



*This brochure provides information about the qualifications and business practices of Rich Goldman Asset Management. If you have any questions about the contents of this brochure, please do not hesitate to contact us at (480) 471-5456. 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 Rich Goldman Asset Management is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Rich Goldman Asset Management's CRD number is: 146689.*

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

## **Item 2: Material Changes**

The Firm has no material changes to report.

## Item 3: Table of Contents

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## Item 4: Advisory Business

### A. Description of the Advisory Firm

The Firm has been in business since August 2008, and the principal owner is Richard C. Goldman.

### B. Types of Advisory Services

The Firm offers the following services to advisory clients:

#### *Investment Supervisory Services*

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

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

The Firm then evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. The Firm will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction. Risk tolerance levels are discussed with each client.

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

The Firm limits its investment advice and/or money management to mutual funds, equities, bonds, fixed income, debt securities, ETFs, REITs, and government securities. The Firm may use other securities and hedging strategies as well in an attempt to help diversify a portfolio and minimize risk when applicable.

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

The Firm offers the same suite of services to all of its clients. Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent Rich Goldman from properly

servicing the client account, or if the restrictions would require the Firm to deviate from its standard suite of services, the Firm reserves the right to end the relationship.

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

The Firm does not participate in any wrap fee programs.

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

The Firm manages both discretionary and non-discretionary assets:

<b>Assets Under Management:</b>	<b>Date Calculated:</b>
\$78,000,000	January 20, 2012

## Item 5: Fees and Compensation

### A. Fee Schedule

#### *Investment Supervisory Services Fees*

Total Assets Under Management	Annual Fee
Under \$250,000	3.00%
\$250,000- \$500,000	2.00%
\$500,000- \$2,000,000	1.5%
Over \$2,000,000	1.0%

These fees are negotiable and the final fee schedule is attached in the Investment Advisory Contract. In past special circumstances, the Firm has allowed clients to negotiate fees at levels less than the above schedule. Fees are paid monthly in arrears, and clients may terminate their contracts with written notice. Clients may terminate their contracts without penalty, for full refund, within 5 business days of signing the advisory contract. Advisory fees are withdrawn directly from the client's accounts with client written authorization.

### B. Payment of Fees

#### *Payment of Investment Supervisory Fees*

Advisory fees are withdrawn directly from the client's accounts with client written authorization. Fees are paid monthly in arrears.

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

Clients may incur certain charges imposed by the Financial Institution(s) and other third parties such as custodial fees, charges imposed directly by a mutual fund or exchange traded fund in the account, which shall be disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Additionally, client accounts will incur

brokerage commissions and transaction fees. Such charges, fees and commissions are exclusive of and in addition to the Firm's fee.

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

The Firm collects fees in arrears. If the Firm were to collect fees in advance, fees would be refunded based on the prorated amount of work completed at the point of termination and the total days during the billing period.

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

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

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

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

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

The Firm generally provides investment advice and/or management supervisory services to the following Types of Clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Trusts, Estates, or Charitable Organizations
- ❖ Corporations or Business Entities

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

The minimum account size is \$250,000.

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

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



The Firm strives to achieve total return for client accounts. Portfolios are constructed typically of equity securities and exchange traded funds. Investments are chosen based on fundamental research with an emphasis on preservation of capital and income. In addition, the Firm will employ an overlay strategy in effort to hedge risk and enhance returns.

The Firm uses Long Term Trading, Short Term Trading, Margin Transactions, and Options Writing (including covered options, uncovered options, or spreading strategies).

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

## **B. Material Risks Involved**

The Firm utilizes investment strategies that are designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes. Margin transactions and options writing generally hold greater risk and clients should be aware that there is a chance of material risk of loss using any of those strategies.

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

**Past performance is not a guarantee of future returns. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **Item 9: Disciplinary Information**

A customer dispute concerning the trading activities of three Smith Barney Advisors, including Mr. Goldman, between January 1999 and March 2001 was recorded in April of 2004. Smith Barney took full responsibility for its research and resulting client losses. The case was settled for \$14,999.10 paid by Smith Barney. No fine was levied against or paid by Mr. Goldman.

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

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

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

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

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

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

Neither the Firm nor its representatives have any material relationships to this advisory business that would present a possible conflict of interest.

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

The Firm does not utilize nor select other advisors or third party managers. All assets are managed by Rich Goldman Asset Management.

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

## **A. Code of Ethics**

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

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

The Firm does not recommend that clients buy or sell any security in which a related person has a material financial interest.

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

From time to time, representatives of the Firm may buy or sell securities for themselves that they also recommend to clients. The Firm will document any transactions that could

be construed as conflicts of interest and will always transact client business before their own when similar securities are being bought or sold.

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

From time to time, representatives of the Firm may buy or sell securities for themselves at or around the same time as clients. The Firm has adopted a Code of Ethics designed to assure that the personal securities transactions of the Firm and each of its employees will not interfere with (i) making decisions in the best interest of the client and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between the Firm, its employees and its clients.

### **Item 12: Brokerage Practices**

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

The Custodian was chosen based on their relatively low transaction fees, reputation and commitment to client service. The Firm will never charge a premium or commission on transactions, beyond the actual cost imposed by Custodian.

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

The Firm receives research, products, or services other from its broker-dealer or another third-party in connection with client securities transactions ("soft dollar benefits"). There is no minimum client number or dollar number that the Firm must meet in order to receive free research from the custodian or broker/dealer. There is no incentive for the Firm to direct clients to this particular broker-dealer over other broker-dealers who offer the same services. The first consideration when recommending broker/dealers to clients is best execution.

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

The Firm receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

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

The Firm will not allow clients to direct it to use a specific broker-dealer to execute transactions. Clients must use the Firm's recommended custodian (broker-dealer).

Not all investment advisers require their clients to direct brokerage. By requiring clients to use our specific custodian, the Firm may be unable to achieve most favorable execution of client transactions and this may cost clients money over using a lower-cost custodian.

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

The Firm employs block trade purchases across accounts to benefit clients by purchasing larger blocks in groups, thereby incurring lower costs per transaction.

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

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

Client accounts are reviewed continuously by the Firm and its advisory personnel, Rich Goldman and Philip H. Bervig. Messrs. Goldman and Bervig review clients' accounts with regards to their investment policies and risk tolerance levels.

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

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

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

Each client will receive at least quarterly a written report detailing the client's account which may come from the custodian.

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

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

At this time, the Firm does not receive any economic benefit, directly or indirectly from any third party for advice rendered to the Firm's clients.

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

At this time, the Firm does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

### **Item 15: Custody**

The Firm does not take custody of client accounts at any time. The Custodian maintains client funds at all times. Clients will receive account statements from the custodian and should carefully review those statements.

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

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

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

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

### **Item 18: Financial Information**

#### **A. Balance Sheet**

The Firm does not require nor solicit prepayment of more than \$500 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

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

Neither the Firm nor its management have any financial conditions likely to reasonably impair our ability to meet contractual commitments to clients.

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

The Firm has not been the subject of a bankruptcy petition in the last ten years.

## **Item 19: Requirements For State Registered Advisers**

### **A. Principal Executive Officers and Management Persons; Their Formal Education and Business Background**

The Firm currently has only one management person/executive officer; Rich Goldman. Mr. Goldman's education and business background can be found on the Supplemental ADV Part 2B form.

### **B. Other Businesses in Which This Advisory Firm or its Personnel are Engaged and Time Spent on Those (If Any)**

Mr. Goldman's and other of the Firm's employee's outside business activities can be found on the Supplemental ADV Part 2B form.

### **C. How Performance Based Fees are Calculated and Degree of Risk to Clients**

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

### **D. Material Disciplinary Disclosures for Management Persons of this Firm**

No management person at the Firm has been involved in an arbitration claim or been found liable in a civil, self-regulatory organization, or administrative proceeding that is material to the client's evaluation of the firm or its management.

### **E. Material Relationships That Management Persons Have With Issuers of Securities (If Any)**

Neither the Firm, nor its management persons, has any relationship or arrangement with issuers of securities.