

**Item 1: Cover Page**

Tower View Investment Management & Research, LLC

**Form ADV - Part 2A**

**Disclosure Brochure**

March 14, 2018

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This Brochure provides information about the qualifications and business practices of Tower View Investment Management & Research (“Tower View” or the “firm”). If you have any questions about the contents of this Brochure, please contact Raman J. Ghei at 1.414.791.6834 or [raman@tower-view.com](mailto:raman@tower-view.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about Tower View is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Our current registration does not imply a certain level of skill or training.

**Item 2: Material Changes**

Since the firm’s last filing of this brochure in September 2017, we have made no material changes to the disclosures herein. We have made non-material changes to the brochure and we therefore advise you to read the entire brochure to be apprised of all changes since the last filing.

**Item 3: Table of Contents**

**Page 1**

Item 1: Cover Page

Page 1

Item 2:	Material Changes	Page 1
Item 3:	Table of Contents	Page 2
Item 4:	Advisory Business:	Page 3
A.	Description of the Firm	Page 3
B.	Types of Advisory Services	Page 3
C.	Management of Client Accounts	Page 4
D.	Wrap Fees	Page 5
E.	Assets Under Management	Page 5
Item 5:	Fees and Compensation	Page 5
A.	Management Fees	Page 5
B.	How Management Fees are Paid	Page 5
C.	Other Fees	Page 6
D.	Administrative Fees	Page 6
E.	Other Commissions	Page 6
Item 6:	Performance-Based Fees	Page 6
Item 7:	Types of Clients	Page 6
I.	Brokerage Accounts Custodied at Charles Schwab Institutional	Page 6
II.	Outside 401Ks, Stock Options, Restricted Stock and 529s	Page 7
Item 8:	Methods of Analysis, Investment Strategies and Risk of Loss	Page 7
A.	Types of Analyses	Page 7
B.	Risks	Page 8
C.	Cyber and Identity Theft Risks	Page 8
D.	Business Recovery & Disaster Recovery Planning	Page 9
Item 9:	Disciplinary Information	Page 9
Item 10:	Other Financial Industry Activities and Affiliations	Page 9
Item 11:	Code of Ethics	Page 10
A.	Code of Ethics	Page 10
B.	Personal Trading & Potential Conflicts of Interest	Page 10
C.	Company Retirement Plan	Page 11
D.	Management of Family & Friends Accounts	Page 12
E.	Rollover Choices for 401Ks	Page 12
F.	Other Advisory Relationships and Their Employees	Page 12
G.	Independent Contractors	Page 12

H.	Owner and Principal of Tower View as Chief Compliance Officer	Page 13
Item 12:	Brokerage Practices	Page 13
A.	Research & Soft Dollar Benefits	Page 13
B.	Use of Commissions to Gain Clients	Page 13
C.	Directing Trades to Brokers of the Client's Choice	Page 13
D.	Trading Practices	Page 14
Item 13:	Review of Accounts	Page 14
Item 14:	Client Referrals and Other Compensation	Page 14
Item 15:	Custody	Page 15
Item 16:	Investment Discretion	Page 15
Item 17:	Voting Client Securities	Page 15
Item 18:	Financial Information	Page 15

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

##### **A. Description of the Firm**

Tower View has been in operation since 1999. The firm is currently SEC registered. The vast majority of the assets of our clients are custodied with Charles Schwab & Co., Inc. Tower View was founded by and remains solely owned by Raman J. Ghei. References to the Managing Director and Principal in this brochure refer to Raman J. Ghei.

##### **B. Types of Advisory Services**

Tower View is a fee-based investment adviser. We manage investment portfolios for families, individuals, and companies, primarily personal, joint, custodial, trust and IRA accounts.

At present, Tower View utilizes only publicly traded securities, including stocks, bonds, cash and mutual funds. Clients must select a brokerage firm or other custodian to hold their investments.

Tower View is typically paid a management fee which varies on a client-by-client basis. The fee is dependent upon either the level of assets under management or it is a flat or hourly fee, as agreed upon in our investment management agreement.

We are not presently licensed financial planners and our services are limited to investments in stocks, bonds, CDs, exchange traded funds, cash equivalents and mutual funds. We are not an accounting firm nor do any of our employees possess any accounting or financial planning certifications and we do not provide any tax advice.

Clients receive both brokerage statements from their custodian and Quarterly Statements from Tower View. Tower View Statements always include the client's billing statement(s) and typically include a letter discussing strategy or other issues deemed of interest or relevancy.

Clients may also elect to have the statements from their custodian sent to them electronically via email. Further, clients are also sent an annual Privacy Policy. Clients are encouraged to review all correspondence for errors and omissions.

### **C. Management of Client Accounts**

All investments in financial assets carry significant risk of volatility, and thus are subject to short-term and/or permanent loss of value and income.

Tower View does not maintain client portfolios in composites for investment purposes, but rather use a targeted asset mix for each account. Tower View completes an Investment Matrix for all clients which outlines the targeted asset mix range between cash, individual bonds, bond mutual funds, individual stocks and stock mutual funds/ETFs for each account. This Matrix is set based upon Tower View's review of the information provided to us by the client, such as, but not necessarily inclusive of, age and investment horizon. The targeted asset mix range is communicated to the client in writing, and the client can respond with any questions or concerns. In addition, a reminder is included in each billing statement to contact the firm with any changes in their financial condition that they believe we should be aware of that could influence their investments.

Tower View manages investment portfolios on both a discretionary and non-discretionary basis. Non-discretionary portfolios are primarily limited to those 529s and employer sponsored 401ks for which the client has asked us to assist with administration and review but over which we do not have discretionary powers. For the purposes of our typical discretionary portfolio management service, Tower View has the discretion to determine which and how many securities are to be purchased or sold in each account.

Notwithstanding the foregoing, clients may place reasonable restrictions upon the types of investments to be held in the portfolio, provided that such restrictions are clearly communicated. Tower View maintains the authority to accept or reject these restrictions.

Client portfolios are generally invested in one of several different model portfolios, but not every client will be invested in the entire model or at the same position weightings. These differences can be due to a variety of factors, including but not limited to, the timing of the inception date of the relationship, available cash, liquidity needs, low basis securities, time horizons, the size of the account, whether the account is managed on its own or as part of a household, and tax reasons.

We do not normally attempt to change investment mixes in response to changing market conditions, political situations or other macro or micro-economic events. We typically make changes to portfolios based upon our assessment of the attractiveness of the individual securities and/or funds we are invested in or considering for investment.

The firm periodically runs weighting and exception reports in an effort to ensure all suitable clients are included in new investment ideas, but not every stock or fund is suitable for every client, and the

ultimate determination is at our discretion. We use a best efforts approach to include all clients at targeted weightings, but these weightings will vary based by account, as noted above.

Notwithstanding the above commentary, Clients should understand there are inherent complexities and client specific factors which come into play in the management of separately managed accounts for a very diverse client base and thus there will always exist wide variances in the composition of each client portfolio.

#### **D. Wrap Fees**

Tower View does not currently participate in Wrap Fee programs.

#### **E. Assets Under Management**

As of December 31, 2017 Tower View managed approximately \$147,600,000 on a discretionary basis and approximately \$2 million on a non-discretionary basis.

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

#### **A. Management Fees**

Actual fee rates vary by a client's assets under management and other considerations (including fee schedules prevailing at the time they became a client), but do not exceed 1.25% of assets. The specific manner in which fees are charged is established in a client's written agreement with Tower View.

Rates are subject to negotiation and may be adjusted based upon the size of the account(s), the desire on the part of the client to maintain a more active or passive advisory relationship, the length of time the person has been a client, the number of related family accounts that are part of the relationship and the general complexity of the relationship.

In addition, fee rates are subject to change over time and any such changes will be communicated to the client in writing.

Tower View does not have a minimum relationship size, and currently has clients with assets under management both exceeding \$5,000,000 and below \$100,000.

#### **B. How Management Fees are Paid**

Clients may choose to have their management fees deducted from their account(s), or they may pay by check. Management fees are billed on a quarterly basis.

Management fee(s) are paid in advance for each quarter. Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Upon termination of any account, any prepaid, unearned fees will be refunded, and any earned, unpaid fees will be invoiced.

Additionally, clients may, for any reason, cancel their management agreement within the first five (5) business days of execution, without incurring any advisory fees.

Tower View maintains internal billing policies, a copy of which can be provided to clients upon request.

### **C. Other Fees**

Tower View's management fees are exclusive of brokerage commissions, mutual fund expenses and fees, transaction fees, and other related costs and expenses which may be incurred by the client. Clients may incur certain charges imposed by custodians and brokers, such as transfer fees, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts, ADR holdings and securities transactions.

### **D. Administrative Fees**

As outlined in some but not all of our historical management agreements, Tower View can charge those clients a per brokerage account administrative fee.

Effective 2017, Tower View removed administrative fees from new management agreements and no longer charges clients administrative fees. However, management agreements have in place hourly charges for client requested special projects. In the event these charges are to be incurred, the potential charge will be discussed with the client ahead of time and the client will be provided with a separate invoice.

### **E. Other Commissions**

Tower View does not accept any sales charges or compensation for the sale of any securities or investment products.

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

"Performance-Based Fees" are based on a share of the capital gains or capital appreciation of the assets of an account. Tower View does not currently maintain any client relationships that are charged performance based fees.

#### **Item 7: Types of Clients**

Tower View does not currently have any requirements or restrictions in terms of the size of the accounts we take under our management. We currently manage or supervise two types of accounts:

- I. Brokerage Accounts Custodied at Charles Schwab Institutional

Tower View accesses these accounts through the Schwab system to trade and invest the funds and assist with other administrative matters. The majority of the contents of this ADV cover the management of these accounts, which comprise nearly 100% of our discretionary accounts.

## **II. Outside 401Ks, Stock Options, Restricted Stock and 529s**

Due to the inherent complexity of 401ks, stock options, restricted stock and 529s, Tower View helps with reviews of client's accounts of these types. These accounts are not linked to Tower View's institutional relationship with Schwab. Tower View offers advice on how to allocate 401k and 529 investments, based upon trying to limit fund management costs to the client and coordinate the investment of these outside accounts with the clients other accounts.

Tower View also offers advice related to expiration dates and the exercising of stock options, along with monitoring of positions held in restricted stock accounts. Tower View has a specific stock option and restricted stock disclosure policy and waiver which we ask clients to sign who are seeking that type of advice.

Contingent upon each relationship, Tower View may charge a fee to assist with the oversight of these assets. While Tower View will work with the client to administer the assets, ultimate responsibility for their management lies with the client. For a further discussion, see Custody, in Item 15.

In a small number of cases, Tower View has assumed an advisory, supervisory relationship with 529 providers. Tower View is the advisor of record and can receive duplicate statements, execute fund exchanges and assist the client with disbursing funds to their college of choice. Tower View receives no compensation from any outside account provider, whether in the form of sales charges or shared fees. These accounts are included in our AUM calculation.

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

### **A. Types of Analyses & Investments**

Tower View invests in stocks (domestic and foreign), bonds (government, corporate and/or municipal), certificates of deposit, money market funds and other cash equivalents, mutual funds and exchange traded funds.

While not every investment is ultimately held for a long period of time, our goal is to be a long-term investor. We seek to invest in companies (and funds which hold such companies) which we believe are valued at levels which make them worthwhile investments. We will sell securities when they reach what we believe to be full or overvalued levels or we have concerns about their growth prospects, balance sheet or competitive positions. The final determination for these factors is based upon the opinion of Tower View and is very subjective and we do not adhere to any strict valuation criteria, quantitatively driven models or methodologies, and our opinions will vary greatly over time.

It is solely at the discretion of the Managing Director to determine/decide which investments he believes are suitable for clients and which are not. We typically invest in a mix of stocks we consider larger and more mature, more growth oriented and higher risk/emerging. We also invest internationally in both developed and emerging markets through both ADRs and direct ordinary

shares. We also may invest in companies with small market capitalizations of under \$100 million and large companies with market capitalizations over \$500 billion.

Due to the inherent diverse nature of mutual funds and ETF holdings, not all the individual holdings in those ETFs/Funds would normally meet all our selection criteria and in fact they may include securities we would typically not hold in portfolios. We believe however, that the overall diversification provided by these mutual funds and ETFs may outweigh this potential negative factor.

Our investment processes inherently contain risks of significant loss, but also incorporate other risks related to foreign currency factors and potential illiquidity.

Tower View's method of security analysis relies heavily on personal opinions, available financial publications and company provided materials. We do not as a matter of practice use technical analysis, create earnings models, visit companies or typically communicate with analysts or investment relations departments. Tower View uses an active management style which involves looking at various stock markets around the world to identify the stocks, bonds, ETFs and mutual funds which we believe represent good long-term investments.

Individual bond purchases are selected using the same methods as equities, with a reliance on generally available ratings of credit quality. A significant portion of bond investments are made via bond mutual funds, including taxable, government, municipal and high yield (below investment grade) bonds.

All investments in financial assets carry risks including but not limited to: market risk, transaction costs, risky investment choices and unexpected changes in one's personal circumstance that may require portfolio shifts at inopportune times. Investing in securities involves risk of loss that clients should be prepared to bear.

## **B. Risks**

Investments with Tower View carry significant risk of volatility and thus are subject to potential, short-term and/or permanent loss of value and income. Tower View also typically invests in foreign stocks and below investment grade bonds which carry additional currency, credit and liquidity risks.

Clients are encouraged to discuss our continuity planning with us. As a small firm, should our Principal become incapacitated in any way, it may be difficult for us to remain operating as an investment advisor for extended period of time. While we have procedures in place to assist clients during such a transition, and we are continually looking at ways to mitigate the impact on clients of such a transition, there can be no guarantee that clients would not experience levels of disruption. That being said, because the majority of our managed assets are custodied at Charles Schwab, client access to their investments and other funds should not be impacted by business continuity issues at Tower View.

## **C. Cyber and Identity Theft Risks**

Although Tower View makes every attempt to monitor client accounts, we cannot guarantee that if an account becomes compromised at the Schwab (or other custodian) website by an authorized or unauthorized person, that the firm would discover such an event. While Schwab maintains



protections against unauthorized access, it does not cover anyone you have provided your credentials to, including authorized family members, etc.

In order to limit some of these risks, Tower View provides its clients with potential suggestions to improve the security of both their Schwab and email accounts. Likewise, if a client chooses to custody their assets elsewhere, Tower View would be unable to monitor the account.

Tower View also currently holds a cyber security insurance policy which, within the terms and limitations of the policy, could assist clients in the event a cyber breach occurred at Tower View. As a matter of policy Tower View does not reimburse clients for cyber security and or identity theft losses, and clients should recognize that despite our best efforts in this area, there can be no assurances that a cyber breach can be avoided.

Clients are strongly encouraged to immediately contact their custodian, the police if applicable and us in the event they believe any of their personal information has been compromised at Schwab or any other financial institution or their email has been hacked. Charles Schwab maintains a 24 hours, 7 days a week Fraud hotline that clients should immediately call with any concerns. That number is 1.877.862.6352.

#### **D. Business Continuity and Disaster Recovery Planning.**

Tower View maintains both business continuity and disaster recovery policies. Clients may request a copy of these at any time.

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

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's or potential client's evaluation of the firm or the integrity of the firm's management in this item. Tower View has no disciplinary events to disclose.

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

Tower View does not maintain any formal referral relationships with any other professional practices, brokerage firms, investment advisers, or any non-financial firm.

No one at Tower View presently plans to become a broker dealer or commodity broker. Further, no one at Tower View currently has relationships with any of the following entities which we believe would create a potential conflict of interest other than as noted in Item 11/F, page 12:

1. Broker dealer, municipal securities dealer, or government securities dealer or broker
2. Investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company, or an offshore fund)

3. Other investment adviser or financial planner
4. Futures commission merchant, commodity pool operator, or commodity trading advisor
5. Banking or thrift institution
6. Accountant or accounting firm
7. Lawyer or law firm
8. Insurance company or agency
9. Pension consultant
10. Real estate broker or dealer
11. Sponsor or syndicator of limited partnerships

Tower View does not recommend nor select outside advisers for clients, other than those included in the firm's business continuity planning.

#### **Item 11: Code of Ethics**

##### **A. Code of Ethics**

Tower View uses an internal Code of Ethics and Personal Trading Policy (the "Code") which, in general terms, forbids any practices which are either illegal or against the best interest of our clients. The Code generally sets the standard of ethical and professional business conduct that we require of our Supervised Persons, requires Supervised Persons to comply with applicable federal securities laws and regulations, and sets forth provisions regarding personal securities transactions by certain Supervised Persons deemed access persons under applicable regulations. Additionally, the Code sets forth Tower View's policies and procedures with respect to material non-public information and other confidential information, and the fiduciary obligations that we and each of our Supervised Persons owes to every advisory client.

We will provide a copy of the Code to any existing or prospective client upon request.

##### **B. Personal Trading & Potential Conflicts of Interest**

Tower View employees, as well as the Principal/Managing Director and his family, may purchase or sell the same securities we purchase for our clients, within the confines of the firm's personal trading restrictions and procedures. Tower View's employees and the Managing Director routinely invest in the same securities as clients, which ensures employees and clients share a vested interest in the security's performance.

The Managing Director and his immediate family follow more restrictive trading policies, and for purposes of this section, are not considered employees.

Employees may also participate in client block trades as the Managing Director believes that clients are not likely to be harmed by the employee's participation in the block trade.

From time to time, the Managing Director may hold a personal position in a security which subsequently becomes a model portfolio holding. If the security becomes a model holding within one week of his purchase, he will sell his position prior to adding it to client portfolios, and then may repurchase it afterwards.

It is solely at the discretion of the Managing Director to determine/decide which investments he believes are suitable for clients and which are not. The Managing Director may purchase securities for himself and his family which are not purchased for clients. Suitability is a highly subjective issue and the selection criteria the Managing Director uses to determine which securities to purchase for himself and his immediate family and for clients is solely at his discretion.

The Code requires employees and the Managing Director to adhere to ethical standards established by the firm and requires all employees, the Managing Director and his immediate family to provide the Managing Director/Chief Compliance Officer and the VP Operations with reports of any and all personal security holdings and transactions.

Particular trading rules apply to the Principal of Tower View and his immediate family. For these accounts, the Managing Director often trades in securities which are both included and not included in client accounts. The Principal believes that these investments or maintenance trades do not interfere with or impact client accounts.

Tower View is aware that personal trading can potentially create conflicts of interest and thus has put the following procedures in place:

1. Day trading will not be permitted (as of March, 2018 for all securities; previously allowed for non-Model Portfolio holdings).
2. Purchases and/or sales will only be made in securities held in the model on days when either there is no accompanying block trade for clients or only after the block trade has been completed.
3. Schwab institutional trading will not be used for trades executed in the primary investment accounts of the Principal of Tower View and his immediate children and family.
4. All employee trades and all trades made in the accounts of the Managing Director and his immediate family are reviewed by the VP Operations for adherence to compliance rules.

### **C. Company Retirement Plan**

Tower View maintains a company sponsored 401k plan for its employees. These accounts are invested using ETFs and mutual funds. These accounts are generally invested along the same lines as other 401k and small mutual fund accounts maintained by clients. The Principal of Tower View does not believe maintaining and investing these 401ks creates any material conflict of interest or negatively impacts clients.

#### **D. Management of Family & Friends Accounts**

Tower View manages some investment accounts for individuals deemed family members and/or friends, all of which are standard investment relationships. While this could create some conflicts of interest, we believe that since these accounts are managed on an arm's length basis - using the same trading rules, management agreements, investment objectives and model portfolios as our other clients - the conflicts of interest are managed in a way that does not negatively impact our other clients, nor positively affect the family and friends. Accounts managed for the Principal's immediate family are not managed under the supervision of Tower View, except for monitoring activity to make sure it meets our compliance trading rules.

#### **E. Rollover Choices for 401Ks & IRAs**

Tower View may discuss the potential for current and prospective clients to roll-over previous work-related 401ks or other IRAs to a Tower View managed IRA. Clients and prospects are made aware that they can leave said assets at their current custodian and should review carefully the investment choices available there and the fees and expenses associated with such plans, before rolling those assets to a Tower View managed IRA. In addition, clients and prospective clients may also roll certain assets to a new employer's plan, which might allow for other benefits. Tower View now provides a Rollover Disclosure form to clients rolling IRA and/or 401k assets to a Tower View managed IRA.

#### **F. Other Advisory Relationships and Their Employees**

Tower View currently provides investment research to another investment advisory firm and also manages accounts for employees of said firm. This could create a conflict of interest whereby Tower View would be encouraged to favor their accounts, in order to strengthen the perceived research service. However, due to the trading rules these accounts are subject to as part of their employment and employee trading rules, all trades must be pre-approved by this firm's trading committee and are reviewed after execution by their employer and consequently the means to favor these accounts is mitigated. When possible they are included in block trades but delays in obtaining trade approval can limit their participation. In addition, our research service does not in any way preclude us from taking whatever action in our client's accounts we wish and no approval or communication of such changes is required nor provided. Tower View is not actively seeking other similar research arrangements, but is not precluded from entering into new agreements.

#### **G. Independent Contractors**

Tower View currently and has traditionally utilized a small number of independent contractors to provide ancillary services, such as book-keeping, research and administrative functions. In many cases these independent contractors are also clients of Tower View. While this could create some conflicts of interest, we believe that since these accounts are managed on an arm's length basis - using the same trading rules, management agreements, investment objectives and model portfolios as our other clients - the conflicts of interest are managed in a way that does not negatively impact our other clients, nor positively affect the independent contractors.

## **H. Owner and Principal of Tower View as Chief Compliance Officer**

This dual role includes supervision of employee actions, monitoring of trading and other client issues and enforcement of Tower View's compliance policies. The circumstance creates a conflict of interest based upon "self-enforcement." To mitigate this conflict, Tower View utilizes the outside services of a compliance consulting firm to evaluate our practices and procedures.

### **Item 12: Brokerage Practices**

#### **A. Research & Soft Dollar Benefits**

Tower View does not maintain any soft-dollar arrangements, whereby we would receive services in exchange for directing brokerage commissions.

Tower View recommends that clients establish brokerage accounts with the Schwab Institutional Division of Charles Schwab & Co., Inc. (Schwab) to maintain custody of clients' assets and to settle trades for their accounts. However, Tower View could recommend its clients utilize other qualified broker/dealers to obtain access to other securities not available through Schwab. Although Tower View commonly recommends its clients establish accounts at Schwab, it is ultimately the client's decision whether to custody assets with them. Tower View is independently owned and operated and thus not affiliated with Schwab.

Schwab provides Tower View with access to its institutional trading and custody services which typically are not available to Schwab retail investors. These services are not contingent upon Tower View committing any specific amount of business with Schwab (i.e. assets in custody or trading commissions) other than Schwab's internally determined minimum sizes for an institutional relationship. Schwab's brokerage services include the execution of security transactions, custody, research, and may include access to mutual funds and other investments that are otherwise typically only available to institutional investors. While it is customary for institutional custodians to provide these sorts of soft benefits to institutional investors such as Tower View, we acknowledge this potential conflict of interest.

For Tower View client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are initially executed through Schwab or that settle into Schwab accounts.

#### **B. Use of Commissions to Gain Clients**

Tower View does not direct any brokerage commissions in exchange for client referrals, nor does the firm request or require that clients direct us to execute transactions through a specified broker-dealer.

#### **C. Directing Trades to Brokers of the Client's Choice**

Clients are permitted to select a custodian other than Schwab to execute their trades. Clients who use different brokers may receive a different a transaction price or commission rate than clients using Charles Schwab, and would not be able to participate in block trades nor necessarily have access to

the same investments. Tower View currently does not have any clients who direct trades to a specific broker-dealer.

#### **D. Trading Practices**

Tower View typically makes adjustments to client portfolios in one of two ways.

1. Maintenance Trades: Certain positions are added to or trimmed, based upon clients depositing or withdrawing money, if position sizes fall outside a targeted range, if client objectives change, or if bonds mature or are sold and require reinvestment, among other reasons. These trades are done on an account by account basis and generally adhere to the model portfolio most appropriate for said relationship.
2. Model Driven/Block Trades: When a change is made to the model portfolio, if the Managing Director believes clients will be best served by the use of a block trade, client trades in the same security will be bunched in a single order (block) in an effort to obtain the same security price for all clients and reduce the time needed to make the change in all client's portfolios who do not otherwise have account specific trading or other restrictions, which may preclude them from participating in certain block trades.

Clients should take note that all who own, or are likely or intending to own, a given security may not always participate in a block trade. In many cases, orders will be entered at different times of day, or on different days, at our discretion, and as a result, clients will receive different prices than if they had been part of a block trade, and these prices may be better or worse.

If a block trade is executed, each participating client receives a price that represents the average of the prices at which all of the transactions in a given block were executed. If the block order is not filled by day-end, Tower View will allocate shares executed to underlying accounts on a pro-rata basis subject to client trading costs; i.e. we are likely to sell the entire position in smaller accounts and partial positions in larger accounts. It is expected that this trade aggregation and allocation policy will be applied consistently. However, Tower View may deviate from this policy at its discretion if market conditions or other factors dictate otherwise. Furthermore, not all clients will participate in block trades or participate to the same extent depending upon tax issues, available cash, account specific parameters and other possible mitigating circumstances.

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

In general, investments in client accounts are reviewed on an ongoing basis by Tower View's Managing Director or his designee with consideration of capital markets and recent economic and market developments. Each individual asset is also continuously monitored using various databases and research sources.

Additionally, the Managing Director periodically reviews each client's account to monitor cash levels, asset allocation and position sizes.

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

Tower View does not pay any compensation to outside sources for referrals, nor do we currently have any solicitation agreements in place.

**Item 15: Custody**

Clients should receive account statements from their broker-dealer, bank, or other qualified custodian. Clients also receive account statements from Tower View which include an excerpt urging them to compare the account statements they receive from the qualified custodian with those they receive from us.

Tower View maintains constructive custody over the client accounts from which we are authorized by the client to deduct management fees. Tower View also maintains constructive custody over certain accounts for which we have access to these clients' custodial accounts to perform services requested by these clients. Accounts over which we are deemed to have custody are subject to an annual surprise audit by an independent accounting firm.

Tower View occasionally assists clients in implementing one-time and/or recurring orders which enable Schwab to transfer funds to the client's bank or issue checks to be sent to the client's address of record or desired payee. Any role played by Tower View is purely administrative in nature and often entails making sure the client's directions are properly carried out by their Custodian. Clients may request a copy of our "Money Movement Rules" policy.

**Item 16: Investment Discretion**

Tower View primarily manages investment portfolios on a discretionary basis. Therefore, Tower View has discretionary authority to determine, without obtaining specific client consent, both which and how many securities are to be purchased or sold.

Clients are able to impose reasonable limitations on this discretion - such as the retention of certain securities - but these limitations must be clearly communicated by the client in writing. As part of our discretionary authority, clients sign a Limited Power of Attorney with Schwab granting Tower View trading and when requested, fee paying authorization. A Tower View Management Agreement is also signed by our clients.

**Item 17: Voting Client Securities**

Tower View does not vote proxies on behalf of its clients. Rather, all proxy materials are sent directly to clients who are then responsible for voting proxies.

**Item 18: Financial Information**

Tower View does not require payment of any fees more than three months in advance, and the firm currently does not have any material concerns related to its financial condition.