, the designated *Independent Manager(s)*, wrap fee program sponsor (if applicable), and corresponding broker-dealer and custodian.

BIMCO shall continue to render advisory services to the client relative to the ongoing monitoring and review of account performance for which the Adviser shall receive an annual advisory fee which is based upon a percentage of the market value of the assets being managed by the designated Independent Manager(s). The market value of the portfolio is determined by the custodial firm holding the assets. The Adviser's fee shall be invoiced quarterly in advance or arrears as coordinated through the Client's selected Independent Manager. The Adviser's fee for its services may therefore be: a) deducted via the qualified custodian and paid directly to the Adviser; or b) shall be paid to the Adviser by the Independent Manager after the Independent Manager deducts its portion of management fees.

For clients utilizing the TOPS™ program available through ValMark Advisors, the Advisory Representatives are acting in the capacity of Advisory Representatives of Valmark. In such cases, BIMCO does not invoice investment management fees. Advisory Representatives receive normal investment management fees from ValMark Adviser's as outlined in the ValMark Adviser's ADV Part 2A Brochure and as discussed in the Wrap Fee Brochure data.

Either party may terminate the agreement for Investment Management Services associated with the investments within these management programs by written notice to the other(s) as outlined in the program's client agreement.

**3. Fees for Consultation Services** are determined at the time of engagement based upon the time and effort required and/or the nature and complexity of services.

## **FEES, COMPENSATION AND TERMINATION OF SERVICES**

*(continued)*

The Adviser's Consultation Services are invoiced on a fixed project rate ranging from \$500 per meeting and/or \$10,000 or more for annual engagements. The hourly and project fees will be agreed upon at the time of engagement and the project fee may be modified depending upon the nature and complexity of services to be provided. BIMCO may request a retainer of ½ of the project fee, and in such cases, the project balance is due upon the conclusion of services.

Any long-term retainer engagements will be invoiced quarterly or semi-annually in arrears. Therefore the Adviser does not have constructive custody issues that arise when an Adviser accepts fees in excess of \$1200 and for services six months or more in advance.

In the event the client's financial or investment condition should change during the course of the engagement, such that new analysis and advice are needed, there may be additional hourly fees. In each case, the client would be advised if additional fees will apply.

Consultation Services can be terminated within 5 business days of engagement if the ADV Part 2A is not delivered prior to engagement. Alternatively, services can be terminated upon receipt of written notice. The Adviser will promptly return a refund for any prepaid but unused project retainer or will prepare an invoice for services and time incurred up until the effective date of termination. Otherwise services terminate upon the conclusion of services. With the exception of annual engagements, Consultation Services are not ongoing in nature and thus do not provide for ongoing advice, assistance or reviews unless the Adviser is re-engaged for follow-up services at a later date. At the expiration of the one-year engagement, services automatically terminate and a new engagement is required to renew services.

### **B. PAYMENT OF FEES**

1. Unless otherwise agreed in writing, **Investment Management fees** are payable quarterly or semi-annually in arrears. Payment of Investment Management fees may be made directly to the Adviser or through a debit directly to the client's account by the qualified custodian holding the client's funds and securities. The Adviser follows the following criteria when payment is made via a qualified custodian as required by the United States Securities and Exchange Commission's Investment Advisers Act of 1940:

1) The client provides written authorization permitting the fees to be paid directly from the client's account held by the independent qualified custodian and the authorization is limited to withdrawing contractually agreed upon Investment Adviser fees; (2) The client will directly receive regular (monthly or quarterly) reports from the qualified custodian which reflect the Adviser's fee deduction; (3) The frequency of fee withdrawal shall be specified in the written authorization/agreement; (4) The custodian of the account shall be advised in writing of the limitation on the Adviser's access to the account and; (5) The client shall be able to terminate the written billing

**FEES, COMPENSATION  
AND TERMINATION OF SERVICES**  
(continued)

authorization or agreement at any time.

It is important to note that custodial firms do not verify advisory fees. Therefore, clients should review their custodial statements carefully. If a client should have any questions or concerns in connection with an advisory fee deduction, they should promptly contact BIMCO.

If at any time during the engagement, the client fails to receive the regular statements produced by the custodian, it is important for the client to promptly notify BIMCO and the custodial firm.

If the designated account(s) do not contain sufficient funds to pay advisory fees, the client can leave standing orders to deduct fees via other accounts. In the absence of alternate instructions, the Adviser will issue an invoice for advisory fees to the client and payment is expected with 10 days of the invoice date.

2. Fees associated with the **Selection of Independent Managers** are payable quarterly in arrears or as outlined in the Agreement for services executed with the Independent Manager. Payment to the Adviser of Investment Management fees within these programs are normally implemented through custodial deductions and as outlined in Item 1 in this section. Where services are provided through ValMark Advisers, Advisory Representatives receive advisory fees from ValMark Advisers.

3. **Consultation** fees are invoiced and paid directly by the client.

**C. CLIENTS ARE RESPONSIBLE FOR FEES ASSOCIATED WITH INVESTING**

Clients are responsible for the payment of all third party fees associated with investing. Clients may pay transaction and brokerage commission to their broker/dealer or other service providers ("*Financial Institution[s]*") as well as any fees associated with their particular accounts (e.g., account opening, maintenance, transfer, termination, wire transfer, retirement plan, trust fees, and all such applicable third party fees, deferred sales charges, oddlot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions).

The fees noted herein represent fees for advisory services only. Clients may pay transaction and brokerage commission to their broker/dealer as well as any fees associated with their particular accounts (e.g., account opening, maintenance, transfer, termination, cash wire transfer, retirement plan, trust fees, and all such applicable third party fees). All fees paid to the Adviser for advisory services are separate from the fees and expenses charged to shareholders of ETF's or mutual fund shares by mutual fund companies or by the investment Adviser managing a portfolio. If a mutual fund previously purchased by or selected by a client should impose a sales charge, a client may pay an initial or deferred sales charge. A complete explanation of the expenses charged by a mutual fund is contained in the respective mutual fund prospectus.



**FEES, COMPENSATION  
AND TERMINATION OF SERVICES**  
(continued)

Clients are encouraged to read each fund prospectus and securities offering document before investing. BIMCO does not receive any portion of these investment-related fees. Clients should read all disclosure documents before investing. The Adviser's fee is also separate and in addition to any fees charged by unaffiliated Independent Managers or wrap fee programs that may be recommended.

As previously disclosed, portfolio additions may be in cash or securities provided the Adviser reserves the right to liquidate any transferred securities, or decline to accept particular securities into a client's account. The Adviser may consult with its clients about the options and ramifications of transferring securities. However, clients are hereby advised that when transferred securities are liquidated, they are subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications.

**D. PREPAYMENT OF FEES**

BIMCO collects Investment Management fees in arrears.

Fees associated with the Investment Management Services provided by Independent Managers will be charged in accordance with the contract for services the client will execute with the Independent Manager.

BIMCO generally will require a pre-paid retainer for Consultation Services unless otherwise agreed upon at the time of engagement. If services are terminated prior to conclusion, the Adviser will return a refund of pre-paid but unearned fees.

**E. OTHER COMPENSATION FOR THE SALE OF SECURITIES OR OTHER INVESTMENT PRODUCTS TO CLIENTS**

BIMCO is a *fee-only* Registered Investment Adviser.

Neither the Adviser nor its supervised persons accept any compensation/commission for the recommendation of securities or non-securities products including asset-based sales charges or service fees from the sale of mutual funds.

**ITEM 6: PERFORMANCE-BASED FEES  
AND SIDE-BY-SIDE MANAGEMENT**

BIMCO's fees associated with services are not "performance based" (based upon a share of capital gains or capital appreciation, or performance, for any portion of funds under an advisory contract). The fees noted herein represent fees for advisory services only.

## **ITEM 7: TYPES OF CLIENTS AND MINIMUM CONDITIONS**

BIMCO is available to provide advisory services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and business entities.

If an account is subject to the Employee Retirement Income Security Act of 1974, as amended, ("*ERISA*"), the Adviser acknowledges that Adviser is a fiduciary within the meaning of the Act and the ERISA Client is a named fiduciary with respect to the control or management of the assets in the Account. In each instance, the Client will agree to obtain and maintain a bond satisfying the requirements of Section 412 of ERISA and to include the Adviser and the Adviser's principals, agents, and employees under those insured under that bond and will deliver to the Adviser a copy of the governing plan documents. If the Account assets for which the Adviser provides services represent only a portion of the assets of an employee benefit plan, Client will remain responsible for determining an appropriate overall diversification policy for the assets of such plan.

BIMCO does not require a minimum relationship size for clients seeking Investment Management Services.

The Adviser may impose a minimum of \$500 for Consultation Services (single meeting rate). However, BIMCO reserves the right to waive the minimum for family members, pre-existing relationships, charitable organizations or religious foundations, or where special circumstances may exist, at the discretion of the adviser.

Recommended Independent Managers may impose minimum standards for accounts or fees as outlined in their program disclosures.

The Adviser reserves the right to decline to provide Investment Management services to any person or firm in its sole discretion and for any reason.

## **ITEM 8: METHOD OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

### **A. METHODS OF ANALYSIS AND INVESTMENT STRATEGIES**

The Adviser believes each client presents a unique set of goals, values, interests, objectives, time horizons and challenges. BIMCO provides individualized Investment Management Services to its clients. The Adviser can provide advisory services for portfolios ranging from conservative to moderately aggressive, each designed to meet the varying needs of and within the direction set forth by the investors. The Adviser selects the portfolio or Independent Manager program best suited to their individual needs after clients have defined their objectives, risk tolerance and time horizons and the selection is approved by the client.

## METHOD OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

(continued)

The Adviser attempts to measure an investor's risk tolerance, time horizon, goals and objectives through an interview and data-gathering process in an effort to determine an investment plan or portfolio to best fit the investor's profile. Client participation and the client's delivery of accurate and complete information is critical to the Adviser's process. Investment strategies may be based upon a number of concepts and determined by the type of investor, based upon information provided to the Adviser. Services are customized for each individual client. Please reference disclosure relating to each type of services available at Item 1.D of this Schedule. The Adviser's security analysis methods are based on the Adviser's research and the belief in "Efficient Market Theory" and "Strategic Asset Allocation".

The Adviser may recommend the services of itself, its Advisory Representatives in their individual capacities as investment managers and registered securities representatives, and other professionals to implement its recommendations. Clients are advised that a conflict of interest exists if the Adviser recommends its own services. Any professional referrals (*i.e.*, insurance agents/firms, accounting professionals, legal professionals, etc.) are *solely* a courtesy and the Adviser receives no direct or indirect compensation as a result of referrals. The client is welcome but is never under any obligation to act upon any of the recommendations made by the Adviser under a consulting engagement and/or engage the services of any such recommended professional, including the Adviser itself. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any of the Adviser's recommendations.

BIMCO provides very individualized Investment Management Services. BIMCO provides advisory services for portfolios ranging from moderately aggressive to conservative, designed to meet the varying needs of investors. The Adviser selects the portfolio best suited to their individual needs after clients have defined their objectives, risk tolerance and time horizons and the selection is approved by the client.

Investment strategies may be based upon a number of concepts and determined by the type of investor. Services are customized for each individual client. The concept of asset allocation, or spreading investments among a number of asset classes (ETFs, mutual funds, domestic stocks vs. foreign stocks; large cap stocks vs. small cap stocks; corporate bonds vs. government securities) is generally in the forefront of our strategies. At its heart, asset allocation seeks to achieve the most efficient diversification of assets, to help lessen risk while not sacrificing the effectiveness of the portfolio in an effort to help yield the client's objectives. Since risk reduction is a key element to long-term investment success, asset allocation principles are a key part of the Adviser's overall approach in preparing advice for clients.

The Adviser seeks to minimize trading costs and the impact of investments on taxes. To this end, the Adviser generally sets target ranges for the percentage of assets in each asset class. These ranges are not intended to attempt to time the market, but instead to provide flexibility to reduce trading activity and taxable income. Within each asset class,

**METHOD OF ANALYSIS, INVESTMENT STRATEGIES  
AND RISK OF LOSS**  
*(continued)*

the Adviser will typically seek to construct broadly diversified portfolios using individual securities, exchange traded funds (ETFs) or low-cost mutual funds. The choice of whether to use mutual funds will depend on a number of factors, including whether purchasing individual securities in a particular asset class would allow for sufficient diversification consistent with reasonable trading costs, whether there are tax advantages to individual securities, and whether the Adviser believes that there are market inefficiencies that justify buying particular securities.

Portfolio holdings or recommendations are generally judged by (managers' or investments') experience, track record and performance of like-kind investments. The Adviser will actively manage each portfolio. Investors should expect to remain fully invested within the ranges of their selected asset allocation plan at all times unless restated by the client. BIMCO looks to the long-term when developing advice and recommendations based upon information provided by the client.

Independent Managers who may provide services to the Adviser's clients are responsible for providing investment management, portfolio reporting, best execution and trade error correction within their respective programs.

While the Adviser makes every effort to consider tax consequences, the sale of investments may cause taxable gain(s) or loss(es) to the client. Clients are welcome to consult their independent personal tax adviser about tax consequences resulting from transactions or any particular investment held in their account.

In certain situations, the Adviser may assist clients who wish to more actively trade securities. In such cases, the Client and Adviser may devise various strategies in order to generate short-term gains. Short-term investment strategies may not be appropriate for every investor. The Adviser reserves the right to decline to offer services to any investor and for any reason and investors interested in the short-term strategies should be able to sustain a possible total loss of investment.

The Adviser may utilize one or more of the following methods of analysis. However, BIMCO takes the position that no single strategy can be relied upon to outperform the market. As outlined in this section, BIMCO's goal in its analysis is not to time the market.

**1. Fundamental Analysis** involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages. Fundamental analysis is about using real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security.

For example, an investor can perform fundamental analysis on a bond's value by looking at economic factors, such as interest rates and the overall state of the economy, and information about the bond issuer, such as potential changes in credit ratings. For assessing stocks, this method uses revenues, earnings, future growth, return on equity, profit margins and other data to determine a company's underlying value and potential

**METHOD OF ANALYSIS, INVESTMENT STRATEGIES  
AND RISK OF LOSS**  
*(continued)*

for future growth. In terms of stocks, fundamental analysis focuses on the financial statements of the company being evaluated.

Very broadly described, this type of analysis involves a method of evaluating a security that entails attempting to measure its intrinsic value by examining related economic, financial and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and company-specific factors (like financial condition and management).

The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price, with the aim of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short). This method of security analysis is the primary analysis method used but Technical Analysis is used alongside Fundamental Analysis to help assist appropriate timing of entering and exiting securities.

Fundamental analysis is performed on historical and present data, but with the goal of making financial forecasts. There are several possible objectives:

- to conduct a company stock valuation and predict its probable price evolution,
- to make a projection on its business performance,
- to evaluate its management and make internal business decisions,
- to calculate its credit risk.

**2. Other.** BIMCO's investment strategies may be based upon a number of concepts and determined by the type of investor. Services are customized for each individual client. The concept of asset allocation, or spreading investments among a number of asset classes (domestic stocks vs. foreign stocks; large cap stocks vs. Small cap stocks; corporate bonds vs. government securities), certainly has a great deal of acceptance in the professional investment community. At its heart, asset allocation seeks to achieve the most efficient diversification of assets, to help lessen risk while not sacrificing the effectiveness of the portfolio in an effort to yield the client's objectives. Since BIMCO believes that risk reduction is a key element to long-term investment success, asset allocation principles are a key part of the Adviser's overall approach in preparing advice.

BIMCO takes the position that clients should consider developments in the global economy, shifts in domestic markets and indicators that signal key opportunities on which to take action. When the Adviser is engaged for the delivery of long-term Investment Management Services, BIMCO communicates with its clients on a regular basis to make sure that critically important information is communicated properly.

## **METHOD OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

*(continued)*

Numerous publicly available sources of economic, financial and investment research are used by the Adviser. Asset allocation software and historical performance modeling software may also be utilized. When special situations arise, the Adviser may also consult with outside experts for additional input (no nonpublic personal client data is shared). Examples of these outside, unaffiliated consultants include, but are not limited to: Attorneys, actuaries, accountants, pension specialists and insurance experts. Any costs associated with these consultations would be born solely by BIMCO unless other arrangements have been made, in writing, with the client in advance. Any fees paid by the Adviser to any outside persons would be disclosed in advance with a Compensation Disclosure Document and signed by the client.

Typically, sales of investments result in taxable gain(s) or loss(es) to the Client. Also, the sale of investments to maintain the Client asset allocation policy may cause taxable gain(s) or loss(es) to the Client. Clients must understand that BIMCO does not render tax advice and is not responsible for the tax consequences to the Client as a result of account transactions. Clients are encouraged to consult their tax adviser about tax consequences as a result of transactions or any particular investment held in their account.

Recommendations for or purchases of investments will be based on publicly available reports and analysis. In the case of ETFs and mutual funds, recommendations will be based on reports and analysis of performance and managers, and certain computerized models for asset allocation and investment timing. Tactical asset allocation (market timing, stock selection and track record investment) is discouraged.

Portfolio holdings or recommendations are generally judged by (managers' or investments') experience, track record and performance of like-kind investments.

BIMCO will actively manage each portfolio. Investors should expect to remain fully invested within the ranges of their selected asset allocation plan at all times unless restated by the client. The Adviser generally looks to the long-term when developing advice and recommendations based upon information provided by the client.

While already stated herein, it is critically important that the client promptly notifies the Adviser of any change in the client's financial condition so the Adviser has the opportunity to assess any possible changes needed in the advice, recommendations or investment strategies. Changing conditions in the client's financial life or significant changes in market conditions may warrant a collaborative effort with the client to modify their strategic investment framework, which consequently may also trigger changes to investment holdings within the portfolio.

*It is important to understand that investing in securities involves a risk of loss that a client should be prepared to bear.*

**METHOD OF ANALYSIS, INVESTMENT STRATEGIES  
AND RISK OF LOSS**  
*(continued)*

**B. MATERIAL RISKS INVOLVED**

BIMCO takes the general position that investors with diverse portfolios have a better chance of making a profit because it is difficult to accurately predict the movement of the economy.

No single strategy can be relied upon to outperform the market. As outlined below, BIMCO's goal in its analysis is not to time the market.

BIMCO generally utilizes long-term trading; short-term trading; short sales; margin Transactions; options writing strategies (including covered options, uncovered options or spreading strategies).

BIMCO seeks to utilize 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. Short sales and options writing generally hold greater risk and clients should be aware that there is a chance of material risk of loss using any of those strategies.

*It is important to understand that investing in securities involves a risk of loss that a client should be prepared to bear.*

**C. RISKS OF SPECIFIC SECURITIES UTILIZED**

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

Investments in individual stocks can be risky. Some risks can be controlled and some risks can be guarded against but no investment strategy can carry guarantees from loss. Certain market risks cannot be controlled, such as market or economic conditions. Certain strategies may be employed to adjust portfolios or the Adviser and client may agree to hold the portfolio's course. BIMCO designs portfolio strategies for the long-term, unless otherwise specifically requested in writing. Therefore, BIMCO does not attempt to time the market.

Investments in ETFs and mutual funds may bear a risk of investment loss. Clients who invest should also be prepared to bear a loss of investment proceeds.

Thoughtful investment selections that meet a client's stated goals and risk profile may help keep individual stock and bond risks at an acceptable level.

There are certain risks involved in investing in all types of bonds: Government, Municipal, and Corporate.

## **METHOD OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

*(continued)*

The following is an overview of the types of bond risks that one should consider: Interest rate risk; reinvestment risk; inflation risk; mark risk, selection risk, timing risk, and price risk. Additional risks for some government agency, corporate and municipal bonds may include: Legislative risk (a change in the tax code could affect the value of taxable or tax-exempt interest income); Call risk (some corporate, municipal and agency bonds have a “call provision” entitling their issuers to redeem them at a specified price on a date prior to maturity. Declining interest rates may accelerate the redemption of a callable bond, causing an investor’s principal to be returned sooner than expected. In that scenario, investors have to reinvest the principal at the lower interest rates. If the bond is called at or close to par value, as is usually the case, investors who paid a premium for their bond also risk a loss of principal. In reality, prices of callable bonds are unlikely to move much above the call price if lower interest rates make the bond likely to be called. Additionally, there may be a liquidity risk involved if investors may have difficulty finding a buyer when they want to sell and may be forced to sell at a significant discount to market value. Liquidity risk is greater for thinly traded securities such as lower-rated bonds, bonds that were part of a small issue, bonds that have recently had their credit rating downgraded or bonds sold by an infrequent issuer. Bonds are generally the most liquid during the period right after issuance when the typical bond has the highest trading volume.

Additional risks for corporate and municipal bonds may include: Credit risk; default risk; event risk and duration risk.

*Past performance is not a guarantee of future returns. Investing in securities involves A risk of loss that all clients should be prepared to bear.*

### **ITEM 9: DISCIPLINARY INFORMATION**

A. Neither BIMCO, nor any of our employees, has had any civil or criminal actions brought against them.

B. Neither BIMCO, nor any of our employees, has had any administrative proceedings before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority.

C. Neither BIMCO, nor any of our employees, has had any proceedings before a self-regulatory organization.



## **ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

### **A. REGISTRATION AS A BROKER/DEALER OR BROKER/DEALER REPRESENTATIVE**

BIMCO is not registered as a broker/dealer.

### **B. REGISTRATION AS A FUTURES COMMISSION MERCHANT, COMMODITY POOL OPERATOR OR A COMMODITY TRADING ADVISER**

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

### **C. REGISTRATION RELATIONSHIPS MATERIAL TO THIS ADVISORY BUSINESS AND CONFLICTS OF INTEREST**

BIMCO does not maintain registration relations with any of the following:

- municipal securities dealer, or government securities dealer or broker
- investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund)
- futures commission merchant, commodity pool operator, or commodity trading adviser
- banking or thrift institution
- accountant or accounting firm
- lawyer or law firm
- insurance company or agency
- pension consultant
- real estate broker or dealer
- sponsor or syndicator of limited partnerships.

BIMCO does not operate and does not have a material relationship with a hedge fund or other type of private pooled investment vehicle.

Advisory Representatives are Registered Representatives of Valmark Securities, Inc. (“*Valmark Securities*”). Representatives may suggest that clients place transactional business through Valmark Securities. If client transactions are executed through Valmark Securities, Advisory Representatives may receive normal commissions, thus a conflict of interest exists between our interests and that of our clients. Clients are under no obligation to purchase products we may recommend through the Adviser or Valmark Securities.

## **OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

*(continued)*

Clients may incur other fees to unaffiliated third parties such as retirement plan administrative fees, deferred sales charges on mutual funds initially deposited into the account, 12(b)(1) fees and other mutual fund fees as described in the Prospectus of each fund. The client will bear charges and the fees/charges of other programs which may involve investments in mutual funds. This also applies to programs that may maintain cash balances in money market funds. In addition, some mutual funds may pay annual distribution charges, the aforementioned "12(b)(1) fees" which come from fund assets, and thus, indirectly from client assets. Since those Advisory Representatives who are Registered Representatives of a broker/dealer may receive a commission on load funds, this may represent incentive to recommend load funds in favor of funds without a load.

The Advisory Representatives of BIMCO are dually registered as an Advisory Representative of Valmark Advisers. This dual registration allows Representatives to offer the investment programs available through ValMark Advisers that may be of interest to clients. If clients participate in these programs, Advisory Representatives may earn investment management fees are disclosed in the Valmark Advisers Form ADV 2A Brochure and as outlined in the Client Agreement with Valmark Advisers.

### **D. SELECTION OF OTHER ADVISORS OF MANAGERS AND HOW THIS ADVISER IS COMPENSATED FOR THOSE SELECTIONS**

As discussed in the Advisory Services section of this Brochure, the Adviser may recommend that clients authorize the active discretionary management of all or a portion of their assets by and/or among certain Independent Manager(s), based upon the stated investment objectives of the client.

When selecting an Independent Manager for a client, the Adviser undertakes a review of the Independent Manager(s) such as its disclosure statement and/or material supplied by the Independent Manager(s). The Adviser may also utilize third party information for information about the Independent Manager's investment strategies, past performance and risk results to the extent available.

BIMCO will charge its own advisory fee in accordance with the Agreement with the client in certain cases. Alternatively, where the Independent Managers recommended are via ValMark Adviser's clients contract Valmark Advisers for services and the Advisory Representatives receive compensation through Valmark Advisers.

Clients are welcome but are never under any obligation to utilize any service provider that may be recommended.

## **ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

### **A. CODE OF ETHICS**

BIMCO takes the issue of regulatory compliance seriously and is committed to maintain compliance with federal and applicable state securities laws. Additionally, BIMCO has a position of public trust and it is our goal to maintain that trust; provide excellent service, good investment performance; and advice that is suitable.

BIMCO places great value on ethical conduct. Therefore, the ultimate goal of our internal policies is to challenge our staff to live up not only to the letter of the law, but also to the ideals set forth by the Adviser.

Clients may be familiar with the roles fiduciaries play in various legal situations and in certain industries. As a Registered Investment Adviser, BIMCO is a fiduciary to each and every client. As fiduciaries, Investment Advisors owe their clients several specific duties.

According to the SEC, an Investment Adviser's fiduciary duties include:

- ❖ Providing advice that is suitable;
- ❖ Providing full disclosure of material facts and potential conflicts of interest (such that the client has complete and honest disclosure in order to make an informed decision about services of the Adviser and about investment recommendations);
- ❖ The utmost and exclusive loyalty and good faith;
- ❖ Best execution of transactions under the available circumstances;
- ❖ The Adviser's reasonable care to avoid ever misleading clients;
- ❖ Only acting in the best interests of clients.

It is BIMCO's policy to protect the interests of each of the Adviser's clients and to place the clients' interests first and foremost in each and every situation.

**CODE OF ETHICS, PARTICIPATION OR INTEREST IN  
CLIENT TRANSACTIONS AND PERSONAL TRADING**

*(Continued)*

BIMCO abides by honest and ethical business practices to include, but is not limited to:

- ❖ The Adviser will not induce trading in client accounts that is excessive in size or frequency in view of the financial resources and character of the account.
- ❖ BIMCO will make investment decisions with reasonable grounds to believe that the decisions are suitable for the client on the basis of information furnished by the customer and we will document suitability.
- ❖ BIMCO and Advisory Representatives will not borrow money from clients.
- ❖ BIMCO will not recommend the purchase of a security without the reasonable belief that the security is registered, or the security or transaction is exempt from registration in states where we provide investment advice and based upon information the Adviser receives.
- ❖ The Adviser will not recommend that the client place an order to purchase or sell a security through a broker/dealer or agent, or engage the services of a broker/dealer that is not licensed, based upon information available to the Adviser.
- ❖ Access persons of BIMCO will report all required personal securities transactions to the Chief Compliance Officer as required by the SEC. Reportable trades for this Adviser include all but the following exceptions:
  - Transactions effected pursuant to an automatic investment plan;
  - Securities held in accounts over which the access person has no direct
    - or indirect influence or control;
  - Transactions and holdings in direct obligations of the Government of the United States;
  - Money market instruments — bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments;
  - Shares of money market funds;
  - Transactions and holdings in shares of mutual funds are not reportable, since the Adviser does not have a material relationship with an investment company which would otherwise require reporting;
  - Transactions in units of a unit investment trust are not reportable if the unit investment trust is invested exclusively in unaffiliated mutual funds.

## **CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

*(Continued)*

All applicable securities rules and regulations will be strictly enforced. BIMCO will not permit and has instituted controls against insider trading.

Advisory Representatives and administrative personnel who do not follow the Adviser's Code of Ethics or who in any way violate securities rules and regulations, or who fail to report known or suspected violations will be disciplined or terminated, depending upon severity. Such persons could also face action by the SEC and/or state securities regulators.

Clients are welcome to request a copy of the Adviser's Code of Ethics by contacting the Adviser's office.

The Adviser emphasizes the unrestricted right of clients to decline to implement any advice rendered, in whole or part. Where the Adviser is granted discretionary authority of the client's accounts, clients are welcome to set investment parameters and/or limitations in writing and such direction is followed until such time the client's instructions are amended in writing.

### **B. RECOMMENDATIONS INVOLVING MATERIAL FINANCIAL INTERESTS**

BIMCO does not recommend that clients buy or sell any security in which any of BIMCO's related persons have a material financial interest other than cases where the representatives may have similar holdings due to similar investment plans (as noted in the next section) or in the case of securities sales, where the interest is limited to sales commissions.

### **C. INVESTING PERSONAL MONIES IN THE SAME SECURITIES AS CLIENTS**

BIMCO and/or individuals associated with BIMCO may have similar investment goals and objectives and as a result the interests of the Adviser or related persons' accounts may coincide with (or be different from) the interests of clients' accounts; however at no time will the Adviser or any related person receive an added benefit or advantage over clients with respect to these transactions. In every case, the interests of clients will always be placed ahead of the Adviser and its staff.

The Adviser has established written policies and procedures for staff persons who may invest personal monies. The Investment Adviser will not permit insider trading and has established written policies and procedures pertaining to insider trading and other duties. All applicable rules of the Investment Advisers Act of 1940 (the "Act") will be strictly enforced. The Chief Compliance Officer is in charge of monitoring the personal trading of the Adviser's personnel.

**CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT  
TRANSACTIONS AND PERSONAL TRADING**

*(Continued)*

**D. TRADING SECURITIES AT/AROUND THE SAME TIME AS CLIENTS'  
SECURITIES**

The Adviser has established written policies and procedures for staff persons (*"access persons"*) who may invest personal monies. BIMCO its Advisory Representatives acknowledge the Adviser's fiduciary responsibility to place the investment needs of clients ahead of the Adviser and its staff. The interests of clients are held in the highest regard. At no time will the Adviser or any related person receive an added benefit or advantage over clients with respect to these transactions. The Adviser and its associated persons will not place itself in a position to have added benefit as a result of advice given to clients.

The staff of BIMCO shall not buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry.

Mitchell Deane, the Chief Compliance Officer of BIMCO, is responsible for the monitoring of personal trading conducted by staff.

When the Adviser is purchasing or considering for purchase any security on behalf of a client, an access person of the Adviser may only effect a transaction in that security with prior written approval from the Adviser's Chief Compliance Officer. BIMCO does not invest its clients in thinly traded securities. Similarly, when the Adviser is selling or considering the sale of any security on behalf of a client, no access person may effect a transaction in that security prior to the completion of the sale or until a decision has been made not to sell such security without the written approval from the Chief Compliance Officer (via a "pre-clearance form"). These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

## ITEM 12: BROKERAGE PRACTICES

### A. FACTORS USED TO SELECT CUSTODIANS AND/OR BROKER/DEALERS

Consultation Services clients are welcome to utilize the service provider(s) of their choice and are welcome to implement recommendations in whole or in part, entirely at their discretion and BIMCO and its Representatives will not participate in these transactions.

BIMCO is a fee-based Investment Management firm.

The Advisory Representatives of BIMCO are registered representatives of Valmark Securities, Inc., Member FINRA, SIPC, MSRB, and may suggest that transactions be processed through this broker/dealer. Valmark Securities clears trades through Pershing, Inc.

BIMCO typically recommends the services of Charles Schwab & Co., Inc. ("*Charles Schwab & Co.*") for its advisory transactions. BIMCO may also recommend other similar service providers for advisory transactions. The Advisory Representatives of BIMCO are not registered representatives of Charles Schwab & Co.

BIMCO participates in the Schwab Institutional ("SI") service program. Schwab Institutional is a division of Charles Schwab & Co. and provides back office and other services to independent investment advisers. To date, Charles Schwab & Co. serves more independent Registered Investment Advisers than any other custodial firm in the nation.

Except as provided for in any applicable wrap fee program, the brokerage commissions and/or transaction fees charged by Charles Schwab & Co., or any other designated broker-dealer are exclusive of and in addition to the Adviser's fee.

An Adviser's duty to provide best execution for its clients means that the Adviser must seek to execute client transactions so that the client's total cost or proceeds in each transaction is the most favorable under the circumstances, although the Adviser may consider a variety of factors in making this determination. BIMCO recognizes its duty to obtain best price and execution for its clients under the circumstances available.

The Adviser believes that excellent customer service and trade execution available through its preferred services provider is superior to most non-service oriented and Internet-based brokers that may otherwise be available to the general public. The Adviser's recommended service provider features a broad line of products and services that may be suitable to many types of investors with varying investable assets.

The Adviser recognizes its duty to obtain best price and execution for its clients under the circumstances available.

The decision to utilize Charles Schwab & Co. is based on a number of criteria which include: The discount rates available, product and management program offerings,

## BROKERAGE PRACTICES

(Continued)

and execution services available. As previously noted, the Adviser believes this custodial firm provides excellent customer service to investors and to the Adviser.

BIMCO is independently owned and operated and not affiliated with Schwab. Schwab provides BIMCO with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment Advisers on an unsolicited basis, at no charge to them so long as the Adviser maintains the minimum level of managed assets at Schwab Institutional, *and are not otherwise contingent upon Adviser committing to Schwab any specific amount of business (assets in custody or trading)*. Schwab's services include brokerage, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For BIMCO's client accounts maintained in its custody, Schwab generally does not charge separately for custody but is compensated by account holders through commissions or other transaction-related fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

The Adviser also takes into consideration the following:

- ❖ Quality of overall execution services provided;
- ❖ Promptness of execution;
- ❖ Creditworthiness, financial condition, and business reputation;
- ❖ Research (if any) provided;
- ❖ Promptness and accuracy of reports on execution;
- ❖ Ability and willingness to correct errors;
- ❖ Promptness and accuracy of confirmation statements;
- ❖ Ability to access various market centers;
- ❖ The broker-dealer's facilities and technology;
- ❖ The market where the security trades;
- ❖ Any expertise in executing trades for the particular type of security;
- ❖ Commission charged;
- ❖ Reliability of the broker-dealer;
- ❖ Ability to use ECNs to gain liquidity, price improvement, lower commission rates and anonymity;
- ❖ Operational capabilities

Charles Schwab & Co. is a large and sophisticated order sender. This custodial firm also enables the Adviser to obtain many mutual funds without transaction charges and other securities at nominal transaction charges.

BIMCO has reviewed Charles Schwab & Co.'s best execution documentation. Charles Schwab & Co. utilizes its routing intelligence in combination with the speed of its proprietary routing technology. Among the factors this firm considers include: The amount of net price improvement, speed of execution, certainty of execution, cost of



## **BROKERAGE PRACTICES**

*(Continued)*

execution, service issues, reliability, credit worthiness of counterparties, and accessibility. Charles Schwab & Co. indicates it regularly and rigorously monitors execution quality through a regular and rigorous review of the execution quality it receives from the venues through which it routes equity and option orders. Additionally, the firm indicates it is continually looking for opportunities to improve execution quality. Among the factors considered, these may include: The amount of net price improvement, speed of execution, certainty of execution, cost of execution, service issues, reliability, credit worthiness of counterparties, and accessibility. Generally the larger service providers compare the reported executions and unexecuted orders to the National Best Bids and Offers (NBBO's) at the time of order entry and identify a subset of items that require review.

Charles Schwab offers SmartEx™, which is an intelligent order routing system which is designed to route most NASDAQ market or marketable limit orders quickly and seek the best available trade execution. The firm also offers Direct Access trading technology, which provides for the ability to target the price desired want by routing orders directly to the selected ECN or NASDAQ market maker.

Additionally, Charles Schwab & Co. states it will match any broker's guarantee, no matter how fast. Of course, market volatility, volume and system availability may delay account access and trade executions. Price can change quickly in fast market conditions, resulting in an execution price different from the quote displayed at order entry. Execution price, speed and liquidity and account access are affected by many factors, including market volatility, size and type of order and available market centers. Price improvement is not guaranteed and will not occur in all situations.

The commissions paid by the Adviser's clients shall comply with the Adviser's duty to obtain "best execution." However, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where the Adviser determines, in good faith, that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including among others, the value of research provided, execution capability, commission rates, and responsiveness. Consistent with the foregoing, while the Adviser will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client transactions.

At times, under the Prime Broker Program or similar termed service, the custodial firm may effect clients' over-the-counter securities transactions on an agency basis. Typically, the service providers execute transactions based upon a number of factors. These factors include: Size of order, trading characteristics of the security, favorable execution prices, access to reliable data, availability of efficient transaction processing and possible price reductions. In filling these orders, the service provider may transact with a market-making broker-dealer ("market maker") on the other side of the trade. A market maker may mark-up/down the price of securities for which it makes a market, which is a cost that will be incurred by the client in addition to any agency commissions assessed by the client's

## **BROKERAGE PRACTICES**

*(Continued)*

service provider. Normally, best price and execution is obtained for over-the-counter securities transactions by executing directly with the market maker on a principal basis. Therefore, in some cases, clients may incur transaction costs, in addition to any commissions charged by their services provider, when trades in over-the-counter securities are effected on their behalf through that broker on an agency basis. Therefore, in certain cases, a security may be purchased through another service provider and in such cases, the security purchased is then transferred to the client account at the client's selected custodian, and a "trade away" delivery fee is assessed to the client account. Broker custody of client assets may limit or eliminate the Adviser's ability to obtain best price and execution of transactions in over-the counter securities.

The Adviser's choice to utilize the service provider's Prime Broker Program or similarly termed service available through the selected service provider may limit or eliminate the Adviser's ability to obtain best price and execution in each case.

In certain cases, a security may be purchased through another service provider and in such cases, the security purchased is then transferred to the client account at Charles Schwab, and a "trade away" delivery fee is assessed to the client account. Clients are welcome to direct use of their preferred service provider, in which case the Adviser may not be able to provide best execution, because of limitations that may be placed on the Adviser by the client's service provider.

Bosshard Investment Management Co. recognizes its duty to obtain best price and execution for its clients under the circumstances available. The decision to recommend the preferred service providers is based upon the customer service provided to investors and the services available to the Adviser and providing such recommendation is consistent with the Adviser's fiduciary duty to the client. The Adviser believes that excellent customer service and trade execution available through its preferred services provider(s) is superior to most non-service oriented and internet-based brokers that may otherwise be available to the general public. The Adviser's selected service providers feature broad lines of products and services that may be suitable to many types of investors with varying investable assets.

Advisory clients are welcome to evaluate service providers before opening an account since they are welcome to select their preferred firm. While it is possible that clients may pay higher commissions or transaction fees through its preferred service provider, the Adviser has determined it currently offers the best overall value to the Adviser and clients for the brokerage, service, and technology provided. The Adviser periodically reviews other alternatives that are available to the Adviser market.

### **1. RESEARCH AND OTHER SOFT DOLLAR BENEFITS**

BIMCO receives no research, product or service other than execution from a broker/dealer or third-party in connection with client securities transactions. The Adviser does not receive any "soft dollar" benefits.

## **BROKERAGE PRACTICES**

*(Continued)*

Consistent with obtaining best execution, brokerage transactions may be directed to certain broker/dealers ("Schwab") in return for investment research products and/or services which assist the Adviser in its investment decision-making process. Such research generally will be used to service all of the Adviser's clients, but brokerage commissions paid by one client may be used to pay for research that is not used in managing that client's portfolio. The receipt of investment research products and/or services as well as the allocation of the benefit of such investment research products and/or services poses a conflict of interest.

The Adviser may receive from Charles Schwab & Co., without cost to the Adviser, computer software and related systems support, which allow the Adviser to better monitor client accounts maintained at Charles Schwab & Co. The Adviser may receive the software and related support without cost because the Adviser renders Investment Management services to clients that maintain assets at Charles Schwab & Co.

Charles Schwab & Co. may also provide the Adviser with other services intended to help the Adviser manage and further develop its business enterprise. These services may include general consulting, publications and presentations on practice management, information technology, business succession, regulatory compliance, and marketing. In addition, Schwab may make available, arrange and/or pay for these types of services to the Adviser by independent third parties. Schwab may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to the Adviser. While as a fiduciary, the Adviser endeavors to act in its clients' best interests, BIMCO's recommendation that clients maintain their assets in accounts at Schwab may be based in part on the benefit to BIMCO of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest. The Adviser has no written or verbal arrangements whereby it receives soft dollars.

The software and related systems support may benefit the Adviser, but not its clients directly. In fulfilling its duties to its clients, the Adviser endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the Adviser's receipt of economic benefits from a broker-dealer creates a conflict of interest since these benefits may influence the Adviser's choice of broker/dealer over another broker-dealer that does not furnish similar software, systems support, or services.

Additionally, the Adviser may receive the following benefits from Charles Schwab & Co. through its Charles Schwab & Co. Adviser Solutions division: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk that exclusively services its Charles Schwab & Co. Adviser Solutions participants; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; the ability to coordinate advisory fee deductions from accounts, and access to an electronic communication network for client order entry and account information.

## **BROKERAGE PRACTICES**

*(Continued)*

### **2. BROKERAGE FOR CLIENT REFERRALS**

BIMCO receives 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**

Clients are welcome to utilize the service provider of their choice, and in such cases, will direct the Adviser to use their firm of choice (via written direction) if the Adviser can participate pursuant to approval from our unaffiliated broker/dealer firm. In such cases, the client will negotiate terms and arrangements for the account with that broker-dealer, and the Adviser will not seek better execution services or prices from other broker-dealers or be able to “batch” client transactions for execution through other broker-dealer(s) with orders for other accounts managed by the Adviser. As a result, the client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to its duty of best execution, the Adviser may decline a client’s request to direct brokerage if, in the Adviser’s sole discretion, such directed brokerage arrangements would result in additional operational difficulties.

### **B. AGGREGATION (BLOCK) TRADING FOR MULTIPLE CLIENT ACCOUNTS**

When possible, the Adviser will aggregate securities transactions (“block trading”). Due to the individualized nature of services, however, large orders of securities are not always consistent with the nature of the Adviser’s services. Aggregation is undertaken in firms processing large orders of securities in order to realize more effective trade execution and the cost efficiencies that come from executing larger order sizes. In each case, the Adviser strives to allocate investment opportunities or trades among its clients in a manner that is fair and equitable and based upon the client investment objectives.

Normally, under this procedure, transactions will generally be averaged as to price and allocated according to the Adviser’s standard allocation procedure. This procedure considers the circumstances of each trade and always strives for fairness and cost-effectiveness to the client. In most cases when the Adviser executes only a partial fill of a targeted buy order, allocations will prioritize complete fills for clients with the most available cash as a percentage of portfolio assets. Likewise, when the Adviser executes only a partial fill of a targeted sell order, allocations will prioritize complete fills for clients with the least available cash as a percent of portfolio assets. To the extent that the Adviser determines to aggregate client orders for the purchase or sale of securities, including securities in which the Adviser’s Advisory Representatives may invest, the Adviser shall normally do so in accordance with applicable rules promulgated under the SEC’s Investment Advisors Act and no-action guidance provided by the staff of the SEC. An allocation statement will be prepared and any special circumstances or conditions will be outlined in connection with each event. The Adviser shall not receive any additional

## **BROKERAGE PRACTICES**

*(Continued)*

compensation or remuneration as a result of the aggregation.

Certain issues may impact the Adviser's allocation under the particular circumstances and in such cases, the allocation will be made based upon other relevant factors, which may include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account's assets after an order is placed); (iv) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.

Clients are encouraged to discuss any questions that may arise regarding investment policies throughout the course of our engagement.

The Adviser receives no additional benefit as a result of the proposed aggregation.

**Trade error policy:** On rare occasions, trade errors may occur. In the event the Adviser is responsible for a trading error that results in a monetary loss to the client, the Adviser will make the client whole. Charles Schwab & Co.'s policy on trade errors is to reimburse clients for any loss if the amount is \$100 or less. If the loss is greater than \$100 the Adviser will reimburse the client for a loss. Conversely, if there is any gain from the trade error, Charles Schwab & Co. retains that gain and it is a general policy to donate these error funds in accordance with their then current internal policy.

## **ITEM 13: REVIEW OF ACCOUNTS**

### **A. FREQUENCY AND NATURE OF PERIODIC REVIEWS AND WHO CONDUCTS THE REVIEWS**

**Investment Management Services.** BIMCO's Investment Management Services involve continuous and ongoing services to include frequent monitoring and internal review of portfolio assets. The timing of reviews is guided by the client's stated objectives or at the Adviser's discretion. The underlying assets of client portfolios are generally reviewed internally on at least a monthly or quarterly basis, but reviews of underlying assets may occur as often as daily, with the frequency relative to the types of holdings. Individual portfolio reviews may also occur at the time of significant new deposits or withdrawals, during substantial changes in market conditions, at the Adviser's discretion, at a stated client's request, or according to the interval agreed upon at the time of engagement. Reviews entail analysis of securities, asset allocation, sensitivity to various markets, investment results and other factors as determined by the

## **REVIEW OF ACCOUNTS**

*(Continued)*

reviewers.

BIMCO requests that clients meet with the Adviser at least annually, but as previously noted, clients are obligated to immediately inform the Adviser of any changes in their financial, personal, or investment situation which could require an immediate review/revision of the client's investment plan.

**Consultation Services** are generally project based pursuant and to the terms of the Client Agreement will automatically terminate upon the delivery of services. While the advice provided may include the recommendation of follow-up services or annual reviews, the client is welcome to secure any additional services under a new or amended Agreement, if desired. Alternatively, for ongoing annual services, reviews will be dependent upon the nature of services, the scope of the engagement and will be agreed in writing.

### **B. REVIEWERS**

Reviews are conducted by Otto Bosshard, the Managing Member, and Michael McClary, Chief Investment Officer of the Adviser.

### **C. FACTORS THAT WILL TRIGGER NON-PERIODIC REVIEWS OF CLIENT ACCOUNTS**

The timing of Internal portfolio reviews may also be guided by the underlying assets of the portfolio, individual circumstances as reasonably known by the Adviser, market conditions and the request of the client.

Reviews may also be triggered by material market, economic or political events. Reviews are likely to be triggered by reported changes in the client's financial situation (which may include but are not limited to: Termination of employment, physical relocation, inheritance or retirement).

### **D. CONTENT AND FREQUENCY OF REGULAR REPORTS PROVIDED TO CLIENTS**

Clients can expect to receive confirmation statements from all transactions and monthly account statements directly from the custodial brokerage firm. Clients receive confirmation statements from all transactions and a monthly statement, directly from their custodian. The custodian's quarterly reports detail account value, net monthly change, portfolio holdings, and all account activity. The Adviser can coordinate preparation for general or quarterly reports for investment management clients as may be requested and provided at the discretion of the Adviser.

## **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)**

BIMCO is a fee-based Registered Investment Adviser does not receive any economic benefit, directly or indirectly from any third party in connection with advice rendered to BIMCO clients.

As previously disclosed Advisory Representatives are Registered Representatives of Valmark Securities, Inc. ("*Valmark Securities*"). Representatives may suggest that clients place transactional business through Valmark Securities. If client transactions are executed through Valmark Securities, Advisory Representatives may receive normal commissions, thus a conflict of interest exists between our interests and that of our clients. Clients are under no obligation to purchase products we may recommend through the Adviser or Valmark Securities.

Clients may incur other fees to unaffiliated third parties such as retirement plan administrative fees, deferred sales charges on mutual funds initially deposited into the account, 12(b)(1) fees and other mutual fund fees as described in the Prospectus of each fund. The client will bear charges and the fees/charges of other programs which may involve investments in mutual funds. This also applies to programs that may maintain cash balances in money market funds. In addition, some mutual funds may pay annual distribution charges, the aforementioned "12(b)(1) fees" which come from fund assets, and thus, indirectly from client assets. Since those Advisory Representatives who are Registered Representatives of a broker/dealer may receive a commission on load funds and a portion of these fees, this may represent incentive to recommend load funds in favor of funds without a load.

As previously disclosed the Advisory Representatives of BIMCO are dually registered as an Advisory Representative of Valmark Advisers. This dual registration allows Representatives to offer the investment programs available through ValMark Advisers that may be of interest to clients. If clients participate in these programs, Advisory Representatives may earn investment management fees are disclosed in the Valmark Advisers Form ADV 2A Brochure and as outlined in the Client Agreement with Valmark Advisers.

### **B. COMPENSATION TO NON-ADVISORY PERSONNEL FOR CLIENT REFERRALS**

BIMCO does not directly or indirectly compensate any person who is not part of BIMCO's advisory personnel in connection with advisory services.

## **ITEM 15: CUSTODY**

BIMCO does not take custody of client accounts (funds or securities) at any time. Custody of clients' accounts is held at Charles Schwab & Co., Member FINRA, NYSE, SIPC, or the client's selected custodial firm. Clients will receive regular and customary account statements from the custodian and should carefully review those statements.

In all cases, clients have a direct and beneficial interest in their securities (individual ownership), rather than an undivided interest in a pool of securities. Execution of transactions and custody of client funds and securities are services provided by the client's selected brokerage/custodial services provider(s).

The Adviser will only have access to custodial accounts in order to implement trades via written authorization and to deduct Investment Management fees and only with the appropriate client authorization. In each instance where fee deduction occurs, it is important that clients receive custodial statements directly. If clients find that statements are not being received directly, they must promptly contact BIMCO and their custodial firm. The Adviser does not accept fees in excess of \$1200 or more for services to be performed more than six months in advance.

## **ITEM 16: INVESTMENT DISCRETION**

Clients engaging the Adviser for Investment Management Services have the ability to leave standing instructions with the Adviser to refrain from investing in particular industries, invest in limited amounts of securities and to re-balance portfolios (also termed as "limited discretion").

With the client's authorization as provided in the custodial account forms and the Adviser's Client Agreement, BIMCO will maintain limited discretionary trading authority to execute securities transactions in the investor's portfolio within investor's designated investment objectives, to include the securities to be bought and sold, and the amount of securities to be bought and sold. BIMCO will never have full power of attorney nor will the Adviser ever have authority to withdraw funds or to take custody of investor funds or securities other than the ability to deduct advisory fees via investor's qualified custodian and only with client authorization.

The Adviser also may render non-discretionary Investment Management services to its clients relative to: (1) variable life/annuity products that they may own, and/or (2) their individual accounts held through employer-sponsored retirement plans. In so doing, the Adviser either directs or recommends the allocation of client assets among the various mutual fund subdivisions that comprise the variable life/annuity product or the retirement plan. The client assets shall be maintained at either the specific insurance company that issued the variable life/annuity product which is owned by the client, or at the custodian designated by the sponsor of the client's retirement plan. Investments and service providers relative to Plan offerings are limited to only those available through the respective Plans and are determined by the Plan Sponsor(s).



## **ITEM 17: VOTING CLIENT SECURITIES (PROXIES)**

Clients retain the authority to vote proxies. The Adviser requests that investors ensure that proxy ballots are mailed directly to each investor or an authorized third party. The Adviser will not take action with respect to any securities or other investments that become the subject of any legal proceedings, including bankruptcies.

## **ITEM 18: FINANCIAL INFORMATION**

### **A. BALANCE SHEET**

BIMCO does not require nor solicit prepayment of more than \$1200 in fees per client, six months or more in advance of services and therefore is not required to include a balance sheet with this brochure.

### **B. FINANCIAL CONDITIONS REASONABLY LIKELY TO IMPAIR THE ADVISER'S ABILITY TO MEET CONTRACTUAL COMMITMENTS TO CLIENTS**

Neither BIMCO nor its management have any financial conditions that are likely to reasonably impair the Adviser's ability to meet contractual commitments to clients.

### **C. BANKRUPTCY PETITIONS IN PREVIOUS TEN YEARS**

BIMCO has not been the subject of a bankruptcy petition.  
BIMCO's officers have not been the subject of a bankruptcy petition.

## **ITEM 19: REQUIREMENTS FOR STATE-REGISTERED ADVISERS**

The information required for this section has been supplied elsewhere in this brochure.

# **BOSSHARD INVESTMENT MANAGEMENT CO., LLC**

## **FORM ADV PART 2B INDIVIDUAL DISCLOSURE BROCHURE**

*for*

**OTTO BOSSHARD**

*This brochure provides information about Otto Bosshard that supplements the Bosshard Investment Management Co., LLC ("BIMCO") brochure. Please contact the office of BIMCO via the contact information listed below if you did not receive BIMCO ADV 2A brochure or if you have any questions about the contents of this supplement.*

*Additional information about Bosshard Investment Management Co., LLC and Otto Bosshard is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).*

*The CRD Number for Otto Bosshard, CFP® is: 26543*

**130 Springside Drive  
Suite 210  
Akron, OH  
44333  
(330) 666-6886  
[ottobosshard@bimcoinvestments.com](mailto:ottobosshard@bimcoinvestments.com)**

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

Version Date 6/27/2012

## EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

### **OTTO BOSSHARD PRESIDENT**

YOB 1940

#### ***Examinations and Professional Designations:***

Chartered Financial Analyst (CFA)

Series 00 – General Securities Exam

Series 6 - Mutual Funds and Variable Products Exam

#### ***Business:***

Bosshard Investment Management Co.,LLC, Akron, OH

Registered Investment Adviser

President 2006 – Present

Chief Compliance Officer 2006 – 2012

*Formerly a corp., Bosshard Investment Management Co. (until 4/15/06)*

Valmark Securities, Inc., Akron, OH

Broker/Dealer Akron, OH

Registered Representative 2010 – Present

Member of Board of Directors 2000 - Present

Valmark Advisers, Inc., Akron, OH, Senior Portfolio Adviser

Akron, OH 2002 - Present

Retired 2002 - 2006

Shepard & Vrbnac Securities, Inc., Akron, OH, Registered Representative

Broker/Dealer 1982 – 1996 and 2002 – 2002

Rise, Canton, OH, Registered Representative

Broker/Dealer 1996 - 2001

Westfield Companies, Westfield Center, OH, Senior Vice-President, Treasurer & CIO

Insurance 1964 - 2001

**Otto Bosshard, CFA®**  
(Continued)

## **DISCIPLINARY INFORMATION**

Otto Bosshard has no record of investment-related legal or disciplinary events. Mr. Bosshard has no disciplinary record or information that would impact a client's or prospective client's evaluation of Mr. Bosshard or the integrity of his practice.

Otto Bosshard has not been involved in any issues involving criminal or civil actions; administrative proceedings before the SEC or any other federal, state or foreign regulatory authorities. Mr. Bosshard has not been involved in any self-regulatory organization proceedings.

Disclosure background on representatives can be located via the Financial Industry Regulatory Authority's ("FINRA") BrokerCheck system which is located at the following link: [www.finra.org/brokercheck](http://www.finra.org/brokercheck)

## **OTHER BUSINESS ACTIVITIES**

**Additional Business Activity:** Bosshard Investment Management Co. is solely engaged in the delivery of investment advisory services. Otto Bosshard, the President of the Adviser may occasionally accept independent business consulting engagements for various companies. Otto Bosshard is on the Board of Directors of Valmark Securities and this activity entails approximately 5 hours per month. While this activity may vary throughout the year, it may involve approximately 200 hours of his time. Otto Bosshard is a Director of Westfield Bank and this outside business activity may vary throughout the year but may account for approximately 50 hours per year. Mr. Bosshard may serve on boards of foundations and endowments and the time spent on this activity is approximately 100 hours per year.

## **ADDITIONAL COMPENSATION**

As a registered representative of an unaffiliated broker/dealer firm, Otto Bosshard is eligible to receive normal commissions associated with securities sales.

As an advisory representative of an unaffiliated investment advisory firm, Otto Bosshard is eligible to receive normal investment advisory fees associated with the management of assets placed within the programs available through the unaffiliated investment adviser. Please reference the disclosure provided in BIMCO's ADV Part 2A.

## **SUPERVISION**

Mitchell Deane, BIMCO's Chief Compliance Officer, is in charge of supervising the day-to-day activities of the Adviser and its personnel.

***Otto Bosshard, CFA®***  
***(Continued)***

The Adviser's supervisory system establishes clear lines of authority, accountability and responsibility. The Adviser takes the issue of compliance and risk management seriously. Clients are welcome to contact the Chief Compliance Officer with questions or concerns in connection with staff monitoring or the Adviser's internal compliance program. Mr. Deane's contact information is listed on the cover page of ADV Part 2A.

## **THE CFA® DESIGNATION**

Otto Bosshard holds the CFA designation. The Chartered Financial Analyst (CFA) charter is a professional designation established in 1962 and awarded by CFA Institute. To earn the CFA charter, candidates must pass three sequential, six-hour examinations over two to four years. The three levels of the CFA Program test a wide range of investment topics, including ethical and professional standards, fixed-income analysis, alternative and derivative investments, and portfolio management and wealth planning. In addition, CFA charterholders must have at least four years of acceptable professional experience in the investment decision-making process and must commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.

# **BOSSHARD INVESTMENT MANAGEMENT CO., LLC**

## **FORM ADV PART 2B INDIVIDUAL DISCLOSURE BROCHURE**

*for*

**MICHAEL A. MCCLARY**

*This brochure provides information about Michael McClary that supplements the Bosshard Investment Management Co., LLC ("BIMCO") brochure. Please contact the office of BIMCO via the contact information listed below if you did not receive BIMCO ADV 2A brochure or if you have any questions about the contents of this supplement.*

*Additional information about Bosshard Investment Management Co., LLC and Otto Bosshard is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).*

*The CRD Number for Michael McClary is: 4802823*

**130 Springside Drive  
Suite 210  
Akron, OH  
44333  
(330) 666-6886  
[michael.mcclary@valmarksecurities.com](mailto:michael.mcclary@valmarksecurities.com)**

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

Version Date 6/27/2012

## EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

**MICHAEL A. MCCLARY, MBA**  
**CHIEF INVESTMENT OFFICER, ADVISORY REPRESENTATIVE**  
YOB: 1982

***Secondary Education:***

University of Akron, B.S.B.A. – Financial Services (Magna Cum Laude)  
University of Akron, M.B.A. - Finance

***Examinations and Professional Designations:***

Series 7 – General Securities Exam  
Series 24 –General Securities Principal Exam  
Series 66 – Uniform Combined State Law Exam (Blue Sky and Investment Adviser Law Exam)

***Business:***

Bosshard Investment Management Co.,LLC, Akron, OH  
Registered Investment Adviser  
Chief Investment Officer 2010 – Present  
*Formerly a corp. entity, Bosshard Investment Management Co. (until 4/15/06)*

Valmark Securities, Inc., Akron, OH, Registered Principal  
Broker/Dealer 2003 – Present

Valmark Advisers, Inc., Akron, OH, Vice-President, Chief Investment Officer  
Registered Investment Adviser 2004 - Present

## DISCIPLINARY INFORMATION

Michael McClary has no record of investment-related legal or disciplinary events. Mr. McClary has no disciplinary record or information that would impact a client's or prospective client's evaluation of Mr. McClary or the integrity of his practice.

Michael McClary has not been involved in any issues involving criminal or civil actions; administrative proceedings before the SEC or any other federal, state or foreign regulatory authorities. Mr. Bosshard has not been involved in any self-regulatory organization proceedings.

Disclosure background on representatives can be located via the Financial Industry Regulatory Authority's ("FINRA") BrokerCheck system which is located at the following link: [www.finra.org/brokercheck](http://www.finra.org/brokercheck)

***Michael A. McClary***

*(Continued)*

## **OTHER BUSINESS ACTIVITIES**

Michael McClary is not otherwise engaged in any other business activities.

## **ADDITIONAL COMPENSATION**

As a registered representative of an unaffiliated broker/dealer firm, Michael McClary is eligible to receive normal commissions associated with securities sales.

As an advisory representative of an unaffiliated investment advisory firm, Michael McClary is eligible to receive normal investment advisory fees associated with the management of assets placed within the programs available through the unaffiliated investment adviser. Please reference the disclosure provided in BIMCO's ADV Part 2A.

## **SUPERVISION**

Mitchell Deane, Chief Compliance Officer of BIMCO, is in charge of supervising the day-to-day activities of the Adviser and its personnel.

The Adviser's supervisory system establishes clear lines of authority, accountability and responsibility. The Adviser takes the issue of compliance and risk management seriously. Clients are welcome to contact the Chief Compliance Officer with questions or concerns in connection with staff monitoring or the Adviser's internal compliance program. Mr. Deane's contact information is listed on the cover page of ADV Part 2A.