

Part 2A of Form ADV: *Firm Brochure*

Envision Capital Management Ltd.

10751 N Frank Lloyd Wright Blvd
Ste. 201
Scottsdale, AZ 85259

Telephone: 480-219-6240
Email: terry@valueadvisor.com
Web Address: www.valueadvisor.com

3/31/2015

This brochure provides information about the qualifications and business practices of Envision Capital Management Ltd. If you have any questions about the contents of this brochure, please contact us at 480-219-6240 or terry@valueadvisor.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority.

The terms "registered" and "registered investment adviser" do not imply a certain level of skill or training.

Additional information about Envision Capital Management Ltd. is also available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as our firm's CRD number. Our firm's CRD number is 110266.

Item 2 Material Changes

This Form ADV Part 2A brochure is dated March 31, 2015 (the “Brochure”). The brochure filed with Envision Capital Management Ltd.’s (“ECM Ltd.,” “we,” “us,” “our” and “Firm”) last annual Form ADV updating amendment was dated March 20, 2014. In addition, we filed an interim amendment to our Brochure dated March 15, 2015. This Brochure reflects the following cumulative significant changes since our March 20, 2014 annual update:

1. Changes applicable to transferring our investment adviser registration from the SEC to the state of Arizona.
2. Updated disclosure regarding our current business.
3. Updated disclosure regarding our fees for financial planning and consulting services.

We will provide you with disclosures about material changes as necessary. Our complete Brochure may be requested by contacting Terry Gadaire at our office at 480-219-6240, or terry@valueadvisor.com.

Item 3 Table of Contents

Item 1	Cover Page	1
Item 2	Material Changes	2
Item 3	Table of Contents	3
Item 4	Advisory Business	4
Item 5	Fees and Compensation	7
Item 6	Performance-Based Fees and Side-By-Side Management	9
Item 7	Types of Clients	10
Item 8	Methods of Analysis, Investment Strategies and Risk of Loss	10
Item 9	Disciplinary Information	12
Item 10	Other Financial Industry Activities and Affiliations	12
Item 11	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	13
Item 12	Brokerage Practices	14
Item 13	Review of Accounts	15
Item 14	Client Referrals and Other Compensation	16
Item 15	Custody	17
Item 16	Investment Discretion	17
Item 17	Voting Client Securities	18
Item 18	Financial Information	18
Item 19	Requirements for State Registered Advisers	18

Item 4 Advisory Business

Envision Capital Management Ltd. (ECM Ltd.) is a registered investment adviser with the state of Arizona. Our principal place of business is located at 10751 N. Frank Lloyd Wright Blvd. Ste. 201, Scottsdale AZ 85259. We began conducting business in 1985, and formerly did business as Physicians Financial Services Ltd until March 1, 1998.

ECM Ltd. is a corporation formed in the state of Arizona. The Druckman Family Trust owns 100% of our company's shares. Michael Mark Druckman, our President, and Patricia A. Druckman, our Vice-President and Chief Compliance Officer, are the trustees of the Druckman Family Trust.

We offer the following advisory services to our clients:

Portfolio Management for Separate Account Clients

We provide investment management or portfolio management services to clients with separately managed accounts (the "Separate Account Clients"). These services are provided on a discretionary basis, and include, among other things, providing advice relating to the selection of investments. The investment advice is based on a "buy and hold and dividend reinvestment" style and may include a number of different investments. During our client interview, we take efforts to get to know our clients and their needs. As appropriate, we may also review and discuss a client's prior investment history, as well as family composition and background. Account supervision is guided by the client's stated objectives as well as tax considerations.

Once the Separate Account Client's portfolio has been established, we review the accounts continually on the basis of performance, and may recommend that the portfolio be rebalanced on an as needed basis. We mail printed quarterly statements to each Separate Account Client with updates as to the status of their account. The Separate Account Clients receive a monthly report from the custodian(s) for the accounts as well. Our investment recommendations are not limited to any specific investment vehicle, product or service. However, we generally do not provide advice with regard to private labeled securities, initial public offerings, puts, call or warrants. Generally, we provide advice regarding the following securities:

- Exchange-listed securities
- Corporate debt securities (other than commercial paper)
- Certificates of deposit
- Municipal securities
- Mutual fund shares
- United States governmental securities
- Other

To ensure that our initial determination of an appropriate portfolio remains suitable and that the account continues to be managed in a manner consistent with the client's financial circumstances, we:

1. Monitor client investment portfolio holdings and performance continually
2. Send a reminder with each quarterly statement requesting any updated information regarding changes in the client's financial situation and investment objectives; and
3. Make ourselves available to consult directly with the client when needed.

Pension Consulting Services

We provide the following additional advisory services, individually or in conjunction with other services. While we primarily provide these services to pension, profit sharing and 401(k) plans, we offer these services, where appropriate, to individuals and trusts, estates and charitable organizations. We provide an ERISA 408 (b)(2) Disclosure Notice to all ERISA plan sponsors, and those clients who have invested ERISA plan money into our private funds. We provide timely updates to these disclosures when necessary.

Investment Strategy Preparation:

We meet with the client to determine an appropriate investment strategy that reflects the plan sponsor's stated investment objectives for management of the overall plan. If the plan document also lists the criteria for selection of investment vehicles we review that with the client along with our overall investment strategy.

Selection of Investment Vehicles & Monitoring of Investment Performance:

We assist plan sponsors by reviewing various mutual funds (both index and managed), stocks and bonds to determine which investments are appropriate to implement the client's plan. We determine the number of investments to be recommended based on the overall objectives of the plan.

Employee Communications:

For pension, profit sharing and 401(k) plan clients with individual plan participants exercising control over assets in their own account ("self-directed plans"), we may meet with the plan participants, if desired by the plan trustees. The nature of the topics to be covered will be determined by us and the client under the guidelines established in ERISA Section 404(c). The educational support will NOT provide plan participants with individualized, tailored investment advice or individualized, tailored asset allocation recommendations.

Financial Planning

We provide financial planning services. Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. Through the financial planning process, questions, information and analysis are considered as they impact and are impacted by the financial and life situation of the client. Clients requesting this service receive a written report which provides the client with a detailed financial plan designed to assist the client in achieving his or her financial goals and objectives.

Financial Planning recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. In general, the financial plan may address any or all of the following areas:

- **PERSONAL:** We review family records, budgeting, personal liability, estate information and financial goals.
- **TAX & CASH FLOW:** We may analyze the client's income tax and spending and planning for past, current and future years; then illustrate the impact of various investments on the client's current income tax and future tax liability.
- **INVESTMENTS:** We analyze investment alternatives and their effect on the client's portfolio.
- **INSURANCE:** We may review existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home and automobile.
- **RETIREMENT:** We analyze current strategies and investment plans to help the client achieve his or her retirement goals.
- **DEATH & DISABILITY:** We may review the client's cash needs at death, income needs of surviving dependents, estate planning and disability income.
- **ESTATE:** We assist the client in assessing and developing long-term strategies. We may recommend appropriate legal counsel consult with the client on living trusts, wills, estate tax, powers of attorney, and asset protection plans.

We gather required information through personal interviews. Information gathered includes the client's current financial status, tax status, future goals, returns objectives and attitudes towards risk. We carefully review documents supplied by the client. Should the client choose to implement the recommendations contained in the plan we create, we work with the client and their attorney and accountant. Financial planning may involve recommendations for purchase of any of the securities products we normally recommend to our investment clients. Implementation of financial plan recommendations is entirely at the client's discretion.

Consulting Services (Financial and/or Business)

We provide general non-securities advice on topics that may include tax and budgetary planning, estate planning and business planning. Clients can also receive investment advice on a more focused basis. This may include advice on only an isolated area(s) of concern such as real estate contracts for tenant leases.

Investment Advisory Services to Pooled Investment Fund

We serve as investment adviser and managing member of a pooled investment fund named Talisman Partners LLC, an Arizona limited liability company ("Talisman"), which was formed in April 2002. Talisman acquires debt portfolios, which may include performing, non-performing and under-performing debt, distressed and non-distressed debt, and secured and unsecured debt. Currently, Talisman's assets consist of portfolios of written off consumer credit card debt accounts or other consumer debt (the "Debtor Accounts").

Generally, Talisman's revenues are generated from collection proceeds from the Debtor Accounts. All collection activities are performed by collection agencies that Talisman has engaged pursuant to collection agreements between the parties. Neither we nor Talisman performs any collection activities with regard to the Debtor Accounts.

Investment return is allocated to Talisman's investors based on their participation percentages, as outlined in Talisman's Amended and Restated Operating Agreement dated as of April 2, 2004 ("Operating Agreement").

Amount of Assets Under Management

As of 01/31/2015, we were actively managing \$61,929,507 of client assets on a discretionary basis, comprised of \$28,440,181 in client assets for our Separate Account Clients and \$33,489,325 in clients' assets for Talisman. We manage no assets on a non-discretionary basis.

Item 5 Fees and Compensation

Fees Related to Portfolio Management for Separate Account Clients

Our annual fees for our portfolio management services for our Separate Account Clients and our pension consulting services are based upon a percentage of assets under management, as follows:

<u>Assets Under Management</u>	<u>Annual Fee</u>
Up to \$1,000,000	1.0%
\$1,000,000 and above	0.5%

The above percentages are computed and charged calendar quarterly in arrears, and are computed on the market value of the account on the last day of the quarter. This fee is mutually agreed upon between us and the client. A minimum of **\$ 500,000** of assets under management is required for these services. This account size may be negotiable under certain circumstances. We may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

Upon a client's written authorization, we deduct our advisory fees from the clients' Schwab account on a calendar quarterly basis, except when other billing arrangements have been made at the account's inception.

In some cases, clients may receive our services at reduced rates and, for situations that merit it, on a pro bono basis. This accommodation is available for immediate family members, religious groups, non-profit organizations and other instances in management's discretion.

Fees Relating to Financial Planning Services

Our fees for our financial planning services are \$200 per hour, billed after completion of the financial plan. This fee is non-negotiable.

Fees Relating to Consulting Services

Our fees for our consulting services are charged at an hourly rate, which is determined based on the nature of the services being provided, the complexity of each client's circumstances, and does not exceed \$200 per hour. All fees are agreed upon with the client prior to entering into a contract with any client. Clients will be billed following the completion of the project.

Other Information Relating to Separate Account Clients

Termination of the Advisory Relationship: Each client has a five day right to terminate a new investment advisory relationship with us without being obligated for any accrued management fees. This five day right may be exercised in writing or verbally by phone. Thereafter, services may be terminated by either party with written notice effective upon receipt. Because fees are payable after services are provided, there are no unearned fees and the client is not due a refund upon early termination of an investment advisory contract. However our fees will be prorated and billed to the date of termination.

Mutual Fund Fees: All fees paid to us for our investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or EFTs to their shareholders. These fees and expenses are described in each fund's prospectus, and may include annual expenses and/or 12b-1 fees. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Additional Fees and Expenses: In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Custodians may charge accounts for various retirement plan and administration fees. Please refer to the "Brokerage Practices" section (Item 12) of this Brochure for additional information.

Grandfathering of Minimum Account Requirements: Pre-existing advisory clients are subject to our minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, our firm's minimum account requirements will differ among clients. ECM Ltd reserves the right to accept smaller size accounts at management's discretion.

Pension Accounts: We are deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"). As such, we are subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation.

Advisory Fees in General: Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

Limited Prepayment of Fees: Under no circumstances do we require or solicit payment of fees in advance of services rendered.

Fees Related to Talisman

We are entitled to receive the following fees in exchange for our services as investment adviser to Talisman:

- An annual management fee of 1% of the aggregate Member Cash Capital Accounts (as such term is defined in Talisman's Operating Agreement), which is paid quarterly in arrears; and
- As managing member of Talisman, we are entitled to receive a 20% participation in the profits, if any, realized by the Member Cash Capital Accounts (as such term is defined in Talisman's Operating Agreement), calculated on a member by member basis subject to a high water mark. This amount is computed, accrued and debited from each capital account on a monthly basis as of the last day of each month, and reconciled at the end of each calendar year. This profit participation is performance-based compensation, which may create an incentive for us to recommend an investment that may carry a higher degree of risk to our client.

Investors in Talisman are not charged any additional advisory fees other than the management fee and profit participation described above.

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

As discussed in Item 5 of this Brochure, we have clients that pay only asset-based fees (i.e., Separate Account Clients) and a client that pays asset-based fees plus performance-based fees (i.e., Talisman).

We endeavor to act in a fair and equitable way with regard to all of our clients, regardless of the amount or type of fee we are paid for our advisory services. However, certain conflicts of interest may arise from the simultaneous or side-by-side management of accounts that pay performance-based fees and accounts that do not pay performance-based fees. This side-by-side management may provide a financial incentive to us to favor accounts that pay performance-based fees with regard to preferential allocations of resources and management attention. We have taken steps to mitigate these conflicts where possible. We endeavor to allocate resources and management attention equitably between all of our clients on an as-needed basis. We do not have any conflict with regard to allocation of investment opportunities because our Separate Account Clients and Talisman invest in different types of investments.

Item 7 Types of Clients

We provide investment management services to the following types of clients.

Separate Account Clients

Our Separate Account Clients include:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Pension and profit sharing plans (other than plan participants)
- Charitable organizations, trusts, or estates

A minimum of \$500,000 of assets under management is required for this service. This account size may be negotiable under certain circumstances. We may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

Talisman

We serve as investment adviser to Talisman. Talisman is a limited liability company, and is not accepting any new investors.

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

Investing in securities involves risk of loss that clients should be prepared to bear.

Separate Account Clients Method of Analysis

We use the following methods of analysis in formulating our investment advice and/or managing client assets of our Separate Account Clients:

Fundamental Analysis. We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell). Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the market regardless of the economic and financial factors considered in evaluating the stock.

Risks for all forms of analysis. Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

INVESTMENT STRATEGIES

We use the following strategy(ies) in managing accounts for our Separate Account Clients accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations.

Long-term purchases. We purchase securities with the idea of holding them in the client's account for a year or longer. Typically we employ this strategy when:

- we believe the securities to be currently undervalued, and/or
- we want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term holding strategy is that we may not take advantages of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

Short-term purchases. We may occasionally sell securities within a relatively short time of their purchase (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

MATERIAL RISKS ASSOCIATED WITH OUR METHOD OF ANALYSIS AND INVESTMENT STRATEGIES

The following is a discussion of the material risks associated with our method of analysis and investment strategies for our Separate Account Clients.

- **Business Risk** - the risk that the price of an investment will change due to factors unique to that company, investment or market segment and not the market in general.
- **Liquidity Risk** - the risk associated with the ease of being able to quickly convert the value of a security into an equivalent amount of cash.
- **Financial Risk** - the risk to specific companies' future earnings due to their use of debt. Companies that borrow money must pay it back at some future date, plus the interest charges. This increases the uncertainty about the company because it must have enough income to pay back this amount at some time in the future.
- **Market Risk** - the risk that the price of a particular investment will change as a result of overall market conditions that are not specific to that particular company or investment.
- **Interest Rate Risk** - the risk that interest rate changes will affect the price of a particular investment. For example when interest rates rise, the price of bonds generally fall.
- **Currency Risk** – the risk that when the exchange rate between the foreign currency of an international investment and the U.S. dollar changes it can increase or reduce your investment return.

Talisman

Please refer to Talisman's Private Offering Memorandum ("POM") for a discussion of the methods of analysis and investment strategies applicable to the advice we provide to Talisman, and for a discussion of the material risks specific to the investments made by Talisman.

Item 9 Disciplinary Information

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

On February 16, 2011, the United States Securities and Exchange Commission ("SEC") entered an Order Instituting Administrative and Cease-and-Desist Proceedings Pursuant to Section 8A of the Securities Act of 1933, and Sections 203(e), 203(f), and 203(k) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (the "Order") involving ECM Ltd. and Michael Druckman, our President. The Order related to our and Mr. Druckman's services to Equity Income Partners, L.P. (now known as Equity Income Partners, LLC), Galileo Capital Partners Ltd. and Galileo Capital Partners LLC. It did not relate to our services to Talisman or to our Separate Account Clients.

In connection with the Order, the SEC accepted our and Mr. Druckman's Offer of Settlement. Without admitting or denying the SEC's findings, we and Mr. Druckman consented to the entry of the Order, which provided as follows: (1) ECM Ltd. and Mr. Druckman were ordered to cease and desist from violating Sections 17(a)(2) and 17(a)(3) of the Securities Act of 1933, as amended (the "Securities Act"), Sections 206(2), and 206(4) of the Investment Advisers Act of 1940, as amended, and Rules 206(4)-2 and 206(4)-7 thereunder; (2) Mr. Druckman was ordered to cease and desist from violating Sections 5(a) and 5(c) of the Securities Act; (3) ECM Ltd. and Mr. Druckman were censured; (4) A \$100,000 civil money penalty was paid; and (5) Mr. Druckman and ECM Ltd. were ordered to comply with certain undertakings made by ECM Ltd. regarding ECM Ltd.'s compliance procedures and practices.

A complete copy of the SEC order may be obtained from our office by emailing terry@valueadvisor.com or calling us at 480-219-6240.

Item 10 Other Financial Industry Activities and Affiliations

Other Material Industry Activities

Real Estate Management Activities

We sponsored the following three private real estate management and development companies (the "Real Estate Companies"):

- 1) Equity Income Partners, LLC, an Arizona limited liability company (formerly, Equity Income Partners Limited Partnership, an Arizona limited partnership), for which we serve as managing member;
- 2) Galileo Capital Partners LLC an Arizona limited liability company, for which we serve as managing member; and
- 3) Galileo Capital Partners Ltd., a Cayman Islands exempted company, for which we are appointed as investment adviser.

These companies were originally formed as investment funds to invest in real estate-backed loans, and, at that time, we served as their investment adviser. The companies have since foreclosed on all of the loans in which they invested, and now, as a result, they became operating companies that hold (directly and/or indirectly through special purpose entities), manage and develop the real estate properties that once secured the loans. Our management personnel estimate that we devote approximately 33% of our time towards the management and development activities of these companies.

These companies are not accepting any new investors.

Life and Disability Insurance Licenses

Michael Druckman and Patricia Druckman maintain licenses with several insurance companies and/or general brokerage agencies for the sole purpose of offering life and disability insurance to our Separate Account Clients. If a Separate Account Client purchases insurance products from Mr. or Mrs. Druckman in this capacity, Mr. or Mrs. Druckman is entitled to receive customary commission compensation from the sale. This is a possible conflict of interest, as this receipt of compensation from such product transactions could influence Mr. and Mrs. Druckman's recommendations of insurance products. Separate Account Clients are under no obligation to follow the advice of Mr. and Mrs. Druckman, or to purchase any insurance products from them.

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

Code of Ethics

We have adopted a Code of Ethics for all persons of our firm describing our high ethical standards of business conduct, fiduciary duty to our clients, and compliance with applicable securities laws. We and our personnel owe a duty of loyalty, fairness and good faith toward our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code of Ethics.

Our Code of Ethics covers a range of topics including: general ethical principles, confidentiality of client information, reporting personal securities trading, prohibition on insider trading, reportable securities, reporting ethical violations, among other things. The Code of Ethics includes oversight and enforcement processes, record keeping provisions and supervisory procedures. Our Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

Policy Regarding Principal Transactions and Agency Cross Transactions

It is the policy of this firm that we will not affect any principal or agency cross securities transactions for client accounts. We will also not cross trade between client accounts. Principal transactions are defined as transactions where an advisor acting as principal for its own account buys from or sells any security to any advisory client. An agency cross transaction is defined as a transaction where the advisor acts as a broker for both the advisory client and for another person on the other side of the transaction. We are not dually registered as a broker-dealer nor do we have an affiliated broker-dealer.

Policy Regarding Personal Trading of Employees

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with making decisions in the best interest of advisory clients, and implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in a certain security that may also be recommended to a client. Due to these circumstances, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between the firm and its clients.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to terry@valueadvisor.com, or by calling 480-219-6240.

Item 12 Brokerage Practices

We require our Separate Account Clients to establish brokerage accounts with Schwab Institutional, a division of Charles Schwab & Co., Inc., a FINRA registered broker-dealer, member SIPC ("Schwab"), to maintain custody of clients' assets and to effect trades for their accounts. We place trades for standard assets exclusively through Schwab. We are independently owned and operated and not affiliated with Schwab.

Schwab provides us with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts at Schwab. These services are contingent upon our firm committing to Schwab a specific amount of business (assets in custody). Schwab's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

With regard to the assets of our Separate Account Clients maintained in its custody, Schwab generally does not charge separately for custody services but may charge accounts for various transaction costs, retirement plans and administration fees. In addition, some mutual fund assets transferred over to Schwab may be subject to deferred sales charges and 12(b)(1) fees.

Schwab also makes available to us other products and services that benefit us, but may not directly benefit our clients' accounts. Many of these products and services may be used to service all or some substantial number of our client accounts. Schwab's products and services that assist us in managing and administering our clients' accounts include software and other technology that do the following:

- provide access to client account data (such as trade confirmations and account statements);
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts;

- provide research, pricing and other market data;
- facilitate payment of our fees from clients' accounts; and
- assist with back-office functions, recordkeeping and client reporting.

Schwab also offers other services intended to help us manage and further develop our business enterprise. These services may include:

- compliance, legal and business consulting;
- publications and conferences on practice management and business succession; and
- access to employee benefits providers, human capital consultants and insurance providers.

Schwab may make available, arrange and/or pay third-party vendors for the types of services rendered to us. Schwab may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to our firm. Schwab may also provide other benefits such as educational events or occasional business entertainment for our personnel. In evaluating whether to recommend or require that clients custody their assets at Schwab, we may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors we consider and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

In cases of non-standard assets, we will recommend the use of custodians other than Schwab. Generally, these recommendations are based on our perception of the breadth of services offered, and quality of execution. However, the client may pay commissions or fees that are higher or lower than those that may be obtained from elsewhere for similar services. Clients are advised that they are under no obligation to act on our recommendations.

We may aggregate trades where possible and when advantageous to clients. This trading of aggregate blocks of securities composed of assets from multiple client accounts is done so long as transaction costs are shared equally and on a pro-rated basis between all accounts included in any such grouping. Aggregate trading may allow us to execute equity trades in a timelier, more equitable manner, at an average share price and may reduce overall commission charges to clients. It is the Firm's policy that no client or account will be favored over another.

Item 13 Review of Accounts

Separate Account Clients

REVIEWS: We review the accounts of our Separate Account Clients on the basis of performance, keyed to individual client goals and objectives. These reviews are conducted by Michael Druckman, our President, from time to time, as circumstances require.

REPORTS: We mail quarterly statements to each Separate Account Client with updates as to the status of the account, and Schwab Institutional mails monthly reports as well. All accounts are tabulated and tracked using in-house computers and portfolio management software.

Reviews Relating to Financial Planning Services

REVIEWS: While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for financial planning clients unless otherwise agreed upon between us and the client. Such reviews will be conducted by Michael Druckman, President, or Patricia Druckman, Vice-President.

REPORTS: Financial planning clients will receive a completed financial plan. Additional reports will not typically be provided unless otherwise agreed upon between us and the client.

Reviews Relating to Consulting Services

REVIEWS: While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for consulting services clients unless otherwise agreed upon between us and the client. Such reviews will be conducted by Michael Druckman, President.

REPORTS: Consulting services clients will not typically receive reports due to the nature of the service.

Talisman

REVIEWS: We review the portfolio of Talisman on a continuous basis. These reviews are conducted by Michael Druckman, President.

REPORTS: We print and mail performance reports on a monthly basis to each member of Talisman. In addition, members of Talisman receive audited financial statements of Talisman within 120 days of its fiscal year end.

Item 14 Client Referrals and Other Compensation

Client Referrals

Historically, we have paid referral fees to independent persons or firms ("Solicitors") for introducing clients to us. ECM Ltd. does not currently contract with any Solicitors. However, we may consider doing so in the future. As a matter of Firm practice, the advisory fees paid to us by clients referred by Solicitors are not increased as a result of any referral.

Other Compensation

As discussed above in Item 10, Michael Druckman and Patricia Druckman maintain licenses with several insurance companies and/or general brokerage agencies for the sole purpose of offering life and disability insurance to our Separate Account Clients. If a Separate Account Client purchases insurance products from Mr. or Mrs. Druckman in this capacity, Mr. or Mrs. Druckman is entitled to receive customary commission compensation from the sale. This is a possible conflict of interest, as this receipt of compensation from such product transactions could influence Mr. and Mrs. Druckman's recommendations of insurance products. Separate Account Clients are under no obligation to follow the advice of Mr. and Mrs. Druckman, or to purchase any insurance products from them.

Rosetta LLC receives compensation from Galileo Capital Partners Ltd., a private real estate management and development company, for management and administrative work. The managing member of Rosetta LLC is Michael Druckman.

Item 15 Custody

Separate Account Clients

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure, upon a Separate Account Client's written authorization, we deduct our advisory fees directly from the clients' Schwab account. As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period. Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

In addition to the periodic statements that Separate Account Clients receive directly from their custodians, we also send account statements directly to our Separate Account Client on a quarterly basis. We urge our Separate Account Client to carefully compare the information provided on these statements to ensure that all account transactions, holdings and values are correct and current.

Talisman

Talisman's financial statements are audited annually by Sarvis Coleman, Edgell & Tobin PC and copies are distributed to each of Talisman's members within 120 days of its fiscal year end. This private fund is closed to new investors.

Item 16 Investment Discretion

We manage all of our clients' assets, including the assets of our Separate Account Clients and the assets of Talisman, on a discretionary basis. Providing discretionary asset management services means that we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission. Our discretionary authority includes the ability to do the following without contacting the client:

- Determine the security to buy or sell; and/or
- Determine the amount of the security to buy or sell; and
- Instruct the broker to make securities transactions.

Prior to assuming discretion in managing a client's assets, we enter into an agreement that sets forth the scope of our discretion. With respect to the Separate Account Clients, the provisions governing our assumption of this discretionary authority are set forth in the Investment Advisory Agreement we enter into with our Separate Account Clients.

With respect to Talisman, the provisions governing our assumption of this discretionary authority are outlined in Talisman's Operating Agreement.

Item 17 Voting Client Securities

Separate Account Clients

As a matter of Firm policy, we do not vote proxies on behalf of Separate Account Clients. Therefore, although we may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing each custodian of the assets, to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets. We do not offer any consulting assistance regarding proxy issues to clients.

Talisman

Not applicable.

Item 18 Financial Information

We do not require or solicit the prepayment of more than \$500 in fees, six months or more in advance, from our clients. Therefore, we are not required to include a balance sheet in this Item.

We have not been the subject of a bankruptcy petition at any time, nor are we subject to any financial condition that is reasonably likely to impair our ability to meet our contractual commitments to our clients.

Item 19 Requirements for State-Registered Advisers

Principal Executive Officers and Management Persons

Our principal executive officers and management persons are Michael Druckman and Patrician Druckman. Following is their formal education and business background. Additional information can be found in the Brochure Supplements – Part 2B of Form ADV.

Michael M. Druckman, President

Designations: Certified Funds Specialist; Institute of Business & Finance; Series 2
FINRA

Education

- University of New Hampshire; BS, Biology; 1975
- Babylon High School; HSD; 1970

Business Experience

- Envision Capital Management Ltd.; President; from 1/1/1982 to current (Registered under the corporate name of Physicians Financial Services, Ltd., prior to 03/01/98.)
- Home Life of New York; Agent; from 1/1/1978 to 12/20/1982
- American General Life Insurance Company; Agent; from 1/1/1977 to 12/30/1978

Patricia Druckman, Vice President and Chief Compliance Officer

Designations: Series 65, Chartered Financial Consultant, Chartered Life Underwriter

Education

- The University of Phoenix; MBA, Business; 1984
- Arizona State University; BS, Medical Technology; 1978

Business Experience

- Envision Capital Management Ltd.; Vice President 12/2005 to present/ Chief Compliance Officer 4/2009 to present
- Jackson National Life Insurance; Regional Manager 1996 -2001/ Brokerage Mgr. 1989-1995

Other Business

In addition to our investment advisory business, our Firm is engaged in management and development of real estate as described in Item 10 of this Brochure.

Performance-Based Fees

See Item 5 of this Brochure for a description of the performance-based fees to which we are entitled from Talisman. As discussed in Item 5, performance-based compensation may create an incentive for us to recommend an investment that may carry a higher degree of risk to our client.

Disclosure Event

See Item 9 of this Brochure for a description of an SEC administrative proceeding involving us and Michael M. Druckman. Following are additional material facts regarding that proceeding:

(1) Mr. Druckman inadvertently charged management fees on loan interest accruals in one of the private real estate funds; this inadvertent error was corrected immediately after it was found. During the same time period fees in all three private real estate funds were reduced or forgiven in excess of the overcharged amount.

(2) The private offering documents (POMs) for the affiliated real estate funds were in need of additional disclosures to better outline the business practices that developed as a result of owning many real estate properties, as the business of the funds had changed from issuing loans secured by real estate to owning and developing real estate for eventual sale. The POMs have since been updated and distributed to the investors.

(3) The Firm failed to comply with the custody rule under the SEC's Investment Advisers Act of 1940, as amended (the "Advisers Act"), regarding one of the affiliated real estate funds, which should have been subject to a surprise exam. The Firm is now in compliance with the custody rule.

(4) ECM Ltd. lacked an effective compliance program to oversee the Firm's adherence to the Advisers Act rules regarding compliance. ECM Ltd. engaged an outside compliance firm and worked with that firm for 24 months creating policies and procedures to make sure ECM Ltd. now has an effective compliance program.

Relationship or Arrangement with Issuers of Securities

Neither we nor our management persons have any relationship or arrangement with any issuer of securities not discussed elsewhere in this Brochure.