

# Wrap Fee Brochure

January 26, 2015



**Barry  
Investment Advisors**  
*Navigating Your Wealth Through Generations*

128 Union Street, Suite 507  
New Bedford, MA 02740

(888) 992-8601

[www.barryinvestmentadvisors.com](http://www.barryinvestmentadvisors.com)

This wrap fee brochure provides information about the qualifications and business practices of Barry Investment Advisors, LLC (hereinafter "BIA"). If you have any questions about the contents of this brochure, please contact Joseph M. Barry at (888) 992-8601. 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 BIA is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Barry Investment Advisors, LLC is an SEC registered investment adviser. Registration does not imply any level of skill or training.

### Item 2. Material Changes

In this Item, Barry Investment Advisors, LLC is required to discuss any material changes that have been made to the brochure since the last annual amendment dated March 14, 2014. BIA has the following material changes to disclose:

#### **Name Change**

---

The firm's legal name has been changed from Joseph Barry Co., LLC to Barry Investment Advisors, LLC.

#### **Ownership Change**

---

Since the firm's inception, Joseph M. Barry and Patrick J. Barry have been the principal owners of BIA. As of December 23, 2014, Patrick Barry will become the principal owner, though Joseph Barry will remain actively involved.

## Item 3. Table of Contents

Item 1. Cover Page .....	i
Item 2. Material Changes .....	ii
Item 3. Table of Contents.....	iii
Item 4. Services, Fees, and Compensation .....	4
Item 5. Account Requirements and Types of Clients.....	6
Item 6. Portfolio Manager Selection and Evaluation .....	7
Item 7. Client Information Provided to Portfolio Managers .....	10
Item 8. Client Contact with Portfolio Managers.....	11
Item 9. Additional Information .....	12

### Item 4. Services, Fees, and Compensation

The Barry Investment Advisors, LLC Program (the “*Program*”) is a wealth management program sponsored by BIA. The *Program* provides clients with the ability to trade in certain investment products without incurring separate brokerage commissions or transaction charges.

To join the *Program*, a client must:

- (1) Complete an investor profile that describes the client’s financial needs, investment objectives, time horizon, and risk tolerance, as well as any other factors relevant to the client’s specific financial situation and any other supporting documentation the *Program* requires;
- (2) Complete the investment advisory wrap fee agreement (the “*Agreement*”) with BIA;
- (3) Complete a new account agreement with Fidelity Institutional Wealth Services (“*Fidelity*”), TD Ameritrade Institutional, (“*TD Ameritrade*”), or another broker dealer BIA approves for participation in the *Program* (“*Financial Institution*”); and
- (4) Open a securities brokerage account with the *Financial Institution* and deposit those assets designated for participation in the *Program* into the account.

As discussed in detail in Item 6 below, all clients in the *Program* grant BIA either non-discretionary or discretionary authority to buy, sell, and trade in certain eligible securities for their accounts and to liquidate previously-purchased securities that the client has transferred to their accounts.

After an analysis of any information provided by the client to BIA, BIA assists the client in developing an appropriate investment strategy for the assets in their accounts. Thereafter, all clients are encouraged to discuss their needs, goals, and objectives with BIA and to keep BIA informed of any changes thereto. BIA contacts ongoing clients at least annually to review its previous services and/or recommendations and to determine whether changes should be made to their investment strategy.

#### **Fees for the Program**

---

Clients in the *Program* pay a single annualized fee for participation in the *Program* (the “*Program Fee*”).

The *Program Fee* varies (between 0.50% and 1.20%) depending upon the market value of the assets under management and the type of wealth management services rendered, as follows:

PORTFOLIO VALUE	BASE FEE
First \$500,000	1.20%
Next \$500,000	0.80%
Next \$2,000,000	0.70%
Next \$2,000,000	0.60%
Next \$2,500,000	0.50%
Above \$7,500,000	0.50%

The *Program Fee* is prorated and charged quarterly, in advance, based upon the average-month end balance of the assets under management during the previous quarter.

BIA, in its sole discretion, may charge a lesser *Program Fee* based upon certain criteria (i.e., pre-existing relationships, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, account retention, *pro bono* activities, etc.).

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

## Fee Comparison

---

Under the *Program*, clients receive both investment advisory services and the execution of transactions for a single, combined annualized fee, the *Program Fee*. Participation in the *Program* may cost the client more or less than purchasing such services separately. The number of transactions made in the client's accounts, as well as the commissions charged for each transaction, determines the relative cost of the *Program* versus paying for execution on a per transaction basis and paying a separate fee for advisory services. The *Program Fee* may be higher or lower than fees charged by other sponsors of comparable investment advisory programs.

## Other Charges

---

Clients may incur certain charges imposed by third parties in addition to the *Program Fee* including, but not limited to, charges imposed directly by a mutual fund or exchange-traded fund ("ETF") in the account, which is 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.

### Item 5. Account Requirements and Types of Clients

The *Program* participants include individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and business entities.

#### **Minimum Account Size**

---

As a condition for starting and maintaining a relationship, BIA generally imposes a minimum portfolio size of \$2,000,000. BIA, in its sole discretion, may accept clients with smaller portfolios based upon certain criteria including pre-existing relationships, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, account retention, and *pro bono* activities. BIA shall only accept clients with less than the minimum portfolio size if, in the sole opinion of BIA, the smaller portfolio size will not cause a substantial increase of investment risk beyond the client's identified risk tolerance. BIA may aggregate the portfolios of family members to meet the minimum portfolio size.

### Item 6. Portfolio Manager Selection and Evaluation

BIA is the sponsor and portfolio manager for the *Program*. BIA practices a traditional value approach to asset management that begins with a comprehensive investment plan aimed at determining the client's current financial position and developing goals that BIA seeks to help each client achieve.

BIA has been in business since November 2007. Patrick J. Barry is the principal owner of BIA

BIA has \$681,586,415 of assets under management as of December 31, 2014. \$520,866,417 of these assets is managed on a discretionary basis, and \$160,719,998 is managed on a non-discretionary basis.

This wrap brochure describes the business of BIA. Certain sections will also describe the activities of *Supervised Persons*. *Supervised Persons* are any of BIA's officers, partners, directors (or other persons occupying a similar status or performing similar functions), or employees, or any other person who provides investment advice on BIA's behalf and is subject to BIA's supervision or control.

#### Wealth Management Services

---

BIA provides its *Program* clients with wealth management services which may include a broad range of comprehensive financial planning services as well as non-discretionary and/or discretionary management of investment portfolios.

BIA primarily allocates clients' investment management assets among individual equity securities, fixed income and cash equivalents in accordance with the investment objectives of the client. BIA may also recommend mutual funds, ETFs and closed-end funds for niche investment areas or when appropriate for a particular account size.

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

---

BIA tailors its advisory services to the individual needs of clients. Before considering a client's investment needs, BIA begins with a comprehensive financial analysis. This analysis allows BIA to ensure that clients' investments are suitable for their investment needs, goals, objectives and risk tolerance. In the analysis, BIA addresses a range of topics including net worth, tax reduction, education funding, retirement and estate planning, and income and asset protection. BIA also examines investment tax implications, proper titling of assets for estate purposes, and the client's ability to achieve their desired retirement lifestyle.

BIA assesses the client's goals, evaluates their current position and then plans and implements a financial strategy. As part of this process, BIA also determines the client's sensitivity to risk. The goal of the portfolio is to meet the client's long-term financial needs.

BIA's investment approach is best described as Balanced Global Value. Balanced refers to the combining of equities, fixed income and cash. By Global, BIA means that it includes international as well

as domestic securities in client portfolios. Value refers to an equity selection technique that follows the traditional Graham and Dodd approach focused on what BIA believes to be quality companies priced favorable relative to earnings and book values.

The mix or asset allocation of a client household portfolio is determined by comparing current market valuations to historical averages. BIA compares the price earnings (P/E) ratio of the Standard and Poor's 500 Index to its historical average for equity exposure. The fixed income segment compares today's long-term United States Treasury rates to its long-term average. For example, when broad stock market valuations are high, BIA's recommended exposure is low. Occasionally, under certain market conditions BIA will recommend a high allocation to cash. Asset allocations are further influenced by the client's investment objective: Income with Growth, Growth with Income, or Growth.

To select an investment, BIA employs a database of 60,000 global companies. Screens are performed using value based parameters such as financial strength, favorable price and book value ratios. A draft list is compiled with advisor bias applied to eliminate companies, industries, or countries with perceived negative factors. BIA seeks to use the experience from its investing history to further refine its buy list. Respected value investor publications are included in BIA's analysis as well. Client sensitivity to ownership of certain investments is also a factor that is considered.

Clients are advised to promptly notify BIA if there are changes in their financial situation or investment objectives or if they wish to impose any reasonable restrictions upon BIA's management services.

### **Market Risks**

---

The profitability of a significant portion of BIA's recommendations may depend to a great extent upon correctly assessing the future course of price movements of stocks and bonds. There can be no assurance that BIA will be able to predict those price movements accurately.

An investment in a mutual fund or ETF involves risk, including the loss of principal. Mutual funds and ETFs are subject to secondary market trading risks. Shares of mutual funds and ETFs will be listed for trading on an exchange, however, there can be no guarantee that an active trading market for such shares will develop or continue. There can be no guarantee that a mutual funds' and ETFs' exchange listing or ability to trade its shares will continue or remain unchanged.

Investing in securities involves the risk of loss. Clients should be prepared to bear such loss.

### **Performance-Based Fees and Side-by-Side Management**

---

BIA does not provide any services for performance-based fees. Performance-based fees are those based on a share of capital gains on or capital appreciation of the assets of a client.



### **Voting Client Securities**

---

BIA is required to disclose if it accepts authority to vote client securities. BIA does not vote client securities on behalf of its clients.

### Item 7. Client Information Provided to Portfolio Managers

As stated above, BIA acts as the sponsor and portfolio manager to the *Program*. Certain types of wrap programs involve the services of multiple parties in these capacities. In those circumstances, the sponsor is required to disclose how and what type of information about the client it provides to portfolio managers. BIA has no disclosures to make under this section.

## **Item 8. Client Contact with Portfolio Managers**

There are no restrictions on a clients' ability to contact and consult with BIA

## Item 9. Additional Information

### Brokerage Information

BIA participates in the institutional advisor program (the “Program”) offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC/NFA (“TD Ameritrade”), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisers’ services which include custody of securities, trade execution, and clearance and settlement transactions. BIA receives some benefits from TD Ameritrade through its participation in the Program.

As discussed above, BIA participates in TD Ameritrade’s institutional customer program and BIA may recommend TD Ameritrade to clients for custody and brokerage services. There is no link between BIA’s participation in the Program and the investment advice it gives to clients, although BIA receives economic benefits through its participation in the Program that are not typically available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving advisor participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transactions fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to BIA by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by BIA’s related persons. Some of the products and services made available by TD Ameritrade through the Program may benefit BIA but may not benefit its client accounts. These products or services may assist BIA in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help BIA manage and further develop its business enterprise. The benefits received by BIA or its personnel through participation in the Program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to its clients, BIA endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by BIA or its related persons in and of itself creates a potential conflict of interest and may indirectly influence BIA choice of TD Ameritrade for custody and brokerage services.

Additionally, BIA may receive from *Fidelity*, without cost to BIA, computer software and related systems support, which allow BIA to better monitor client accounts maintained at *Fidelity*. BIA may receive the software and related support without cost because BIA renders investment management services to clients that maintain assets at *Fidelity*. The software and support is not provided in connection with securities transactions of clients. The software and related systems support may benefit BIA, but not its clients directly.

### Disciplinary Information

---

BIA is required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of management. BIA does not have any required disclosures to this Item.

### Other Financial Industry Activities and Affiliations

---

BIA is required to disclose any relationship or arrangement that is material to its advisory business or to its clients with certain related persons. BIA does not have any required disclosures to this Item.

### Code of Ethics

---

BIA and persons associated with BIA ("Associated Persons") are permitted to buy or sell securities that it also recommends to clients consistent with BIA's policies and procedures.

BIA has adopted a code of ethics that sets forth the standards of conduct expected of its associated persons and requires compliance with applicable securities laws ("*Code of Ethics*"). In accordance with Section 204A of the Investment Advisers Act of 1940 (the "Advisers Act"), its *Code of Ethics* contains written policies reasonably designed to prevent the unlawful use of material non-public information by BIA or any of its associated persons. The *Code of Ethics* also requires that certain of BIA's personnel (called "*Access Persons*") report their personal securities holdings and transactions and obtain pre-approval of certain investments such as initial public offerings and limited offerings.

Unless specifically permitted in BIA's *Code of Ethics*, none of BIA's *Access Persons* may effect for themselves or for their immediate family (i.e., spouse, minor children, and adults living in the same household as the *Access Person*) any transactions in a security which is being actively purchased or sold, or is being considered for purchase or sale, on behalf of any of BIA's clients.

When BIA is purchasing or considering for purchase any security on behalf of a client, no *Access Person* may effect a transaction in that security prior to the completion of the purchase or until a decision has been made not to purchase such security. Similarly, when BIA is selling or considering the sale of any security on behalf of a client, no *Access Person* may effect a transaction in that security prior to the completion of the sale or until a decision has been made not to sell such security. These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

Clients and prospective clients may contact BIA to request a copy of its *Code of Ethics*.

### **Review of Accounts and General Reports**

---

BIA monitors wealth management portfolios as part of an ongoing process. Regular account reviews are conducted on at least a quarterly basis. Telephone or in-person meetings are conducted by a financial planner and/or investment manager team. All wealth management clients are encouraged to discuss their needs, goals, and objectives with BIA and to keep BIA informed of any changes thereto. BIA contacts ongoing wealth management clients at least annually to review its previous services and/or recommendations and to discuss the impact resulting from any changes in the client's financial situation and/or investment objectives.

Unless otherwise agreed upon, clients are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer or custodian for the client accounts. Clients will also receive a report from BIA that may include such relevant account and/or market-related information such as an inventory of account holdings and account performance.

### **Client Referrals and Other Compensation**

---

BIA is required to disclose any relationship or arrangement where it receives an economic benefit from a third party (non-client) for providing advisory services. In addition, BIA is required to disclose any direct or indirect compensation that it provides for client referrals. BIA does not have any required disclosures to this Item.

### **Financial Information**

---

BIA does not require or solicit the prepayment of more than \$1,200 in fees six months or more in advance. In addition, BIA is required to disclose any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients. BIA has no disclosures pursuant to this Item.



Barry  
Investment Advisors  
*Navigating Your Wealth Through Generations*

Prepared by:



MARKETCOUNSEL®  
*The Adviser's Advisor®*