

**Item 1: Cover Sheet**



**FERRIS CAPITAL<sub>LLC</sub>**

**PART 2A OF FORM ADV:**

**DISCLOSURE BROCHURE**

**FERRIS CAPITAL, LLC**

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**November 5, 2015**

**This Form ADV2A (“Disclosure Brochure”) provides information about the qualifications and business practices of Ferris Capital, LLC (“Ferris Capital” or the “Advisor”). If you have any questions about the contents of this Disclosure Brochure, please contact us at 508-281-5200.**

**Ferris Capital is a registered investment advisor with the U.S. Securities and Exchange Commission (“SEC”). The information in this Disclosure Brochure has not been approved or verified by the SEC or by any state securities authority. Registration does not imply any certain level of skill or training.**

**Additional information about Ferris Capital is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Item 2: Material Changes**

Form ADV 2 is divided into two parts: *Part 2A (the "Disclosure Brochure")* and *Part 2B (the "Brochure Supplement")*. The Disclosure Brochure provides information about a variety of topics relating to an advisor's business practices and conflicts of interest. The Brochure Supplement provides information about advisory personnel of Ferris Capital.

Ferris Capital believes that communication and transparency are the foundation of its relationship with Clients and will continually strive to provide its Clients with complete and accurate information at all times. Ferris Capital encourages all current and prospective Clients to read this Disclosure Brochure and discuss any questions you may have with us. And of course, we always welcome your feedback.

### Material Changes

Ferris Capital now also recommends Fidelity for custodial and brokerage services. Please see Item 12 and 14 for information related to the recommendation of Fidelity.

### Future Changes

From time to time, we may amend this Disclosure Brochure to reflect changes in our business practices, changes in regulations and routine annual updates as required by the securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to each Client annually and if a material change occurs in the business practices of Ferris Capital.

At any time, you may view the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching the firm's name or the firm's CRD#, 160116.

You may also request a copy of this Disclosure Brochure at any time, by contacting us at 508-281-5200.

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## DISCLOSURE BROCHURE

### FERRIS CAPITAL, LLC

#### **Item 4: Advisory Business**

Ferris Capital, LLC (“Ferris Capital” or the “Advisor”) is a registered investment advisor with the U.S. Securities and Exchange Commission (“SEC”), which is organized as a Limited Liability Company (“LLC”) under the laws of the Commonwealth of Massachusetts. Ferris Capital was founded in September 2012, and is owned and operated by David M. Ferris, the Advisor’s Chief Executive Officer. This Disclosure Brochure provides information regarding the qualifications, business practices, and the advisory services provided by Ferris Capital.

Ferris Capital, LLC provides personalized financial planning and investment management services. Ferris Capital provides services to individuals, trusts, foundations, and corporations (each a “Client”).

#### Financial Planning

In most cases, the Client will supply to Ferris Capital information including income, investments, savings, insurance, age and many other items that are helpful to the firm in assessing your financial goals. The information is typically provided during personal interviews and supplemented with written information. Once the information is received, we will discuss your financial needs and goals with you, and compare your current financial situation with the goals you state. Once these are compared, we will create a financial and/or investment plan to help you meet your goals.

The plan is intended to be a suggested blueprint of how to meet your goals. Not every plan will be the same for every Client. Each one is specific to the Client who requested it. Because the plan is based on information supplied by you, it is very important that you accurately and completely communicate to us the information we need. Also, your circumstances and needs may change as your engagement with us progresses. It is very important that you continually update us with any changes so that if the updates require changes to your plan, we can make those changes. Otherwise, your plan may no longer be accurate.

#### Asset Management

Asset management services are primarily being provided on a “discretionary” basis. When Ferris Capital is engaged to provide asset management services on a discretionary basis, we will monitor your accounts to ensure that they are meeting your asset allocation requirements. If any changes are needed to your investments, we will make the changes. These changes may involve selling a security or group of investments and buying others or keeping the proceeds in cash. You may at any time place restrictions on the types of investments we may use on your behalf, or on the allocations to each security type. You will receive written or electronic confirmations from your account custodian after any changes are made to your account. You will also receive quarterly statements from your account custodian. Clients engaging us on a discretionary basis will be asked to execute a Limited Power of Attorney (granting us the discretionary authority over the Client accounts) as well as an investment management agreement that outlines the

responsibilities of both the Client and Ferris Capital.

For some Clients, Ferris Capital may include certain transactional costs in the Client's management fee, called a wrap fee program. Fees included in the wrap fee program include transaction fees for the purchase or sale of securities, but do not include expenses related to the use of margin, wire transfer fees, the fees charged to shareholders of mutual funds or ETFs, mark-ups and mark-downs, spreads, odd-lot differentials, fees charged by regulatory agencies, and any transaction fees for securities trades executed by a broker-dealer other than a recommended broker-dealer / custodian. Because Ferris Capital will be managing the assets of wrap fee program Clients the same way as other non-wrap fee program Clients, the use of external portfolio managers is expected to be limited. Therefore, there is no difference between how Ferris Capital manages wrap fee accounts and how Ferris Capital manages other accounts. Any fees due to another portfolio manager will be paid by the Client.

Because of the nature of a wrap fee program, the wrap fee program Client may pay more or less than if the Client had compensated Ferris Capital Management outside of the wrap fee program. For example, if a Client's account is rarely traded, the transaction fees the Client would have paid would be minimal, thus limiting the benefits of "wrapping" management fees and transaction fees. Because Ferris Capital will be compensated the same amount whether an account participating in the wrap program is traded or not, we have a financial incentive to avoid trading the accounts in the wrap fee program. This creates a conflict of interest between the Advisor and its wrap fee program Clients. Ferris Capital attempts to mitigate this conflict by requiring that the firm's employees acknowledge their fiduciary duty to place Client interests ahead of their own and by periodically comparing wrap program Client performance against any Clients who are not in the wrap program.

Ferris Capital will receive no additional compensation for offering the wrap fee program.

Clients should refer to the accompanying Wrap Brochure.

#### Out of Scope Consulting

From time to time, Ferris Capital may be engaged to perform consulting outside the scope of traditional financial planning or asset management services. Consulting topics by their nature may vary greatly, but may include discussions regarding a Client's business, real estate or other personal assets. Clients who engage Ferris Capital to provide such consulting services will generally be required to execute a Consulting Agreement.

#### Private Placements

Ferris Capital may sponsor one or more private placements, which may in turn invest in real estate, private equity or other investments. Under certain conditions, advisory Clients may be invited to invest in one of these private placements, but only if the respective investment is appropriate for the Client. Ferris Capital may or may not charge a management fee to the private placement (please see Item 5 for details), and either Ferris Capital or an affiliate will likely charge a performance-based fee (please see Item 6 for details). The assets in the private placement are invested in accordance with the placement's respective offering documents. Clients invested in a private placement through Ferris Capital should consult the offering documents for information regarding its investment program, limitations on withdrawal, and risk factors.

### Assets under Management

As of November 1, 2015, Ferris Capital discretionary accounts totaling \$243,238,640 and non-discretionary accounts totaling \$218,705,974 for a total amount of assets under management of \$461,944,614.

## **Item 5: Fees and Compensation**

### **A. Fees Charged**

All Clients will be required to execute a written agreement that will describe the type of services to be provided, the fees for those services, and other items.

### Financial Planning

Financial planning fees can be hourly, fixed fee basis, or included with asset management services. Our hourly charge is \$400 per hour. Fixed fees will be between \$2,500 and \$20,000. The fee range stated is a guide. Fees may be higher or lower than this range, based on the nature of the engagement. Fees are negotiable, and will depend on the anticipated complexity of your plan.

### Asset Management

Generally, fees vary from 1.00% to 1.50% per annum of the market value of a Client's assets managed by Ferris Capital as noted in the fee schedule listed below.

<b>Account Size</b>	<b>Annual Rate*</b>
Under \$750,000	1.50%
\$750,001 – \$1,000,000	1.25%
\$1,000,001 – \$10,000,000	1.10%
\$10,000,001 – \$15,000,000	1.00%
\$15,000,000 and above	Negotiable
*Annual Rate may include all commissions, transaction fees, and custodian fees. See Item 5.C below for more detail.	

Clients with \$50 million to be managed may engage Ferris Capital for asset management services on a fixed fee basis. Fixed fees for asset management services range from \$50,000 to \$250,000 per annum. The fee ranges stated are guides. Fees are negotiable, and may be higher or lower than these ranges, based on the nature of the account. Factors affecting fee percentages include the size of the account, complexity of asset structures, and other factors. Certain legacy Clients may be engaged at a different rate.

### Consulting

Consulting fees can be hourly, fixed fee basis, or included with asset management services. Our hourly charge is \$400 per hour. Due to the varied nature of consulting services, fixed fees will vary greatly, but generally between \$500 and \$10,000. The fee range stated is a guide. Fees may be higher or lower than this range, based on the nature of the engagement. Fees are negotiable,

and will depend on the anticipated complexity of the services to be provided.

#### Private Placements

Generally, private placements managed by Ferris Capital will not be charged a management fee. However, real estate funds will likely be charged a diligence fee for the location and diligence for a prospective investment property, as well as a performance-based fee in the form of a profit share at realization of the investment. Other private placements will generally have a similar structure, in that administrative costs and fees will be reimbursed to the applicable sponsor entity and a performance fee charged at the realization of the investment(s). The amount of such fee is dependent upon the specific private placement.

#### B. Fee Payment

Fees for financial planning and/or consulting will be billed to each Client. If the Client terminates the agreement prior to completion of the services, any unearned fees will be returned to the Client. Ferris Capital will not request or accept fees of \$1,200 or more for services to be performed six months or more in advance.

Asset management fees will primarily be deducted directly from each Client's account, pursuant to the Client's authorization. The advisory fee is paid quarterly in arrears based upon the average daily balance of your managed assets for the prior quarter. This means that if your annual fee is 1.00%, then each quarter we will multiply the value of your account by 1.00% then divide by 4 to calculate our fee for that quarter. Once the calculation is made, we will instruct your account custodian to deduct the fee from your account and remit it to Ferris Capital. For other Clients in a fixed fee relationship, asset management fees can be paid by check upon reception of the invoice for the applicable quarter.

#### C. Other Fees

There are a number of other fees that can be associated with holding and investing in securities. Clients not participating in the wrap fee program will be responsible for fees including transaction fees for the purchase or sale of a mutual fund or Exchange Traded Fund, or commissions for the purchase or sale of a stock. Clients engaged in asset management services outside of the wrap fee program that do not have fees directly deducted from their account(s) will receive an invoice at the end of the applicable quarter. The invoice will describe fees incurred in the course of managing the Client's account(s) during the applicable quarter and are payable by the Client upon receipt. Expenses of a fund will not be included in asset management fees, as they are deducted from the value of the shares by the mutual fund manager. For complete discussion of expenses related to each mutual fund, you should read a copy of the prospectus issued by that fund. Ferris Capital can provide or direct you to a copy of the prospectus for any fund that we recommend to you.

For Clients who decide to invest in a private placement managed or sponsored by Ferris Capital, expenses of the private placement will be deducted from each Client's value at realization. Such expenses may include expenses related to the acquisition and diligence of target investments, accounting expenses, auditing expenses, taxes and organizational costs. There may be additional expenses, which will be detailed in the respective placement's offering documents.

Please make sure to read Item 12 of this Disclosure Brochure, where we discuss broker-dealer and custodial issues.

D. *Pro-rata Fees*

If you become a Client during a quarter, you will pay an asset management fee for the number of days left in that quarter. If you terminate our relationship during a quarter, you will pay an asset management fee for the portion of the quarter during which you were a Client. Clients engaged in asset management services outside of the wrap fee program that do not have fees directly deducted from their account(s) will receive an invoice at the end of the applicable quarter for the portion of the quarter during which they were a Client. Because payment is in arrears, unearned fees will be unlikely, if not impossible, but in the event there are any fees ever collected in advanced and the Client terminates, because they are earned, we will refund the unearned fees to the Client in whatever way you direct (check, wire back to Client's account, etc).

E. Compensation for the Sale of Securities.

This item is not applicable.

**Item 6: Performance-Based Fees.**

Ferris Capital does not charge performance-based fees for its core investment advisory services. The fees charged by Ferris Capital are as described in "Item 5 – Fees and Compensation" above. Assets invested in private placements may incur a performance fee.

For assets placed with a private placement, a performance fee will likely be charged in accordance with the offering documents of the private placement. No performance fee will be charged to any Client who is not a "qualified client" as that term is defined under the Investment Advisers Act of 1940. Clients who are considering placing assets with a private placement offered to them through Ferris Capital should thoroughly review the respective placement's offering materials for discussion of performance fees. Clients should be aware that the charging of a performance fee in a vehicle managed or sponsored by Ferris Capital creates a conflict of interest as it gives Ferris Capital an incentive to recommend the private placement to its Clients over other investment options. Ferris Capital attempts to mitigate this conflict by instituting a Code of Ethics that requires firm employees to act in the best interests of all Clients, and by committing to disclosing the relationships and compensation structure to any prospective investor.

Any investors in any private placement should carefully view the offering documents, especially with regard to fees and expenses, prior to investing.

**Item 7: Types of Clients.**

Clients advised may include individuals, trusts, foundations, and corporations. Ferris Capital requires a minimum relationship size of \$1,000,000, which may be reduced at its sole discretion. Certain fee methodologies may require a minimum account size as noted in Item 5 above.



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

It is important for you to know and remember that all investments carry risks. Investing in securities involves risk of loss that Clients should be prepared to bear.

Excepting private placements managed or sponsored by Ferris Capital, each Client's portfolio will be invested according to that Client's investment objectives. We determine these objectives by interviewing the Client and/or asking the Client to put these objectives in writing. Once we ascertain your objectives for each account, we will develop a set of asset allocation guidelines. An asset allocation strategy is a percentage-based allocation to different investment types. For example, a Client may have an asset allocation strategy that calls for 40-60% of the portfolio to be invested in equity securities, with 20% of that allocated to international equities and the remaining balance in fixed income. Another Client may have an asset allocation of 50-60% in fixed income securities and the remainder equities. The percentages in each type that we recommend are based on the typical behavior of that security type, individual securities we follow, current market conditions, your current financial situation, your financial goals, and the timeline to get you to those goals. Because we develop an investment strategy based on your personal situation and financial goals, your asset allocation guidelines may be similar to or different from another Client's. Once we agree on allocation guidelines, risk tolerance, time horizon, and how to achieve these results, we will develop a written investment policy statement to guide all parties involved in the execution of these goals, including but not limited to, Ferris Capital, the Client, the custodian, and the investment managers.

Upon execution of the investment policy statement, we will periodically recommend securities transactions in your portfolio to meet the guidelines of the asset allocation strategy. It is important to remember that because market conditions can vary greatly, your asset allocation guidelines are not necessarily strict rules. Rather, we review accounts individually, and may deviate from the guidelines, as we believe necessary.

The specific securities we recommend for your account will depend on market conditions and our research at the time. Generally, we recommend a mix of mutual funds, index funds, exchange traded funds, stocks, bonds and options. Specific funds are chosen based on where its investment objective fits into the asset allocation recommended by Ferris Capital, its risk parameters, past performance, peer rankings, fees, expenses, and any other aspects of the fund Ferris Capital deems relevant to that particular fund. We base our conclusions on predominantly publicly available research, such as regulatory filings, press releases, competitor analyses, and in some cases research we receive from our custodian or other market analyses. Ferris Capital will also utilize technical analyses, which means that we will review the past behaviors of the security and the markets in which it trades for signals as to what might happen in the future.

With regard to private placements managed or sponsored by Ferris Capital, the assets are invested in accordance with the specific placement's offering documents.

There are always risks to investing. Clients should be aware that all investments carry various types of risk including the potential loss of principal that Clients should be prepared to bear. It is impossible to name all possible types of risks.

Each Client engagement will entail a review of the Client's investment goals, financial situation, time horizon, tolerance for risk and other factors to develop an appropriate strategy for managing a Client's account. Client participation in this process, including full and accurate disclosure of

requested information, is essential for the analysis of a Client's account. The Advisor shall rely on the financial and other information provided by the Client or their designees without the duty or obligation to validate the accuracy and completeness of the provided information. It is the responsibility of the Client to inform the Advisor of any changes in financial condition, goals or other factors that may affect this analysis.

The risks associated with a particular strategy are provided to each Client in advance of investing Client accounts. The Advisor will work with each Client to determine their tolerance for risk as part of the portfolio construction process.

#### **Private Placements**

If we invest some of your assets with a private placement, there are additional risks. These include risks that the investment strategy of the private placement may not be as specific to your needs as a separately managed account. Investors in a private placement will likely not have access to the same liquidity as in a separately managed account. Diversification of assets within a private placement will also not be comparable to a separately managed account. For a more complete discussion of risks associated with a private placement, including Ferris Capital Clients interested in having assets invested in a private placement should thoroughly review the placement's offering documents.

#### **Item 9: Disciplinary Information**

There are no legal, regulatory or disciplinary events involving Ferris Capital or any of its employees. Ferris Capital and its advisory personnel value the trust you place in us. As we advise all Clients, we encourage you to perform the requisite due diligence on any advisor or service provider in which you partner. Our backgrounds are on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

To review the firm information contained in Form ADV Part 1, select the option for "Investment Adviser Search", then selecting "Firm" and enter 160116 in the field labeled "Firm Name or CRD# or SEC#". This will provide access to Form ADV Parts 1 and 2. Item 11 of the Form ADV Part 1 lists legal and disciplinary disclosure questions..

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

##### **A. Broker-dealer**

Neither Ferris Capital nor any of its employees is registered or has a registration pending as a broker-dealer.

##### **B. Futures Commission Merchant/Commodity Trading Advisor**

No professional of Ferris Capital is registered, or has an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

### C. Relationship with Related Persons

David Ferris, the Advisor's Principal, is the owner and founder of Ferris Development Group LLC ("Ferris Development"), which specializes in acquiring, distressed residential and commercial real estate assets. As an owner, Mr. Ferris receives compensation from these activities. To the extent any Ferris Capital work with Ferris Development, compensation from these services will not be used as a credit against or to offset advisory fees. Mr. Ferris therefore would have incentive to recommend real estate opportunities based on the compensation to be received, rather than on a Client's needs. The receipt of additional fees for real estate opportunities is therefore a conflict of interest, in cases where Ferris Capital Clients are involved with Ferris Development and such Clients should be aware of this conflict when considering whether to engage Ferris Capital. Ferris Capital attempts to mitigate this conflict of interest by disclosing the conflict to Clients, and informing the Clients that they are always free to engage other companies or professionals that are not affiliated with Ferris Capital. Ferris Capital also attempts to mitigate the conflict of interest by requiring employees to acknowledge in the firm's Code of Ethics, their individual fiduciary duty to the Clients of Ferris Capital, which requires that employees put the interests of Clients ahead of their own.

### D. Recommendations of other Advisers

Please see response to Item 11B.

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

A. A copy of our Code of Ethics is available upon request. Our Code of Ethics includes discussions of our fiduciary duty to Clients, political contributions, gifts, entertainment, and trading guidelines.

B. As discussed above, Ferris Capital may recommend that Clients invest in one or more private placements managed or sponsored by Ferris Capital, if deemed a suitable investment for the Client in question. These private placements may create a conflict of interest for members of Ferris Capital, as they may be incentivized to place Clients in a private placement above other investment options, because the private placement is affiliated with Ferris Capital. This conflict is intended to be mitigated by the Code of Ethics, which requires employees to place the interests of Clients ahead of their own. It will also be the practice of Ferris Capital for Clients to invest in such a private placement on a non-discretionary basis, after having time to review the offering documents of such private placement with their other advisors.

C. On occasion, an employee of Ferris Capital may purchase for his or her own account securities, which are also recommended for Clients. Our Code of Ethics details rules for employees regarding personal trading and avoiding conflicts of interest related to trading in one's own account. To avoid placing a trade before a Client (in the case of a purchase) or after a Client (in the case of a sale), all employee trades must be pre-cleared through the Compliance Officer. All employee trades must either take place in the same block as a Client trade or sufficiently apart in time from the Client trade so the employee receives no added benefit. Employee statements are reviewed to confirm compliance with the trading procedures.

## **Item 12: Brokerage Practices**

### **A. Recommendation of Broker-Dealer**

Ferris Capital does not have discretionary authority to select the broker-dealer/custodian for custodial and execution services or the administrator for defined contribution accounts. The Client will select the broker-dealer or custodian (herein the "custodian") to safeguard Client assets and authorize Ferris Capital to direct trades to this custodian as agreed in the investment advisory agreement. Further, Ferris Capital does not have the discretionary authority to negotiate commissions on behalf of our Clients on a trade-by-trade basis.

Where Ferris Capital does not exercise discretion over the selection of the custodian, it may recommend the custodian[s] to Clients for execution and/or custodial services. Clients are not obligated to use the recommended custodian and will not incur any extra fee or cost associated with using a broker not recommended by Ferris Capital.

Ferris Capital may recommend a custodian based on criteria such as, but not limited to, reasonableness of commissions charged to the Client, services made available to the Client, and location of the custodian's offices. Ferris Capital does not receive research services, other products, or compensation as a result of recommending a particular broker that may result in the Client paying higher commissions than those obtainable through other brokers.

Ferris Capital typically recommends to Clients that they established their brokerage account[s] at Fidelity Institutional Wealth Services ("Fidelity") or Charles Schwab, Inc. through its Advisor Services Division ("Schwab"). Fidelity and Schwab are both an independent and unaffiliated SEC-registered broker-dealer and FINRA member.

Fidelity offers independent investment advisor services, which include custody of securities, trade execution, clearance and settlement of transactions. Ferris Capital receives some benefits from Fidelity through its participation in the program. Ferris Capital considers a number of factors in selecting and/or recommending brokers and custodians for its Clients' accounts, including, but not limited to, execution capability, experience and financial stability, reputation and the quality of services provided. Ferris Capital is not affiliated with, or related to, Fidelity.

Ferris Capital recommends that investment accounts be held in custody by Charles Schwab, Inc. through its Advisor Services Division ("Schwab"). Schwab offers enhanced services to independent investment advisors. These services include custody of securities, trade execution platforms, and access to research not available to the general public. Schwab is wholly independent from Ferris Capital. It is expected that most, if not all, transactions in a given Client account will be cleared through the custodian of that account in its capacity as a broker-dealer.

Ferris Capital recommends Schwab to its Clients based on a variety of factors. These include, but are not limited to, commission costs. Schwab has what can be considered discounted commission rates. However, in choosing a broker-dealer or custodian to recommend, Ferris Capital is most concerned with the value the Client receives for the cost paid, not just the cost. Schwab adds value beyond commission cost. Other factors that may be considered in determining overall value include speed and accuracy of execution, financial strength, knowledge and experience of

staff, research and service. Schwab also has arrangements with many mutual funds that enable us to purchase these mutual funds for Client accounts at reduced transaction charges (as opposed to other broker-dealers). Schwab has the highest market share of investment adviser business, which makes them the most experienced in matters likely to arise for our Clients. Ferris Capital re-evaluates the use of Schwab at least annually to determine if they are still the best value for our Clients.

Schwab provides us with some non-cash benefits (not available to retail customers) in return for placing Client assets with them or executing trades through them. Such non-cash benefits are referred to as “soft dollars”. Currently, these benefits come in the form of investment research and sponsored attendance at various investment seminars. Ferris Capital may also receive such items as investment software, books and research reports. These products, services, or educational seminars are items that will play a role in determining how to invest Client accounts. If there is any item that has a multi-use aspect, mixed between investment and non-investment purposes, Ferris Capital will determine a reasonable allocation of investment to non-investment use and soft dollars will be allocated only to the investment portion of the product (and we will pay the remaining cost). Ferris Capital receives a benefit from these services, as otherwise we would be compiling the same research ourselves. This may cause Ferris Capital, or another advisor, to want to place more Client accounts with a broker-dealer/custodian such as Schwab, solely because of these added benefits. However, the value to all of our Clients of these benefits is included in our evaluation of custodians. Products and services received via soft dollars will generally be used for the benefit of all Clients. However, it is possible that a given Client’s trades will generate soft dollars that acquire products and/or services that are not ultimately utilized for that same Client’s account. Soft dollars provide additional value, and are accordingly considered in determining which broker-dealer or custodian to utilize as part of our best execution analysis. Currently, Ferris Capital does not have a relationship with Schwab where they receive soft dollar benefits from placing a certain volume of trading activity with Schwab. Therefore, Ferris Capital does not believe this relationship rises to the level of a soft dollar relationship.

We do not consider whether Schwab, Fidelity, or any other broker-dealer/custodian, refers Clients to Ferris Capital as part of our evaluation of these broker-dealers.

#### **B. Aggregating Trades**

Commission costs per Client may be lower on a particular trade if all Clients in whose accounts the trade is to be made are executed at the same time. This is called aggregating trades. Instead of placing a number of trades for the same security for each account, we will, when appropriate, execute one trade for all accounts and then allocate the trades to each account after execution. If an aggregate trade is not fully executed, the securities will be allocated to Client accounts on a *pro rata* basis, except where doing so would create an unintended adverse consequence (For example, ¼ of a share, or a position in the account of less than 1%.)

### **Item 13: Review of Accounts**

All accounts will be reviewed by the Investment Committee on at least an annual basis. However, it is expected that market conditions, changes in a particular Client’s account, or changes to a Client’s circumstances will trigger a review of accounts.

All Clients will receive a quarterly report from Ferris Capital. This report will include valuations

as of the end of each quarter and current asset allocations.

We encourage you to compare the information on your quarterly report prepared by Ferris Capital against the information in the statements provided directly from your custodian and alert us of any discrepancies.

#### **Item 14: Client Referrals and Other Compensation**

##### **A. Compensation Received by Ferris Capital**

###### Participation in Institutional Advisor Platform

Ferris Capital has established an institutional relationship with Schwab and Fidelity to assist the Advisor in managing Client account[s]. Access to the Schwab and Fidelity Institutional platforms are provided at no charge to the Advisor. The Advisor receives access to software and related support without cost because the Advisor renders investment management services to Clients that maintain assets at Schwab and Fidelity, as described above in Item 12. The software and related systems support may benefit the Advisor, but not its Clients directly. In fulfilling its duties to its Clients, the Advisor endeavors at all times to put the interests of its Clients first. Clients should be aware, however, that the receipt of economic benefits from a custodian creates a potential conflict of interest since these benefits may influence the Advisor's recommendation of this custodian over one that does not furnish similar software, systems support, or services.

Additionally, the Advisor may receive the following benefits from Schwab and/or Fidelity: receipt of duplicate Client confirmations and bundled duplicate statements; access to a trading desk that exclusively services its institutional participants; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to Client accounts; and access to an electronic communication network for Client order entry and account information.

##### **B. Client Referrals from Solicitors**

If a Client is introduced to Ferris Capital by either an unaffiliated or an affiliated solicitor (herein "Solicitor"), Ferris Capital may pay the Solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Advisers Act as well as any applicable state securities regulations. Referral fees are paid solely from Ferris Capital's investment management fee and do not result in any additional charges or higher fees to the Client. The Solicitor will provide the Client with a copy of Ferris Capital's Disclosure Brochure along with a Solicitor's Disclosure Statement containing the terms and conditions of the solicitation arrangement including compensation.

#### **Item 15: Custody**

Ferris Capital deducts fees from Client accounts, but would not have custody of Client funds otherwise. Clients will receive statements directly from the custodian, and copies of all trade confirmations directly from the custodian. We encourage Clients to carefully review the statements and confirmations sent to them by their custodian, and to compare the information on your quarterly report prepared by Ferris Capital against the information in the statements provided directly from your custodian. Please alert us of any discrepancies.

By virtue of the management and affiliate acting on behalf of a pooled investment vehicle, Ferris Capital has custody of Client funds. Any private placement managed or sponsored by Ferris Capital will be independently audited. Limited partners will receive statements showing their current values at least quarterly, which should be carefully reviewed against any other information received regarding the investment from Ferris Capital.

#### **Item 16: Investment Discretion**

Asset management services are primarily provided on a “discretionary” basis. When Ferris Capital is engaged to provide asset management services on a discretionary basis, Ferris Capital will monitor Client accounts to ensure that they are meeting your asset allocation requirements. If any changes are needed to Client investments, Ferris Capital will make the changes. These changes may involve selling a security or group of investments and buying others or keeping the proceeds in cash. Clients may at any time place restrictions on the types of investments Ferris Capital may use on your behalf, or on the allocations to each security type. Client may receive, at their request, written or electronic confirmations from your account custodian after any changes are made to their account. Clients will also receive monthly statements from their account custodian. Clients engaging us on a discretionary basis will be asked to execute a Limited Power of Attorney (granting Ferris Capital the discretionary authority over the Client accounts) as well as an investment management agreement that outlines the responsibilities of both the Client and Ferris Capital.

Ferris Capital generally recommends that Clients utilize certain service providers to act as the broker-dealer/custodian for their accounts. However, the Client may use another broker-dealer if the Client wishes to do so. Ferris Capital will not, however, direct trades through another broker-dealer aside from the recommended service providers in exchange for any sort of fee sharing or commission-splitting

#### **Item 17: Voting Client Securities**

Ferris Capital does not accept proxy-voting responsibility for any Client. Clients will receive proxy statements directly from the Custodian. The Advisor will assist in answering questions relating to proxies, however, the Client retains the sole responsibility for proxy decisions and voting.

#### **Item 18: Financial Information**

Ferris Capital does not require the prepayment of fees of \$1,200 for services to be performed more than six (6) months or more in advance and therefore has not provided a balance sheet with this Disclosure Brochure.

There are no material financial circumstances or conditions that would reasonably be expected to impair our ability to meet our contractual obligations to our Clients.



**FERRIS CAPITAL<sub>LLC</sub>**

**FORM ADV PART 2B – BROCHURE SUPPLEMENT**

**FOR**

**DAVID M. FERRIS**

**CHIEF EXECUTIVE OFFICER  
CHIEF COMPLIANCE OFFICER**

**EFFECTIVE: NOVEMBER 5, 2015**

This Brochure Supplement provides information about the background and qualifications of David M. Ferris (CRD# **2936882**) in addition to the information contained in the Ferris Capital, LLC (“Ferris Capital” or the “Advisor”) (CRD # 160116) Disclosure Brochure. If you have not received a copy of the Disclosure Brochure or if you have any questions about the contents of the Ferris Capital Disclosure Brochure or this Brochure Supplement, please contact us at 508-281-7545.

Additional information about Mr. Ferris is available on the SEC’s Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).



## Item 2 – Educational Background and Business Experience

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David M. Ferris is the Chief Executive Officer and Chief Compliance Officer of Ferris Capital. Mr. Ferris, born in 1970, is dedicated to advising Clients of Ferris Capital.

Mr. Ferris earned a Juris Doctor from Loyola University's New Orleans School of Law in 1996. Mr. Ferris earned a Bachelor of Arts in Political Science from Boston College in 1993.

Additional information regarding Mr. Ferris's employment history is included below.

### Employment History:

Chief Executive Officer and Chief Compliance Officer, Ferris Capital, LLC	10/2012 to Present
Registered Representative, Purshe Kaplan Sterling Investments	10/2012 to 02/2014
Financial Advisor and CMS 1st Vice President - Investments, Merrill Lynch, Pierce, Fenner & Smith Incorporated	09/2002 to 10/2012

## Item 3 – Disciplinary Information

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***There are no legal, civil or disciplinary events to disclose regarding Mr. Ferris.*** Mr. Ferris has never been involved in any regulatory, civil or criminal action. There have been no client complaints, lawsuits, arbitration claims or administrative proceedings against Mr. Ferris.

Securities laws require an advisor to disclose any instances where the advisor or its advisory persons have been found liable in a legal, regulatory, civil or arbitration matter that alleges violation of securities and other statutes; fraud; false statements or omissions; theft, embezzlement or wrongful taking of property; bribery, forgery, counterfeiting, or extortion; and/or dishonest, unfair or unethical practices. ***As previously noted, there are no legal, civil or disciplinary events to disclose regarding Mr. Ferris.***

However, we do encourage you to independently view the background of Mr. Ferris on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Select "Investment Adviser Search" from the left navigation menu. Then select the option for "Individual" and enter **2936882** in the field labeled "Individual Name or CRD#".

## Item 4 – Other Business Activities

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Mr. Ferris acts as a Trustee for Loyola University in New Orleans, Louisiana. Mr. Ferris sits on the Endowment Committee, where the Committee invests funds for the University.

Mr. Ferris also serves as the CEO of Ferris Development, a company he established to manage personal and commercial real estate holdings.

## **Item 5 – Additional Compensation**

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Mr. Ferris has additional business activities where compensation is received. These business activities are detailed above in “Item 4 - Other Business Activities”.

## **Item 6 – Supervision**

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Mr. Ferris serves as the Chief Executive Officer and Chief Compliance Officer of Ferris Capital. Mr. Ferris can be reached at 508-281-7545.

Ferris Capital has implemented a Code of Ethics and internal compliance that guide each employee in meeting their fiduciary obligations to Clients of Ferris Capital. Further, Ferris Capital is subject to regulatory oversight by various agencies. These agencies require registration by Ferris Capital and its employees. As a registered entity, Ferris Capital is subject to examinations by regulators, which may be announced or unannounced. Ferris Capital is required to periodically update the information provided to these agencies and to provide various reports regarding the business activities and assets of the Advisor.



**FERRIS CAPITAL<sub>LLC</sub>**

**FORM ADV PART 2B – BROCHURE SUPPLEMENT**

**FOR**

**ANDREW H. BRODY**

**MANAGING DIRECTOR, OPERATIONS AND TRADING**

**EFFECTIVE: NOVEMBER 5, 2015**

This Brochure Supplement provides information about the background and qualifications of Andrew H. Brody (CRD# **2246808**) in addition to the information contained in the Ferris Capital, LLC (“Ferris Capital” or the “Advisor”) (CRD # 160116) Disclosure Brochure. If you have not received a copy of the Disclosure Brochure or if you have any questions about the contents of the Ferris Capital Disclosure Brochure or this Brochure Supplement, please contact us at 508-281-7545.

Additional information about Mr. Brody is available on the SEC’s Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

## Item 2 – Educational Background and Business Experience

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Andrew Brody is the Managing Director, Operations and Trading of Ferris Capital. Mr. Brody, born in 1969, is responsible for the firm's Trading and Operations. This includes trading and portfolio monitoring, compliance, systems, and client reporting. As a member of the Senior Management team Andrew participates in the firm's strategic planning and is responsible for implementing new products and services.

Mr. Brody earned a Bachelor of Science in Finance from Nichols College in 1992.

Additional information regarding Mr. Brody's employment history is included below.

### Employment History:

Managing Director, Operations and Trading, Ferris Capital, LLC	06/2012 to Present
Vice President - Trading and Operations, Advisor Investments	03/2011 to 06/2012
Vice President - Trading and Operations, ETRADE Securities, LLC	11/2008 to 03/2011
Manager of Trading and Operations, Kobren Insign Brokerage	09/1995 to 11/2008

## Item 3 – Disciplinary Information

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***There are no legal, civil or disciplinary events to disclose regarding Mr. Brody.*** Mr. Brody has never been involved in any regulatory, civil or criminal action. There have been no client complaints, lawsuits, arbitration claims or administrative proceedings against Mr. Brody.

Securities laws require an advisor to disclose any instances where the advisor or its advisory persons have been found liable in a legal, regulatory, civil or arbitration matter that alleges violation of securities and other statutes; fraud; false statements or omissions; theft, embezzlement or wrongful taking of property; bribery, forgery, counterfeiting, or extortion; and/or dishonest, unfair or unethical practices. ***As previously noted, there are no legal, civil or disciplinary events to disclose regarding Mr. Brody.***

However, we do encourage you to independently view the background of Mr. Brody on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Select "Investment Adviser Search" from the left navigation menu. Then select the option for "Individual" and enter **2246808** in the field labeled "Individual Name or CRD#".

#### **Item 4 – Other Business Activities**

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Mr. Brody is dedicated to the investment advisory activities of Ferris Capital's Clients. Mr. Brody does not have any other business activities.

#### **Item 5 – Additional Compensation**

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Mr. Brody is dedicated to the investment advisory activities of Ferris Capital's Clients. Mr. Brody does not receive any additional forms of compensation.

#### **Item 6 – Supervision**

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Mr. Brody serves as the Managing Director, Operations and Trading of Ferris Capital and is supervised by David Ferris, the Chief Compliance Officer. David Ferris can be reached at 508-281-5200.

Ferris Capital has implemented a Code of Ethics and internal compliance that guide each employee in meeting their fiduciary obligations to Clients of Ferris Capital. Further, Ferris Capital is subject to regulatory oversight by various agencies. These agencies require registration by Ferris Capital and its employees. As a registered entity, Ferris Capital is subject to examinations by regulators, which may be announced or unannounced. Ferris Capital is required to periodically update the information provided to these agencies and to provide various reports regarding the business activities and assets of the Advisor.



**FERRIS CAPITAL** LLC

**FORM ADV PART 2B – BROCHURE SUPPLEMENT**

**FOR**

**ANDREW D. VERNAZZA**

**DIRECTOR OF PORTFOLIO MANAGEMENT**

**EFFECTIVE: NOVEMBER 5, 2015**

This Brochure Supplement provides information about the background and qualifications of Andrew D. Vernazza (CRD# **4384273**) in addition to the information contained in the Ferris Capital, LLC (“Ferris Capital” or the “Advisor”) (CRD # 160116) Disclosure Brochure. If you have not received a copy of the Disclosure Brochure or if you have any questions about the contents of the Ferris Capital Disclosure Brochure or this Brochure Supplement, please contact us at 508-281-7545.

Additional information about Mr. Vernazza is available on the SEC’s Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 – Educational Background and Business Experience

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Andrew Vernazza is the Director of Portfolio Management of Ferris Capital. Mr. Vernazza, born in 1975, is Responsible for investment research, manager evaluation, client relationship management, and business development.

Mr. Vernazza earned a Bachelor of Arts in Political Science from Emory University in 2000.

Additional information regarding Mr. Vernazza’s employment history is included below.

### Employment History:

Director of Portfolio Management, Ferris Capital, LLC	10/2012 to Present
Sr. Client Associate, Merrill Lynch	09/2001 to 10/2012

## Item 3 – Disciplinary Information

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**There are no legal, civil or disciplinary events to disclose regarding Mr. Vernazza.** Mr. Vernazza has never been involved in any regulatory, civil or criminal action. There have been no client complaints, lawsuits, arbitration claims or administrative proceedings against Mr. Vernazza.

Securities laws require an advisor to disclose any instances where the advisor or its advisory persons have been found liable in a legal, regulatory, civil or arbitration matter that alleges violation of securities and other statutes; fraud; false statements or omissions; theft, embezzlement or wrongful taking of property; bribery, forgery, counterfeiting, or extortion; and/or dishonest, unfair or unethical practices. **As previously noted, there are no legal, civil or disciplinary events to disclose regarding Mr. Vernazza.**

However, we do encourage you to independently view the background of Mr. Vernazza on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Select “Investment Adviser Search” from the left navigation menu. Then select the option for “Individual” and enter 4384273 in the field labeled “Individual Name or CRD#”.

## Item 4 – Other Business Activities

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Mr. Vernazza is dedicated to the investment advisory activities of Ferris Capital’s Clients. Mr. Vernazza does not have any other business activities.

## Item 5 – Additional Compensation

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Mr. Vernazza is dedicated to the investment advisory activities of Ferris Capital’s Clients. Mr. Vernazza does not receive any additional forms of compensation.

## **Item 6 – Supervision**

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Mr. Vernazza serves as the Director of Portfolio Management of Ferris Capital and is supervised by David Ferris, the Chief Compliance Officer. David Ferris can be reached at [508-281-5200](tel:508-281-5200).

Ferris Capital has implemented a Code of Ethics and internal compliance that guide each employee in meeting their fiduciary obligations to Clients of Ferris Capital. Further, Ferris Capital is subject to regulatory oversight by various agencies. These agencies require registration by Ferris Capital and its employees. As a registered entity, Ferris Capital is subject to examinations by regulators, which may be announced or unannounced. Ferris Capital is required to periodically update the information provided to these agencies and to provide various reports regarding the business activities and assets of the Advisor.





FERRIS CAPITAL<sub>LLC</sub>

**FORM ADV PART 2B – BROCHURE SUPPLEMENT**

**FOR**

**MATTHEW K. ELSENBECK**

**DIRECTOR CLIENT SERVICES**

**EFFECTIVE: NOVEMBER 5, 2015**

This Brochure Supplement provides information about the background and qualifications of Matthew K. Elsenbeck (CRD# **5014279**) in addition to the information contained in the Ferris Capital, LLC (“Ferris Capital” or the “Advisor”) (CRD # 160116) Disclosure Brochure. If you have not received a copy of the Disclosure Brochure or if you have any questions about the contents of the Ferris Capital Disclosure Brochure or this Brochure Supplement, please contact us at 508-281-7545.

Additional information about Mr. Elsenbeck is available on the SEC’s Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 – Educational Background and Business Experience

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Matthew Elsenbeck is the Director Client Services of Ferris Capital. Mr. Elsenbeck, born in 1984, is responsible for investment research, manager evaluation, client relationship management, and business development.

Mr. Elsenbeck earned a Bachelor of Arts in Pre-law Studies from Hobart & William Smith College in 2007.

Additional information regarding Mr. Elsenbeck’s employment history is included below.

### Employment History:

Director Client Services, Ferris Capital, LLC	10/2012 to Present
Registered Client Associate, Merrill Lynch	06/2007 to 10/2012

## Item 3 – Disciplinary Information

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**There are no legal, civil or disciplinary events to disclose regarding Mr. Elsenbeck.** Mr. Elsenbeck has never been involved in any regulatory, civil or criminal action. There have been no client complaints, lawsuits, arbitration claims or administrative proceedings against Mr. Elsenbeck.

Securities laws require an advisor to disclose any instances where the advisor or its advisory persons have been found liable in a legal, regulatory, civil or arbitration matter that alleges violation of securities and other statutes; fraud; false statements or omissions; theft, embezzlement or wrongful taking of property; bribery, forgery, counterfeiting, or extortion; and/or dishonest, unfair or unethical practices. **As previously noted, there are no legal, civil or disciplinary events to disclose regarding Mr. Elsenbeck.**

However, we do encourage you to independently view the background of Mr. Elsenbeck on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Select “Investment Adviser Search” from the left navigation menu. Then select the option for “Individual” and enter **5014279** in the field labeled “Individual Name or CRD#”.

## Item 4 – Other Business Activities

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Mr. Elsenbeck is dedicated to the investment advisory activities of Ferris Capital’s Clients. Mr. Elsenbeck does not have any other business activities.

## **Item 5 – Additional Compensation**

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Mr. Elsenbeck is dedicated to the investment advisory activities of Ferris Capital's Clients. Mr. Elsenbeck does not receive any additional forms of compensation.

## **Item 6 – Supervision**

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Mr. Elsenbeck serves as the Director Client Services of Ferris Capital and is supervised by David Ferris, the Chief Compliance Officer. David Ferris can be reached at 508-281-7545.

Ferris Capital has implemented a Code of Ethics and internal compliance that guide each employee in meeting their fiduciary obligations to Clients of Ferris Capital. Further, Ferris Capital is subject to regulatory oversight by various agencies. These agencies require registration by Ferris Capital and its employees. As a registered entity, Ferris Capital is subject to examinations by regulators, which may be announced or unannounced. Ferris Capital is required to periodically update the information provided to these agencies and to provide various reports regarding the business activities and assets of the Advisor.



**FERRIS CAPITAL<sub>LLC</sub>**

**FORM ADV PART 2B – BROCHURE SUPPLEMENT**

**FOR**

**PAUL M. LITCHFIELD**

**WEALTH ADVISOR**

**EFFECTIVE: NOVEMBER 5, 2015**

This Brochure Supplement provides information about the background and qualifications of Paul M. Litchfield (CRD# **5014279**) in addition to the information contained in the Ferris Capital, LLC (“Ferris Capital” or the “Advisor”) (CRD # 160116) Disclosure Brochure. If you have not received a copy of the Disclosure Brochure or if you have any questions about the contents of the Ferris Capital Disclosure Brochure or this Brochure Supplement, please contact us at 508-281-7545.

Additional information about Mr. Litchfield is available on the SEC’s Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 – Educational Background and Business Experience

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Paul Litchfield is a Wealth Advisor of Ferris Capital. Mr. Litchfield, born in 1986, is dedicated to advising Clients of Ferris Capital.

Mr. Litchfield earned a Masters in Business Administration from University of Massachusetts Lowell in 2012. Mr. Litchfield earned a Bachelors of Accounting and Finance from University of Massachusetts Lowell in 2009. Mr. Litchfield is a Certified Public Accountant.

Additional information regarding Mr. Litchfield’s employment history is included below.

### Employment History:

Wealth Advisor, Ferris Capital, LLC	07/2013 to Present
Registered Representative, Purshe Kaplan Sterling Investments, Inc.	08/2013 to 03/2014
Financial Advisor, Morgan Stanley Smith Barney	08/2011 to 08/2013
CPA, Feeley & Driscoll	10/2009 to 07/2011

## Item 3 – Disciplinary Information

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**There are no legal, civil or disciplinary events to disclose regarding Mr. Litchfield.** Mr. Litchfield has never been involved in any regulatory, civil or criminal action. There have been no client complaints, lawsuits, arbitration claims or administrative proceedings against Mr. Litchfield.

Securities laws require an advisor to disclose any instances where the advisor or its advisory persons have been found liable in a legal, regulatory, civil or arbitration matter that alleges violation of securities and other statutes; fraud; false statements or omissions; theft, embezzlement or wrongful taking of property; bribery, forgery, counterfeiting, or extortion; and/or dishonest, unfair or unethical practices. **As previously noted, there are no legal, civil or disciplinary events to disclose regarding Mr. Litchfield.**

However, we do encourage you to independently view the background of Mr. Litchfield on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Select “Investment Adviser Search” from the left navigation menu. Then select the option for “Individual” and enter 5014279 in the field labeled “Individual Name or CRD#”.

## Item 4 – Other Business Activities

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Mr. Litchfield is dedicated to the investment advisory activities of Ferris Capital’s Clients. Mr. Litchfield is the President and CEO of AdVenture International, a registered 501(c)(3) non-profit organization that he founded after spending a summer teaching math and English in Uganda, Africa.

Mr. Litchfield serves on the Board of Directors for Miss Massachusetts Scholarship Foundation, a subsidiary of Miss America.

#### **Item 5 – Additional Compensation**

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Mr. Litchfield is dedicated to the investment advisory activities of Ferris Capital's Clients. Mr. Litchfield does not receive any additional forms of compensation

#### **Item 6 – Supervision**

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Mr. Litchfield serves as the Wealth Advisor of Ferris Capital and is supervised by David Ferris, the Chief Compliance Officer. David Ferris can be reached at 508-281-5200

Ferris Capital has implemented a Code of Ethics and internal compliance that guide each employee in meeting their fiduciary obligations to Clients of Ferris Capital. Further, Ferris Capital is subject to regulatory oversight by various agencies. These agencies require registration by Ferris Capital and its employees. As a registered entity, Ferris Capital is subject to examinations by regulators, which may be announced or unannounced. Ferris Capital is required to periodically update the information provided to these agencies and to provide various reports regarding the business activities and assets of the Advisor.

**Item 1: Cover Sheet**

**PART 2A APPENDIX 1 OF FORM ADV:**

**WRAP FEE PROGRAM BROCHURE**

FERRIS CAPITAL, LLC  
325 Donald Lynch Blvd  
Suite 200  
Marlborough, MA 01752  
[www.ferris-capital.com](http://www.ferris-capital.com)

David Ferris  
508-281-5200

**November 5, 2015**

**This Wrap Fee Brochure (“Wrap Brochure”) provides information about the qualifications and business practices of Ferris Capital, LLC (“Ferris Capital”). If you have any questions about the contents of this Wrap Brochure, please contact us at 508-281-5200. Information in this Wrap Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Ferris Capital, LLC is a registered investment adviser. Registration does not imply any certain level of skill or training.**

Additional information about Ferris Capital is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2: Material Changes**

The fee for Asset Management services has been updated to range from 1.00% to 1.50%. Please see Item 4 for more information regarding fees for Asset Management.



### Item 3: Table of Contents

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## DISCLOSURE BROCHURE

### WRAP FEE PROGRAM

#### FERRIS CAPITAL, LLC

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

Ferris Capital, LLC (“Ferris Capital” or the “Advisor”) is a registered investment advisor with the U.S. Securities and Exchange Commission (“SEC”), which is organized as a Limited Liability Company (“LLC”) under the laws of the Commonwealth of Massachusetts. Ferris Capital was founded in September 2012, and is owned and operated by David M. Ferris, the Advisor’s Chief Executive Officer. This Wrap Fee Brochure (“Wrap Brochure”) provides information regarding the advisory services provided by Ferris Capital under its wrap fee program.

Ferris Capital, LLC provides personalized financial planning and/or investment management services. Ferris Capital provides services to individuals, trusts, foundations, and corporations (each a “Client”).

##### Financial Planning

In most cases, the Client will supply to Ferris Capital information including income, investments, savings, insurance, age and many other items that are helpful to the Advisor in assessing the Client’s financial goals. The information is typically provided during personal interviews and supplemented with written information. Once the information is received, Ferris Capital will discuss the Client’s financial needs and goals with the Client, and compare your current financial situation with the goals the Client state. Once these are compared, Ferris Capital will create a financial and/or investment plan to help the Client meet their goals.

The plan is intended to be a suggested blueprint of how to meet the Client’s goals. Not every plan will be the same for every Client. Each one is specific to the Client who requested it. Because the plan is based on information supplied by the Client, it is very important that the Client accurately and completely communicate to Ferris Capital the information needed. Also, the Client’s circumstances and needs may change as their engagement with the Advisor progresses. It is very important that the Client continually update Ferris Capital with any changes so that if the updates require changes to the Client’s plan, the Advisor can make those changes. Otherwise, the Client’s plan may no longer be accurate.

##### Asset Management

Asset management services may be provided on a “discretionary” basis. When Ferris Capital is engaged to provide asset management services on a discretionary basis, Ferris Capital will monitor the Client’s accounts to ensure that they are meeting the Client’s asset allocation requirements. If any changes are needed to the Client’s investments, Ferris Capital will make the changes. These changes may involve selling a security or group of investments and buying others or keeping the proceeds in cash. Clients may at any time place restrictions on the types of investments the Advisor may use on the Client’s behalf, or on the allocations to each security type. Clients will receive written or electronic confirmations from their account custodian after

any changes are made to their account. Clients will also receive quarterly statements from the Client's account custodian. Clients engaging us on a discretionary basis will be asked to execute a Limited Power of Attorney (granting us the discretionary authority over the Client accounts) as well as an investment management agreement that outlines the responsibilities of both the Client and Ferris Capital.

For some Clients, Ferris Capital may include certain transactional costs in the Client's management fee. Fees included in the wrap fee include transaction fees for the purchase or sale of securities, but do not include expenses related to the use of margin, wire transfer fees, the fees charged to shareholders of mutual funds or ETFs, mark-ups and mark-downs, spreads, odd-lot differentials, fees charged by regulatory agencies, and any transaction fees for securities trades executed by a broker-dealer other than Schwab Advisor Services or Fidelity. Because Ferris Capital will be managing the assets of wrap fee program Clients the same way as other non-wrap fee program Clients, the use of external portfolio managers is expected to be limited. Therefore, there is no difference between how Ferris Capital manages wrap fee accounts and how Ferris Capital manages other accounts. Any fees due to another portfolio manager will be paid by the Client.

Because of the nature of a wrap fee program, the wrap fee program Client may pay more or less than if the Client had compensated Ferris Capital Management outside of the wrap fee program. For example, if a Client's account is rarely traded, the transaction fees the Client would have paid would be minimal, thus limiting the benefits of "wrapping" management fees and transaction fees. Ferris Capital receives a portion of the wrap fee for our services. Because Ferris Capital will be compensated the same amount whether an account participating in the wrap program is traded or not, we have a financial incentive to avoid trading the account. This creates a conflict of interest between the Advisor and its wrap fee program Clients. Ferris Capital attempts to mitigate this conflict by requiring that the firm's employees acknowledge their fiduciary duty to place Client interests ahead of their own and by periodically comparing wrap fee program Client performance against any Clients who are not in the wrap fee program.

Ferris Capital will receive no additional compensation for offering the wrap fee program.

Clients should refer to the accompanying Disclosure Brochure for more information about Ferris Capital.

#### Out of Scope Consulting

From time to time, Ferris Capital may be engaged to perform consulting outside the scope of traditional financial planning or asset management services. Consulting topics by their nature may vary greatly, but may include discussions regarding a Client's business, real estate or other personal assets. Clients who engage Ferris Capital to provide such consulting services will generally be required to execute a Consulting Agreement.

#### Private Placements

Ferris Capital may sponsor one or more private placements, which may in turn invest in real estate, private equity or other investments. Under certain conditions, advisory Clients may be invited to invest in one of these private placements, but only if the respective investment is appropriate for the Client. Ferris Capital may or may not charge a management fee to the private placement (please see Item 5 for details), and will likely charge a performance-based fee (please see Item 6 for details). The assets in the private placement are invested in accordance with the

placement's respective offering documents. Clients invested in a private placement through Ferris Capital should consult the offering documents for information regarding its investment program, limitations on withdrawal, and risk factors. These fees are not included in the wrap program.

### *Fees Charged*

All Clients will be required to execute a written agreement that will describe the type of services to be provided and the fees, among other items.

### Financial Planning

Financial planning fees can be hourly, fixed fee basis, or included with asset management services. Our hourly charge is \$400 per hour. Fixed fees will be between \$2,000 and \$25,000. The fee range stated is a guide. Fees may be higher or lower than this range, based on the nature of the engagement. Fees are negotiable, and will depend on the anticipated complexity of your plan.

### Asset Management

Generally, fees vary from 1.00% to 1.50% per annum of the market value of a Client's assets managed by Ferris Capital as noted in the fee schedule listed below. The fee range stated is a guide. Fees are negotiable, and may be higher or lower than this range, based on the nature of the account. Factors affecting fee percentages include the size of the account, complexity of asset structures, and other factors.

<b>Account Size</b>	<b>Annual Rate*</b>
Under \$750,000	1.50%
\$750,001 – \$1,000,000	1.25%
\$1,000,001 – \$10,000,000	1.10%
\$10,000,001 – \$15,000,000	1.00%
\$15,000,000 and above	Negotiable
*Annual Rate may include all commissions, transaction fees, and custodian fees. See Item 5.C below for more detail.	

### Consulting

Consulting fees can be hourly, fixed fee basis, or included with asset management services. Our hourly charge is \$400 per hour. Due to the varied nature of consulting services, fixed fees will vary greatly, but generally be between \$2,000 and \$25,000. The fee range stated is a guide. Fees may be higher or lower than this range, based on the nature of the engagement. Fees are negotiable, and will depend on the anticipated complexity of the services to be provided.

### Private Placements

Generally, private placements managed by Ferris Capital will not be charged a management fee. However, real estate funds will likely be charged a diligence fee for the location and diligence for a prospective investment property, as well as a performance-based fee in the form of a profit share at realization of the investment. Other private placements will generally have a similar structure, in that administrative costs and fees will be reimbursed to the applicable sponsor entity

and a performance fee charged at the realization of the investment(s). The amount of such fee is dependent upon the specific private placement.

#### *Fee Payment*

Fees for financial planning and/or consulting will be billed to each Client. If the Client terminates the agreement prior to completion of the services, any unearned fees will be returned to the Client.

Investment advisory fees will be deducted directly from each Client's account. The advisory fee is paid quarterly in arrears based upon the average daily balance of your managed assets for the prior quarter. This means that if your annual fee is 1.00%, then each quarter we will multiply the value of your account by 1.00% then divide by 4 to calculate our fee. Once the calculation is made, we will instruct your account custodian to deduct the fee from your account and remit it to Ferris Capital.

#### *Other Fees*

For some Clients, Ferris Capital may include certain transactional costs in the Client's management fee. Fees included in the wrap fee include transaction fees for the purchase or sale of securities, but do not include expenses related to the use of margin, wire transfer fees, the fees charged to shareholders of mutual funds or ETFs, mark-ups and mark-downs, spreads, odd-lot differentials, fees charged by regulatory agencies, and any transaction fees for securities trades executed by a broker-dealer other than Schwab Advisor Services or Fidelity. Because Ferris Capital will be managing the assets of wrap fee program Clients the same way as other non-wrap fee program Clients, the use of external portfolio managers is expected to be limited. Therefore, there is no difference between how Ferris Capital manages wrap fee accounts and how Ferris Capital manages other accounts. Any fees due to another portfolio manager will be paid by the Client. Ferris Capital, nor its advisory persons, do not receive compensation as a result of the Client's participation in the wrap fee program other than the advisory fee paid by the Client.

#### *Pro-rata Fees*

If you become a Client during a quarter, you will pay a management fee for the number of days left in that quarter. If you terminate our relationship during a quarter, you will pay a management fee for the portion of the quarter during which you were a Client. Because payment is in arrears, unearned fees will be unlikely, if not impossible, but in the event there are any fees ever collected in advance and you terminate, we will refund the unearned fees to you in whatever way you direct (check, wire back to your account).

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

Clients advised may include individuals, trusts, foundations, and corporations.

### **Item 6            Portfolio Manager Selection and Evaluation**

The wrap fee program offered by Ferris Capital is sponsored by the Advisor, and does not include the fees paid to any third party portfolio manager. The only fees covered under the wrap fee

program are transaction fees associated with the purchase and sale of securities in an account managed by Ferris Capital. All Client accounts managed by Ferris Capital, including wrap fee program Clients, are managed with similar processes, although account recommendations may differ. Any fees paid to a third party portfolio manager, if such a manager is recommended, is not included in the wrap fee program. If a third party manager is utilized, only the Client information required for the manager to manage the account will be provided to the manager. Ferris Capital will communicate with any such manager at least quarterly, and provide such information to the Clients (including wrap fee Clients).

**Item 7                    Client Information provided to Portfolio Managers**

Please see response to Item 6, above.

**Item 8                    Client Contact with Portfolio Managers**

Clients may contact any third party manager at any time.

**Item 9                    Additional Information**

A. Disciplinary Information: None to report.

B. Code of Ethics

A copy of our Code of Ethics is available upon request.

On occasion, an employee of Ferris Capital may purchase for his or her own account securities, which are also recommended for Clients. Our Code of Ethics details rules for employees regarding personal trading and avoiding conflicts of interest related to trading in one's own account. To avoid placing a trade before a Client (in the case of a purchase) or after a Client (in the case of a sale), all employee trades must be pre-cleared through the Compliance Officer. All employee trades must either take place in the same block as a Client trade or sufficiently apart in time from the Client trade so the employee receives no added benefit. Employee statements are reviewed to confirm compliance with the trading procedures.

C. Review of Accounts

All accounts will be reviewed by a senior professional on at least an annual basis. However, it is expected that market conditions, changes in a particular Client's account, or changes to a Client's circumstances will trigger a review of accounts. All Clients will receive a quarterly report from Ferris Capital. This report will include valuations as of the end of each quarter and current asset allocations.

The Advisor encourages its Clients to compare the information on their quarterly report prepared by Ferris Capital against the information in the statements provided directly from their custodian and alert the Advisor of any discrepancies.

D. Client Referrals and Other Compensation

If a Client is introduced to Ferris Capital by either an unaffiliated or an affiliated solicitor (herein "Solicitor"), Ferris Capital may pay the Solicitor a referral fee in accordance with the

requirements of Rule 206(4)-3 of the Advisers Act as well as any applicable state securities regulations. Referral fees are paid solely from Ferris Capital's investment management fee and do not result in any additional charges or higher fees to the Client. The Solicitor will provide the Client with a copy of Ferris Capital's Disclosure Brochure along with a Solicitor's Disclosure Statement containing the terms and conditions of the solicitation arrangement including compensation.

E. Financial Information

Ferris Capital does not require the prepayment of fees more than \$1,200 for services to be performed six (6) months or more in advance and therefore has not provided a balance sheet with this Wrap Brochure. There are no material financial circumstances or conditions that would reasonably be expected to impair our ability to meet our contractual obligations to our Clients.



**FERRIS CAPITAL LLC**

## **Ferris Capital, LLC**

### **Privacy Policy**

**Effective: November 5, 2015**

**Ferris Capital, LLC  
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## Privacy Policy

### Our Commitment to You

Ferris Capital, LLC (“Ferris Capital” or the “Advisor”) is committed to safeguarding the use of personal information of our Clients that we obtain as your Investment Advisor, as described here in our Privacy Policy (“Policy”).

Our relationship with you is our most important asset. We understand that you have entrusted us with your private information, and we do everything that we can to maintain that trust. Ferris Capital protects the security and confidentiality of the personal information we have and implements controls to ensure that such information is used for proper business purposes in connection with the management or servicing of our relationship with you.

Ferris Capital does not sell your non-public personal information to anyone. Nor do we provide such information to others except for discrete and reasonable business purposes in connection with the servicing and management of our relationship with you, as discussed below.

Details of our approach to privacy and how your personal non-public information is collected and used are set forth in this Policy.

### Why you need to know?

Registered Investment Advisors (“RIAs”) must share some of your personal information in the course of servicing your account. Federal and State laws give you the right to limit some of this sharing and require RIAs to disclose how we collect, share, and protect your personal information.

### What information do we collect from you?

Date of Birth, Drivers License Number, Social Security Number or Taxpayer Identification Number	Assets and liabilities
Name, address and phone number(s)	Income and expenses
E-mail address(es)	Investment activity
Account information (including other institutions)	Investment experience and goals

### What Information do we collect from other sources?

Custody, brokerage and advisory agreements	Account applications and forms
Other advisory agreements and legal documents	Investment questionnaires and suitability documents
Transactional information with us or others	Other information needed to service account

### How do we protect your information?

To safeguard your personal information from unauthorized access and use we maintain physical, procedural and electronic security measures. These include such safeguards as secure passwords, encrypted file storage and a secure office environment. Our technology vendors provide security and access control over personal information and have policies over the transmission of data. Our associates are trained on their responsibilities to protect Client’s personal information.

We require third parties that assist in providing our services to you to protect the personal information they receive from us.

### How do we share your information?

An RIA shares Client personal information to effectively implement its services. In the section below, we list some reasons we may share your personal information.

Basis For Sharing	Do we share?	Can you limit?
<b>Servicing our Clients</b> We may share non-public personal information with non-affiliated third parties (such as administrators, brokers, custodians, regulators, credit agencies, other financial institutions) as necessary for us to provide agreed upon services to you, consistent with applicable law, including but not limited to: processing transactions; general account maintenance; responding to regulators or legal investigations; and credit reporting.	Yes	No
<b>Marketing Purposes</b> Ferris Capital does not disclose, and does not intend to disclose, personal information with non-affiliated third parties to offer you services. Certain laws may give us the right to share your personal information with financial institutions where you are a customer and where Ferris Capital or the client has a formal agreement with the financial institution. <b>We will only share information for purposes of servicing your accounts, not for marketing purposes.</b>	No	Not Shared
<b>Authorized Users</b> Your non-public personal information may be disclosed to you and persons that we believe to be your authorized agent(s) or representative(s).	Yes	Yes
<b>Information About Former Clients</b> Ferris Capital does not disclose and does not intend to disclose, non-public personal information to non-affiliated third parties with respect to persons who are no longer our Clients.	No	Not Shared

Massachusetts	In response to a Massachusetts law, clients must “opt-in” to share non-public personal information with non-affiliated third parties before any personal information is disclosed. We may disclose non-public personal information to other financial institutions with whom we have joint business arrangements for proper business purposes in connection with the management or servicing of your account.
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### Changes to our Privacy Policy

We will send you a copy of this Policy annually for as long as you maintain an ongoing relationship with us.

Periodically we may revise this Policy, and will provide you with a revised policy if the changes materially alter the previous Privacy Policy. We will not, however, revise our Privacy Policy to permit the sharing of non-public personal information other than as described in this notice unless we first notify you and provide you with an opportunity to prevent the information sharing.

### Any Questions?

You may ask questions or voice any concerns, as well as obtain a copy of our current Privacy Policy by contacting us at 508-281-5200