

## W A PROSKOW, LLC

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June 25, 2012

This Brochure provides information about the qualifications and business practices of W A Proskow, LLC. If you have any questions about the contents of this Brochure, you may contact us at (847) 487-7108, or email [bproskow@sbcglobal.net](mailto:bproskow@sbcglobal.net) to obtain answers and additional information. W A Proskow, LLC is a registered investment advisor in the State of Illinois, Nebraska and New Hampshire. Registration of an investment adviser does not imply any level of skill or training. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC), the State of Illinois, or by any other state securities authority.

Additional information about W A Proskow, LLC and Mr. Proskow also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 – Material Changes

The date of our previous annual update to our Brochure was March 20, 2012.

We will ensure that all current clients receive a Summary of Material Changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. A Summary of Material Changes is generally available, with our Brochure, on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for W A Proskow, LLC is 148339. The Summary of Material Changes is listed as "Exhibit A" to our Brochure. We may further provide other ongoing disclosure information about material changes as necessary and will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting William A. Proskow, Principal of W A Proskow, LLC at (847) 487-7108 or [bproskow@sbcglobal.net](mailto:bproskow@sbcglobal.net). Brochures are provided free of charge.

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**Item 4 – Advisory Business**

- A** W A Proskow, LLC, is an- investment advisor registered under the laws of the State of Illinois, Nebraska and New Hampshire. W A Proskow, LLC’s principal place of business located in Illinois.
- W A Proskow, LLC (“Proskow” “we” “us” “Firm” and “Advisor”) began conducting business in Illinois in 2008. William A. Proskow is the Owner, President, and Chief Compliance Officer, as well as the principal shareholder, with a 100% ownership interest.
- B** Proskow offers a wide range of investment advisory services to its Clients. Advice and services are tailored to the stated objectives of the Client(s). Except as otherwise instructed, Client grants Proskow ongoing and continuous discretionary authority to execute its investment recommendations in accordance with Proskow’s Statement of Investment Policy (or similar document used to establish Client’s objectives and suitability), without the Client’s prior approval of each specific transaction.
- C** Proskow will analyze the Client’s financial goals and objectives and design an investment portfolio for the Client. Proskow will manage the account by evaluating mutual funds, exchange-listed securities, over-the-counter securities, fixed and variable annuities, and various other marketable securities to determine specific investments.
- D** Proskow does not participate in or sponsor any wrap-fee programs.
- E** Proskow manages \$60,037,899 of Client assets on a discretionary basis and no client assets on a non-discretionary basis. These amounts were calculated as of December 31, 2011.

## Item 5 – Fees and Compensation

- A** Compensation to Proskow for its services will be calculated in accordance with “Schedule A” of the Investment Advisory Agreement, which may be amended from time to time by Proskow upon 30 days prior written notice to Client. Such fees may be paid directly to Proskow from the account by the custodian upon submission of an invoice to custodian showing the amount of fees, the value of the Client’s assets on which the fees are based, and the specific manner in which the fees are calculated. Payment of fees may result in the liquidation of Client’s securities if there is insufficient cash in the account. Copies of the fee invoices will be mailed to Client as required.

In consideration for the Proskow’s services, the Client will pay Proskow a fee monthly in arrears, with payment due within 10 days from the date of the invoice. The fee will be equal to the agreed upon rate per annum, times the market value of the account, divided by twelve. The market value will be construed to equal the sum of the values of all assets in the account, not adjusted by any margin debit.

### STANDARD FEE SCHEDULE:

#### Schedule A

<u>Assets</u>	<u>Maximum Annual Fee</u>
Under \$500,000	1.50%*
\$500,000 to \$1 million	1.50%
\$1 million to \$2 million	1.25%
\$2 million to \$5 million	0.80%
\$5 million and above	Negotiable

\* Subject to a minimum fee of \$7,500, not to exceed 3% of assets under management annually.

For purposes of determining value, securities and other instruments traded on a market for which actual transaction prices are publicly reported shall be valued at the last reported sale price on the principal market in which they are traded (or, if there shall be no sales on such date, then at the mean between the closing bid and asked prices on such date). Other readily marketable securities shall be priced using a pricing service or through quotations from one or more dealers. All other assets shall be valued at fair value by Proskow whose determination shall be conclusive. Proskow may modify the terms in this Section prospectively on at least 30-days prior written notice. Such amendments will only be effective after Client provides written acknowledgement of the amendment.

Notwithstanding the above, fees are generally negotiable. Factors that may be considered in determining whether to negotiate fees include but are not limited to: existing family or friend relationship, additional business potential, and responding to fees of possible competitors.

- B** All brokerage commissions, stock transfer fees, and other similar charges incurred in connection with transactions for the account will be paid out of the assets in the account and are in addition to the investment management fees paid to Proskow. The Client bears responsibility for verifying the accuracy of fee calculations.
- C** Client may be required to pay, in addition to Proskow's fee, a proportionate share of any mutual fund's fees and charges. All brokerage commissions, custodial fees and service charges, stock transfer fees, and other similar charges incurred in connection with transactions for the Account will be paid out of the assets in the Account or billed separately to the Client and are in addition to the investment management fees paid to Proskow.
- D** Fees for partial months at the commencement or termination of this Agreement will be billed or refunded on a pro-rated basis contingent on the number of days the account was open during the month. Monthly fee adjustments for additional assets received into the account during a month or for partial withdrawals will also be provided on the above pro rata basis. Proskow does not require their Clients to pay fees in advance. Unless a client has received the firm's disclosure brochure at least 48 hours prior to signing the investment advisory contract, the investment advisory contract may be terminated by the client within five (5) business days of signing the contract without incurring any advisory fees.
- E** As previously stated, Proskow is compensated only by our Clients and we do not receive compensation or commissions from any other parties.

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

Proskow neither accepts nor charges any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a Client).

### **Item 7 – Types of Clients**

Proskow provides portfolio management services to individuals, pension and profit-sharing plans, trusts, estates and charitable institutions.



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

**A** Proskow offers advice on investments primarily including (but not limited to) the following:

- Equity securities such as:
  - Exchange-listed securities
  - Securities traded over-the-counter
  - Foreign issuers
- Corporate debt securities
- Commercial paper
- Certificates of deposit
- Municipal securities
- Investment company securities such as:
  - Variable life insurance
  - Variable annuities
  - Mutual fund shares
- United States government securities
- Option contracts on:
  - Securities
- Interests in partnerships investing in:
  - Real Estate
  - Oil and Gas

Proskow will primarily research and review securities using traditional methods such as fundamental and technical analysis. The primary investment strategies used to implement investment advice given to Clients include long term (securities held at least one year) and short term (securities sold within a year) purchases. On occasion, Proskow will also utilize Options, including covered options, uncovered options and spreading strategies.

The main sources of information Proskow relies upon when researching and analyzing securities include traditional research materials such as financial newspapers and magazines, corporate rating services, annual reports, prospectuses, filings with the SEC, company press releases, as well as research materials prepared by others.

**B** Any investment in securities involves risk or loss that Clients should be prepared to bear. While Proskow uses its best judgment and good faith efforts in rendering services to Client, not every investment decision or recommendation made by Proskow will be profitable. Proskow cannot warrant or guarantee any particular level of account performance, or that an Account will be profitable over time.

Client assumes all market risk involved in the investment of account assets under the Investment Advisory Agreement and understands that investment decisions made for this account are subject to various market, currency, economic, political and business risks. Except as may otherwise be provided by law, Proskow will not be liable to Client for (a) any loss that Client may suffer by reason of any investment decision made or other action taken

or omitted in good faith by Proskow with that degree of care, skill, prudence and diligence under the circumstances that a prudent person acting in a fiduciary capacity would use; (b) any loss arising from Proskow's adherence to Client's instructions; or (c) any act or failure to act by a custodian of Client's account. Nothing in this Agreement shall relieve Proskow from any responsibility or liability Proskow may have under state or federal statutes.

### **Item 9 – Disciplinary Information**

W A Proskow, LLC is required to disclose all materials facts regarding any legal or disciplinary event that would be material to your evaluation of our Firm, or the Integrity of our management. As the sole advisor representative and principal to Proskow, William A. Proskow does not have any legal, regulatory or disciplinary events of any kind whatsoever.

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

W A Proskow, LLC does not participate in any other financial industry activities and has no other financial industry affiliations.

### Item 11 – Code of Ethics

- A** Proskow 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 outlines proper conduct related to all services provided to Clients. Prompt reporting of internal violations is mandatory. The Advisor's chief compliance officer regularly evaluates employee performance to ensure compliance with the code of ethics. Advisor also follows the Chartered Financial Analyst (CFA<sup>®</sup>) Code of Ethics. A copy of either code of ethics is available to any Client or prospective Client upon request.
- B-D** Proskow anticipates that, in appropriate circumstances and consistent with Clients' investment objectives, it may buy and sell some of the same securities for its own account that Proskow buys and sells for its Clients. In all instances, where appropriate Proskow will purchase a security for all of its existing accounts for which the investment is appropriate before purchasing any of the securities for Proskow's own account and, likewise, when it determines that securities should be sold, where appropriate will cause these securities to be sold from all of its advisory accounts prior to permitting the selling of the securities from its accounts. In some cases Proskow may buy or sell securities for its own account for reasons not related to the strategies adopted by Advisor's Clients.

When Proskow is newly engaged by an investment advisory Client for whom it expects to recommend securities in which Proskow or its principal holds a position, Proskow will notify the new Client of its policies in respect to officers trading for their own account.

Proskow will disclose to advisory Clients any material conflict of interest relating to Proskow, its representatives, or any of its employees which could reasonably be expected to impair the rendering of unbiased and objective advice.

## Item 12 – Brokerage Practices

- A.1** “Soft dollar” arrangements are defined as the receipt of research or other products or services, other than execution of trades, from a broker-dealer or a third party in connection with Client securities transactions. But for soft dollar arrangements, Advisor would have to obtain the various services and products for cash. As a result of receiving such products and services for no cost, Advisor has an incentive to continue to place Client trades through broker-dealers that offer soft dollar arrangements. This interest may conflict with the Client’s interest of obtaining the lowest commission rate available. Therefore, we must determine in good faith, based on the “best execution” policy (discussed in the next section) that such commissions are reasonable in relation to the value of the services provided by such executing broker-dealers.

Additionally, Advisor may execute transactions with broker-dealers that provide research, seminars and execution services. Subject to Section 28(e) of the Securities Exchange Act of 1934, as amended (“Exchange Act”), Advisor may pay broker-dealer commissions for agency transactions that are in excess of the amount of commissions charged by other broker-dealers in recognition of their research, seminar and execution services.

Upon a Client’s request, we will make available a description of what the manager obtained through soft dollar arrangements and/or 12b-1 fees, the names of the broker-dealers providing those fees, products or services, the amount of commissions generated for the requesting Client’s account, and other information regarding the use of the particular broker-dealer.

- A.2** Generally, Proskow has the authority to determine, without obtaining specific Client consent, the securities bought or sold and the amount of securities bought or sold and commission rates paid. The only restrictions on the above discretionary authority are those set by the Client on a case-by-case basis. Proskow makes it a practice to question Clients to determine if there are any limitations to Proskow’s discretionary authority on the above matters.

Except to the extent that the Client directs otherwise, Proskow may use its discretion in selecting or recommending the broker-dealer. The Client is not obligated to effect transactions through any broker-dealer recommended by Proskow. In recommending broker-dealers, Proskow will generally seek “best execution.” In recommending a broker-dealer Proskow will comply with its fiduciary duty to obtain best execution and with the Securities Exchange Act of 1934 and will take into account such relevant factors as:

- Price;
- The broker-dealer’s facilities, reliability and financial responsibility;
- The ability of the broker-dealer to effect transactions, particularly with regard to such aspects as timing, order size and execution of order;

- The research and related brokerage services provided by such broker or dealer to Proskow, notwithstanding that the account may not be the direct or exclusive beneficiary of such services; and
- Any other factors Proskow considers to be relevant.

**B** We are authorized in our discretion to aggregate purchases and sales and other transactions made for the account with purchases and sales and other transactions in the same or similar securities or instruments for other Clients. When transactions are so aggregated, the actual prices applicable to the aggregated transactions will be averaged, and the account will be deemed to have purchased or sold its proportionate share of the securities or instruments involved at the average price so obtained.

### **Item 13 – Review of Accounts**

Accounts are reviewed by William Proskow or qualified staff members. All reviews are either conducted or supervised by William Proskow. The frequency of reviews are determined based on the Client's investment objectives, but no less frequently than quarterly. More frequent reviews may also be triggered by a change in Client's investment objectives; tax considerations; large deposits or withdrawals; large sales or purchases; loss of confidence in corporate management; or, changes in macro-economic climate.

Investment advisory Clients receive standard account statements from the custodian of their accounts on a monthly basis.



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

- A** W A Proskow has no arrangements, written or oral, in which we compensate any third-parities for referrals of Clients.

### Item 15 – Custody

Except for our ability to debit fees, Proskow does not have custody of assets in any Client Account. Accordingly, Proskow shall have no liability to the Client for any loss or other harm to any property in the Account, including any harm to any property in the Account resulting from the insolvency of the custodian or any acts of the agents or employees of the custodian regardless of whether the full amount of such loss is covered by SIPC or any other insurance which may be carried by the custodian. The Client understands that SIPC provides only limited protection for the loss of property held by a broker-dealer.

Clients will receive at least quarterly statements from the broker-dealer, bank or other qualified custodian that holds and maintains Client's investment assets. Proskow urges all Clients to carefully review such statements and compare such official custodial records to Account statements that we may provide to you. Proskow may also provide Clients with periodic reports on Client's account. These reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

## **Item 16 – Investment Discretion**

Proskow usually receives discretionary authority from the Client at the outset of an advisory relationship to select the identity and 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.

When selecting securities and determining amounts, Proskow observes the investment policies, limitations and restrictions of the Clients for which it advises. For registered investment companies, Proskow's authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

Investment guidelines and restrictions must be provided to Proskow in writing.

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

Unless specifically directed otherwise in writing by the Client, Proskow is not authorized to receive and vote proxies on issues held in the account or receive annual reports. All transactions in the account shall be made in accordance with the directions and preferences provided to Proskow by the Client. Client will execute instructions regarding Proskow's trading authority as required by each custodian.

**Item 18 – Financial Information**

- A** Under no circumstances will W A Proskow, LLC solicit or require prepayment of more than \$500.00, six months or more in advance, from any Client for advisory services.
- B** We have no financial commitments which would impair our ability to meet the contractual and fiduciary commitments to our Clients
- C** We have never been the subject of any bankruptcy proceedings.

## Item 19 – Requirements for State-Registered Advisers

- A** William Anthony Proskow, CFA®  
Born: 1942

### EDUCATIONAL BACKGROUND

Chartered Financial Analyst, (CFA®) 1987  
MBA, Rivier College, 1978  
MS – Physics, Northeastern University, 1968  
BS – Physics, Stevens Institute of Technology, 1963

### BUSINESS BACKGROUND

2008 – Present Principal and Chief Compliance Officer, W A Proskow, LLC  
1993 – 2008 Sr. Vice President and Sr. Portfolio Manager, Northern Trust Company  
1990 – 1993 President and Chief Investment Officer, Bankeast Trust Company  
1984 – 1989 Sr. Vice President, Senior Investment Officer, First NH Investment Services  
1979 – 1992 Senior Lecturer, Graduate School of Business, Rivier College  
1977 – 1983 Sole Proprietor, Proskow & Company  
1968 – 1977 Senior Engineer, Raytheon Company

- B** Mr. Proskow is not involved in any other business activities at this time.
- C** We do not receive performance-based fees.
- D** We have not been subject to any arbitration claims or any other proceedings (civil, self-regulatory organization or administrative).
- E** We have no relationship or arrangements with any securities issuers.

## WILLIAM A. PROSKOW

W A PROSKOW, LLC

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This brochure supplement provides information about William A. Proskow, Principal and Chief Compliance Officer of W A Proskow, LLC.

We require any supervised person involved in the practice of giving investment advice or consulting to Clients to have at a minimum, a bachelor degree from an accredited university. These persons must also pass appropriate licensing examinations and are strongly encouraged to seek continuing education opportunities available in the industry, including appropriate certifications or designations.

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

### **WILLIAM ANTHONY PROSKOW**

Born: 1942

#### EDUCATION

Chartered Financial Analyst, (CFA®) 1987

MBA, Rivier College, 1978

MS – Physics, Northeastern University, 1968

BS – Physics, Stevens Institute of Technology, 1963

#### BUSINESS BACKGROUND

2008 – Present Principal and Chief Compliance Officer, W A Proskow, LLC

1993 – 2008 Sr. Vice President and Sr. Portfolio Manager, Northern Trust Company

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1979 – 1992 Senior Lecturer, Graduate School of Business, Rivier College

1977 – 1983 Sole Proprietor, Proskow & Company

1968 – 1977 Senior Engineer, Raytheon Company

## **Item 3 – Disciplinary Information**

I have not been subject to any legal or disciplinary proceedings which would be considered material (or otherwise) to a Client's evaluation of me or any of the services W A Proskow, LLC provides.

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

I am not involved in any other investment-related business or occupation.

## **Item 5 – Additional Compensation**

Please refer to Item 14 of ADV Part 2A.

## **Item 6 – Supervision**

As Principal and Chief Compliance Officer, I am responsible for all services and advice provided to Clients of W A Proskow, LLC. I prepare all investment policies, forms and procedures for working with Clients and for managing the Firm.

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

I have never been subject to any arbitration claim or any other proceedings (civil, self regulatory organization or administrative) related to investments, fraud, theft, bribery or dishonest, unfair or unethical practices. I have never been the subject of any bankruptcy petition.



WA Proskow, LLC, an investment advisory firm, is committed to safeguarding the confidential information of its clients. We do collect nonpublic personal information in order to open and administer your accounts with us and to provide you with accurate and pertinent advice. We hold all nonpublic personal information you provide to us in the strictest confidence. If we were to change our firm policy, we would be prohibited under the law from doing so without advising you first.

You may direct us not to make disclosures (other than disclosures required by law) regarding nonpublic personal information to nonaffiliated third parties. If you wish to opt out of disclosures to non-affiliated third parties please contact us at (847) 487-7108.

WA Proskow, LLC collects personal information about you from the following sources:

- Applications or other forms.
- Discussions with nonaffiliated third parties.
- Information about your transactions with us or others.
- Questionnaires.
- Tax Returns.
- Estate Planning Documents.

WA Proskow, LLC uses your personal information in the following manner:

- We do not sell your personal information to anyone.
- We limit employee and agent access to information only to those who have a business or professional reason for knowing, and only to nonaffiliated parties as permitted by law. (For example, federal regulations permit us to share a limited amount of information about you with a brokerage firm in order to execute securities transactions on your behalf, or so that our firm can discuss your financial situation with your accountant or lawyer.)
- We will provide notice of changes in our information sharing practices. If, at any time in the future, it is necessary to disclose any of your personal information in a way that is inconsistent with this policy, we will give you advance notice of the proposed change so you will have the opportunity to opt out of such disclosure.
- We maintain a secure office and computer environment to ensure that your information is not placed at unreasonable risk.
- For nonaffiliated third parties that require access to your personal information, including financial service companies, consultants, and auditors, we also require strict confidentiality in our agreements with them and expect them to keep this information private. Federal and state regulators also may review firm records as permitted under law.
- We do not provide your personally identifiable information to mailing list vendors or solicitors for any purpose.
- Personally identifiable information about you will be maintained during the time you are a client, and for the required time thereafter that such records are required to be maintained by federal and state securities laws. After this required period of record retention, all such information will be destroyed.