

HIGH FALLS ADVISORS, INC.



ADV PART 2 FIRM BROCHURE

March 30, 2015

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FIRM BROCHURE

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36 West Main Street, Suite 322

Rochester, NY 14614

585-935-5300

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March 30, 2015

This Brochure provides information about the qualifications and business practices of High Falls Advisors, Inc. If you have any questions about the contents of this Brochure, please contact Jennifer E. Vogler, Chief Compliance Officer at 585-935-5308. 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.

High Falls Advisors, Inc. is a registered investment adviser. Being a “registered investment adviser” or describing ourselves as being “registered” does not imply a certain level of training or skill.

Additional information about High Falls Advisors, Inc. is available on the SEC’s website at www.adviserinfo.sec.gov. You can search this site by our firm name or by a unique identifying number known as a CRD number. The CRD number for High Falls Advisors, Inc. is 108678. The SEC’s web site also provides information about any persons affiliated with High Falls Advisors, Inc., who are registered, or are required to be registered, as investment adviser representatives of High Falls Advisors, Inc.

To obtain our firm brochure, our Code of Ethics, or our Privacy Policy, please visit our website at www.highfallsadvisors.com, e-mail us at info@highfallsadvisors.com, telephone us at 585-935-5300, or mail your request to High Falls Advisors, Inc., 36 West Main Street, Suite 322, Rochester, NY 14614.

This brochure was last updated on March 30, 2015.

Item 2 – Summary of Material Changes

- (1) **Advisory Business.** Updated to reflect assets under management for year-end 2014.
- (2) **Fees and Compensation.** Expanded to provide detailed explanation of prorated fees.
- (3) **ADV Part 2B.** The investment advisor profiles have been updated to add new hires and to update credentials of previously reported advisors. (ADV Part 2B of Firm Brochure)

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Item 4 – Advisory Business

High Falls Advisors, Inc., (“HFA” throughout this brochure) is an SEC registered investment advisory firm located in Rochester, New York. The owners of the firm are James H. McBride and James T. Englert. High Falls Advisors, LLC was formed in 2008 as a successor to James H. McBride, R.I.A. (Formed in 1986). On December 31, 2012 Mr. McBride and Mr. Englert changed the corporate structure from an LLC to a corporation. James McBride is the President and Chief Operating Officer of the firm. James Englert is Vice President. HFA offers the following services:

- **Retirement benefit counseling**—HFA provides consultation on specific retirement decisions and review of retirement packages.
- **Financial planning services**—HFA provides financial plan analysis, either in a comprehensive package or in individual units, for clients wishing to obtain a clear picture of their entire financial positions. Such analysis may include current investments, debts, future retirement income, insurance coverage, estate planning, tax planning, and cash flow management. HFA will tailor the plan to the client’s individual needs.
- **Portfolio Management**—HFA provides ongoing management of client investment portfolios. The portfolios are managed on a discretionary basis based on the investment objectives and risk profile/tolerance of the client. The portfolios may include assets such as individual securities, mutual funds, Exchange Traded Funds (ETFs), index funds, municipal securities and government securities.
- **401-K Management Services** —HFA provides an ongoing management service for participants in the Eastman Kodak Savings and Investment Plan (“SIP”). 401-K accounts are managed in a discretionary manner using an asset allocation of five index funds, a target date retirement fund, and a money market fund. The allocation of funds is based on the investment objectives and risk profile/tolerance of the client. HFA uses a proprietary tactical approach designed to protect investors from downside market risks. The Advisors monitor the daily prices of the index funds and compare these prices to the longer term market trends. This analysis determines when to move in and out of the respective index funds and the Fixed Income Fund. Similar services are also provided for Carestream and Xerox 401-K participants.
- **Market Trends Account Service (“MTA”)**—The MTA service is for individual asset accounts and individual retirement accounts. The portfolios are comprised of Exchange Traded Funds (“ETF”) and are monitored on an ongoing basis. The allocation of funds is based on the investment objectives and risk profile/tolerance of the client. The strategy monitors the daily prices of the ETFs and compares these prices to the longer term

market trends. This analysis determines when to move in and out of the respective ETFs and a money market account.

- **Best of Class Service**—The portfolios in this service are comprised of top ranked mutual funds from multiple fund families. Funds are selected from Morningstar’s Fund Investor 500 universe. This portfolio is a “buy and hold” strategy and designed for long-term growth. The allocation of funds is based on the investment objectives and risk profile/tolerance of the client. The strategy is monitored and funds within the portfolio are replaced when they fall below the top quartile of their asset class.
- **Sector Rotation Service**—The portfolios in this service are comprised of high quality stocks and Sector Exchange Traded Funds. Fund and stock selections are based on current and extended market conditions. The portfolio selection is based on the investment objectives and risk profile/tolerance of the client. This strategy has infrequent changes and is sensitive to market volatility.
- **Tax Preparation**—HFA provides individual tax preparation as an optional service to its clients. HFA does not provide ongoing or year-round accounting services.

Assets under management--As of December 31, 2014, HFA assets under management were \$ 590 million which is broken down as follows:

Discretionary Accounts:	\$590 million
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Item 5 – Fees and Compensation

- **Generally**

The specific manner in which fees are charged by HFA is established in a client’s written advisory agreement with HFA. HFA will generally bill its fees on a quarterly basis. Clients are billed in arrears. Clients may elect to be billed directly for fees or to authorize HFA to directly debit fees from their accounts. Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Upon termination of any account any earned, unpaid fees will be due and payable.

Account fees for accounts terminated before the end of a quarter are calculated as follows: 1.) Determine the value of Account as of the date terminated. 2.) Take that value and multiply by the annual fee set in the management contract. 3.) Divide that amount by 360 days. 4.) Multiply that number by the number of days managed in the quarter to determine the pro-rated fee.

Account fees for accounts initiated after the start of the quarter are calculated as follows: 1.) Determine the value of Account as of the end of the quarter. 2.) Take that value and multiply by the annual fee set in the management contract. 3.) Divide that amount by 360 days. 4.) Multiply that number by the number of days actually managed in the quarter to determine the pro-rated fee.

HFA's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which may be incurred by the client. Clients may incur certain charges imposed by custodians and/or brokers, as specified in the custodian/broker agreement. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to HFA's fee.

- **Fees for Retirement Benefit Counseling Services**

Fees are charged up to \$ 125.00 per hour. Clients are invoiced and payment is expected upon completion of work.

- **Fees for Financial Planning Services**

A flat fee or an hourly fee is quoted based on complexity of the case. Hourly services are up to \$ 200.00 per hour. Clients are invoiced and payment is expected upon completion of work.

- **Fees for Tax Preparation**

Fees are charged at a starting rate of \$ 150.00. Preparation fees are based on the time and complexity of the return. Clients are invoiced and payment is expected upon completion of the tax return.

- **Portfolio Management**

Fees are charged quarterly in arrears and are computed on the value of the assets under management as of the last day of the quarter. The annual fee ranges from 0.5% to 2.5% based on the level of service provided. The fee is specified in the client's advisory agreement. For purposes of the above, portfolio management includes the Best of Class Service and Sector Rotation Service.

Fees are prorated for clients not in the service the entire quarter. Annual fees are divided by four and charged quarterly.

Some investment advisors representatives of High Falls Advisors are dually registered representatives of Leigh Baldwin & Co., LLC. Leigh Baldwin & Co., LLC

(LB) is a Broker-Dealer and Member FINRA/SIPC. LB and HFA are independently owned and operated. As a registered representative, an HFA Investment Advisor may also receive a brokerage commission.

- **401-K Management Services**

Fees are charged quarterly in arrears and are computed on the average 401-K account value during the quarter. HFA's fee schedule for this service is:

<u>Account Value</u>	<u>Annual Fee Rate</u>
First \$ 200,000	0.5%
\$200,001- \$500,000	0.3% of assets over \$200,000
\$ 500,001-\$1,000,000	0.2% of assets over \$500,000
Over \$1,000,000	0.1% of assets over \$1,000,000

For clients in the service for less than the entire quarter, the fee is prorated. For multiple accounts in one household, the accounts are combined for breakpoint discounts.

Clients are invoiced for payment.

- **Market Trends Account Service ("MTA")**

Fees are charged quarterly in arrears and are computed on the value of the assets under management as of the last day of the quarter. The annual fee ranges from 0.5% to 1.0% based on the level of service required. The fee is outlined in the client's advisory agreement. In special circumstances the negotiated fee may be higher than 1.0% but such fee would be outlined and agreed to by the client in the advisory agreement.

Fees are prorated for clients not in the service the entire quarter. Annual fees are divided by four and charged quarterly.

Client fees are deducted from the account per the Fee Payment Authorization in the Advisory Agreement.

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

HFA does not charge 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

HFA provides management services to individuals, charitable foundations, and trusts and estates. The majority of HFA clients are individual investors.

HFA sets a minimum account size of \$ 100,000.00 for Portfolio Management Services, although there may be exceptions which evaluated on a case by case basis. For our other services, there is no minimum account size.

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

- **Generally**

HFA utilizes different types of investment analysis and strategy depending on the client's specific requirements. Portfolio Management Services, Best of Class Service, Sector Rotation, the MTA Service, and the 401-K Management Service use the **Finametrica**[®] risk profiling system or the "Client Investment Objective" Questionnaire to determine the appropriate investment objective. The client and advisor select the appropriate allocation based on the client's tolerance for risk, timeframe and personal objectives.

- **Portfolio Management Services/Sector Rotation Service**

For Portfolio management and the Sector Rotation Service, the portfolio manager uses Value Line stock evaluation services and the Morningstar stock and mutual fund rating service to select the assets in the portfolio. In addition, the portfolio manager will also use fundamental research obtained from various financial sources such as newspapers and magazines, corporate publications (e.g. annual and quarterly reports and news releases) and electronic investment news services to supplement the asset selection process. A traditional "bottoms up" approach is used to select those assets currently deemed appropriate for each of the asset allocation categories.

When clients request it, we provide a written Investment Policy Statement explaining their asset mix. These statements are updated as the investment environment or client needs change.

- **401-K Services and MTA**

These services utilize the same type of fundamental research discussed in the Portfolio Management Service and a market trend analysis based on 50-day and 200-day moving averages to establish historical averages for each asset category. Target entry and exit points are set and monitored daily. A proprietary set of rules determines whether 100%, 50% or 0% of the assets under management is invested in the selected target portfolio. When not invested, the client's assets are held in the SIP money market fund or the MTA money market fund. Strategies for both 401-K and MTA management programs are cautious. It is explained to clients that the use of historical averages will result in the clients participating to a modest degree in market downturns and not participating in the early part of market recoveries. These programs are designed primarily to provide a "safety-net" for our investors by guarding against significant market loss in declining

markets and participating in appreciating markets only after the upward trend is confirmed via the historical averages.

- **Best of Class**

This service utilizes no-load mutual funds from multiple fund families. The funds are selected from the Morningstar's Fund Investor 500 universe and are replaced when they fall below the top quartile of their asset class. This service is primarily a "buy and hold" strategy so accounts will fluctuate with market volatility.

- **Risks**

All of HFA clients are told that the risks of investing in securities involves the risk of loss of asset value and that they need to be prepared to accept potential loss in exchange for a better return.

HFA's Investment Committee determines the risk-reward scenarios for each asset type used in the portfolios.

Mutual Funds carry some risk including market risk (including the possible loss of principal), interest rate risk, credit risk, style risk and securities selection risk. The degree of risk varies based the type of mutual fund. Mutual Funds may also have direct costs (e.g. transaction fees, sales charges, and other operating costs) associated with their sales and operation that will have an impact on investment returns.

Exchange Traded Funds (ETFs) are subject to market risk, including the possible loss of principal. The value of the ETFs will fluctuate with the value of the underlying securities. ETFs may trade for less than their net asset value. ETFs may have underlying strategy risks similar to investing in commodities, bonds, real estate, international markets or currencies, emerging growth companies, or specific sectors. The risk of loss in trading commodities and futures can be substantial. Bonds carry interest rate risk. Real estate investing carries the risk of declining property values due to, among others, environmental, economic and interest rate factors. International investing carries risk of currency fluctuations and political and economic events. Sector based investments typically exhibit greater volatility.

Individual securities involve the risk of loss from poor performance by individual companies and can be more volatile than the use of funds, but also include the potential for better overall returns. HFA maintains a Buy-Sell-Hold list that is updated weekly,

based on research sources such as Value Line and Morningstar and analysts' consensus data.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of HFA or the integrity of HFA's management. HFA has no information applicable to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

Some Advisors with HFA are also registered representatives of Leigh Baldwin & Co., LLC, a Broker Dealer registered with Financial Industry Regulatory Authority (FINRA). Some Advisors are also insurance agents or brokers. In cases where the advisor is acting as a registered representative (broker), the registered representative and Leigh Baldwin & Co., LLC will receive customary compensation (commissions) on the sale of products. This would be compensation separate from management fees or charges.

Advisors with HFA are able to implement security transactions and/or purchase investment products or insurance for their advisory clients in their capacity as broker-dealer registered representatives and/or insurance brokers or agents. However, clients are not under any obligation to engage Leigh Baldwin & Co., LLC and/or the Advisor in implementing advisory recommendations. This is at the discretion of the client.

High Falls Advisors, Inc. and Leigh Baldwin & Co., LLC are independently owned and operated entities.

Item 11 – Code of Ethics

HFA 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. A supervised person of the firm includes HFA employees, members, officers, directors and any other individual who is under the supervision and control of HFA.

The Code of Ethics includes provisions relating to the confidentiality of client information, prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at HFA must acknowledge the terms of the Code of Ethics annually, or as amended.

HFA and its employees and advisors are committed to:

- conducting every aspect of the business in a fair, lawful and ethical manner;
- creating and ensuring a culture of compliance through education, training, awareness and supervision and compliance with all laws and regulations governing the financial industry;
- acting solely in the best interest of our clients by ensuring that investment advice is reasonable, independent and suitable for an individual's objectives, needs and circumstances;
- protecting the privacy of all of our clients; and
- avoiding actual or apparent conflicts of interest.

HFA is subject to the following specific fiduciary obligations when dealing with clients:

- the duty to have a reasonable, independent basis for the investment advice provided;
- the duty to obtain best execution for a client's transactions where HFA is in a position to direct brokerage transactions for the client;
- the duty to ensure that investment advice is suitable to meeting the client's individual objectives, needs and circumstances; and
- A duty to be loyal to clients.

HFA has the following policies designed to prohibit insider trading and to monitor the personal securities transactions of its supervised persons:

- No supervised person may trade, either personally or on behalf of others while in the possession of material, nonpublic information, nor may any personnel of HFA communicate material, nonpublic information to others in violation of the law.
- The interests of client accounts will at all times be placed first.
- All personal securities transactions will be conducted in such manner as to avoid any actual or potential conflict of interest or any abuse of an individual's position of trust and responsibility.
- Supervised persons must not take inappropriate advantage of their positions.
- Every access person/supervised person shall provide initial and annual holdings reports and quarterly transaction reports to HFA's Compliance Department. Such reports will cover transactions in a reportable security in which an access or supervised person has a beneficial interest or in accounts over which the access or supervised person exercises control as well as transactions by members of the supervised person's immediate family.
- HFA discourages supervised persons from investing in IPOs or limited offerings

HFA's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting High Falls Advisors at 585-935-5300.

Item 12 – Brokerage Practices

HFA utilizes the services of Leigh Baldwin & Co., LLC as our broker-dealer and Fidelity Institutional Wealth services, a division of Fidelity Investments, as our Custodian. These companies provide HFA with access to institutional trading and custody services, which services are typically not available to retail investors.

Clients in our 401-K management service will be relying on the respective corporate 401-K's custodian.

Many clients request that their HFA investment advisor representative also act as their broker-dealer representative so that they may assist them in managing their brokerage relationships and are available to resolve any problems that may occur.

Clients can direct HFA to utilize their desired brokers. However, if such other brokers are utilized, HFA has no control over the client's trade execution or any other brokerage issues. This is disclosed to the client.

If it is requested that HFA act as broker-dealer representative, we disclose to the client the following items relevant to our broker-dealer:

- Commission rates;
- Other costs and charges;
- Speed and reliability of execution

Item 13 – Review of Accounts

- **Generally**

Individual investments are reviewed daily for changing market and economic conditions and to determine if the investment continues to be appropriate for the portfolio.

- **Portfolio Management Services**

Accounts in the Portfolio Management Program are reviewed quarterly to measure the results versus portfolio objectives. These reviews are performed by the advisor assigned to the account. Reports are made by phone, via e-mail, or at personal meetings.

- **MTA and 401-K Services**

The key advisor for these services performs daily monitoring of the individual investments calculating both long and short-term averages. These averages are then compared to the daily price of the investment, determining if a change in asset mix is appropriate.

Client accounts are reviewed semi-annually to review the actual portfolio weightings versus the target portfolio weightings and to determine if rebalancing of the account is required.

Clients in the MTA accounts have electronic access to their quarterly statements with the option of these statements being provided via mail.

Clients in the 401-K service have on-line access to their accounts through T. Rowe Price, the Plan's record-keeper. Quarterly statements are provided to them electronically or in hard copy at the client option.

Item 14 – Client Referrals and Other Compensation

HFA does not receive compensation for client referrals.

Item 15 – Custody

HFA does not act as custodian of client assets. HFA uses both National Financial Services (“NFS”) and Fidelity Institutional Wealth Services (“IWS”) as custodians for the Portfolio Management Services. IWS acts as custodian of the Market Trends Account Service. For the 401-K management service, Mellon Financial Corporation acts as custodian of the 401-K assets in Eastman Kodak's Savings and Investment Plan.

Clients should receive at least quarterly statements from the broker dealer, bank or qualified custodian that holds and maintains client's investment assets. HFA urges its clients to carefully review such statements and compare the official custodial records to the account reports that we may provide to clients. HFA reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

In a small number of accounts, HFA advisors act as Power of Attorney or Trustee. In such cases, HFA policy requires that an entity or individual (i.e. family member, accountant, or attorney), independent of HFA, receives account statements and monitors the activity in such accounts. In addition, these accounts are also subject to a surprise annual audit performed by a qualified accounting firm. The results of this audit are reported annually to the SEC.

Item 16 – Investment Discretion

HFA usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities or funds 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.

HFA does not assume this authority until we receive a written authorization in the client advisory agreement.

When selecting securities and determining amounts, HFA observes the investment policies, limitations and restrictions provided by the client.

Item 17 – Voting Client Securities

As a matter of firm policy and practice, HFA does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. HFA does not provide advice to clients regarding the clients' voting of proxies.

Item 18 – Financial Information

HFA has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

FORM ADV PART 2B BROCHURE SUPPLEMENTS

This ADV Part 2B supplement provides information about HFA advisors. This is a supplement to High Falls Advisor, Inc.'s brochure. You should have received a copy of that brochure. Please contact High Falls Advisors (585-935-5300), if you did not receive High Falls Advisors, Inc. brochure or if you have any questions about the contents of this supplement.

PROFESSIONAL CERTIFICATIONS:

Advisors have earned certifications, credentials and designations that are required to be explained.

CERTIFIED FINANCIAL PLANNER™ The Certified Financial Planner™, CFP® and federally registered CFP (with flame design) marks are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. The CFP certification is voluntary. To obtain the CFP designation and to use the CFP marks, an individual must have a bachelor's degree (or higher) from an accredited college or university; complete a course of study approved by the CFP Board; have at least three years of full-time financial planning related experience; pass the comprehensive CFP® certification Examination; agree to be bound by the CFP's Board Standards of Professional Conduct; and complete 30 hours of continuing education every 2 years to maintain the designation.

ENROLLED AGENT An enrolled agent (EA) is a person who has earned the privilege of representing taxpayers before the IRS. An individual can become an enrolled agent by demonstrating special competence in tax matters by passing a written examination, applying for enrollment and completing a background check.

ACCREDITED WEALTH MANAGEMENT ADVISORSM (AWMA®) Individuals who hold the AWMA® designation have completed a course of study encompassing wealth strategies, equity-based compensation plans, tax reduction alternatives, and asset protection alternatives. The designation is awarded by the College for Financial Planning. An individual can earn this designation after completing the course of self-study and passing an on-line examination. 16 hours of continuing education must be completed every 2 years to maintain the designation.

ACCREDITED ASSET MANAGEMENT SPECIALISTSM (AAMS®) Individuals who hold the AAMS® designation have completed a course of study encompassing investments, insurance, tax, retirement, and estate planning issues. The designation is awarded by the College for Financial Planning. An individual can earn this designation after completing the course of self-study and passing an on-line examination. 16 hours of continuing education must be completed every 2 years to maintain the designation.

CHARTERED MUTUAL FUND COUNSELORSM (CMFC[®]) Individuals who hold the CMFC[®] designation have completed a course of study encompassing all aspects of mutual funds and their uses as investment vehicles. The designation is awarded by the College for Financial Planning. An individual can earn this designation after completing the course of self-study and passing an on-line examination. 16 hours of continuing education must be completed every 2 years to maintain the designation.

ADVISORS:

JAMES H. MCBRIDE, PRESIDENT/CEO

Item 1 – Education and Business Experience. James McBride was born in 1945. He graduated from the University of Maine with a Bachelor of Science degree in Agricultural Business and Economics in 1967.

James's experience includes a long career in banking. Prior to forming High Falls Advisors, he was General Manager of Sage Rutty & Company. From 2006 to 2008, James was a registered investment advisor doing business as High Falls Advisors. In 2008, James formed High Falls Advisor, LLC, a limited liability company in partnership with James Englert. On December 31, 2012, High Falls Advisors, LLC merged into High Falls Advisors, Inc. where James continues to act in the management role as President and CEO.

James was also a registered representative and investment advisor representative of Ensemble Financial Services, Inc. through July, 2011. From July 2011 to July 2013, James was a registered representative of Wall Street Financial Group, Inc.

Item 2 – Disciplinary History. There are no disciplinary actions to report.

Item 3—Other Business Activities. James is also a Registered Representative with Leigh Baldwin & Co., LLC, a Broker Dealer registered with the Financial Industry Regulatory Authority (FINRA). As a Registered Representative, James can sell securities through Leigh Baldwin for which he may receive commissions and fees from the sale of securities and mutual funds. Commissions for securities and mutual funds are based on the product sold.

James currently serves on the Board of St. John's Senior Communities in Rochester, New York and as Executive Director of the Bulrush Foundation. He also provides Trustee services.

Item 4 – Additional Compensation. James receives Trustee fees when he acts as Trustee of a trust and receives an administration fee for his role as the Executive Director of the Bulrush Foundation.

Item 5 – Supervision. James McBride's activities are supervised by James Englert (phone: 585-935-5300 x 108 / e-mail: jenglert@highfallsadvisors.com), and the Compliance Department at

HFA. This review/supervision is achieved through frequent office interactions, periodic reviews of randomly selected client accounts and regular meetings of the firm's Investment Committee.

JAMES T. ENGLERT, EXECUTIVE VICE PRESIDENT, CFP[®], EA, CMFC[®], AAMS[®]

Item 1 – Education and Business Experience. James T. Englert, CFP[®], EA was born in 1943. He graduated from the Rochester Institute of Technology with a Bachelor of Science degree in Accounting in 1974.

From 2006 to 2008, James was the owner and principal of the firm Englert Financial Consulting, LLC working as an advisor, financial planner, and tax preparer. During this time, he was an investment advisor representative of High Falls Advisors. In 2008, James formed High Falls Advisors, LLC with James McBride. In December, 2012, High Falls Advisors, LLC became High Falls Advisors, Inc. James is an owner and Executive Vice President, advisor, financial planner, and tax preparer.

James is a Certified Financial Planner[™] (CFP[®]) and earned this designation in 1991. James is also an Enrolled Agent (EA) with the IRS since July, 2002. He also holds designations as Chartered Mutual Fund CounselorSM (CMFC[®]) and Accredited Asset Management SpecialistSM (AAMS[®]).

Item 2 – Disciplinary History. There are no disciplinary actions to report.

Item 3 – Other Business Activities. James Englert is also a Registered Representative with Leigh Baldwin & Co., LLC, a Broker Dealer registered with the Financial Industry Regulatory Authority (FINRA). As a Registered Representative, James can sell securities through Leigh Baldwin for which he may receive commissions and service fees (trails) from the sale of securities, variable insurance products and mutual funds. Commissions for securities, variable insurance products and mutual funds are based on the product sold. James is also licensed to sell life, accident, health and long term care insurance. This activity may generate a commission.

Item 4 – Additional Compensation. James does not receive additional compensation or economic benefit from any other individuals or companies.

Item 5 – Supervision. James T. Englert's activities are supervised by James McBride (phone: 585-935-5300 x 105 / e-mail: jmcbride@highfallsadvisors.com) and the Compliance Department at HFA. This review/supervision is achieved through frequent office interactions, periodic reviews of randomly selected client accounts and regular meetings of the firm's Investment Committee. All incoming and outgoing correspondence between James T. Englert and his clients is monitored and all advertising is reviewed and approved by the Compliance Department.

DEBORAH D. BASTOW, MBA

Item 1 – Education and Business Experience. Deborah D. Bastow was born in 1950. She graduated from the College of William and Mary with a Bachelor of Science degree in Mathematics in 1972 and from The Simon School at the University of Rochester with a Masters of Business Administration (MBA) in 1987.

From 2006 to 2007, Deborah was an independent financial advisor with James McBride DBA High Falls Advisors. In 2008, Deborah became an independent financial advisor with High Falls Advisors, LLC. From 2006 to 2011, Deborah was a Registered Representative of Ensemble Financial Services, Inc. From 2011 to 2013, Deborah was a Registered Representative and Investment Advisor Representative with Wall Street Financial Group, Inc.. Deborah continues to act in her capacity as a salaried investment advisor with HFA.

Item 2 – Disciplinary History. There are no disciplinary actions to report.

Item 3 – Other Business Activities. Deborah is also a Registered Representative with Leigh Baldwin & Co., LLC, a Broker Dealer registered with the Financial Industry Regulatory Authority (FINRA). As a Registered Representative, Deborah can sell securities through Leigh Baldwin for which she may receive commissions and service fees (trails) from the sale of securities, variable insurance products and mutual funds. Commissions for securities, variable insurance products and mutual funds are based on the product sold. Deborah is also licensed to sell life, accident, health and long term care insurance. This activity may generate a commission.

Deborah is part-owner/member of Classic Additions, LLC, a furniture consignment store. Deborah performs bookkeeping and financial accounting duties and inventory management.

Deborah is the Treasurer of the Chatterbox Club. This is a volunteer position.

Deborah also performs Trustee Services.

Item 4 – Additional Compensation. Deborah receives Trustee fees when she acts as Trustee of a trust. Deborah receives occasional distributions of profit as owner of Classic Additions.

Item 5 – Supervision. Deborah D. Bastow's activities are supervised by Michael Donnelly (phone: 585-935-5300 x 132 / e-mail: mdonnelly@highfallsadvisors.com) and the Compliance Department at High Falls Advisors, Inc. This review/supervision is achieved through frequent office interactions, periodic reviews of randomly selected client accounts and regular meetings of the firm's Investment Committee. All incoming and outgoing correspondence between Deborah D. Bastow and her clients is monitored and all advertising is reviewed and approved by the Compliance Department.

MICHAEL DONNELLY, CFP®

Item 1 – Education and Business Experience. Michael Donnelly, CFP® was born in 1975. He graduated from West Chester University with a Bachelor of Science degree in Business Administration in 1997.

From 2004 to 2012, Michael worked with Fidelity Investments as a Financial Planning Consultant and more recently as a Vice President/Senior Account Executive. In March 2012, Michael joined High Falls as an investment advisor representative and Financial Planner. He continues to be a salaried advisor with High Falls Advisor, Inc. and Manager of the Advisor Team.

Michael is a Certified Financial Planner™ (CFP®).

Item 2 – Disciplinary History. There are no disciplinary actions to report.

Item 3 – Other Business Activities. Michael is also a Registered Representative with Leigh Baldwin & Co., LLC, a Broker Dealer registered with the Financial Industry Regulatory Authority (FINRA). As a Registered Representative, Michael can sell securities through Leigh Baldwin for which he may receive commissions and service fees (trails) from the sale of securities, variable insurance products and mutual funds. Commissions for securities, variable insurance products and mutual funds are based on the product sold. Michael is also licensed to sell life, accident, health and long term care insurance. This activity may generate a commission.

Item 4 – Additional Compensation. Michael does not receive additional compensation or economic benefit from any other individuals or companies.

Item 5 – Supervision. Michael Donnelly's activities are supervised by James T. Englert (phone: 585-935-5300 x 108 / e-mail: jenglert@highfallsadvisors.com) and James McBride (phone: 585-935-5300 x 105 / e-mail: jmcbride@highfallsadvisors.com) and the Compliance Department at HFA. This review/supervision is achieved through frequent office interactions, periodic reviews of randomly selected client accounts and regular meetings of the firm's Investment Committee. Michael Donnelly's Advisor Team Manager activities are supervised by High Falls' General Manager, Kenneth Burke, CPA (phone: 585-935-5300 ext. 111, kburke@highfallsadvisors.com).

ALECIA FISHER DOUGHERTY, CFP®

Item 1 – Education and Business Experience. Alecia Fisher Dougherty, CFP® was born in 1984. She graduated from Xavier University with a Bachelor of Science, Business Administration degree in Finance and Marketing in 2007.

From 2007 to 2013, Alecia worked with Fidelity Investments as an Account Executive and Investments Representative. In November 2013, Alecia joined High Falls Advisors, Inc. as a salaried investment advisor representative and Financial Planner.

Alecia is a Certified Financial Planner[™] (CFP[®]).

Item 2 – Disciplinary History. There are no disciplinary actions to report.

Item 3 – Other Business Activities. Alecia is also a Registered Representative with Leigh Baldwin & Co., LLC, a Broker Dealer registered with the Financial Industry Regulatory Authority (FINRA). As a Registered Representative, Alecia can sell securities through Leigh Baldwin for which she may receive commissions and service fees (trails) from the sale of securities, variable insurance products and mutual funds. Commissions for securities, variable insurance products and mutual funds are based on the product sold. Alecia is also licensed to sell life, accident, health and long term care insurance. This activity may generate a commission.

Item 4 – Additional Compensation. Alecia does not receive additional compensation or economic benefit from any other individuals or companies.

Item 5 – Supervision. Alecia Fisher Dougherty's activities are supervised by Michael Donnelly (phone: 585-935-5300 x 132/e-mail: mdonnelly@highfallsadvisors.com) and the Compliance Department at HFA. This review/supervision is achieved through frequent office interactions, and periodic reviews of randomly selected client accounts.

PINA FORMICOLA

Item 1 – Education and Business Experience. Pina Formicola was born in 1966. She graduated from Alfred State with an AAS degree in Business in 1987.

From 2006 to 2007, Pina was a registered representative and investment advisor representative of Ensemble Financial Services, Inc. In January 2012, Pina joined High Falls as a financial advisor. She continues to act in her capacity as salaried investment advisor to High Falls Advisors, Inc.

Item 2 – Disciplinary History. There are no disciplinary actions to report.

Item 3 – Other Business Activities. Pina is a Registered Representative with Leigh Baldwin & Co., LLC, a Broker Dealer registered with the Financial Industry Regulatory Authority (FINRA). As a Registered Representative, Pina can sell securities through Leigh Baldwin for which she may receive commissions and service fees (trails) from the sale of securities, variable insurance products and mutual funds. Commissions for securities, variable insurance products and mutual

funds are based on the product sold. Pina is also licensed to sell life, accident, health and long term care insurance. This activity may generate a commission.

Item 4 – Additional Compensation. Pina does not receive additional compensation or economic benefit from any other individuals or companies.

Item 5 – Supervision. Pina Formicola's activities are supervised by Michael Donnelly (phone: 585-935-5300 x 132/e-mail: mdonnelly@highfallsadvisors.com) and the Compliance Department at HFA. This review/supervision is achieved through frequent office interactions, periodic reviews of randomly selected client accounts and regular meetings of the firm's Investment Committee.

DEBORAH B. KING

Item 1 – Education and Business Experience. Deborah B. King was born in 1965

From 2007 to 2011, Deborah worked for Ralph K. Angelo and Angelo Financial Planning Group as the Office Manager. Deborah joined High Falls Advisors in December, 2011 in our Operations Department and as an Advisor Assistant. In April 2014 Deborah took on a new role with High Falls Advisors as a salaried investment advisor representative.

Item 2 – Disciplinary History. There are no disciplinary actions to report.

Item 3 – Other Business Activities. Deborah is also a Registered Representative with Leigh Baldwin & Co., LLC, a Broker Dealer registered with the Financial Industry Regulatory Authority (FINRA). As a Registered Representative of Leigh Baldwin, Deborah may receive commissions and service fees (trails) from the sale of securities, variable insurance products and mutual funds. Commissions for securities, variable insurance products and mutual funds are based on the product sold. Deborah is also licensed to sell life, accident, health and long term care insurance. This activity may generate a commission.

Item 4 – Additional Compensation. Deborah does not receive additional compensation or economic benefit from any other individuals or companies.

Item 5 – Supervision. Deborah B. King's activities are supervised by Michael Donnelly (phone: 585-935-5300 x 132/e-mail: mdonnelly@highfallsadvisors.com) and the Compliance Department at HFA. This review/supervision is achieved through frequent office interactions and periodic reviews of randomly selected client accounts.

RUSSELL J. MANDRINO

Item 1 – Education and Business Experience. Russell J. Mandrino was born in 1934. He graduated from the University of Rochester with a Bachelor of Science degree 1966.

Russell's experience includes a long career in banking. Prior to joining High Falls Advisors, Russell was an investment advisor with Sage Rutty & Company. From 2007 through 2008, he was an independent investment advisor with James McBride DBA High Falls Advisors and in 2008 Russell became an independent investment advisor with High Falls Advisors, LLC. Russell continues to act as an independent investment advisor representative with High Falls Advisors, Inc.

Russell was a registered representative and investment advisor representative of Ensemble Financial Services, Inc. through July, 2011. From July 2011 to July 2013, Russell was a registered representative and investment advisor representative with Wall Street Financial Group.

Item 2 – Disciplinary History. There are no disciplinary actions to report.

Item 3 – Other Business Activities. Russell is also a Registered Representative with Leigh Baldwin & Co., LLC, a Broker Dealer registered with the Financial Industry Regulatory Authority (FINRA). As a Registered Representative, Russell can sell securities through Leigh Baldwin for which he may receive commissions and service fees (trails) from the sale of securities and mutual funds. Commissions for securities and mutual funds are based on the product sold.

Item 4 – Additional Compensation. Russell does not receive additional compensation or economic benefit from any other individuals or companies.

Item 5 – Supervision. Russell Mandrino's activities are supervised by Michael Donnelly (phone: 585-935-5300 x 132/e-mail: mdonnelly@highfallsadvisors.com) and the Compliance Department at HFA. This review/supervision is achieved through frequent office interactions, periodic reviews of randomly selected client accounts and regular meetings of the firm's Investment Committee.

MAUREEN J. PILATO, CFP®

Item 1 – Education and Business Experience. Maureen J. Pilato, CFP® was born in 1979. She graduated from Villanova University with a Bachelor of Arts degree in English in 2001.

From 2006 to 2013, Maureen worked at Tompkins Financial Advisors (formerly A M & M Financial Services) as a Wealth Advisor and Assistant Vice President and from 2013 to 2014 at Halleran Financial Group as the Director and Vice President of Financial Planning. In April 2014, Maureen joined High Falls Advisors, Inc. as a salaried investment advisor representative and Senior Financial Planner.

Maureen is a Certified Financial Planner™ Practitioner(CFP®).

Item 2 – Disciplinary History. There are no disciplinary actions to report.

Item 3 – Other Business Activities. Maureen is also a Registered Representative with Leigh Baldwin & Co., LLC, a Broker Dealer registered with the Financial Industry Regulatory Authority (FINRA). As a Registered Representative, Maureen can sell securities through Leigh Baldwin for which she may receive commissions and service fees (trails) from the sale of securities, variable insurance products and mutual funds. Commissions for securities, variable insurance products and mutual funds are based on the product sold. Maureen is also licensed to sell life, accident, health and long term care insurance. This activity may generate a commission.

Item 4 – Additional Compensation. Maureen does not receive additional compensation or economic benefit from any other individuals or companies.

Item 5 – Supervision. Maureen J. Pilato's activities are supervised by Michael Donnelly (phone: 585-935-5300 x 132/e-mail: mdonnelly@highfallsadvisors.com) and the Compliance Department at HFA. This review/supervision is achieved through frequent office interactions and periodic reviews of randomly selected client accounts.

MICHAEL ROSS, AWMA®

Item 1 – Education and Business Experience. Michael Ross was born in 1978. He graduated from the State University of New York at Brockport with a Bachelor of Arts degree in 2000 and from State University of New York at Buffalo with a Master of Architecture Degree in 2004. He earned a Certificate in Strategic Leadership from Canisius College in 2009.

Prior to joining High Falls Advisors, Michael was a teacher with the Greece Central School District and an Administrator Intern with Monroe Boces 2. In June 2011, Michael joined High Falls Advisors as an investment/client advisor. Michael is now the Vice President of Marketing and Business Development. He is also continuing in his role as a salaried investment advisor with a small client base.

Michael is holds the designation of Accredited Wealth Management AdvisorSM (AWMA[®]).

Item 2 – Disciplinary History. There are no disciplinary actions to report.

Item 3 – Other Business Activities. Michael is a board member of the Rochester Chapter of JDRE. This position is a volunteer position. Michael is also a Registered Representative with Leigh Baldwin & Co., LLC, a Broker Dealer registered with the Financial Industry Regulatory Authority (FINRA). As a Registered Representative, Michael can sell securities through Leigh Baldwin for which he may receive commissions and service fees (trails) from the sale of securities, variable insurance products and mutual funds. Commissions for securities, variable insurance products and mutual funds are based on the product sold. Michael is also licensed to sell life, accident, health and long term care insurance. This activity may generate a commission.

Item 4 – Additional Compensation. Michael does not receive additional compensation or economic benefit from any other individuals or companies.

Item 5 – Supervision. Michael Ross' advisory activities are supervised by James McBride (phone: 585-935-5300 x 105 / e-mail: jmcbride@highfallsadvisors.com) and the Compliance Department at HFA. This review/supervision is achieved through frequent office interactions, periodic reviews of randomly selected client accounts and regular meetings of the firm's Investment Committee. Michael Ross' marketing and business development activities are supervised by High Falls' General Manager, Kenneth Burke, CPA (phone: 585-935-5300 ext. 111, kburke@highfallsadvisors.com).