

**Item 1 Cover Page for ADV Part 2A Brochure**

**COLLINS CAPITAL MANAGEMENT**

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SEC #801-22945  
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**This brochure provides information about the qualifications and business practices of Collins Capital Management. If you have any questions about the contents of this brochure, please contact us at (845) 677-3916. 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 Collins Capital Management also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Item 2 Material Changes**

The only changes made to this brochure since the filing of the last annual updating amendment are to update the firm's discretionary and non-discretionary assets under management in Item 5.

The material changes discussed above are only those changes that have been made to this brochure since the firm's last annual update of the brochure. The date of the last annual update of the brochure was: February 08, 2018.

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#### Brochure

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

##### **A. Describe your advisory firm, including how long it has been in business. Identify your principal owner(s).**

Collins Capital Management is an investment advisor firm established to provide investment advice to a limited number of clients. The firm was established in 1985 and registered with the Securities and Exchange Commission. The Principal Owner of the firm is Farnham Fisher Collins, Sole Proprietor.

##### **B. Describe the types of advisory services the firm offers.**

Collins Capital Management is an investment firm established to provide investment advice to a limited number of clients. Close personal attention is paid to the individual requirements of each client including income needs, capital appreciation goals and tax status. Carefully studied securities reports, the financial press and media, company reports, and on-line research form the basis for investment selection. Equities are the primary vehicle but fixed income securities including municipal bonds and mutual funds and private equity funds are recommended when appropriate to meeting a client's objectives. Collins Capital Management takes an investment perspective rather than a trading perspective. Generally, investments will be purchased with the expectation of their being retained for the longer term.

In choosing common stock investments, the following criteria are carefully weighed:

1. A strong balance sheet, defined as equity representing at least 70% of total capitalization.
2. A high return on capital, defined as 15% or better.
3. Earnings growth over the 3, 5 and 10 year periods. Net earnings historically should have doubled every 8-10 years and evaluation should indicate similar earnings potential in the years ahead.
4. Dividend growth over the 3, 5 and 10 year periods. The dividend historically should have doubled every 8-10 years and evaluation should indicate the earnings potential and a management policy to maintain similar dividend growth in the years ahead.
5. Consistent retained earnings used for reinvestment and/or acquisitions.
6. With smaller companies, a significant insider position i.e. management and other insiders own 10% or more of the common stock, and a large or even dominant market share for the principal product lines.
7. Recognized corporate strength and standing in the investment community. This may be generally defined as a rating of A- or better by Standard & Poor's Corp. and a rating of 1 or 2 for both timeliness and financial strength by Value Line.

Collins Capital Management will accept both discretionary accounts and advisory accounts.

Collins Capital Management will not provide securities custodial or other administrative services. At no time will Collins Capital Management accept or maintain custody of a client's funds or securities.

**C.** Collins Capital Management will tailor its advisory services to its client's individual needs based on meetings and conversations with the client. If clients wish to impose certain restrictions on investing in certain securities or types of securities, the Advisor will address those restrictions with the client to have a clear understanding of the client's requirements.

**D.** Collins Capital Management does not provide portfolio management services to wrap fee programs.

**E.** The Advisor manages client assets and as of December 31, 2018 has the following assets under management:

Discretionary assets:	\$74,321,436
Non-discretionary assets:	\$0

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

**A. & B.** Pursuant to an engagement letter signed by each client, the client will pay Collins Capital Management a quarterly management fee, payable in arrears, based on the value of the account on the last business day of the preceding quarter. The fee schedule is as follows:

5/10 of 1% on the first	\$3,000,000	.125% quarterly
3/10 of 1% on the next	\$3,000,000	.075% quarterly

These fees may be negotiated by Collins Capital Management under unusual circumstances, at the sole discretion of the Advisor. Asset management fees may be automatically deducted from the client account on a quarterly basis by the qualified custodian. The client will give written authorization permitting Collins Capital Management to be paid directly from their account held by the custodian. The custodian will send a quarterly statement to the client. These clients will also receive a bill outlining the management fee. Some client accounts are billed directly to the client, who will then pay the fee themselves.

**C.** The Client is responsible for all custodial and securities execution fees charged by the custodian and executing broker-dealer. Collins Capital Management fee is separate and distinct from the custodian and execution fees.

**D.** As previously stated, Collins Capital Management charges its management fee in arrears.

E. Collins Capital Management or its supervised person do not accept compensation for the sale of securities or other investment products which may include asset-based sales charges or services fee from the sale of mutual funds.

#### **Item 6 Performance-Based Fees and Side-by-Side Management**

Collins Capital Management does not charge performance-based fees.

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

Collins Capital Management offers its services to a limited number of individuals, trusts, estates, or charitable organizations.

Collins Capital Management's cumulative minimum account requirement for opening and maintaining an account is \$500,000. However, based on facts and circumstances the Advisor may, at its sole discretion, accept accounts with a lower value.

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

A. Collins Capital Management may utilize fundamental analysis techniques in formulating investment advice or managing assets for clients.

Fundamental analysis of businesses involves analyzing its financial statements and health, its management and competitive advantages and its competitors and markets. Fundamental analysis is performed on historical and present data but with the goal of making financial forecasts. There are several possible objectives; to conduct a company stock valuation and predict its probable price evolution; to make a projection on its business performance; to evaluate its management and make internal business decisions and to calculate its credit risk.

The investment strategies Collins Capital Management will implement may include long term purchases of securities held at least for one year or more and short term purchases for securities sold within a year.

*Clients need to be aware that investing in securities involves risk of loss that clients need to be prepared to bear.*

#### **B. For each significant investment strategy or method of analysis the firm uses, explain the material risks involved.**

The methods of analysis and investment strategies followed by Collins Capital Management are utilized across all of the Advisors clients, as applicable. One method of analysis or investment strategy is not more significant than the other as the Advisor is considering the client's portfolio, risk tolerance, time horizon and individual goals. However, the client should be aware that with any trading that occurs in the client account, the client will incur transaction and administrative costs.

C. Collins Capital Management does not primarily recommend a particular type of security. The Advisor will review the client's individual circumstances and make the most appropriate

recommendation based upon the information provided by the client. Clients should be aware that investing in securities involves risk of loss that the client needs to be prepared to bear.

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

Clients should be aware Collins Capital Management or its management person have not had any legal or disciplinary events, currently or in the past.

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

**A.** Collins Capital Management or its management person are not registered or have an application pending to register as a broker-dealer or registered representative of a broker-dealer.

**B.** Collins Capital Management or its management person are not registered or have an application pending to register as a futures commission merchant, commodity pool operator, a commodity trading advisor or associated person of any of the foregoing entities.

**C.** Collins Capital Management does not currently have any relationships or arrangements that are material to its advisory business or clients with either a broker-dealer, municipal securities dealer, or government securities dealer or broker, investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund” and offshore fund, other investment advisor or financial planner, futures commission merchant, commodity pool operator, or commodity trading advisor, banking or thrift institution, accountant or accounting firm, lawyer or law firm, insurance company or agency, pension consultant, real estate broker or dealer or sponsor of syndicator of limited partnerships.

**D.** Collins Capital Management does not recommend or select other investment advisers for clients.

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

**A.** Collins Capital Management is registering with the SEC and maintains a Code of Ethics pursuant to SEC rule 204A-1. The Advisor has adopted a Code of Ethics that sets forth the basic policies of ethical conduct for all managers, officers, and employees of the adviser. In addition, the Code of Ethics governs personal trading by each employee of the Advisor deemed to be an Access Person and is intended to ensure that securities transactions effected by Access Persons of the Advisor are conducted in a manner that avoids any conflict of interest between such persons and clients of the adviser or its affiliates. The Advisor collects and maintains records of securities holdings and securities transactions effected by Access Persons. These records are reviewed to identify and resolve conflicts of interest. Collins Capital Management maintains a code of ethics and they will provide a copy to any client or prospective client upon request.

**B.** Collins Capital Management or its management person do not buy or sell for client accounts securities in which the firm or its management person has a material financial interest.

C. Collins Capital Management and/or its investment advisory representative may from time to time purchase or sell products that they may recommend to clients. The Advisor and/or its investment advisory representative have a fiduciary duty to put the interests of their clients ahead of their own. The Advisor requires that its investment advisory representative follow its basic policies and ethical standards as set forth in its Code of Ethics. The Advisor has adopted a Code of Ethics that sets forth the basic policies of ethical conduct for all managers, officers, and employees of the adviser. In addition, the Code of Ethics governs personal trading by each employee of the Advisor deemed to be an Access Person and is intended to ensure that securities transactions effected by Access Persons of the Advisor are conducted in a manner that avoids any conflict of interest between such persons and clients of the adviser or its affiliates. The Advisor collects and maintains records of securities holdings and securities transactions effected by Access Persons. These records are reviewed to identify and resolve conflicts of interest. The Advisor's Code of Ethics is available upon request.

D. If Collins Capital Management or its management person recommend securities to clients or buys or sells securities for client accounts at or about the same time the firm or management person buys or sells the same securities for their own account, the Advisor has established a Code of Ethics, as discussed above, to address any potential conflicts of interest.

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

**A. Describe the factors the firm considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g. commissions).**

Collins Capital Management does not select or recommend broker-dealers for client transactions. All client transactions are effected at the custodian who holds the client's account. However, if a client does request a recommendation, Collins Capital Management may suggest brokers or dealers to be used based on execution and custodial services offered, cost, quality of service and industry reputation. Collins Capital Management will consider factors such as commission price, speed and quality of execution, client management tools, and convenience of access for both the Advisor and client in making its suggestion.

##### **1.a.-f. Research and Other Soft Dollar Benefits.**

Collins Capital Management does not receive research or other products or services other than execution from a broker-dealer or third party as a result of client securities transactions.

##### **2. Brokerage for Client Referrals.**

Collins Capital Management does not receive client referrals from any broker-dealer or third party as a result of the firm selecting or recommending that broker-dealer to clients.

##### **3.a. Directed Brokerage.**

As previously stated, Collins Capital Management does not recommend, request or require that a client direct it to execute transactions through a specified broker-dealer.

##### **3.b If the firm permits a client to direct brokerage, describe your practice.**



Collins Capital Management does not have an established broker-dealer relationship. The Advisor allows clients to direct brokerage for their account as they may choose. Most clients do not direct brokerage therefore transactions are made through the custodian of the client account.

**B.** Collins Capital Management's practice is to analyze and trade client accounts individually therefore there is no opportunity to initiate trades for multiple accounts at the same time. The practice of aggregation is not applicable.

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

**A. & B.** Farnham F. Collins, Sole Proprietor is the only reviewer of client accounts. The Advisor reviews accounts at least monthly. Any major change in the standing, earnings, dividend, stock price, competitive position or general prospects of a company held in an account will trigger an immediate review. All accounts are reviewed with regard to: the overall economy, the status of the individual companies represented in the account, and the clients' present and future needs.

**C.** The client will receive written statements no less than quarterly from the custodian. In addition, the client will receive quarterly summaries and appraisals of their account from Collins Capital Management. The client may also receive other supporting reports from custodians, broker-dealers and others who are involved with the client's account(s).

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

**A.** Collins Capital Management does not currently have any arrangements where someone who is not a client provides an economic benefit to the firm for providing investment advice or other advisory services to clients.

**B.** Collins Capital Management does not currently compensate any person for client referrals.

### **Item 15 Custody**

Collins Capital Management does not have custody of client funds or securities. However, in accordance with applicable custody rules, the client will receive written statements no less than quarterly from the custodian. The Advisor encourages clients to carefully review their account statements for any inaccuracies. Any discrepancies should be immediately brought to Collins Capital Management's attention.

Collins Capital Management will also provide quarterly summaries and appraisals to clients. Clients are urged to compare the account statement they receive from the qualified custodian with the information they receive from Collins Capital Management. Any discrepancies should be immediately brought to the firm's attention.

### **Item 16 Investment Discretion**

Collins Capital Management generally has discretion over the selection and amount of securities to be bought or sold in client accounts without obtaining prior consent or approval from the

client for each transaction. However, these purchases or sales may be subject to specified investment objectives, guidelines, or limitations previously set forth by the client and agreed to by Collins Capital Management.

Discretionary authority will only be provided upon full disclosure to the client. The granting of such authority will be evidenced by the client's execution of an Engagement Letter containing all applicable limitations to such authority. All discretionary trades made by Collins Capital Management will be in accordance with each client's investment objectives and goals. Collins Capital Management routinely discusses any trade with its client prior to making that trade.

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

**A. & B.** Collins Capital Management does not vote, nor advise clients how to vote, proxies for securities held in client accounts. The client clearly keeps the authority and responsibility for the voting of these proxies. Also, Collins Capital Management cannot give any advice or take any action with respect to the voting of these proxies. The client and Collins Capital Management agree to this by contract. Clients will receive proxy solicitations from their custodian and/or transfer agent.

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

**A.** Collins Capital Management does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.

**B.** Collins Capital Management has discretionary authority over most client accounts and is not aware of any financial condition that will likely impair its ability to meet contractual commitments to clients. If Collins Capital Management does become aware of any such financial condition, this brochure will be updated and clients will be notified.

**C.** Collins Capital Management has never been the subject of a bankruptcy petition.

#### **Item 19 Requirements for State-Registered Advisers**

Collins Capital Management is registered with the Securities and Exchange Commission (SEC) and therefore not subject to this Item relating to State-Registered Advisers.