

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

Dynamic Trading Management, LLC.  
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March 20, 2019

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.

# PART 2A

## Item 2: Material Changes

This firm brochure dated March 20, 2019 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.

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

Dynamic Trading Management LLC believes that communication and transparency are the foundation of our relationship, and we continually strive to provide our clients with complete and accurate information. We encourage all current and prospective clients to read this Firm Brochure and discuss any questions you may have with us. And of course, we always welcome your feedback.

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

## Future Changes

From time to time, we may amend this Firm Brochure to reflect changes in our business practices, changes in regulations and routine annual updates as required by the securities regulators. This complete Firm Brochure or a Summary of Material Changes will be provided to each client annually and upon any material change in our business practices.

At any time, you may view the current Firm Brochure online at the SEC's Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

To review the firm information for Dynamic Trading Management:

Click **Investment Adviser Search** in the left navigation menu.

Select the option for **Investment Adviser Firm** and enter **142638** (our firm's CRD number) in the field labeled "Firm IARD/CRD Number". This will provide access to Form ADV Part 1 and Part 2. Item 11 of the ADV Part 1 lists legal and disciplinary questions regarding the advisor. In the left navigation menu, Form ADV Part 2 is located near the bottom.

You may also request a copy of this Firm Brochure at any time by contacting us at 914.220.9404 or by email at [timb@dynamictradingmgt.com](mailto:timb@dynamictradingmgt.com)

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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, 2018, the firm managed assets on a discretionary basis in the amount of \$26,358,951. This represented 133 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 in advance of services. 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 preceding 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.

Fees are prorated for significant deposits and withdrawals or where services are initiated at any time other than the beginning of a calendar quarter.

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.

### **Collection of Fees and Termination of Services**

Payment of investment advisory fees is typically made through a debit directly to the client's account by the qualified custodian holding the client's funds.

Investment management services are ongoing but clients can terminate the Investment Management Agreement at any time with written notice. In such cases, we will promptly return a pro-rata refund of any unearned advisory fees.

## **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.

### **Risk of Loss**

All investment programs have certain risks that are borne by the investor, including the possible loss of principal. Our investment approach constantly keeps the risk of loss in mind. Nonetheless, investors face a number of investment risks including the following:

- ✦ **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances.
- ✦ **Interest Rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate.
- ✦ **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- ✦ **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- ✦ **Reinvestment Risk:** This is the risk that future proceeds from investments – primarily fixed income securities – may have to be reinvested at a potentially lower rate of return (i.e. interest rate).
- ✦ **Business Risk:** These risks are associated with a particular industry or a particular company within an industry.
- ✦ **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product.

## **ITEM 9: Disciplinary Information**

No complaints have been filed.

Neither Dynamic Trading Management LLC nor its employees have been involved in any legal or disciplinary events related to past or present clients.

## **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**

As an investment adviser, Dynamic Trading Management, LLC ("Dynamic") stands in a position of trust and confidence with respect to our clients. Accordingly, we have a fiduciary duty to place the interests of our clients before the interests of Dynamic and our employees. In order to assist Dynamic and our employees in meeting our obligations as a fiduciary, Dynamic has adopted this Code of Ethics (the "*Code*"). The Code incorporates the following general principles which all employees are expected to uphold:

We must at all times place the interests of our clients first.

All personal securities transactions must be conducted in a manner consistent with the Code and avoid any actual or potential conflicts of interest or any abuse of an employee's position of trust and responsibility. This includes but is not limited to use of Material Non-Public Information, trading in front or against client orders, and using confidential firm research before clients.

Employees must not take any inappropriate advantage of their positions at the Firm. This includes the receipt of excessive gifts and entertainment as well as outside business activities that might be in conflict with Dynamic client interest.

Information concerning the identity of securities and financial circumstances of our clients and their investors must be kept confidential.

Independence in the investment decision-making process must be maintained at all times.

Dynamic believes that these general principles not only help us fulfill our fiduciary obligations, but also protect the Firm's reputation and instill in our employees the Firm's commitment to honesty, integrity and professionalism. Employees should understand that these general principles apply to all conduct, whether or not the conduct also is covered by more specific standards or procedures set forth below. Failure to comply with the Code may result in disciplinary action, including termination of employment.

A copy of the complete Code will be furnished to clients and prospects upon request.

## **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. Dynamic has a fiduciary duty to seek best execution for trades in its Client accounts. Dynamic selects brokers or counterparties to execute transaction in a manner that is consistent with the best interests of its Clients and to employ a trading process that attempts to maximize the value of Dynamic's portfolios. Best execution means that the net proceeds to a client are the most favorable under the circumstances. Best execution does not mean that the client always must obtain the lowest possible commission cost. It is Dynamics policy to not discriminate amongst client accounts. The majority of orders are pre-allocated to client accounts prior to execution with average pricing being used whenever possible.

### **Aggregation of Orders**

Dynamic will, when appropriate, aggregate Client orders for the purchase or sale of securities. On occasion, Dynamic may not aggregate Client orders as particular circumstances may exist which preclude aggregation in order to comply with the Adviser's fiduciary duty and duty to seek best execution.

The Adviser will generally follow the guidelines set forth below in aggregating Client orders:

No Client will be favored over any other Client;

Aggregation and allocation will be pre-determined and documented prior to the execution of the order;

Each Client that participates in an aggregated order will participate at the same average share price per share for all of the Adviser's transactions in that security on a given business day [or such shorter period, as applicable] or as specified in these procedures and transaction costs will be shared pro rata based on each Client's participation in the transaction; if the aggregated order is partially filled, it will be allocated among Clients pro rata;

### **Trade Errors**

A trade error that results in a gain to the Client will remain in the Client Account. Trade errors that are due to a good faith mistake by a member or employee of the Adviser and result in a loss to the Client will be charged to the Adviser. Trade errors that are due to gross negligence or willful default by a member or employee of the Adviser and result in a loss to the Client will be indemnified by the Adviser.



### **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.

Additional reviews may be conducted based on various factors, including account contributions and withdrawals, year-end tax planning, material market events, or at the request of the client. Clients receive monthly or quarterly statements from the account custodian. We also prepare periodic reports for clients showing the performance of 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.

# BROCHURE SUPPLEMENT - PART 2B

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

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

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

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

September 1990-December 1998: Registered Representative, Pension Consultant  
Confidential Planning Corp  
Nathan and Lewis Securities  
141 South Central Park Ave.  
Hartsdale NY 10530

August 1989-July 1990  
University of California Santa Barbara  
Teaching Assistant  
PH. D Candidate Inorganic Chemistry  
Sept 1985-May 1989  
SUNY Oneonta  
BS Chemistry  
BS Business and Economics  
Teaching Assistant  
Superconductor Research Project

# PRIVACY POLICY

**Effective Date:** March 29, 2017

## **Our Commitment to You**

Dynamic Trading Management, LLC ("DTM") is committed to safeguarding the use of your personal information that we have as your investment advisor. DTM (also referred to as "we", "our" and "us" throughout this notice) 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. Our relationship with you is our most important asset. We understand that you have entrusted us with your private information, and we do everything we can to maintain that trust.

DTM does not sell your non-public personal information to anyone. Nor do we provide such information to others except for discrete and proper 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 Privacy Policy.

## **Why you need to know?**

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

## **What information do we collect from you?**

Social security 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 sources do we collect information from in addition to you?**

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 we share your information?**

RIAs do need to share personal information regarding its clients to effectively implement the RIA's services. In the section below, we list some reasons we may share your personal information.

## **Basis for sharing Sharing Limitations**

### **Servicing our Clients**

We may share non-public personal information with non-affiliated third parties (such as brokers, custodians, regulators, credit agencies, other financial institutions) as necessary for us to provide agreed 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, etc.

DTM may share this information. Clients cannot limit DTM's ability to share.

### **Administrators**

We may disclose your non-public personal information to companies we hire to help administrate our business. Companies we hire to provide services of this kind are not allowed to use your personal information for their own purposes and are contractually obligated to maintain strict confidentiality. We limit their use of your personal information to the performance of the specific service we have requested may share this information. Clients cannot limit DTM's ability to share.

### **Marketing Purposes**

DTM 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 DTM or the client has a formal agreement with the financial institution. **We will only share information for purposes of servicing your accounts, not for marketing purposes.**

DTM does not share personal information. Clients cannot limit DTM's ability to share.

### **Authorized Users**

In addition, your non-public personal information may also be disclosed to you and persons we believe to be your authorized agent or representative. DTM does share personal information. Clients can limit DTM's ability to share.

### **Information About Former Clients**

DTM does not disclose, and does not intend to disclose, non-public personal information to nonaffiliated third parties with respect to persons who are no longer our clients.

DTM does not share personal information regarding former clients. Clients can limit DTM's ability to share.

### **How do we protect your information?**

To safeguard your personal information from unauthorized access and use, we maintain physical, procedural and electronic safeguards. These include computer safeguards such as passwords, secured files and buildings.

Our employees are advised about DTM's need to respect the confidentiality of each client's non-public personal information. We train our employees on their responsibilities.

We require third parties that assist in providing our services to you to protect the personal information they receive. This includes contractual language in our third party agreements.

### **Changes to our Privacy Policy**

We will send you notice of our Privacy Policy annually for as long as you maintain an ongoing relationship with us.

Periodically we may revise our Privacy 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.

**Questions:** You may ask questions or voice any concerns, as well as obtain a copy of our current Privacy Policy by contacting us at 914-220-9402 or by email at [timb@dynamictradingmgt.com](mailto:timb@dynamictradingmgt.com).