

# RIDGEWAY CONGER ADVISORY SERVICES CLIENT BROCHURE

2123 Main St.  
New Woodstock NY 13122  
315-662-7450

December 2011

This Brochure provides information about the qualifications and business practices of Ridgeway Conger Advisory Services. If you have any questions about the contents of this Brochure, please contact us at 315-662-7450 or by email at: [brian@ridgewayconger.com](mailto:brian@ridgewayconger.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Ridgeway Conger Advisory Services, Inc. is a Registered Investment Adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Ridgeway Conger Advisory Services, Inc. is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Material Changes**

### **Annual Update**

---

The Material Changes section of this brochure will be updated annually when material changes occur since the previous release of the Firm Brochure

### **Material Changes since the Last Update**

---

In December 2011 our brochure was updated to permit payment to solicitors who refer business to our firm. Details can be found on Page 13 under the heading “Client Referrals and other Compensation”.

### **Full Brochure Available**

---

Currently, our Brochure may be requested by contacting Brian Murphy, Chief Compliance Officer at 315-662-7450 or by email at: [brian@ridgewayconger.com](mailto:brian@ridgewayconger.com). Brochures will be provided via email, fax, or regular postal mail at no charge.

### Item 3 -Table of Contents

Item 1 – Cover Page.....	i
Item 2 – Material Changes .....	ii
Item 3 -Table of Contents .....	iii
Item 4 – Advisory Business .....	1
Item 5 – Fees and Compensation .....	5
Item 6 – Performance-Based Fees and Side-By-Side Management.....	7
Item 7 – Types of Clients .....	7
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss .....	7
Item 9 – Disciplinary Information .....	9
Item 10 – Other Financial Industry Activities and Affiliations .....	9
Item 11 – Code of Ethics .....	10
Item 12 – Brokerage Practices .....	11
Item 13 – Review of Accounts .....	12
Item 14 – Client Referrals and Other Compensation .....	13
Item 15 – Custody .....	13
Item 16 – Investment Discretion .....	14
Item 17 – Voting Client Securities.....	14
Item 18 – Financial Information.....	14
Item 19 -Business Continuity Plan.....	15
Item 20 - Information Security Program.....	15
Item 21 - Brochure Supplements.....	17

## **Item 4 – Advisory Business**

### **Firm Description**

---

Ridgeway Conger Advisory Services, Inc. (“RCAS”) was founded in February 2006. The firm is a fee-based investment advisor focusing on providing the following:

- Personalized discretionary and non-discretionary investment management for individuals, employer-sponsored retirement plans, trusts, estates, and business entities.
- Planning and consulting services. These services can be comprehensive in nature, meaning they cover all aspects of the client’s financial situation, or focused on specific areas such as retirement, estate or college planning.

RCAS is compensated for providing these services based on a number of billable fee structures described in detail under Item 5 below. Representatives of the firm may also be registered with an affiliated broker-dealer (Ridgeway & Conger, Inc.) under common ownership. In this capacity representatives can offer annuities, mutual funds and other commissioned types of products to clients when the situation warrants the sale of such products. Full disclosure will be made to advisory clients when a commissionable product is used.

RCAS does not act as custodian nor maintain control of client assets. We do have the ability, with the client’s written approval, to place trades for clients and collect management fees directly from their accounts.

The initial meeting with a prospective client is typically free of charge and is considered an exploratory interview to determine the extent to which investment management or financial planning services may be beneficial to the client.

### **Principal Owners**

---

Ridgeway and Conger, Inc., an affiliated broker-dealer, is 100% stockholder and owner of RCAS.

### **Types of Advisory Services**

---

#### **Investment Management**

Investment management is provided through consultation with the client. The investment advisor representative will obtain personal and confidential information in order to determine the client’s financial

objectives, goals, and tolerance for risk. An initial investment portfolio is then constructed and monitored on an ongoing basis.

Ongoing management of the client's portfolio will take into account many factors including, but not limited to:

- Tax planning
- The client's need for cash flow from their investments
- Change in goals, objectives, or risk tolerance

Investment Portfolios are typically comprised of one or more of the following:

- Individual stocks and bonds
- Exchange-traded funds (ETF's)
- No-load mutual funds
- Money market funds

Securities may also include, but are not limited to: equities (stocks), foreign securities, warrants, corporate debt securities, certificates of deposit, municipal securities, U.S. government securities, variable life insurance, variable annuities, mutual funds, options contracts, and interests in real estate or oil and gas limited partnerships. The firm does not have access to Initial public offerings (IPO's).

Investment management services are provided on either a discretionary or non-discretionary basis, as authorized by the client.

As of March 31, 2011 which coincides with the end of our latest fiscal year, Ridgeway managed approximately \$78.9 million in assets for approximately 488 client accounts. Approximately \$70.6 million is managed on a discretionary basis, and \$8.3 million on a non-discretionary basis.

#### Selection and monitoring of Third-Party Money Managers

We also offer advisory management services to our clients through our Selection and Monitoring of Third-Party Money Managers programs

Our firm provides the client with an asset allocation strategy developed through personal discussions in which goals and objectives based on the client's particular circumstances are established and documented.

Based on the client's individual circumstances and needs we will then perform management searches of various unaffiliated registered investment advisers to identify which registered investment adviser's portfolio management style is appropriate for that client. Factors considered in making this determination

include account size, risk tolerance, the opinion of each client and the investment philosophy of the selected registered investment adviser. Clients should refer to the selected registered investment adviser's Firm Brochure or other disclosure document for a full description of the services offered. We are available to meet with clients on a regular basis, or as determined by the client, to review the account.

Once we determine the most suitable investment adviser(s) for the client, we provide the selected adviser(s) with the client's written goals and objectives. The adviser(s) then creates and manages the client's portfolio based on the client's individual needs.

We monitor the performance of the selected registered investment adviser(s). If we determine that a particular selected registered investment adviser(s) is not providing sufficient management services to the client, or is not managing the client's portfolio in a manner consistent with the client's goals and objectives, we may suggest that the client contract with a different registered investment adviser and/or program sponsor. Under this scenario, our firm assists the client in selecting a new registered investment adviser and/or program. However, any move to a new registered investment adviser and/or program is solely at the discretion of the client.

#### Services to other Advisers

Certain representatives of RCAS may provide Portfolio Model and Trade Signal services to non-affiliated Advisers. In this situation the Adviser receives daily trade signals based on proprietary investment models. The Adviser pays a fee to RCAS for access to these models and signals. RCAS does not directly manage the assets but is compensated based on the assets managed by the Adviser using the Trade Signals provided.

#### Planning and Consulting Services

RCAS provides financial planning and consulting services for clients who need guidance in areas such as retirement and estate planning, college funding options, and cash flow analysis. These services can be offered on a comprehensive basis, covering multiple areas, or targeted to one specific need. Comprehensive plans may be generated using various software packages acquired by respected vendors in the planning industry. Plans are based on input from clients regarding their assets, liabilities, income, expenses, goals and objectives, as well on mutually agreed upon assumptions including earnings growth, rate of inflation, and retirement age.

#### Tailored Relationships

---

The goals and objectives for each client are documented in a number of ways including in hard copy form in client files, through direct discussions with clients, and in written service agreements that are signed by both RCAS and the client. Agreements may not be assigned without the client's written consent

## **Types of Agreements**

---

The following agreements define the typical client relationships:

### **Investment Management Agreement**

RCAS develops a diversified portfolio tailored to each client's unique situation, taking into consideration their goals and risk tolerance. As the client's financial situation changes over time changes are implemented

The scope of work and fee for an Investment Management Agreement is provided to the client prior to the start of the relationship.

The annual Investment Management Fee is based on a percentage of the investable assets up to a maximum of 2.5% of assets under management. The representative you are working with will be able to provide you the fee schedule they are using, and the exact fee will be specified in your agreement. The Firm reserves the right to employ a minimum and/or annual fee, which would be discussed with the client and fully disclosed in writing.

If assets are deposited into or withdrawn from an account after the inception of a quarter, the fee payable with respect to such assets will not be adjusted or prorated based on the number of days remaining in the quarter.

Current client relationships may exist where fees are higher or lower than those listed above.

### **Planning Services Agreement**

Comprehensive planning services are designed to assist clients with all aspects of financial planning. Detailed investment advice and specific recommendations are provided as a component of the financial plan. Implementation of investment recommendations is at the sole discretion of the client.

The financial plan may include, but is not limited to:

- Net worth and cash flow statements
- A review of investment accounts, including asset allocation
- Tax planning
- A review of retirement accounts and plans including recommendations
- A review of insurance policies
- Retirement scenarios
- Estate planning review and recommendations

The fee for a financial plan is based on the complexity of the situation and the estimated time to perform the requested services. The minimum fee is \$500.00 and can be higher depending on the level of service required. Fees may be negotiable at the representative's discretion.

### Retainer Agreement

In some circumstances, a Retainer Agreement is executed in lieu of an Investment Management Agreement when it is more appropriate to work on a fixed-fee basis. A Retainer Agreement will typically cover both Investment Management and Planning services. The annual fee for a Retainer Agreement is negotiable depending on the amount of work required.

### Hourly Consulting Engagements

RCAS provides hourly planning services for clients who need advice on a limited scope of work. The hourly rate for this services ranges from \$100 to \$300 per hour.

Clients should note that similar advisory services may (or may not) be available from other investment advisors for similar or lower fees.

### Termination of Agreement

---

A client agreement may be cancelled at any time, by either party, for any reason upon receipt of 30 days written notice. Upon termination any prepaid, unearned fees will be promptly refunded. In calculating a client's reimbursement of fees, we will pro rate the reimbursement according to the number of days remaining in the billing period

## **Item 5 – Fees and Compensation**

### Description

---

RCAS bases its fees on the following methods, depending on the nature of the service being provided:

- A percentage of assets under management
- Fixed one-time project fees
- Hourly consulting charges
- A flat retainer fee covering asset management and planning services

All fees are subject to negotiation.



## **Fee Billing**

---

Investment management services are billed quarterly, in ADVANCE, meaning that we invoice you BEFORE the three-month billing period has ended. Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Fees are usually deducted from a designated client account(s) to facilitate billing; however clients may elect to be billed directly for fees. Payment in full is expected upon presentation of an invoice. The client must consent in advance to direct debiting of their investment account.

Fixed fees and hourly consulting charges are typically billed at completion of services rendered. Certain situations may require payment of some portion of the fee in advance and only upon mutual agreement between client and their advisor representative.

## **Other Fees**

---

Custodians may charge transaction fees on purchases or sales of individual stocks, exchange-traded funds and certain mutual funds. These transaction charges are usually small and incidental to the purchase or sale of a security. The selection of the security is more important than the nominal fee charged by the custodian.

In addition, custodians may charge fees for services considered non-investment related such as wire fees, overnight mail, checks and debit cards, account maintenance fees, IRA custodial fees, account termination fees, etc.

RCAS's fees are separate and distinct from transaction and custodial fees charged.

RCAS does not directly share in or receive any of the aforementioned custodial or transaction fees. However, if accounts are established through our affiliated broker-dealer they will share in a portion of the fees assessed by the custodian.

## **Mutual Fund Fees and Expense Ratios**

---

Mutual funds and exchange-traded funds generally charge a management fee for their services as investment managers. This fee is called an expense ratio. For example, an expense ratio of 0.50 means that the fund company charges 0.5% for their services. Additional fund expenses and distribution fees may also be imposed. These fees and expenses are described in each fund's prospectus. These fees are in addition to the fee paid by you to RCAS.

Performance figures quoted by mutual fund and exchange-traded fund companies in various publications are calculated after their fees have been deducted.

## **Past Due accounts and Termination of Agreement**

---

RCAS reserves the right to cease work on any account that is more than 90 days overdue. In addition, we reserve the right to terminate any financial planning engagement where the client has willfully concealed or has refused to provide pertinent information about their financial situation where such information, in our judgment, is necessary in providing competent financial advice. Any unused portion of fees collected in advance will be refunded within 30 days.

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

### **Sharing of Capital Gains**

---

RCAS does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client). These types of arrangements create a potential conflict of interest because the adviser may recommend investments that carry a higher degree of risk.

## **Item 7 – Types of Clients**

### **Description**

---

Ridgeway generally provides investment advisory services to individuals, employer-sponsored retirement plans, charitable organizations, trusts, estates, and business entities such as corporations.

Client relationships will vary based on a number of factors including, but not limited to, types of services offered, complexity of client's financial situation, and length of agreement.

### **Account Minimums**

---

The minimum investment management account size is \$25,000.00. Ridgeway has the sole discretion to waive the account minimum. Other exceptions may apply to employees of the Firm and their representatives.

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

### **Methods of Analysis**

---

Security analysis methods may include charting, fundamental analysis, technical analysis, and cyclical analysis.

The main sources of information utilized include:

- Financial newspapers and magazines
- Professional investment journals
- Stock rating services including Argus and S&P
- Research prepared by independent sources such as Morningstar and Lipper
- Annual reports and prospectuses
- Company press releases
- Filings with regulatory agencies such as the Securities and Exchange Commission
- The World Wide Web

## **Investment Strategies**

---

The investment strategy used for a specific client is based on the goals and objectives agreed to by the client and based on items including personal fact finding, an assessment of risk tolerance, income, net worth, age and other relevant factors. Such information is documented and collected on various forms used by the Firm and its representatives. The client may change these objectives at any time.

## **Risk of Loss**

---

All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.

- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

## **Item 9 – Disciplinary Information**

### **Legal and Disciplinary**

---

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of RCAS. The firm has no such items to report.

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

### **Financial Industry Activities**

---

Many investment adviser representatives of RCAS are also registered representatives with an affiliated broker-dealer under common ownership. These same representatives may also be licensed with various insurance companies.

### **Affiliations**

---

RCAS has arrangements that are material to its advisory business and clients. Many of its investment adviser representatives are also registered representatives of Ridgeway & Conger, Inc., and/or Adirondack Trading Group LLC, members of FINRA and SIPC. Acting in their capacity as registered representatives, they are able to engage in securities and insurance product sales through the broker-dealer which will generate commissions.

The sale of such commissionable products to clients is outside the scope of our advisory services. Commissions earned are separate and distinct from fees charged for advisory services. Clients should be aware that the ability to sell such products for additional compensation creates a potential conflict of interest. We seek to mitigate potential conflicts of interest by engaging in the following practices:

- Adoption of a standard of conduct under our Code of Ethics that emphasizes putting the client's interests first
- Clients are not obligated to use Ridgeway's investment adviser representatives for the purchase of securities and/or insurance products.
- Full disclosure of all up-front, ongoing asset based and potential surrender charges to clients prior to purchase
- We do not charge management fees on accounts that generate a commission when purchased through us.
- In certain situations we may, at our discretion, discount or offset management fees against commissions received.

Ridgeway's investment adviser representatives may purchase or sell products that they also recommend to clients. Ridgeway requires those representatives who conduct such activities to place the client's interest first. Ridgeway has placed restrictions on this conduct to the extent that representatives may not purchase or sell a security where they have given clients opposing recommendations. Ridgeway reviews trades daily to ensure its clients orders are handled first.

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

### **Code of Ethics**

---

RCAS has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to an emphasis on always putting the client's interest first, the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at RCAS must acknowledge the terms of the Code of Ethics annually, or as amended.

We will provide a copy of our Code of Ethics to any client or prospective client upon request and free of charge.

## **Participation or Interest in Client Transactions**

---

RCAS, its employees and investment advisor representatives may buy or sell securities that are also held by clients. Supervised persons are prohibited from trading their own securities ahead of client trades. Supervised persons must comply with the provisions of the RCAS Compliance Manual and Code of Ethics.

## **Personal Trading**

---

The Chief Compliance officer of the firm is Brian Murphy. He reviews all supervised persons trades on a quarterly basis. His trades are reviewed by Leigh Garber, President of Ridgeway and Conger, Inc. The personal trading reviews ensure that personal trading of supervised persons does not affect the markets, and that clients of the firm receive preferential treatment. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between RCAS and its clients.

## **Item 12 – Brokerage Practices**

### **Selection of Brokers/Custodians**

---

RCAS does not maintain custody of your assets that we manage, although we may be deemed to have custody if you give us authority to withdraw management fees from your account(s). We recommend that our clients use Legent Clearing (Legent) a registered broker-dealer and member of FINRA and SIPC. Through our affiliated broker-dealer, Ridgeway and Conger Inc., accounts are established with Legent. Legent will hold client assets in a brokerage account and buy and sell securities when we give them instructions to do so.

While we recommend that you use Legent as custodian/broker, you will decide whether to do so and open an account with them by completing their account agreement. Through Ridgeway we will open the account with Legent on your behalf.

### **How we select Brokers/Custodians**

---

RCAS recommends custodians based on factors such as integrity, reputation and financial responsibility, breadth of investment products, execution and custody services, trade execution, quality of services, competitiveness of pricing of such services including transaction costs, and willingness to negotiate costs. Based on our affiliated broker-dealer relationship with Legent we have been able to negotiate lower costs for our clients that might not have been otherwise available.

Where Legent does not offer a particular product or service RCAS may recommend use of another custodian, subject to a review of the factors noted above.

## **Brokerage and Custody Costs**

---

For our clients' accounts maintained with Legent, clients are charged for custody services and transaction costs which are separate and distinct from the advisory fee charged. RCAS does not share directly in these custodial charges; however their affiliated broker-dealer does share in a portion of these fees.

## **Best Execution**

RCAS reviews the execution of trades at each custodian on a regular basis. RCAS does not receive any portion of the trading fees assessed by the custodian.

## **Soft Dollars**

---

RCAS does not have any arrangements or commitments to use research, research-related products and other services obtained from broker-dealers and/or custodians on a soft dollar basis.

## **Order Aggregation**

---

For individual stocks, exchange-traded funds and options, it is our policy wherever possible to aggregate trades when purchasing or selling the same security for multiple clients at approximately the same time. Known as block trades, they will be averaged as to price and transaction costs and allocated equitably among all clients for whom we are buying or selling a security. No client or account will be favored over another. In the case of an order which is only partially filled, we will first look to allocate the shares pro-rata based on the percentage of shares each client order bears to the total order amount. Adjustments to this pro-rata allocation may be made to avoid having odd amounts of shares held in any client account, or to avoid excessive transactions costs in smaller accounts. Additional adjustments may be warranted when certain options trading strategies are used. Any deviation from this allocation policy must be approved in writing by the Chief Compliance Officer no later than the following business day. RCAS receives no additional compensation of any kind as a result of aggregating client trades.

Supervised persons of RCAS may participate in block trades alongside client accounts, subject to the requirements listed above.

## **Item 13 – Review of Accounts**

### **Periodic Reviews**

---

Regular account reviews are performed on a quarterly basis by the advisor representative handling the client account. Random accounts are chosen each quarter for an audit review to ensure that accounts are being managed consistent with the clients stated objectives. Account reviews are performed more frequently when market conditions dictate.

## **Review Triggers**

---

Other conditions that may trigger a review include changes in tax laws, new investment information, and changes in a client's own situation.

## **Regular Reports**

---

Clients receive statements from the custodian holding their assets on at least a quarterly basis. They may also receive periodic written communications from their advisor representative.

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

### **Incoming Referrals**

---

RCAS and its advisor representatives have been fortunate over the years to receive many client referrals. These have come from current clients, attorneys, accountants, personal friends of employees and representatives and other similar sources.

RCAS does have arrangements whereby they compensate individuals for referring business to the firm. All such arrangements are established under SEC Rule 206(4)-3 which governs payment to solicitors. Clients are provided with a Solicitor's Disclosure Document which defines the solicitor's role as well as the method of compensation.

RCAS does not accept referral fees or any other form of payment from other professionals when a prospect or client is referred to them.

### **Referrals Out**

---

RCAS does not accept referral fees or any other form of payment from other professionals when a prospect or client is referred to them.

### **Other Compensation**

---

Not applicable.

## **Item 15 – Custody**

### **Account Statements**

---

All client assets are held at a qualified custodian. This means the custodian provides account statements directly to clients at their address of record at least quarterly. The custodian will also provide clients with confirmations of trading activity and annual tax forms. Clients are advised to carefully review this information and notify RCAS of any issues or concerns.



## **Item 16 – Investment Discretion**

### **Discretionary Trading Authority**

---

RCAS usually receives discretionary authority at the onset of an advisory relationship to manage securities accounts on behalf of clients. This discretionary authority allows us to determine, without obtaining specific client consent, the securities to be bought or sold as well as the amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account(s). In some cases clients prefer that their adviser consult with them prior to each trade being placed. Clients may also impose restrictions prohibiting investment in certain companies or industries. Any investment restrictions must be provided to RCAS in writing.

The client approves the custodian to be used and the commission rates paid. If approved by the client, discretionary trading authority facilitates placing trades in your account so that we may promptly implement the investment strategy that was discussed.

### **Limited Power of Attorney**

---

A limited power of attorney (LPOA) is a trading authorization you provide us so that we can place discretionary trades on your behalf as stated above. The LPOA requires your signature or initials on the investment management agreement and/or custodian-supplied form. You may revoke the LPOA at any time by notifying us in writing.

## **Item 17 – Voting Client Securities**

### **Proxy Votes**

---

As a matter of firm policy and practice, RCAS does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. On an occasional basis RCAS may provide advice to clients regarding the clients' voting of proxies.

## **Item 18 – Financial Information**

### **Financial Condition**

---

RCAS has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients.

A balance sheet is not required to be provided because Ridgeway does not serve as a custodian for client funds or securities, and does not require prepayment of fees of more than \$1,200 per client, and six months or more in advance.

## **Item 19 – Business Continuity Plan**

### **General**

---

The firm has an evolving Business Continuity Plan that provides steps to mitigate and recover from the loss of office space, communications, services, or key people.

### **Disasters**

---

The Business Continuity Plan covers natural disasters such as snow storms, hurricanes, tornados, and flooding. The Plan covers man-made disasters such as loss of electrical power, loss of water pressure, fire, bomb threat, nuclear emergency, chemical event, biological event, T-1 communications line outage, Internet outage, railway accident and aircraft accident. Electronic files are backed up and archived offsite.

### **Alternate Offices**

---

RCAS maintains equipped and functional offices to support ongoing operations in the event our main office is unavailable. These locations are, in order of closest proximity to the main office, are Cazenovia NY, Syracuse NY, and Saint Louis, Mo. The office to be used in the event of a disaster will depend on the scope of the incident. It is our intention to contact all clients within five days of a disaster that dictates moving our office to an alternate location.

### **Loss of Key Personnel**

---

The firm has several Key personnel. It is expected that if there was a loss of a key individual the other(s) would step in.

## **Item 20 – Information Security Program**

### **Information Security**

---

RCAS maintains an information security program to reduce the risk that your personal and confidential information may be breached.

### **Privacy Notice**

---

Services we are committed to safeguarding the confidential information of our clients. We hold all At Ridgeway Conger personal information provided to our firm in the strictest confidence. These records include all personal information that we collect from you in connection with any of the Investment Advisory services provided by our firm. We will not share personal information about our clients with other companies unless we need to share the information in order to provide a product or service a client

has requested. Unless we tell clients otherwise, these other companies do not have the right to use clients' personal information obtained from our firm in any manner beyond what is required to provide a client's requested product or service.

Our firm limits the collection of personal information to what is necessary to administer our business and to deliver our products and services to our clients. It is usually necessary in the conduct of our business that we share information with our affiliates. We do reserve the right to disclose or report personal information in limited circumstances where we believe in good faith that disclosure is required under law, to cooperate with regulators or law enforcement authorities, to perform necessary credit checks or collect or report debts owed to us, to protect our rights or property, or upon reasonable request by the sponsor or provider of a product in which you have chosen to invest. Listed below is the information we do collect and how we use that information:

Forms you fill out to interact with our company such as:

- new account forms
- agreements and contracts
- questionnaires and miscellaneous forms

These forms may request personal information such as your e-mail address, telephone number, mailing address, social security number, employment information, investment objectives and financial situation, and account numbers.

### **How we use this information**

We use your personal information for the purpose of conducting business with you. At no time do we sell your information or share it unless it is necessary to conduct business with you. On occasion, our clients' professional providers such as accountants, attorneys, etc. may request non-public information about them. We will upon request and with client authorization supply providers with such information.

### **Protection of Client Information**

Ridgeway Conger Advisory Service's policies require that employees with access to confidential client information may not use or disclose the information except for business use. Access to client information is available to employees on a "need-to-know" basis only and is restricted to certain employees, representatives and agents with a business reason for access to such information. Employees are required to sign a Confidentiality Agreement annually. Our Information Technology consultant has also signed an agreement to ensure your data is not compromised. We safeguard information according to established security standards and procedures and train our employees and representatives to understand and comply with these protections.

Personally identifiable information about you will be maintained while you are a client, and for the required period thereafter that records are required to be maintained by federal and state securities laws. After such time, information may be destroyed.

### **Changes to Firm Privacy Policies**

We will notify you in advance if our privacy policy is expected to change. All new clients will receive the firm's most current private policy upon entering into an agreement or opening an account with the firm. All clients will be provided with the firm's most current privacy policy at least annually.

### **Item 21 – Brochure Supplements**

RCAS provides advisory services through numerous investment professionals. The investment adviser representative you choose to work with will provide you with their brochure supplement which will disclose, among other things, their educational and business background, any professional certifications they have attained, disciplinary information, other business activities, and their supervisor's information. These supplements must be provided to new clients entering into an agreement on or after July 31, 2011.