

## **Guelich Capital Management, LLC**

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### **FORM ADV PART 2 BROCHURE**

**This brochure provides information about the qualifications and business practices of Guelich Capital Management, LLC. If you have any questions about the contents of this brochure, please contact us at (540) 772-4545 . The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.**

**Additional information about Guelich Capital Management, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for Guelich Capital Management, LLC is 140505.**

**Guelich Capital Management, LLC is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.**

## Item 2 Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

Generally, Guelich Capital Management, LLC will notify clients of material changes on an annual basis. However, where we determine that an interim notification is either meaningful or required, we will notify our clients promptly. In either case, we will notify our clients in a separate document.

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## Item 4 Advisory Business

### Description of Services and Fees

Guelich Capital Management, LLC is a registered investment adviser based in Roanoke, Virginia. Our firm is organized as a limited liability company under the laws of the Commonwealth of Virginia. We have been providing investment advisory services since 2006. Ms. Connie Cross Guelich is our President, Chief Compliance Officer, and principal owner.

The following paragraphs describe our services and fees. Please refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs. You may see the term Associated Person throughout this Brochure. As used in this Brochure, our Associated Persons are our firm's officers and all individuals providing investment advice on behalf of our firm.

### Financial Planning Services

We offer broad-based and consultative financial planning services to our clients. Financial planning will typically involve providing a variety of advisory services to clients regarding the management of their financial resources based upon an analysis of their individual needs. The process typically begins with a complimentary introduction meeting during which the various services we provide are explained. During or after the initial meeting, if you decide to engage us for financial planning services, we will collect pertinent information about your personal and financial circumstances and objectives. As required, we will conduct follow-up interviews for the purpose of reviewing and/or collecting additional financial data. Once such information has been reviewed and analyzed, we will present you with a written financial plan designed to achieve your stated financial goals and objectives. The primary objective of this process is to allow our firm to assist you in developing a strategy for the successful management of income, assets, and liabilities in meeting your financial goals and objectives.

In limited circumstances, some clients may only require advice on a single aspect of the management of their financial resources. For these clients, we offer financial plans in a modular format and/or general consulting services that address only those specific areas of interest or concern.

Financial plans are based on your financial situation at the time we present the plan to you, and on financial information you provide to our firm. Past performance is in no way an indication of future performance. We cannot offer any guarantees or promises that your financial goals and objectives will be met. You must promptly notify our firm if your financial situation, goals, objectives, or needs change.

You are under no obligation to act on our financial planning recommendations. Should you choose to act on any of our recommendations, you are not obligated to implement the financial plan through any of our other investment advisory services. Moreover, you may act on our recommendations by placing securities transactions with any brokerage firm.

### Estate Planning

As part of a financial planning engagement, we may also provide broad-based estate planning services which include but may not be limited to advice with respect to property ownership, distribution strategies, estate tax reduction, and tax payment techniques. This service may also involve a discussion of gifts, trusts, etc., and the disposition of business interests. Tax consequences and their implications may also be identified and evaluated.

Our fees for planning services are based on the following schedules:

- **Fixed Fees:** The fee for a financial plan starts at \$2,500 and may increase depending on the scope and complexity of the requested services and your financial situation. Estate planning fees will range between \$5,000 and \$25,000. Generally, we require the fees to be paid in advance. Financial and estate plans will be completed and delivered to you within 6 months of the date of the contract. Under no circumstances will we require prepayment of a fee in excess of \$500 and more than six months in advance. Factors that are considered when determining the cost of a financial plan, include but are not limited to:
  1. The scope of the plan, i.e., plans that cover all aspects of a clients financial plan such as business succession, estate planning, retirement needs, education planning, and successor trusts, among others, would warrant a higher fee than a more simplistic client situation covering typical financial needs for current money management and retirement.
  2. Complexity of the client financial situation, i.e., trusts, estates, business ownership, tax brackets and other personal needs.
- **Hourly Fees:** For clients who request specific consulting related services, we charge an hourly fee of \$250. An estimate of the total time/cost will be determined at the start of the advisory relationship and the fee will be payable upon execution of the financial planning agreement. In limited circumstances, the time/cost could potentially exceed the initial estimate. In such cases, we will notify you and request that you approve the additional fee which will be payable upon completion of the consulting service.

\* Hourly and Fixed Fees are non-negotiable.

After the initial financial planning engagement, you may engage our firm for on-going financial plan monitoring and consulting services, based on an annual term. Such services include meetings to review your progress towards stated goals and investment performance. These services are provided for a fixed fee and are payable quarterly in advance. Typically, the annual fee for on-going financial plan monitoring and consulting services is \$5,000, payable in four quarterly payments of \$1,250 each.

Either party may terminate the agreement by providing written notice to the other party. In the event there are any prepaid unearned fees at the time of termination, we will promptly refund a pro rata share to you.

### **Portfolio Management Services**

We provide discretionary and non-discretionary portfolio management services in accordance with your individual investment objectives. If you participate in our discretionary portfolio management services, we require you to grant our firm discretionary authority to manage your account. Subject to a grant of discretionary authorization, we have the authority and responsibility to formulate investment strategies on your behalf. This authorization includes deciding which securities and amounts to buy and sell, the broker/dealer to be used, and the commission rates to be paid, in accordance with your investment program, without obtaining your prior consent or approval for each transaction.

Discretionary authority is typically granted by the investment advisory agreement you sign with our firm, a power of attorney, and/or trading authorization forms. You may limit our discretionary authority (for example, limiting the types of securities that can be purchased for your account) by providing our firm with your restrictions and guidelines in writing.

If you enter into non-discretionary arrangements with our firm, we must obtain your approval prior to executing any transactions on behalf of your account. You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

You may make additions to and withdrawals from your account at any time, subject to our right to terminate an account, if the balance falls below an amount, which in our sole opinion, is too low to effectively manage. If you deposit or withdraw assets from your account after the first day of any month, we will not adjust or prorate our management fee based on the number of days remaining in the month. You may withdraw account assets on notice to our firm, and subject to the usual and customary securities settlement procedures. However, we design our portfolios as long-term investments and asset withdrawals may impair the achievement of your specific investment objectives.

Our annual fee for portfolio management services is billed and payable monthly in advance based on the market value of your account on the last day of the preceding month. Fees will be assessed pro rata in the event the portfolio management agreement is executed at any time other than the first day of a month, which means our advisory fee is payable in proportion to the number of days in the month for which you are a client. Our fee for portfolio management services is based on a percentage of your assets we manage and is set forth in the following fee schedule:

<b>Portfolio Size</b>	<b>Annualized Fee</b>
First \$500,000	2.00%
Next \$500,000	1.50%
Next \$1,000,000	1.25%
Next \$3,000,000	1.15%
Next \$5,000,000	1.00%
Accounts over \$10,000,000	Negotiable

Arrangements with existing clients may be subject to a different fee schedule.

At our discretion, we may combine the account values of family members living in the same household to determine the applicable advisory fee. For example, we may combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts. Combining account values may increase the asset total, which may result in your paying a reduced advisory fee based on the available breakpoints in our fee schedule stated above.

The portfolio management fee will be deducted directly from your account by the qualified custodian holding your funds and securities. The advisory fee will be deducted only if the following requirements have been met:

- You have provided our firm with written authorization permitting the fees to be paid directly from your account held by the qualified custodian. This authorization is given in Agreement you sign with our firm and/or with the qualified custodian holding your funds and/or securities.
- We agree to send you an invoice showing the amount of the fee to be deducted, the value of the assets on which the fee is based, and the specific manner in which the fee was calculated.
- The qualified custodian agrees to send you a statement, at least quarterly, indicating all amounts dispersed from your account including the amount of the advisory fee paid directly to our firm.

We encourage you to reconcile our invoices with the statement(s) you receive from the qualified custodian. If you have questions regarding the statement or if you did not receive your most recent statement, please contact us as indicated on the cover page of this brochure.

You may terminate this Agreement within five days of the date of execution without penalty. After the five-day period, this Agreement will continue in effect until terminated by either party by a 30 day written notice to the other (email notice will not suffice), which written notice must be signed by the terminating party. Termination of this Agreement will not affect (i) the validity of any action previously taken by our firm under this Agreement; (ii) liabilities or obligations of the parties from transactions initiated before termination of this Agreement; or (iii) your obligation to pay fees (prorated through the date of termination) under this Agreement. Upon the termination of this Agreement, we will have no obligation to recommend or take any action with regard to the securities, cash or other investments in your account. The management fee will be pro-rated for the month in which this Agreement was terminated, and any unearned fees will be refunded to you.

### **Pension Consulting Services**

We offer pension consulting services to employee benefit plans based upon an analysis of the needs of the plan. In general, we provide the following services.

### **Fiduciary Services**

We provide advice regarding selection of the Plan's investment alternatives offered to participants under the Plan. In so doing, we select a "broad range" of investment options that qualify under ERISA §404(c). You have the ultimate responsibility to accept and implement or reject our recommendations.

We monitor the investments on a periodic basis and provide advice as to retention, removal and addition of the Plan's investment alternatives offered to participants under the Plan and the addition or removal of asset classes. You have the ultimate responsibility to accept and implement or reject our recommendations.

We recommend the qualified default investment alternative (QDIA) to be used in the Plan. You have the ultimate responsibility to accept and implement or reject our recommendation and to direct the Plan's record-keeper with respect to the QDIA selection.

### **Non-Fiduciary Services**

We provide education to you on fiduciary responsibilities.

We assist in monitoring, selecting and supervising service vendors, including preparation of a fee analysis of other service vendors.

We assist your employee benefits office with some administrative tasks such as mailing information and/or speaking on the phone to new participants, terminating participants and those with questions about the plan.

Upon request, we assist with plan provider searches for an additional fee.

### **Compensation and Conflicts of Interest**

Our compensation for these services is based on a percentage of assets in the plan. The rate is negotiable and will be clearly set forth in the agreement for services. The annual fee is typically 0.75% and it is prorated and deducted from plan assets quarterly in advance at the beginning of each calendar quarter. The fee will be calculated as of the market value of the Plan assets on the last trading day of the prior calendar quarter. We reserve the right to bill out-of-pocket expenses (such as overnight mailings, messenger, translation fees, etc.) at cost.

We do not reasonably expect to receive any other compensation, direct or indirect, for the services we provide to the Plan. If our firm or any of our associated persons receives any other compensation for providing advisory services to the Plan, we will (i) offset the compensation against our stated advisory fees, and (ii) we will promptly disclose the amount of such compensation, the services rendered for such compensation and the payer of such compensation to you.

We do not receive any other direct or indirect compensation for the services provided to the Plan. We do not receive any form of "revenue sharing," "soft dollars" or nonmonetary compensation.

If our arrangement is terminated by either the Plan or by us (on 60 day advance written notice) during a billing period, we refund the amount of any unearned fees.

### **Status**

In providing services to the Plan, our status is that of an investment adviser registered under the Investment Advisers Act of 1940, and we are not subject to any disqualifications under Section 411 of ERISA.

In performing fiduciary services, we are acting as a non-discretionary fiduciary of the Plan as defined in Section 3(21) under ERISA.

### **Educational Seminars**

We may conduct speaking engagements and educational seminars for a fee. Fees are negotiable and will be determined on a case-by-case basis, and will be agreed upon in advance of the speaking engagement or seminar. The topics may include issues related to asset/wealth management services, such as financial planning, investment planning, retirement planning, and/or various other economic and investment topics. Fees range from \$25 to \$50 per person, however in limited circumstances, and at our sole discretion, we may waive the fee.

The information covered in a seminar is not based on the individual needs of the attendees. We do not provide investment advice to attendees unless engaged independently, and only where the attendee's individualized financial information, investment goals, and objectives are provided.

### **Types of Investments**

We offer advice on a broad range of investments including, but not limited to, equity securities, corporate debt securities, certificates of deposit, municipal securities, investment company securities (i.e. mutual funds, exchange traded funds (ETFs), U.S. Government securities, options contracts on securities and interests in partnerships investing in real estate and oil and gas interests. Our recommendations may include these or other types of investments, since each client has different needs and different tolerances for risk. We may also advise you on any type of investment held in your portfolio at the inception of our advisory relationship, or on specific types of investments at your request.

You may request that we refrain from investing in particular securities or certain types of securities. You must provide these restrictions to our firm in writing.

### **Assets Under Management**

As of January 27, 2012, we manage \$43,958,545 in client assets on a discretionary basis, and \$2,396,693 in client assets on a non-discretionary basis.



## Item 5 Fees and Compensation

Please refer to the "Advisory Business" section in this Brochure for information on our advisory fees, fee deduction arrangements, and refund policy according to each service we offer.

### Additional Fees and Expenses

In addition to, and exclusive of, our investment advisory fees disclosed under the *Advisory Business* section above, you will also be charged brokerage commissions, transaction fees, and other related costs and expenses for trade execution. These transaction charges are paid to, and retained by, the account custodian for its clearance and execution services. We do not receive any portion of these commissions, fees, or costs. For information on our brokerage practices, please refer to the "Brokerage Practices" section below of this Disclosure Brochure.

As part of our investment advisory services to you, we may invest, or recommend that you invest, in mutual funds and exchange traded funds. The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. You will also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through whom your account transactions are executed. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian. To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange traded funds, our firm, and others. For information on our brokerage practices, please refer to the "Brokerage Practices" section of this Brochure.

### Compensation for the Sale of Other Investment Products

We are affiliated through common control and ownership with Guelich Insurance Associates LLC, an insurance agency primarily owned and operated by Connie C. Guelich. Services and fees are separate and distinct from our advisory business. Ms. Guelich is a licensed insurance agent and is eligible to receive commission-based compensation for selling insurance products. The relationship could be perceived as a conflict of interest. However, Ms. Guelich spends a very minimal amount of her professional time in this capacity. Although she may discuss certain insurance products with you in relation to your overall financial situation, you are under no obligation, contractually, or otherwise, to purchase insurance products through any person affiliated with our firm or our related insurance agency.

Robert S. Guelich is a minority owner of Guelich Insurance Associates LLC and spends no professional time in this capacity. He is not a licensed insurance agent and does not directly earn commission-based compensation.

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

Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees.

We do not accept performance-based fees or participate in side-by-side management. Our fees are calculated as described in the *Advisory Business* section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

## Item 7 Types of Clients

We currently provide investment advisory services to individuals (including high net worth individuals, trusts, and estates), and pension and profit sharing plans. However, we are not limited to offering services to these types of clients. We may also offer our services to other types of clients, such as charitable organizations, corporations, or other business entities.

In general, we require a minimum of \$250,000.00 to open and maintain an advisory account. At our discretion, we may waive this minimum account size. For example, we may waive the minimum if you appear to have significant potential for increasing your assets under our management. We may also combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts to meet the stated minimum.

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

No investment strategy or method of analysis can assure that any trade or investment will result in a profit. Furthermore, each client must understand that any trade or investment could result in a loss and that the value of any client portfolio could decline below the original investment. Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

Our investment strategies, recommendations, and advice will vary depending upon each client's specific financial situation. As such, we determine investment selections and allocations based upon your predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio. Frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs, and taxes.

Investing in securities involves risk of loss and you should be aware of varying risks associated with certain types of investments or investment strategies. We may use one or more of the following methods of analysis or investment strategies when formulating investment advice or managing client assets.

**Charting Analysis** involves the gathering and processing of price and volume pattern information for a particular security, sector, broad index or commodity. This price and volume pattern information is analyzed. The resulting pattern and correlation data is used to detect departures from expected performance and diversification and predict future price movements and trends. The risk associated with charting analysis is that it may not accurately detect anomalies or predict future price movements. Current prices of securities may reflect all information known about the security and day-to-day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

**Technical Analysis** involves studying past price patterns, trends, and interrelationships in the financial markets to assess risk-adjusted performance and predict the direction of both the overall market and specific securities. The risk of market timing based on technical analysis is that our analysis may not accurately detect anomalies or predict future price movements. Current prices of securities may reflect all information known about the security and day-to-day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy. Cyclical Analysis is a type of technical analysis that involves evaluating

recurring price patterns and trends. Economic/business cycles may not be predictable and may have many fluctuations between long term expansions and contractions. The lengths of economic cycles may be difficult to predict with accuracy and therefore the risk of cyclical analysis is the difficulty in predicting economic trends and consequently the changing value of securities that would be affected by these changing trends.

**Fundamental Analysis** involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company and its industry. The resulting data is used to measure the true value of the company's stock compared to the current market value. The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

**Long-Term Purchases** refers to securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year. Using a long-term purchase strategy generally assumes the financial markets will go up in the long-term which may not be the case. There is also the risk that the segment of the market that you are invested in or perhaps just your particular investment will go down over time even if the overall financial markets advance. Purchasing investments long-term may create an opportunity cost - "locking-up" assets that may be better utilized in the short-term in other investments.

**Short-Term Purchases** refers to securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations. Using a short-term purchase strategy generally assumes that we can predict how financial markets will perform in the short-term which may be very difficult and you risk incurring a disproportionately higher amount of transaction costs compared to long-term trading. There are many factors that can affect financial market performance in the short-term (such as short-term interest rate changes, cyclical earnings announcements, etc.), but may have a smaller impact over longer periods of times.

In limited circumstances, based on individual client needs and suitability, we may utilize short sales or options.

**Short Sale** refers to a securities transaction in which an investor sells securities that were borrowed in anticipation of a price decline. The investor is then required to return an equal number of shares at some point in the future. A short seller will profit if the stock goes down in price, but if the price of the shares increase, the potential risk of loss is unlimited.

**Option Writing** refers to a securities transaction that involves selling an option. An option is the right, but not the obligation, to buy or sell a particular security at a specified price before the expiration date of the option. When an investor sells an option, he or she must deliver to the buyer a specified number of shares if the buyer exercises the option. The seller pays the buyer a premium (the market price of the option at a particular time) in exchange for writing the option. The two types of options are calls and puts. A call gives the holder the right to buy an asset at a certain price within a specific period of time. Calls are similar to having a long position on a stock. Buyers of calls hope that the stock will increase substantially before the option expires. A put gives the holder the right to sell an asset at a certain price within a specific period of time. Puts are very similar to having a short position on a stock. Buyers of puts hope that the price of the stock will fall before the option expires. Options are complex investments and can be very risky, especially if the investor does not own the underlying stock. In certain situations, an investor's risk can be

unlimited. Options are *not suitable for everyone*. Options trading can be speculative in nature and carry substantial risk of loss. It is generally recommended that you only invest in options with risk capital. Selling options can also carry a high degree of risk.

### **Tax Considerations**

Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you continuously consult with a tax professional prior to and throughout the investing of your assets.

### **Recommendation of Particular Types of Securities**

Since each client has different needs and different tolerances for risk, our recommendations will vary from client to client. Each type of security has its own unique set of risks investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with it. The majority of our clients are invested primarily in publicly traded stocks, bonds, or exchange traded funds.

There are numerous ways of measuring the risk of equity securities (also known simply as "equities" or "stock"). In very broad terms, the value of a stock depends on the financial health of the company issuing it. However, stock prices can be affected by many other factors including, but not limited to the class of stock (for example, preferred or common); the health of the market sector of the issuing company; and, the overall health of the economy. In general, larger, better established companies ("large cap") tend to be safer than smaller start-up companies ("small cap") are, but the mere size of an issuer is not, by itself, an indicator of the safety of the investment.

Corporate debt securities (or "bonds") are typically safer investments than equity securities, but their risk can also vary widely based on: the financial health of the issuer; the risk that the issuer might default; when the bond is set to mature; and, whether or not the bond can be "called" prior to maturity. When a bond is called, it may not be possible to replace it with a bond of equal character paying the same rate of return.

While generally thought of as safe, municipal securities can have significant risks associated with them including, but not limited to: the credit worthiness of the governmental entity that issues the bond; the stability of the revenue stream that is used to pay the interest to the bondholders; when the bond is due to mature; and, whether or not the bond can be "called" prior to maturity. When a bond is called, it may not be possible to replace it with a bond of equal character paying the same amount of interest or yield to maturity.

Like mutual funds, exchange traded funds (ETFs) are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other funds and securities, or any combination thereof. The fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. An ETF tracks an index, a commodity or a basket of assets like an index fund, but trades like a stock on an exchange. ETFs experience price changes throughout the day as they are bought and sold. Because it trades like a stock, an ETF does not have its net asset value (NAV) calculated every day like a mutual fund does. By owning an ETF, you get the diversification of an index fund as well as the ability to sell short, buy on margin and purchase as little as one share. Another advantage is that the expense ratios for most ETFs are lower than those of the average mutual fund. When buying and selling ETFs, you have to pay the same commission to your broker that you would pay on any regular order. The returns on ETFs can also be reduced by the costs to manage the funds. While ETFs generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of

the market, primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities.

## **Item 9 Disciplinary Information**

Guelich Capital Management, LLC has been registered and providing investment advisory services since 2006. Neither our firm nor any of our Associated Persons has any reportable disciplinary information.

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

We are affiliated with Guelich Insurance Associates LLC through common control and ownership. Ms. Guelich is licensed as an insurance agent. She is eligible to receive commission-based compensation for selling insurance products. The insurance services and compensation are separate and distinct from our advisory services and fees. Please see the *Fees and Compensation* section in this brochure for more information about the insurance activities of Guelich Insurance Associates LLC and Ms. Guelich.

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

### **Description of Our Code of Ethics**

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for our Associated Persons. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All of our Associated Persons are expected to adhere strictly to these guidelines. Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.

Our Code of Ethics is available to clients and prospective clients upon request. You may obtain a copy of our Code of Ethics by contacting us at the telephone number on the cover page of this brochure.

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

Neither our firm nor any persons associated with our firm has any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this brochure.

### **Personal Trading Practices**

Our firm or persons associated with our firm may buy or sell the same securities that we recommend to you or securities in which you are already invested. A potential conflict of interest exists in such cases because we could potentially have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To mitigate this conflict of interest, it is our policy that neither our Associated Persons nor we shall have priority over your account in the purchase or sale of securities. Our firm and/or our Associated Persons will generally be "last in" and "last out" for any trading that may occur in securities that are not exempt from federal reporting, such as mutual funds and direct obligations of the U.S. Government.



## Item 12 Brokerage Practices

We generally recommend that clients in need of brokerage and custodial services utilize Fidelity Brokerage Services, LLC ("Fidelity"), Member NYSE/SIPC. We believe that Fidelity provides quality execution services for you at competitive prices. Price is not the sole factor we consider in evaluating best execution. We also consider the quality of the brokerage services provided by Fidelity, including the value of the firm's reputation, execution capabilities, commission rates, and responsiveness to our clients and our firm. In recognition of the value of the services Fidelity provides, you may pay higher commissions and/or trading costs than those that may be available elsewhere. The reasonableness of commissions is based on several factors, including the broker's ability to provide professional services, competitive commission rates, volume discounts, execution price negotiations, the broker's reputation, experience and financial stability of the broker or dealer, and the quality of service rendered by the broker or dealer in other transactions.

Best execution is not measured solely by reference to commission rates. Paying a broker a higher commission rate than another broker might charge is permissible if the difference in cost is reasonably justified by the quality of the brokerage services offered. Also, we may cause you to pay a higher commission in recognition of the value of "research services" and additional brokerage products and services a broker-dealer has provided or may be willing to provide. There is no requirement that you use the broker that we recommend. While you are free to choose any broker-dealer or other service provider, we recommend that you establish an account with a brokerage firm with which we have an existing relationship. Such relationships may include benefits provided to our firm, including but not limited to, research, market information, and administrative services that help our firm manage your accounts. We use research received from Fidelity in our general investment decision making to service all of our clients' accounts, not just for those accounts for which commissions may be considered to have been used to pay for the research received.

### **Brokerage for Client Referrals**

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

### **Directed Brokerage**

We routinely recommend that you direct our firm to execute transactions through Fidelity. As such, we may be unable to achieve the most favorable execution of your transactions and you may pay higher brokerage commissions than you might otherwise pay through another broker-dealer that offers the same types of services. Not all advisers require their clients to direct brokerage.

In limited circumstances, and at our discretion, some clients may instruct our firm to use one or more particular brokers for the transactions in their accounts. If you choose to direct our firm to use a particular broker, you should understand that this might prevent our firm from obtaining favorable net price and execution. Thus, when directing brokerage business, you should consider whether the commission expenses, execution, clearance, and settlement capabilities that you will obtain through your broker are adequately favorable in comparison to those that we would otherwise obtain for you.

### **Block Trades**

We do not combine multiple orders for shares of the same securities purchased for advisory accounts we manage (the practice of combining multiple orders for shares of the same securities is commonly referred to as "block trading"). Accordingly, you may pay different prices for the same securities transactions than other clients pay. Furthermore, we may not be able to buy and sell the same quantities of securities for you and you may pay higher commissions, fees, and/or transaction costs than other clients.

## Item 13 Review of Accounts

Guelich Capital reviews all assets on a continual basis. There are two investment professionals in the firm, the president who is also the chief compliance officer, and the portfolio manager. They collaborate daily, reviewing all securities held in accounts and making changes in the portfolios when they deem appropriate to increase the probability of achieving investment goals and managing risk. Accounts are monitored daily with each individual account being reviewed monthly. Whenever a client's goals change the account is reviewed, and appropriate changes are made. Reviews are also conducted based on various circumstances, including, but not limited to:

- Contributions and withdrawals
- Year-end tax planning
- Major changes in the market
- Changes in a client's risk/return objectives

We meet with clients to review accounts on a schedule requested by the client. This is generally quarterly or semi-annually. We are available to review accounts whenever the client requests it.

You will receive monthly or quarterly statements and trade confirmations from your account custodian(s). We do not assume the accuracy of information contained in those reports. We encourage you to review your statements for accuracy. We do not provide additional or regular written reports unless specifically requested.

Financial plans are reviewed quarterly or semi-annually for clients who choose on-going financial plan monitoring. The frequency is determined by the client's needs and at the client's request. Connie Guelich, CFP® conducts all financial planning reviews. A change in circumstances such as, but not limited to, marriage, divorce, birth, death, inheritance, lawsuit, retirement, job loss or disability often trigger an unscheduled review.

## Item 14 Client Referrals and Other Compensation

Associated Persons who provide investment advice on behalf of our firm are also licensed insurance agents. These individuals will receive commission based income on the sale of insurance related products. For information on the conflicts of interest this presents, and how we address these conflicts, please refer to the *Fees and Compensation* section above.

We do not receive any compensation from any third party in connection with providing investment advice to you nor do we compensate any individual or firm for client referrals.

## Item 15 Custody

We may directly debit your account(s) for the payment of our advisory fees. This ability to deduct our advisory fees from your accounts causes our firm to exercise limited custody over your funds or securities. We do not have physical custody of any of your funds and/or securities. Your funds and securities will be held with a bank, broker-dealer, or other independent, qualified custodian. You will receive account statements from the independent, qualified custodian(s) holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate the amount of our advisory fees deducted from your account(s) each billing period. You should carefully review account statements for accuracy.

If you have a question regarding your account statement or if you did not receive a statement from your custodian, please contact our firm at (540) 772-4545.

## **Item 16 Investment Discretion**

Before we can buy or sell securities on your behalf, you must first sign our discretionary management agreement, a power of attorney, and/or trading authorization forms.

You may grant our firm discretion over the selection and amount of securities to be purchased or sold for your accounts, the broker/dealer to be used and the commission to be paid without obtaining your consent or approval prior to each transaction. You may specify investment objectives, guidelines, and/or impose certain conditions or investment parameters for your accounts. For example, you may specify that the investment in any particular stock or industry should not exceed specified percentages of the value of the portfolio and/or restrictions or prohibitions of transactions in the securities of a specific industry or security. Please refer to the "Advisory Business" section in this Brochure for more information on our discretionary management services.

If you enter into non-discretionary arrangements with our firm, we will obtain your approval prior to the execution of any transactions for your accounts. You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

## **Item 17 Voting Client Securities**

If you own certain types of securities, such as shares of common stock or mutual funds, you are responsible for exercising your right to vote as a shareholder. We will not vote proxies on your behalf. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights.

You shall be responsible for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by you shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other similar events pertaining to the Assets.

We are authorized to instruct the custodian to forward to you copies of all proxies and shareholder communications relating to issuers of securities beneficially owned by you. Therefore, in most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward any electronic solicitation to vote proxies.

You may contact us as indicated on the cover page of this brochure with questions regarding a particular proxy or about this policy.

## **Item 18 Financial Information**

Our firm does not have any financial conditions or impairments that would prevent us from meeting our contractual commitments to you. Although debiting certain advisory fees from client accounts held by a qualified custodian causes us to exercise limited custody over a portion of client assets for the payment of those fees, we do not take physical custody of client funds or securities, or serve as trustee or signatory for client accounts, and, we do not require the prepayment of more than \$500 in fees six or more months in advance. Therefore, we are not required to include a financial statement with this brochure.



Neither our firm nor any person associated with our firm has ever been the subject of a bankruptcy petition.

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

Please refer to the Form ADV Part 2B brochure supplements for education and business background information about our management personnel and any individuals providing advice on behalf of our firm.

Neither our firm, nor any persons associated with our firm are compensated for advisory services with performance-based fees. Please refer to the "Performance-Based Fees and Side-By-Side Management" section above for additional information on this topic.

Neither our firm, nor any of our management persons have any reportable arbitration claims, civil, self-regulatory organization proceedings or administrative proceedings.

Neither our firm, nor any of our management persons have a material relationship or arrangement with any issuer of securities.

## **Item 20 Additional Information**

### **Your Privacy**

We view protecting your private information as a top priority. Pursuant to applicable privacy requirements, we have instituted policies and procedures to ensure that we keep your personal information private and secure.

We do not disclose any nonpublic personal information about you to any nonaffiliated third parties, except as permitted by law. In the course of servicing your account, we may share some information with our service providers, such as transfer agents, custodians, broker-dealers, accountants, consultants, and attorneys.

We restrict internal access to nonpublic personal information about you to employees who need that information in order to provide products or services to you. We maintain physical and procedural safeguards that comply with regulatory standards to guard your nonpublic personal information and to ensure our integrity and confidentiality. We will not sell information about you or your accounts to anyone. We do not share your information unless it is required to process a transaction, at your request, or required by law.

You will receive a copy of our privacy notice prior to or at the time you sign an advisory agreement with our firm. Thereafter, we will deliver a copy of the current privacy policy notice to you on an annual basis. If you have any questions regarding this policy, please call our office at (540) 772-4545.

### **Trade Errors**

In the event a trading error occurs in your account, our policy is to restore your account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the account. If a trade error results in a profit, you will keep the profit.

**Connie Cross Guelich, CFP<sup>®</sup>, AEP, CLU, ChFC**

**Guelich Capital Management, LLC**

**1401 Franklin Road, SW  
Roanoke, VA 24016**

**Phone: (540) 772-4545  
Fax: (540) 772-9441**

**[www.guelichcapital.com](http://www.guelichcapital.com)**

**August 13, 2012**

**FORM ADV PART 2B  
BROCHURE SUPPLEMENT**

**This brochure supplement provides information about Connie Cross Guelich that supplements the Guelich Capital Management, LLC brochure. You should have received a copy of that brochure. Please contact Connie Cross Guelich, President if you did not receive Guelich Capital Management's brochure or if you have any questions about the contents of this supplement.**

**Additional information about Connie Cross Guelich is available on the SEC's website at the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## Item 2 Educational Background and Business Experience

**Connie Cross Guelich, CFP®, AEP, CLU, ChFC**

*Year of Birth: 1947*

*Formal Education after High School:*

- University of Maine, Orono, ME, B.A., History, 1968.
- The American College, Bryn Mawr, PA, M.S., Financial Services, 2009.

*Business Background for the Previous Five Years:*

- Guelich Capital Management, LLC, President/Chief Compliance Officer, 04/2006 to Present.
- Guelich Insurance Associates LLC, President, 01/2005 to Present.
- Guelich Financial Group, LLC, President, 01/2005 to 04/2008.
- NRP Financial, Inc., formerly Oberlin Financial Corp., Registered Representative, 02/2003 to 04/2008.

*Designations: CFP®, AEP, CLU, ChFC*

**The CERTIFIED FINANCIAL PLANNER™**, CFP® and federally registered CFP (with flame design) marks (collectively, the "CFP® marks") are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. ("CFP Board").

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 62,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education - Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board's studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor's Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board's financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination - Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;
- Experience - Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics - Agree to be bound by CFP Board's *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education - Complete 30 hours of continuing education hours every two years, including two hours on the and other parts of the , to maintain competence and keep up with developments in the financial planning field; and *Code of Ethics Standards of Professional Conduct*

- Ethics - Renew an agreement to be bound by the *Standards of Professional Conduct*. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

#### **Accredited Estate Planner (AEP)**

*The AEP designation is awarded by the National Association of Estate Planners & Councils to estate planners who have completed two graduate-level courses administered by The American College, meet specific professional requirements and who practice as one of the following: attorney, CPA, trust officer, CLU, CFP® certificant or ChFC.*

#### **Chartered Life Underwriter (CLU)**

This designation is issued by The American College and is granted to individuals who have at least three years of full-time business experience within the five years preceding the awarding of the designation. The candidate is required to take a series of mandatory courses which include, for example, the following: insurance planning, life insurance law, fundamentals of estate planning, planning for business owners, income taxation, group benefits, planning for retirement needs, and investments. Each course has a final proctored exam and once issued, the individual is required to submit 30 hours of continuing education every two years.

#### **Chartered Financial Consultant (ChFC)**

This designation is issued by The American College and is granted to individuals who have at least three years of full-time business experience within the five years preceding the awarding of the designation. The candidate is required to take seven mandatory courses which include the following disciplines: financial, insurance, retirement and estate planning; income taxation, investments and application of financial planning; as well as two elective courses involving the application of the aforementioned disciplines. Each course has a final proctored exam and once issued, the individual is required to submit 30 hours of continuing education every two years.

### **Item 3 Disciplinary Information**

Ms. Guelich does not have, nor has she ever had, any disciplinary information.

### **Item 4 Other Business Activities**

Ms. Guelich is also the President of Guelich Insurance Associates LLC, an affiliated insurance agency. Services and fees are separate and distinct from our advisory business. Ms. Guelich is a licensed insurance agent and is eligible to receive commission-based compensation for selling insurance products. The relationship could be perceived as a conflict of interest. However, Ms. Guelich spends a very minimal amount of her professional time in this capacity. Although she may discuss certain insurance products with you in relation to your overall financial situation, you are under no obligation, contractually, or otherwise, to purchase insurance products through any person affiliated with our firm or our related insurance agency.

## Item 5 Additional Compensation

Please refer to the *Other Business Activities* section above for disclosures on Ms. Guelich's receipt of additional compensation as a result of her activities as a licensed insurance agent.

Also, please refer to the *Fees and Compensation* section, and *Other Financial Industry Activities and Affiliations* section of Guelich Capital Management, LLC's firm brochure for additional disclosures on this topic.

## Item 6 Supervision

Ms. Guelich, President and Chief Compliance Officer is responsible for supervising the advisory activities of Guelich Capital Management, LLC and its employees. Ms. Guelich conducts periodic reviews of client holdings and relevant client information to provide reasonable assurance that the advice provided remains aligned with each client's stated investment objectives and with the firm's internal guidelines. Ms. Guelich can be reached at (540) 772-4545.

## Item 7 Requirements for State Registered Advisers

Ms. Guelich does not have, nor has she ever had, any reportable arbitration claims. She has never been found liable in a reportable civil, self-regulatory organization or administrative proceeding; and, she has never been the subject of a bankruptcy petition.

**Robert Steven Guelich**

**Guelich Capital Management, LLC**

**1401 Franklin Road, SW  
Roanoke, VA 24016**

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**August 13, 2012**

**FORM ADV PART 2B  
BROCHURE SUPPLEMENT**

**This brochure supplement provides information about Robert Steven Guelich that supplements the Guelich Capital Management, LLC brochure. You should have received a copy of that brochure. Please contact Connie Cross Guelich, President if you did not receive Guelich Capital Management, LLC's brochure or if you have any questions about the contents of this supplement.**

**Additional information about Robert Steven Guelich is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Item 2 Educational Background and Business Experience**

### **Robert Steven Guelich**

*Year of Birth:* 1976

*Formal Education:*

- College of William & Mary, Williamsburg, VA, B.A., Psychology, 1998.

*Business Background for the Previous Five Years:*

- Guelich Capital Management, LLC, Vice President, 04/2006 to Present.
- Guelich Insurance Associates LLC, Vice President, 01/2005 to Present.
- Guelich Financial Group, LLC, Vice President, 01/2005 to 11/2007.
- NRP Financial, Inc., formerly Oberlin Financial Corp., Registered Representative, 02/2003 to 11/2007.

## **Item 3 Disciplinary Information**

Mr. Guelich does not have, nor has he ever had, any disciplinary information.

## **Item 4 Other Business Activities**

Mr. Guelich is a minority owner of Guelich Insurance Associates LLC and spends no professional time in this capacity. He is not a licensed insurance agent and does not directly earn commission-based compensation.

## **Item 5 Additional Compensation**

Mr. Guelich does not receive compensation through Guelich Insurance Associates LLC.

## **Item 6 Supervision**

Connie C. Guelich, President and Chief Compliance Officer is responsible for supervising the advisory activities of Mr. Guelich. Ms. Guelich conducts periodic reviews of client holdings and relevant client information to provide reasonable assurance that the advice provided remains aligned with each client's stated investment objectives and with the firm's internal guidelines. Ms. Guelich can be reached at (540) 772-4545.

## **Item 7 Requirements for State Registered Advisers**

Mr. Guelich does not have, nor has he ever had, any reportable arbitration claims. He has never been found liable in a reportable civil, self-regulatory organization or administrative proceeding; and, he has never been the subject of a bankruptcy petition.