

**Firm Brochure  
(Part II of Form ADV)**

Dynamic Trading Management, LLC.  
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January 30, 2017

This brochure provides information about the qualifications and business practices of Dynamic Trading Management, LLC. If you have any questions about the contents of this brochure, please contact us at 914-220-9404 or by email at [timb@dynamictradingmgt.com](mailto:timb@dynamictradingmgt.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission, or by any state securities authority.

Additional information about Dynamic Trading Management, LLC. is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Note: While Dynamic Trading Management, LLC may refer to itself as a Registered Investment Advisor, clients should be aware that registration with the U.S. Securities and Exchange Commission or any state authority does not imply a certain level of skill or training.

## **Item 2: Material Changes**

This firm brochure dated January 30, 2017 is our new disclosure document prepared according to the SEC's new requirements and rules. After our initial filing of this Brochure, this Item will be used to provide our clients with a summary of new and/or updated information. We will inform you of the revision(s) based on the nature of the updated information.

This Firm Brochure being delivered is the complete brochure for the Firm.

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## **Item 4: Advisory Business**

Dynamic Trading Management, LLC. is an SEC-registered investment adviser located in White Plains, New York. Dynamic Trading Management, LLC began conducting business in 2007.

Timothy P. Bradley is the principal owner and chief compliance officer. The firm is not publicly owned or traded and there are no indirect owners of the firm with any ownership interests.

Dynamic Trading Management provides investment management services and advice on investment products to individuals. Recommendations are based on the Client's needs, investment objectives, financial and tax returns, and their risk tolerance among factors.

The advisory relationship is initiated with a consultation meeting where the client's overall financial situation is discussed. Once the clients have agreed to the investment plan, they are provided assistance in obtaining and completing the required paperwork to establish the necessary investment accounts. Dynamic Trading Management LLC will rely on the client to convey promptly any important changes in the client's financial situation.

The firm does not participate in wrap programs.

As of December 31, 2016, the firm managed assets on a discretionary basis in the amount of \$36,657,000. This represented 121 client accounts. All of these assets are managed on a discretionary basis.

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

Investment portfolios are managed on an annual-fee basis and percentage is calculated based on household totals.

<u>Household Asset Value:</u>	<u>Annual Fee</u>
On the first \$500,000	3.0000%
On the next \$500,000	2.2000%
On the next \$1,000,000	1.9000%
On assets over \$2,000,000	1.7000%

Fees are paid quarterly at the beginning of each quarter. Fees are payable within (15) fifteen days of the calendar end. The quarterly fee will be paid based on the account's asset value as of the last business day of the calendar quarter. The fees for the first quarter under management will be prorated based on the market value of the account on the date it is opened.

The client understands that, in addition to the fee paid by the client to the firm pursuant to this agreement, there will be other fees charged to this account. Some of those charges will be in form of transaction costs when there will be a trade execution (commission) or fees for Retirement plan administration, mutual fund expenses as described by the funds. The firm will receive no portion of such charges. The client also authorizes Interactive Brokers LLC and /or its affiliate Equity Trust Co (custodian) to deduct all applicable fees from the client's account which will be noted on the client's statement.

## **ITEM 6: Performance-Based Fees and Side-by-Side Management**

Dynamic Trading Management LLC does not charge performance-based fees and so none of its Clients' accounts will ever be managed side-by-side any performance-based accounts.

## **ITEM 7: Types of Clients**

Dynamic Trading Management LLC will provide advisory services to various types of clients. The majority of clients will be individuals, trusts, and estates. Occasionally, Dynamic Trading will also provide services to Pension and Profit Sharing Plans. The minimum portfolio size is \$100,000 but may be subject to negotiation in special circumstances.

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

Dynamic Trading Management employs multi faceted investment methodologies. An overall macro view of markets is important. Securities are always also examined on an individual basis both from a fundamental and technical point of view. Further positions tend to be mixed across market capitalization, countries and industry groups. We have found that position sizing is also important when trying to control risk. More volatile positions will tend to have smaller initial portfolio weightings. It would be rare to ever have less than 4 industry groups represented. The target portfolio is about 25 names with a normal range of 18-40. We have found raising cash levels also has been a helpful technique in controlling volatility while providing the flexibility to purchase what we view as undervalued securities during stressed markets. We tend to try and outperform market benchmarks on the downside while seeking to match indexes during rising markets. We do reserve the right to alter our strategy based on our view of current risk vs. reward and general market conditions. We do reserve the right to use ETFs or on rare occasions mutual funds. The majority of the allocations will be into equities and cash. On infrequent occasions we will hedge or short positions.

## **ITEM 9: Disciplinary Information**

No complaints have been filed.

## **ITEM 10: Other Financial Industry and Affiliations**

Mr. Bradley is a registered representative of Cabot Lodge Securities, LLC, a broker dealer firm. Dynamic Trading Management LLC directs no transactions to Cabot Lodge Securities, LLC and they function as separate entities.

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

Dynamic Trading Management LLC will uphold the highest level of honesty and integrity. The firm will not compromise its principles for any reason and will be completely truthful and candid with its clients. The firm will always act in the clients' best interest and avoid all possible conflicts of interest between us. Operating on a fee-only basis prevents conflicts of interest which may arise through commission-based compensation.

## **ITEM 12: Brokerage Practices**

The Client agrees to open an account with the brokerage firm Interactive Brokers, LLC and/or its affiliate Equity Trust Company. Such companies will perform all the executions of transactions, and in addition will provide all clearance and custody service for the account. The Client further agrees to complete and execute all relevant documentation requested by Interactive Brokers LLC and/or Equity Trust including giving discretionary trading authority to the investment advisors of the Firm.

Dynamic Trading Management LLC does not receive any compensation from Interactive Brokers LLC or Equity Trust for execution, clearing and holding. There are no markups and we take great care to get best execution for clients at all times.

## **ITEM 13: Review of Accounts**

Positions are usually monitored on a daily basis. All accounts are reviewed at least every month. Statements are sent directly from Interactive Brokers LLC and/or Equity Trust Company to clients on a quarterly basis. Online access for clients is available for all accounts. Daily generation of account activity confirmations is the default mode for accounts unless a client opts out. If opted out the client must receive online confirmations. Most clients will schedule an annual meeting to review their accounts.

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

Dynamic Trading Management LLC does not provide compensation for referrals. The firm does not have any client referral and solicitation arrangement.

## **ITEM 15: Custody**

Dynamic Trading Management LLC does not directly hold client assets. Clients will use Interactive Brokers LLC and its affiliate Equity Trust Company as financial custodian. Clients will receive quarterly statements from Interactive Brokers / Equity Trust and are urged to carefully review these statements.

## **ITEM 16: Investment Discretion**

Dynamic Trading Management LLC has limited authorization for each client account which allows the firm to enter transactions directly for client portfolios. These are done without discussing them with the client first.

It will be Client's responsibility to advise the Firm on the investment objectives of the account and of any changes or modifications therein, as well as any specific investment restrictions. The client agrees to promptly inform the firm of any material changes in the client's financial circumstances or investment objectives among other matters to enable the Firm to evaluate whether to change the way the account is managed or advised and all of this must be in writing.

When a client opens a new account with the custodian, the client signs new account documents to grant discretionary authorization. This authorization is known as "limited trading authorization" to Dynamic Trading Management.

## **ITEM 17: Voting Client Securities**

It is the policy of the Firm not to vote proxies on behalf of Clients. Custodians are directed to forward all shareholder related materials to the owner of the account. Employee benefit plans governed by ERISA acknowledge that the Firm is covered as fiduciary by the bond maintained for the plan and will provide proof of such coverage. Proxy voting for plans governed by ERISA must conform to the plan document in effect. In cases where the investment manager is listed as the fiduciary responsible for voting proxies, the responsibility will be designated to another fiduciary and reflected in the plan document.

## **ITEM 18: Financial Information**

Not Applicable.



**ITEM 19: Educational and Work Experience: Timothy P. Bradley**

December 1998-February 2006: Senior Portfolio Manager, Registered Representative  
Smith Barney  
11 Martine Avenue – 8<sup>th</sup> Floor  
White Plains, NY 10606

February 2006-February 2007: Portfolio Manager, Registered Representative  
Clark Dodge & Company, Inc.  
2 Gannett Drive – Suite 410  
White Plains, NY 10604

February 2007-present: President, Portfolio Manager  
Dynamic Trading Management, LLC  
245 Main Street – Suite 440  
White Plains, NY 10601