

# Mont Blanc Capital Management LLC

## Firm Brochure - Form ADV Part 2A

*This brochure provides information about the qualifications and business practices of Mont Blanc Capital Management LLC. If you have any questions about the contents of this brochure, please contact us at (414) 435-1110 or by email at: [william.gregozeski@montblanccapital.com](mailto:william.gregozeski@montblanccapital.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.*

*Additional information about Mont Blanc Capital Management LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Mont Blanc Capital Management LLC's CRD number is: 159092*

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

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## **Item 2: Material Changes**

Mont Blanc Capital Management LLC has not yet filed an annual updating amendment using the Form ADV Part 2A. Therefore there are no material changes to report.

## Item 3: Table of Contents

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## Item 4: Advisory Business

### A. Description of the Advisory Firm

Mont Blanc Capital Management LLC is a Limited Liability Company organized in the state of Wisconsin.

This firm has been in business since October 2011, and the principal owners are William Robert Gregozeski and the Mont Blanc Capital Corporation.

### B. Types of Advisory Services

Mont Blanc Capital Management LLC (hereinafter “MBCM”) offers the following services to advisory clients:

#### *Investment Supervisory Services*

MBCM offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. MBCM creates an Investment Policy Statement for each client, which outlines the client’s current situation (income, tax levels, and risk tolerance levels) and then constructs a plan (the Investment Policy Statement) 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

MBCM evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. MBCM 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 documented in the Investment Policy Statement, which is given to each client.

#### *Performance Based Fees*

Qualified investors with at least \$1,000,000 assets under management with MBCM are charged an asset based management fee of 1.50% on all assets under management and a performance based fee of 20% of net profits over a 10% hurdle rate and above a high water mark.

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

MBCM generally limits its money management to equities, bonds, debt securities, REITs, private placements, and government securities. MBCM may use other securities as well to help diversify a portfolio when applicable.

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

MBCM offers the same suite of services to all of its clients. However, specific client financial plans and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

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

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

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and any other administrative fees. MBCM DOES NOT participate in any wrap fee programs.

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

MBCM is a newly formed investment advisory firm, as such; its current assets under management are not yet reported.

## Item 5: Fees and Compensation

### A. Fee Schedule

#### *Investment Supervisory Services Fees*

Total Assets Under Management	Annual Fee
\$250,000 - \$1,000,000	2.00%
Above \$1,000,000	1.50% + 20% Performance Based Fee (See Below)

These fees are negotiable depending upon the needs of the client and complexity of the situation, and the final fee schedule is attached as Exhibit II of the Investment Advisory Contract. Fees are paid quarterly in arrears, and clients may terminate their contracts with written notice. Because fees are charged in arrears, no refund policy is necessary. Clients may terminate their accounts without penalty within 5 business days of signing the advisory contract. Advisory fees are withdrawn directly from the client's accounts with client written authorization.

#### *Performance Based Fees*

Qualified investors with at least \$1,000,000 assets under management with MBCM are charged an asset based management fee of 1.50% on all assets under management and a performance based fee of 20% of net profits over a 10% hurdle rate and above a high water mark. The Management fees are paid quarterly in arrears, and clients may terminate their contracts with written notice while the Performance Based fees will be collected annually in arrears.

### 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 quarterly in arrears.

#### *Payment of Performance Based Fees*

Performance Based fees are withdrawn directly from the client's accounts with client written authorization. Fees are paid annually in arrears.

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

Clients are responsible for the payment of all third party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by MBCM. Please see Item 12 of this brochure regarding broker/custodian.

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

MBCM collects its fees in arrears. It does not collect fees in advance.

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

William Robert Gregozeski in his role as a registered representative accepts compensation for the sale of securities to MBCM clients.

#### ***1. This is a Conflict of Interest***

William Robert Gregozeski will accept compensation for the sale of securities or other investment products, including asset based sales charges or services fees from the sale of mutual funds to its clients. This presents a conflict of interest and gives the supervised person an incentive to recommend products based on the compensation received rather than on the client's needs. When recommending the sale of securities or investment products for which William Robert Gregozeski receives compensation, MBCM will document the conflict of interest in the client file and inform the client of the conflict of interest.

#### ***2. Clients Have the Option to Purchase Recommended Products From Other Brokers***

Clients always have the option to purchase MBCM recommended products through other brokers or agents that are not affiliated with MBCM.

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

Qualified investors with at least \$1,000,000 assets under management with MBCM are charged an asset based management fee of 1.50% on all assets under management and a performance based fee of 20% of net profits over a 10% hurdle rate and above a high water mark. The Management fees are paid quarterly in arrears, and clients may terminate their contracts with written notice while the Performance Based fees will be collected annually in arrears.

MBCM manages accounts that are billed on performance based fees (a share of capital gains on or capital appreciation of the assets of a client) as well as accounts that are NOT billed on performance based fees. Managing both kinds of accounts at the same time presents a conflict of interest because MBCM or its supervised persons have an incentive to favor accounts for which

MBCM and its supervised persons receive a performance-based fee. MBCM addresses the conflicts by ensuring that clients who have performance based accounts do not receive preferential treatment. MBCM provides best execution practices and upholds its fiduciary duty for all clients.

Clients that are paying a performance based fee should be aware that investment advisors have an incentive to invest in riskier investments when paid a performance based fee due to the higher risk/higher reward attributes.

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

MBCM generally provides management supervisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Banks and Thrift Institutions
- ❖ Pension and Profit Sharing Plans
- ❖ Trusts, Estates, or Charitable Organizations
- ❖ Corporations or Business Entities

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

There is an account minimum, \$250,000, which may be waived by the investment advisor, based on the needs of the client and the complexity of the situation.

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

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

#### ***Methods of Analysis***

MBCM focuses on a fundamental analysis.

***Fundamental analysis*** involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

#### ***Investment Strategies***

MBCM uses long and short term trading.

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

## B. Material Risks Involved

### *Methods of Analysis*

*Fundamental analysis* concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

### *Investment Strategies*

Long term trading is designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Short term trading generally holds greater risk and clients should be aware that there is a material risk of loss using this strategy.

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

## C. Risks of Specific Securities Utilized

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

**Equity** investment generally refers to buying shares of stocks by an individual or firms in return for receiving a future payment of dividends and capital gains if the value of the stock increases. There is an innate risk involved when purchasing a stock that it may decrease in value and the investment may incur a loss.

**Treasury Inflation Protected/Inflation Linked Bonds:** The Risk of default on these bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal.

**Debt securities** carry risks such as the possibility of default on the principal, fluctuation in interest rates, and counterparties being unable to meet obligations.

**REITs** have specific risks including valuation due to cash flows, dividends paid in stock rather than cash, and the payment of debt resulting in dilution of shares.

**Private placements** carry a substantial risk as they are largely unregulated offerings not subject to securities laws.

**Long term trading** is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various other types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

Short term trading risks include liquidity, economic stability and inflation.

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. Criminal or Civil Actions**

There are no criminal or civil actions to report.

### **B. Administrative Proceedings**

There are no administrative proceedings to report.

### **C. Self-regulatory Organization (SRO) Proceedings**

There are no self-regulatory organization proceedings to report.

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

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

William Robert Gregozeski is a registered representative of Gar Wood Securities LLC.

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

Neither MBCM nor its representatives are registered as or have pending applications to become a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor.

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

William Robert Gregozeski is a registered representative of Gar Wood Securities LLC. From time to time, he will offer clients advice or products from those activities. Clients should be aware that these services pay a commission and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. MBCM always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of MBCM in their capacity as a registered representative.

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

MBCM does not utilize nor select other advisors or third party managers. All assets are managed by MBCM 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. Our Code of Ethics is available free upon request to any client or prospective client.

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

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

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

From time to time, representatives of MBCM may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of MBCM to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. MBCM will always 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 MBCM may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of MBCM to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. MBCM will always transact client's transactions before its own when similar securities are being bought or sold.

## **Item 12: Brokerage Practices**

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

The Custodian will be chosen based on their relatively low transaction fees and access to mutual funds and ETFs. MBCM will never charge a premium or commission on transactions, beyond the actual cost imposed by Custodian.

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

MBCM receives research, products, or other services 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 MBCM must meet in order to receive free research from the custodian or broker/dealer. There is no incentive for MBCM to direct clients to this particular broker-dealer over other broker-dealers who offer the same services. However, because this firm does not have to produce or pay for services or products it has an incentive to choose a custodian that provides those services based on its interests rather than the clients’ interests. The first consideration when recommending broker/dealers to clients is best execution. MBCM always acts in the best interest of the client.

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

MBCM 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***

MBCM allows clients to direct brokerage. MBCM may be unable to achieve most favorable execution of client transactions if clients choose to direct brokerage. This may cost clients money because without the ability to direct brokerage MBCM may not be able to aggregate orders to reduce transactions costs resulting in higher brokerage commissions and less favorable prices. Not all investment advisers allow their clients to direct brokerage.

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

MBCM maintains the ability to block trade purchases across accounts. Block trading may benefit a large group of clients by providing MBCM the ability to purchase larger blocks resulting in smaller transaction costs to the client. Declining to block trade can cause more expensive trades for clients.

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

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

Client accounts are reviewed at least quarterly only by William Robert Gregozeski, Managing Member. William Robert Gregozeski is the chief advisor and is instructed to review clients' accounts with regards to their investment policies and risk tolerance levels. All accounts at MBCM are assigned to this reviewer.

### **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 monthly from the custodian, a written report that details the client's account including assets held and asset value which will come from the custodian.

Clients are provided a one-time financial plan concerning their financial situation. After the presentation of the plan, there are no further reports. Clients may request additional plans or reports for a fee.

## **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)**

MBCM does not receive any economic benefit, directly or indirectly from any third party for advice rendered to MBCM clients.

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

MBCM does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

## **Item 15: Custody**

MBCM, with client written authority, has limited custody of client's assets through direct fee deduction of MBCM's Fees only. If the client chooses to be billed directly by the Custodian, MBCM would have constructive custody over that account and must have written authorization from the client to do so. Clients will receive all required account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy.

## **Item 16: Investment Discretion**

For those client accounts where MBCM provides ongoing supervision, the client has given MBCM written discretionary authority over the client's accounts with respect to securities to be bought or sold and the amount of securities to be bought or sold. Details of this relationship are fully disclosed to the client before any advisory relationship has commenced. The client provides MBCM discretionary authority via a limited power of attorney in the Investment Advisory Contract and in the contract between the client and the custodian.

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

MBCM 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**

MBCM does not require nor solicit prepayment of more than \$1,200 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 MBCM nor its management have any financial conditions that are likely to reasonably impair our ability to meet contractual commitments to clients.

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

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