

## **Item 1 – Cover Page**

### **FORM ADV PART 2 Brochure**

As of December 31, 2018

### **ALLAN F. CHLASTAWA**

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This brochure provides information about the qualifications and business practices of Allan F. Chlastawa. If you have any questions about the contents of this brochure, please contact us at (518) 286-5000, or by e-mail at: [afc@nycap.rr.com](mailto:afc@nycap.rr.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.

Allan F. Chlastawa is a Registered Investment Adviser. Registration of an investment adviser does not imply any level of skill or training. Additional information about Allan F. Chlastawa also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Material Changes**

If applicable, material changes since the previous release of this brochure will be disclosed and updated at least annually and outlined in this section of the brochure

There are no material changes to report since Advisor's filing of the most recent prior Brochure dated as of: December 31, 2017.

### Item 3 -Table of Contents

Item 1 – Cover Page .....	1
Item 2 – Material Changes .....	1
Item 3 - Table of Contents .....	2
Item 4 – Advisory Business .....	3
Item 5 – Fees and Compensation .....	4
Item 6 – Performance-Based Fees and Side-By-Side Management .....	5
Item 7 – Types of Clients .....	5
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss .....	5
Item 9 – Disciplinary Information .....	5
Item 10 – Other Financial Industry Activities and Affiliations .....	6
Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading .....	6
Item 12 – Brokerage Practices .....	6
Item 13 – Review of Accounts .....	7
Item 14 – Client Referrals and Other Compensation .....	7
Item 15 – Custody .....	7
Item 16 – Investment Discretion .....	8
Item 17 – Voting Client Securities .....	8
Item 18 – Financial Information .....	8
Item 19 – <b>Brochure Supplement</b> - Form ADV Part 2B .....	8

#### **Item 4 – Advisory Business**

Allan F. Chlastawa (hereinafter “Advisor”) is a sole proprietor / owner and has been providing advisory services since 1991. There are no employees other than Allan F. Chlastawa.

Advisor is principally engaged in business as an investment adviser managing investment accounts on a non-discretionary basis. Advisor is a “fee-only” financial planner offering (on an agreed upon basis) a broad range of financial planning services, principally advisory in nature. After ascertaining clients objectives and data gathering, Advisor will analyze such information, research and create strategies to assist clientele in achieving their objectives. General and/or specific recommendations are formulated in light of issues specific to client, taking into account such factors as current and future financial resources and liabilities, suitability, perceived risk tolerance, time lines, and the like, etc.. Recommendations and strategies may be communicated orally and/or via written format and are designed to address pertinent issues including: problems and opportunities for management of financial resources as related to clients financial situation. There is no assurance that clients objectives will be realized or desired results achieved. Advisor does not audit or verify information received from client or other professionals. It is clients responsibility to notify Advisor when there are material changes in client’s financial situation and/or objectives.

Research, analysis, recommendations and strategies may encompass in part, the following areas:

- investment advise, planning and management
- creation of financial statements, on a non-attest basis
- tax planning (income, gift, estate, GST, other)
- employee / fringe benefit planning
- risk exposure assessment and management
- education planning
- retirement planning including business succession planning
- elder care and estate planning (including charitable and special needs)
- general financial and business counseling
- other: as agreed upon

Advisor from time to time will consult with other professional advisors namely; accountants, attorneys, bankers, investment, insurance, retirement plan advisors, brokers and agents, etc. (hereinafter “professionals”) who offer their respective services and products which may supplement Advisors services. As a “fee-only” financial planner; Advisor neither receives financial remuneration from, nor compensates the aforementioned professionals, neither in the form of referral fees, commissions or other compensation.

Additionally, Advisor may engage in other business activities - Advisor is licensed as an attorney and is a certified public accountant. Advisor’s principal business activity is rendering investment advisory services. However, in addition to investment advisory services, Advisor may, from time to time, as requested by client and as mutually agreed upon, render limited legal, accounting services (on a non-public, non-attest basis) or other financial consulting services. Such secondary services account for approximately 10 – 25% of Advisors time. These services are provided only after consideration and disclosure of potential conflicts of interest, and in compliance with federal and state laws. Advisor is separately compensated as mutually agreed and client is under no obligation to engage Advisor to render any of the aforementioned services and does so only at their discretion. Advisor, acting upon clients request, may assist in implementing recommendations on a non-discretionary basis as agreed upon. Such non-discretionary implementation may include limited trading authority exercised by Advisor via limited power-of-attorney authorization acting as client’s agent, communicating trading instructions to an independent broker/custodian. Specifically, all such trading instructions prior to communication to broker/custodian are subject to clients authorization and approval, including client imposed restrictions on investing in certain securities or types of securities. Wrap fee programs and arrangements are not offered as an investment strategy. Client is under no obligation to implement recommendations, nor utilize Advisor to assist with any of the recommended financial strategies proposed. Discretion to select requisite representatives,

advisors, agents or brokers/custodians for the implementation of any recommendation(s) remains with client.

As of December 31, 2018, Advisor managed \$ - 0 - on a discretionary basis and \$ 34,400,000 on a non-discretionary basis.

## **Item 5 – Fees and Compensation**

Fees and other compensation may be based in whole or in part and may include one or more of the following:

1. Investment advisory fees - schedule as follows:

<b>Client Assets</b>	<b>Annual Fee (%) for all assets</b>
On the first \$ 1,000,000	1.00 %
On the next \$ 1,000,000	0.75 %
On all amounts in excess of \$ 2,000,000	0.50 %

Fees are calculated quarterly, based upon the asset value of clients individual account(s) on the last day of each quarter, with appropriate pro-ratio for interim additions or withdrawal of funds (with the exception of de minimis amounts). Fees are billed in arrears, generally either quarterly, semi-annual or annually, depending upon account size and as agreed in advance with clientele.

2. Hourly fees

3. Other compensation, payable in arrears, may be negotiated and mutually agreed upon and determined by the anticipated and/or actual extent of such services, special assignments, consultations or advice to be rendered and the estimated time and complexity involved. Estimates may be provided and it is understood that unknown variables and unanticipated circumstances may arise throughout an engagement necessitating compensation and assignment scope adjustments. Estimates are not guaranteed.

All fees and compensation are subject to negotiation. Clients may elect to be invoiced directly for fees incurred or to authorize in advance, Advisors custodian to directly debit fees from designated client investment/brokerage account(s). Upon termination of services, any earned, unpaid fees will be due and payable. The client has the right to terminate any service or agreement without penalty at any time. There is no assurance that clients objectives will be realized or desired results achieved.

Advisors fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer, electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to Advisors fee. As a "fee-only" financial planner, Advisors compensation is derived solely from fees paid by clients; no commissions or other financial remuneration is accepted from custodians, brokers, third party investment and other third parties, mutual funds or exchange traded funds.

Item 12 below further describes factors that are considered in selecting or recommending broker-dealers/ custodians for client transactions and determining the reasonableness of compensation (e.g. commissions).

## **Item 6 – Performance-Based Fees and Side-By-Side Management**

Advisor does not charge any performance-based fees (i.e. fees based on a share of capital gains on or capital appreciation of assets). When investment advisory fees ( % ) are based upon the asset value of clients individual account(s), Advisors fee will participate and increase commensurate with the growth of clients investment assets under management and correspondingly, the fee will decrease when a clients portfolio declines in value.

## **Item 7 – Types of Clients**

Advisor generally provides investment advice to individuals, families, trusts, estates, businesses, pension and profit sharing plans and non-profit organizations. Client relationships and engagements vary in scope, services rendered and compensation received. Advisor does not impose minimum fee or account balance requirements for opening or maintaining an account(s).

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

The general method of securities analysis - employed by Advisor and primary importance is: fundamental analysis. Additionally, in developing investment strategies and formulating recommendations, including investment risk analysis; Advisor considers historical track records, micro/macro economic factors, demographic, social and political trends, government and private forecasts and analysis of tax and legal environment. Various financial information sources, data services and publications are utilized and interpreted for fundamental, technical and analytical data. Principal sources of information include print and electronic media, financial newspapers, periodicals; annual/semi-annual/quarterly shareholder reports, prospectuses, statements of additional information and other mandated filings with the Securities and Exchange Commission may be reviewed. Company specific press releases, education and marketing materials are often utilized as well as research and review of both general economic and industry/company specific materials are analyzed. Advisor attends various off-site and web-cast financial planning and investment lectures, conferences and symposiums. Advisor may participate in portfolio manager conference calls, web-casts and the like. Advisor also considers other third-party investment and financial planning professionals advice, opinion and counsel, including third-party prepared research materials.

Advisor's principal investment strategy - is broad based integrated asset allocation incorporating economic expectations with individual client risk tolerances. Global diversification is principally employed to help achieve client investment objectives. After personal interviews with clientele and subsequent analysis of information, Advisor principally recommends, but is not limited to, long-term investment and financial planning strategies incorporating asset allocation principally with the purchase and/or sale of "no-load" mutual funds and other securities (e.g. exchange traded funds, stocks, bonds, and the like, etc.) may be utilized from time to time.

Risk of loss - is ever present and on-going. Investing in securities involves risk of loss that clients should be prepared to bear. There are a multitude of ever present investment risks associated with securities investing including; general economic risks and industry/company specific risks, political, tax, legal risks and others. It is possible to lose money based upon strategies and recommendations proffered by Advisor.

## **Item 9 – Disciplinary Information**

Disclosure of material legal or disciplinary events – Advisor, Allan F. Chlastawa, has not been involved in any legal or disciplinary events or actions related to past or present activities. There have been no criminal, civil or financial regulatory proceedings.

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

Advisor does not participate in other financial industry activities – including; registration as a brokerdealer, registered representative or futures/commodities trader or advisor. As detailed in Item 4 above, with respect to affiliations - Advisor from time to time will consult with other professional advisors and, Advisor may engage in other business activities; Advisor, Allan F. Chlastawa, is licensed as an attorney and is a certified public accountant. Attention is directed to Item 4 above detailing affiliations, conflicts of interest and compensation. Client is under no obligation to engage Advisor to render any of the aforementioned services and does so only at their discretion.

## **Item 11 – Code of Ethics , Participation in Client Transactions and Personal Trading**

Advisor has adopted a Code of Ethics - based in part, upon the Code of Ethics as promulgated by the Certified Financial Planner Board of Standards, Inc.. Advisor is committed to a Code of Ethics and fiduciary conduct as outlined in the following general principals where Advisor shall seek to:

- place the interests of clients first at all times
- provide professional services with integrity, independence, objectivity and diligence
- maintain the knowledge and skill necessary to provide profession service competently
- be fair, honest and reasonable in all professional relationships
- disclose all conflicts of interest
- protect the confidentiality of all client information
- act in a manner that demonstrates exemplary professional conduct
- conduct all transactions in good faith and in a manner consistent with the Code of Ethics

Participation in client transactions and personal trading - Advisor and family members may from time to time, buy, sell and maintain similar investment positions in their personal accounts to that as may be recommended to clientele. Because of Advisors principal (but not exclusive) use of no-load mutual fund shares, there is no anticipated adverse price impact to transactions and no material financial interest or effect. Notwithstanding the foregoing, Advisor has adopted various internal controls to assure compliance with all applicable federal and state laws, and regulations including monitoring and supervisory procedures with respect to insider trading execution, compliance and conflict of interest resolutions. In all investment advisory activities, Advisor will not prefer Advisors or family interests to that of advisory clientele.

## **Item 12 – Brokerage Practices**

Advisor principally recommends Charles Schwab & Co., Inc. / Schwab Advisor Services™ (Schwab) as a qualified custodian and registered broker-dealer. Client retains discretion to decide whether to enter into a custodial and trading relationship with Schwab by directly entering into an account agreement and transferring funds to them. Compensation to Schwab is consistent with industry standards and may be paid directly or indirectly by clients in the form of trading commissions, flat fees and/or percentage of specific assets. Advisor is not affiliated with Schwab and receives no direct financial remuneration from Schwab. Factors considered by Advisor in recommending specific custodian/broker to hold assets and execute transactions are as follows:

- competitive pricing of products and services
- reputation, quality of service, financial strength and stability
- breadth of available investment products and services
- combination and interplay of asset custody and transaction execution
- capability to execute and settle trades and facilitate funds transfers
- financial reporting capabilities
- breadth of financial research services, tools and education for Advisor
- historical relationship with Advisor and clients

With respect to financial research and availability of various financial tools and education as provided by Schwab to Advisor, sometimes known as "soft-dollar benefits", receipt of same is acknowledged. In addition to custody and trading execution, Schwab provides various soft-dollar benefits. Such benefits are provided proportionately to all and are effectively allocated and amortized across entire client base of Advisor without specific imposition of commissions, fees, mark-ups or other charges to individual clients for receipt of such soft-dollar benefits. Schwab pricing is consistent and non-discriminatory across entire client base of Advisor. There are no adverse cost factors or conflicts of interest with respect to receipt of soft-dollar benefits vis-à-vis individual client accounts or transactions. Consistent with Advisors Code of Ethics (reference item 11 above) the interests of clients are placed first at all times.

Advisor does not participate in directed brokerage arrangements. Client retains discretion to decide whether to enter into a custodial and trading relationship with Schwab or any other custodian/broker.

From time to time, on a specific account(s) basis, Advisor may aggregate the purchase and/or sale of securities for various client accounts. Such aggregation may be referred to as block trading and typically will result in the same day, same price trading allocable to each affected client..

### **Item 13 – Review of Accounts**

Review of accounts, monitoring and updating is provided by Advisor on a non-periodic and non-continuous basis. While such review may be frequent for certain clients, for others it may be infrequent. Services rendered are generally performed on a non-scheduled, as needed basis, as agreed to by client and Advisor. Reviews may be occasioned by changes in overall market conditions, changes in tax laws, investment considerations, availability of new financial information or when a clients objectives change or simply, at clients request. Advisor makes no claim or guarantee as to the extent, frequency or nature of the review.

Investment activity and account balances are provided directly from the custodian in written format on a monthly basis and daily for clients exercising electronic access. Additionally, various written reports, memorandum and other communications may be provided to clientele by Advisor including, but not limited to; client specific asset allocation positioning, historical performance data, and reviews, recommendations and strategies addressing many of the areas as outlined in Item 4 above, e.g. investment advise, planning and management, creation of financial statements (on a non-attest basis), tax planning and the like, etc.. Additionally, quarterly or more frequent general investment/economic commentary and opinion may be provided by Advisor.

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

Advisor does not engage in any advertising. Client referrals are received from clients and other professionals. Advisor does not pay for receipt of such referrals. Advisor provides client referrals to other professionals and does engage in fee sharing or receipt of other compensation for providing such referrals. Reference also Item 4 above.

### **Item 15 – Custody**

As referenced in item 12 above, Schwab as qualified custodian maintains actual custody of assets and clients receive monthly or quarterly account statements directly from Schwab. Such statements should be carefully reviewed. Advisor urges clients to compare official custodial records to any Advisor prepared documents. Schwab does not verify the accuracy of Advisor prepared documents. Client should understand any discrepancies or variances and request explanation at any time. In addition, Advisor is deemed to have regulatory custody based in part, upon written client authorization; to debit fees from designated investment account(s) (reference item 5 above) as well as facilitating requested fund transfers both amongst and between client accounts at Schwab and with outside third-parties (client authorized).

## Item 16 – Investment Discretion

Advisor does not engage in discretionary authority to manage securities accounts. Advisor, acting upon client's request, may assist in implementing recommendations on a non-discretionary basis as agreed upon. Advisor consults with client and obtains specific authority prior to trading execution. Reference also, item 4 above.

## Item 17 – Voting Client Securities

Advisor will accept authority to vote client securities. But, will typically abstain or not exercise voting rights. Given in part, the relatively small size of total client assets held principally in publicly traded mutual fund shares, the voting block available is deemed inconsequential and not material for most matters under consideration. Clients may consult and direct Advisors vote on any matter. While the general policy is to abstain or not exercise voting rights; from time-to-time, on a case specific basis, Advisor may recommend voting proxies. Such recommendation and action will be designed to maximize shareholder value. Given that client assets are principally held in publicly traded mutual fund shares, conflicts of interest with respect to voting issues are expected to be minimal. In the unlikely event a conflict arises, Advisor will consult with client and obtain consent prior to voting. Clients may obtain from Advisor information regarding any proxy votes related to their accounts. A copy of the above proxy voting policies (e.g. typically no voting, clients may direct voting, case specific analysis, etc.), is available upon request.

## Item 18 – Financial Information

Advisor does not require or accept pre-payment of fees in advance. Advisor has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding. There are no adverse financial disclosures.

## Item 19 – Brochure Supplement - Form ADV Part 2B

Advisor, Allan F. Chlastawa as sole proprietor; pursuant to regulations elects to provide **Form ADV, Part 2B, Brochure Supplement** information, within this Item 19, and elsewhere above, within this Form ADV Part 2A brochure.

Advisor, Allan F. Chlastawa, is the sole employee, principal officer and management person and is responsible for monitoring, supervision and oversight of all activities.

**Allan F. Chlastawa**, date of birth: 11/28/1957

### Educational Background:

- Providence College, BA Economics (National Economics Honor Society), 1979
- Babson College, MBA concentration Finance, 1983
- Bentley University, MS Taxation, 1987
- Western New England University School of Law, JD, 1996

### Business Experience / Other:

- Allan F. Chlastawa, operating as a sole proprietor, has been a fee-only financial planner / investment adviser since 1991
- CFP® certificant, Certified Financial Planner Board Of Standards Inc., 1983
- CPA, (non-practicing) New York State Education Department, 1992
- Attorney, licensed: Commonwealth of Massachusetts, 1997 / State of New York, 1998
- Other Business Activities: reference Items: 4 and 10 above

### Disciplinary Information:

- Legal or disciplinary events – None