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**SEC CRD # 110966**

**September 30, 2015**

This brochure provides information about the qualifications and business practices of Fischer Investment Group, Inc. If you have any questions about the contents of this brochure, please contact us at 585 586-2460 or [rfischer@fischerig.com](mailto:rfischer@fischerig.com). The information included in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority.

Fischer Investment Group, Inc. is registered as an investment adviser with the United States Securities and Exchange Commission. The firm's registration does not imply a certain level of skill or training.

Additional information about Fischer Investment Group, Inc. also is available at the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Form ADV: Part 2, Page 2**  
**Fischer Investment Group, Inc.**  
Dated: September 30, 2015

**ITEM 2 – MATERIAL CHANGES**

Other than updating our strategic partner listing, located in Item 14, there are no material changes to our September 30, 2015 brochure since our last update on September 30, 2014.

## **TABLE OF CONTENTS**

<b>ITEM 2 – MATERIAL CHANGES (Page 3)</b>
<b>ITEM 3 – TABLE OF CONTENTS (Page 2)</b>
<b>ITEM 4 - ADVISORY BUSINESS (Page 3)</b>
<b>ITEM 5 - FEES AND COMPENSATION (Page 4)</b>
<b>ITEM 6 - PERFORMANCE-BASED FEES &amp; SIDE-BY-SIDE MANAGEMENT (Page 5)</b>
<b>ITEM 7 - TYPES OF CLIENTS (Page 5)</b>
<b>ITEM 8 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES &amp; RISK OF LOSS (Page 5)</b>
<b>ITEM 9 - DISCIPLINARY INFORMATION (Page 8)</b>
<b>ITEM 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS (Page 8)</b>
<b>ITEM 11 - CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING (Page 8)</b>
<b>ITEM 12 - BROKERAGE PRACTICES (Page 9)</b>
<b>ITEM 13 - REVIEW OF ACCOUNTS (Page 10)</b>
<b>ITEM 14 - CLIENT REFERRALS AND OTHER COMPENSATION (Page 10)</b>
<b>ITEM 15 - CUSTODY (Page 11)</b>
<b>ITEM 16 - INVESTMENT DISCRETION (Page 11)</b>
<b>ITEM 17 - VOTING CLIENT SECURITIES (Page 12)</b>
<b>ITEM 18 - FINANCIAL INFORMATION (Page 13)</b>
<b>ITEM 19 - REQUIREMENTS FOR STATE-REGISTERED ADVISERS (Page 13)</b>

**ITEM 4 - ADVISORY BUSINESS**

Fischer Investment Group, Inc., formed in 1984 as Marsh Capital Management, Inc., is an investment advisory firm specializing in managing equity and fixed income portfolios. Our clients are individuals, corporations, non profits, endowments, trusts and retirement plans. As of September 30, 2015, Fischer Investment Group, Inc. had \$187,881,090.98 in assets under management; \$61,779,097.75 on a discretionary basis, \$126,101,993.23 on a non-discretionary basis. Fischer Investment Group, Inc. provides continuous advice as to the investment of client funds and tailors our advisory services to the individual needs of each client. As such, in providing individualized advisory services, we take into consideration the nature and amount of client assets and investments, client risk tolerance, and liquidity requirements. Our firm does not provide personal financial planning services outside of cash flow projections. Clients may impose investment restrictions on their accounts. We want to make sure that our clients' current investment strategies meet their needs and objectives, this is established in writing with an Investment Policy Statement which is custom to each client. Our firm is not a sponsor of "wrap fee" programs. Some clients retain us under wrap fee arrangements offered by broker-dealers. In those circumstances, the broker-dealer is responsible for recommending our firm as investment advisor to their clients, paying Fischer Investment Group, Inc. advisory fees for managing client portfolios, monitoring and evaluating Fischer Investment Group, Inc. performance, executing portfolio transactions without per share commission charge, providing custodial services for the client's assets, or providing any combination of these or other services, all for a single fee paid by the client to the broker-dealer. We may be unable to offer prime broker transactions with wrap fee accounts.

**ITEM 5 - FEES AND COMPENSATION**

The management fee is billed quarterly, in advance, in an amount determined by applying the annual rate to the portfolio market value on the last business day prior to the quarterly billing period. The client has the choice to be billed directly for our services or may choose to have the fee deducted directly from their account. Under certain circumstances, fees may be negotiable.

The client may terminate the agreement at any time by written notice to the firm or withdrawing the limited trading authorization with the custodian. A prorated fee is refunded to the client or payable to the custodial account accordingly. Fischer Investment Group, Inc. can terminate the agreement at any time by so advising the client.

Below are the standard fee schedules for Fischer Investment Group, Inc., expressed in annualized terms:

**Institutional Fee Schedule:**

First \$1,000,000 - 1.00%  
Next \$2,000,000 - 0.75%  
Over \$3,000,000 - 0.50%

**Retail Fee Schedule:**

First \$250,000 - 1.50%  
Next \$750,000 - 1.25%  
Next \$2,000,000 - 1.00%  
Over \$3,000,000 - 0.75%

Fischer Investment Group, Inc. does not have a minimum annual fee or minimum account size. Unless a client pays directly, the client quarterly management fee is reflected on the custodian statement.

Below is an example of how we calculate a quarterly fee:

$1,000,000 \times 1.000\% \div 4 = \$2500$   
Total Quarterly Fee: \$2500

Fischer Investment Group's schedule of fees does not include any brokerage fees, fund expenses, or transaction costs that the client may incur through investing. Please see ITEM 12 Brokerage Practices for a discussion of custody and brokerage arrangements. Our firm does not accept brokerage commissions, mutual fund 12-b1 marketing fees or soft dollar commissions. Although many SEC registered investment advisors accept soft dollar commissions, Fischer Investment Group's policy specifically prohibits receiving soft dollar commissions. Fischer Investment Group may allow a flat advisory fee option.

**ITEM 6 - PERFORMANCE-BASED FEES & SIDE-BY-SIDE MANAGEMENT**

Fischer Investment Group, Inc. does not accept any performance-based fees.

**ITEM 7 - TYPES OF CLIENTS**

Our clients are individuals, corporations, non profit organizations, retirement plans, profit sharing plans, endowments and trusts.

**ITEM 8 - METHODS OF AN ANALYSIS, INVESTMENT STRATEGIES & RISK OF LOSS**

Equity Securities:

Fischer Investment Group, Inc.'s equity investment philosophy is geared toward identifying and investing in equities that we believe will generate above market returns with below market risks. Our strategy is to:

- Focus on all sized capitalized companies with strong financial characteristics;
- Purchase shares when prices represent excellent value, selling at the lower range of historic P/E valuation;
- Place emphasis not only on upside potential, but also protecting downside risk;
- Companies that are listed on the major exchanges, including American Depository Receipts (ADR).

Our investment process utilizes proprietary models in conjunction with a detailed research process to select the companies to invest in for our equity portfolios. We rely on our Chief Investment Officer to scrutinize market segments and present in our opinion the most attractive opportunities to our Investment Committee, who makes the ultimate investment decisions. The Investment Committee also reviews client portfolio allocations among market sectors given the current business cycle. The process ends with the identification of approximately 25 equity securities that we call our Core Portfolio.

After holdings are purchased, we monitor the stocks to determine if they still meet the investment criteria of the Core Portfolio.

- We sell stocks when:
  - Better alternative opportunities are identified;
  - Stocks becomes overpriced;
  - Stock weighting becomes excessive; and
  - Company or sector fundamentals begin to deteriorate.

**Form ADV: Part 2, Page 6**  
**Fischer Investment Group, Inc.**  
Dated: September 30, 2015

### **Risks of Investing in Equity Securities**

Our analysis of both the earning potential and the relative valuation of a company can be wrong, resulting in a significant loss of principal. As an investor in securities, your value of the holdings may go down due to a financial crisis of the company or industry you are invested in, or in general the U.S. or Global economy could impact the value of your holdings significantly.

#### **Fixed Income Securities:**

Fischer Investment Group, Inc.'s objective is achieving returns that are above the market average while holding volatility at or below that of the market over an interest rate cycle. Although we believe that accurately forecasting interest rates is very difficult, we recognize that there are broad, recurring trends which are identifiable and which closely follow the economic cycle. Portfolio maturity and duration (risk) are monitored and adjusted to reflect the appropriate stage of the business cycle. Our strategy seeks to have the most exposure to the bond market in terms of maturity and duration when rates are high on a cyclical basis and when a recession is either imminent or underway. Likewise, portfolio maturity and duration are reduced in the expansion phase when rates are most likely to rise. The range of portfolio maturities and duration is flexible, varying with the relative value of the bond market and with specific needs and risk tolerances of our clients.

Managing income is an important ingredient in our fixed income philosophy. While movements in bond prices are important in the short run, income is the major component of return in the long term. Our strategy strives to construct and maintain portfolios with yields in excess of the market. This enables our clients to maximize the benefits from compounding of interest. In addition, the higher yields serve to cushion the impact of price declines in periods of rising interest rates. Our strategy implies an overweighting in non-government fixed-income securities and requires that all segments of the capital markets be monitored in order to capitalize on yield differentials that develop because of market inefficiencies.

Credit quality is a necessary consideration in our fixed income decision-making process. While most managers consider bonds as investments, in truth they are loans for fixed periods of time at fixed rates of interest. No sound lending institution should provide loans without making informed judgments concerning the credit worthiness of the borrower and the appropriate rate of interest to charge.

In addition, we believe that there is no reasonable rate of interest that will compensate for the loss of principal through default. As a result, we focus the majority of our credit attention on investment grade securities. This provides greater security against credit risks and enhances market liquidity. As with any investment strategy, there is a risk of loss that clients should be prepared to bear.

**Risks of Investing in Fixed Income Securities:**

Each investor in the fixed income market should be aware that the issuer of the bond may default and not be able to pay back the principal amount invested, as well as the outstanding interest owed. Issuers of bonds may be impacted by economic difficulties resulting in decreased revenues that would have been used to pay back the bond. Additionally, the bond market is not very liquid and there may not be any investor interest in the bond your account holds; therefore, the price of your investment may decrease and we may not be able to sell it.

**ITEM 9 - DISCIPLINARY INFORMATION**

There are no legal or disciplinary actions to disclose.

**ITEM 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

Fischer Investment Group Inc. does not have any other financial industry activities or affiliations.

**ITEM 11 - CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

Fischer Investment Group, Inc. maintains a Code of Ethics. The code allows firm employees to buy and sell securities we are buying and selling for our client accounts. It also allows them to buy and sell other securities not on our list.

The fundamental philosophy of the code can be described through three principles:

- The interests of clients must always be foremost;
- Fischer Investment Group employees may not take inappropriate advantage of their relationship to clients;
- All personal securities transactions should avoid any conflicts of interest.

Our code also requires each of our employees to report each quarter all of their personal security trades to the Chief Compliance Officer. Clients may request a copy of our Code of Ethics by contacting the Chief Compliance Officer at 585 586-2460.

**ITEM 12 - BROKERAGE PRACTICES**

Fischer Investment Group, Inc. submits all security trades through established and reputable brokers at commission rates comparable to those normally charged by other brokers. In selecting a broker-dealer, we consider factors such as execution capability, the broker's perceived financial stability, the broker's responsiveness to our transaction requests and the broker's clearance and settlement capability. Charles Schwab offers platform services and technology that helps Fischer Investment Group with back office management, trade execution, account management and asset pricing. It is Fischer Investment Group's policy to trade away from the custodian for bond trades when possible and to trade at the custodian for equity, and mutual fund trades.

**Soft Dollar:**

Fischer Investment Group corporate policy strictly prohibits participating in "soft dollar" commission compensation agreements.

**Cross-Trading:**

Sometimes we are asked to liquidate fixed income securities for our clients. When a liquidation request is received, our portfolio managers look at the securities they are going to sell to determine if it would be appropriate for another existing account. If it is deemed a fit for another account, the security is placed out to bid with broker-dealers.

Once the highest bid is obtained, the security is sold out of liquidating account at the highest bid rate and sold to the other account. The security is transferred between the two accounts. If the accounts have different custodians, or if the custodian is unable to transfer securities as described above, the portfolio manager will obtain at least two bids for the security from unaffiliated dealers. The portfolio manager will sell the security to the dealer with the highest bid and repurchase the security from the same dealer for the purchasing account, plus a mark-up.

**Aggregating Orders:**

We may execute securities transactions on behalf of a number of accounts at the same time, generally referred to as "block trades". When executing block trades, securities are allocated among accounts using procedures that we consider fair and equitable.

Participation of an account in the allocation is based on considerations such as investment objectives, restrictions and time horizon, availability of cash and the amount of existing holdings of the securities (or substitutes) in the account. Generally, various forms of pro rata allocations are used, however, certain factors may result in an account receiving more or less than its pro rata share due to factors such as cash availability, diversification requirements and investment objectives, time horizons and particular restrictions on an account. Accounts with directed brokerage instructions will be excluded from block trades.



### **ITEM 13 - REVIEW OF ACCOUNTS**

Fischer Investment Group Inc. portfolio managers review each investment advisory account to tailor its asset mix, diversification, and income to the client's current needs. In addition, individual meetings with our clients are held at regular intervals selected by the client, or at irregular intervals at the request of the client, to discuss individual portfolio results and objectives. Our portfolio managers attempt to meet with each client at least once each year. The securities in each portfolio are checked each business day in respect to price fluctuations and news events in which our clients have an interest. The advisor also looks at broad economic trends and monetary policy. Managers routinely review investment requirements and investment conditions. Significant changes in market conditions, the economic environment, and the outlook for industry or stock groups will trigger the review of accounts. We also send investment holdings to our clients quarterly. The statements are sent out after each quarter-end. Other events triggering a review would include the quarterly client contact, tax planning, client cash needs and changing client circumstances. Client objectives are reviewed during client contact. In addition to our reports, the client's custodian will also provide monthly or quarterly portfolio reports and general tax information, if required.

### **ITEM 14 - CLIENT REFERRALS AND OTHER COMPENSATION**

Fischer Investment Group Inc. maintains fee sharing relationships with the following entities:

- Independent Planning Group, Inc.
- Ace Solutions
- Bonadio Capital Advisors
- Armbruster Capital Advisors
- Schwab Advisor Network
- Rabenold Buckley Advisors
- Jason Rabenold

Fischer Investment Group Inc. will only enter into compensation arrangements with individuals or corporations who are legally able to accept compensation. All conditions are set forth prior to Fischer Investment Group, Inc. entering into an agreement with a client. For each of these relationships, our firm discloses the terms of the relationship with the client through a signed client acknowledgement and maintains a solicitation agreement with each firm noted above. No additional fees, other than trading fees and custody fees, as in a typical Fischer Investment Group Inc. relationship, will be charged to the client as a result of this arrangement and no additional expenses will be incurred by the client as a result of this arrangement. Fee sharing relationships will remain active as long as the referred client maintains a relationship with our firm.

**ITEM 15 – CUSTODY**

Fischer Investment Group, Inc. does not maintain custody of client funds or investment securities. All client assets are in control of the client's qualified custodian.

The custodian settles the investment trade between the broker-dealer and the client's account. Clients will receive account statements directly from the custodian at least quarterly but typically monthly. Statements will be sent to the email or postal mailing address. We encourage our clients to compare the account statements received from us to the statements they receive from the client's custodian for accuracy. Custodians require clients to contact them directly if they want to make a payment to a third party. Custodians also require clients to notify them if clients have a change of address. This procedure ensures the safety of client investments.

**ITEM 16 - INVESTMENT DISCRETION**

Fischer Investment Group's investment management contracts afford us discretion to supervise and direct, on a continuing basis, as agent and (limited) power of attorney on behalf of the client, without prior consultation with the client, the investment, and reinvestment of all assets. If a client has specific investment policies or restrictions, that information should be provided to us in writing.

To begin an investment management relationship, the client and an officer of Fischer Investment Group, Inc. sign an investment management contract and investment policy statement. This agreement explains the intent of the relationship between the client and our firm. All of the assets in the account will be held in the clients' name. Our firm will not take possession of any of the assets in the account. If our firm has discretionary authorization, we will place all security transactions directly with the custodian. The custodian provides the client with a copy of all trade confirmations and statements. We have the authority to determine the securities and the amount of securities to be bought or sold in a client's account subject to the terms of your client agreement and according to the investment objective. The terms of the investment discretion and investment objective are specifically spelled out in the client agreement and client investment objective, signed by the client prior to investing. We do allow clients to impose restrictions for certain investments. These restrictions generally regard issues relating to:

- Asset mix;
- An individual security
- Investment characteristics (e.g. debt rating, foreign investments, social issues)

Any investment restrictions placed upon an account are agreed upon in advance with the client and disclosed on the agreement between Fischer Investment Group, Inc. and the client.

**Form ADV: Part 2, Page 11**  
**Fischer Investment Group, Inc.**  
Dated: September 30, 2015

It remains the client's responsibility to advise Fischer Investment Group if there has been a change in their financial situation or investment objectives, or if they desire to impose, add or modify any reasonable restrictions to the management of their account(s).

We also have the authority to negotiate on behalf of the client the commission rates to be used to execute transactions subject to the terms of the client agreement. We have a fiduciary obligation to the client with respect to the management of their accounts. The factors considered when selecting custodians are:

- Ability to obtain best execution;
- Prompt and accurate reporting;
- Reasonableness of charges.

**ITEM 17 - VOTING CLIENT SECURITIES**

Fischer Investment Group, Inc. may be given the authority to vote proxies on behalf of our clients under the terms of our client contract. We maintain proxy voting policies and procedures, including those adopted pursuant to SEC rule 206(4)-6, to ensure that proxies are voted in the best interests of our clients. Our proxy voting guidelines address, but are not limited to, the following issues:

- Alignment of Management and Shareholder Interests.
- Transparency and integrity of financial reporting;
- The relationship between executive compensation and performance;
- Governance structure and shareholder representation; and
- Compensation, environmental, social and governance shareholder initiatives.

Clients may obtain a complete copy of our proxy voting policy and information on how we voted their securities by contacting the Chief Compliance Officer at 585 586-2460.

Clients that want certain proxies to be voted against our guidelines must forward a request to us in a timely manner prior to the proxy due date.

If a conflict of interest exists, the client's consent would be obtained before voting in a manner other than specified in the guideline. We will provide the client with sufficient information regarding the shareholder vote and our conflict so that the client can make an informed decision whether or not to consent.

**Form ADV: Part 2, Page 12**  
**Fischer Investment Group, Inc.**  
Dated: September 30, 2015

Fischer Investment Group, Inc. maintains the following records:

- Copies of all policies and procedures written;
- A copy of each proxy statement received;
- A record of each vote cast;
- A copy of any document created that was material to making a decision on how to vote proxies or that memorializes the basis for that decision.

We will maintain a copy of each written client request for information on voted proxies and a copy of any written response to any (written or oral) client request for information on how we voted proxies on behalf of the requesting client fund.

Our Chief Compliance Officer will conduct an annual review of the past year's proxy voting as well as the guidelines established for proxy voting.

When proxies have not been received on behalf of a client, we will make reasonable efforts to obtain missing proxies. In addition, we will provide to each client that has given us proxy voting authority, without charge, upon request, information regarding the proxy votes cast by us with regard to the client's securities.

**ITEM 18 - FINANCIAL INFORMATION**

Fischer Investment Group, Inc. does not require or solicit prepayment of client fees. We do offer clients the option of prepaying fees one quarter in advance, as described in ITEM 5, but not six months or more in advance. Fischer Investment Group Inc. maintains discretionary authority over client accounts, but we do not have any financial condition that will impair our ability to meet contractual commitments to clients. Our firm has not been the subject of a bankruptcy petition at any time since inception.

**ITEM 19 - REQUIREMENTS FOR STATE-REGISTERED ADVISERS**

Because Fischer Investment Group, Inc. is registered with the SEC, this Item is not applicable.