

Form ADV Part 3: Relationship Summary

Inverlochy Capital, Inc.

Introduction

Inverlochy Capital, Inc. ("Inverlochy Capital, Inc." or "we") is an investment adviser registered with the U.S. Securities and Exchange Commission. We offer our clients investment advisory services. Clients should understand that the services we provide and fees we charge are different than those of a broker-dealer, and that it is important to understand the difference between the two. Free and simple tools are available to research firms and financial professional at <https://www.investor.gov/CRS>, which also provides educational materials about investment advisers, broker-dealers and investing.

What Investment Services and Advice Can You Provide Me?

Description of Services: Inverlochy Capital, Inc. offers investment advisory services to retail investors. Asset Management Services: We provides asset management services which involves us managing and trading your designated account(s). We will discuss your investment goals and design a strategy to try and achieve your investment goals. We will continuously monitor your account when providing asset management services and contact you at least annually to discuss your portfolio. For more information, please see **Item 4** of our **Form ADV Part 2A**. When engaging us for asset management services, you can choose whether you'd like us to provide services on a **discretionary** basis (we will have the authority to determine the type and amount of securities to be bought or sold in your account) or a **non-discretionary** basis (we will have to confirm any trades in your account with you before we place them). For more information about investment authority, please see **Item 16** of our **Form ADV Part 2A**. Financial Planning Services: We also provide financial planning services. Financial planning services involve us creating a written financial plan for you which covers mutually agreed upon topics. Retirement Plan Participant Advice: If your retirement plan utilizes our Retirement Plan Participant Advice Service, we are available at your request to provide one-on-one advice to you as a retirement plan participant regarding your investment options under the plan. Please see **Item 4** of our **Form ADV Part 2A**.

Limited Investment Offerings: We do not primarily recommend one type of security to clients. Instead, we recommend investment portfolios designed to be suitable for each client relative to that client's specific circumstances and needs. However, we are limited in investment selection in that we can only invest your account in securities which are available on your custodian/broker-dealer's platform. When providing you services, we do not recommend or offer advice on any proprietary products.

Account & Fee Minimums: We require a minimum of \$250,000 in order to open an account managed by us. To reach this account minimum, you can aggregate all household accounts.

Conversation Starters: *Given my financial situation, should I choose an investment advisory service? Why or why not? How will you choose investments to recommend to me? What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?*

What Fees Will I Pay?

Description of Principal Fees & Costs: Asset Management Services are charged based on a percentage of assets under management, billed in arrears on a quarterly calendar basis, and calculated based on the fair market value of your account as of the last business day of the current billing period. The annual fee for asset management services will be 1.50%. Because our fee is based upon the value of your account we have an incentive to recommend that you increase the level of assets in your account. When engaging us for asset management services, you will also incur other fees and expenses. The broker-dealer/custodian on your account will charge you transaction fees for executing trades in your account. You will also be charged internal fees and expenses by the funds we invest in within your account. Financial Planning Services are provided under an hourly fee arrangement. An hourly fee of \$250 per hour is charged by us for financial planning services under this arrangement. Any unpaid hourly fees are due immediately upon completion and delivery of the financial plan. The fees for the financial planning services may be waived by us at our sole discretion. Any

fees we charge for financial planning services will not cover the costs associated with implementing any recommendations we may make. Retirement Plan Participant Advice Service is included in the retirement plan an investment advisory fee.

Additional Information: You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. For more information about the fees we charge and the other fees and expenses you will incur, please see **Item 5 of Form ADV Part 2A**.

Conversation Starters: *Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?*

**What Are Your Legal Obligations to Me When Acting as My Investment Adviser?
How Else Does Your Firm Make Money and What Conflicts of Interest Do You Have?**

Standard of Conduct: When we act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means. 1) To the extent we recommend you roll over your account from a current retirement plan to an individual retirement account ("IRA") managed by us and subject to our asset-based investment advisory fees, this is a conflict of interest because we have a financial incentive to recommend that you move your IRA to us even if it is not in your best interest. See **Item 4 of Form ADV Part 2A**. 2) When we provide asset management services, we will ask that you establish an account with Charles Schwab & Company, Inc. to maintain custody of your assets and to effect trades for your account. This recommendation is not based solely on your interest of receiving the best execution. They provide us with research, products and tools that help us manage and further develop our business operations. These arrangements create a conflict of interest. See **Item 12 of Form ADV Part 2A**. 3) We have an affiliated investment adviser, Inverlochy Capital Ltd., an Ontario, Canada based Portfolio Management company registered with the Ontario Securities Commission. We may recommend you utilize the services of Inverlochy Capital Ltd. This is a conflict of interest because of the increased revenue Inverlochy Capital Ltd. will receive. See **Item 10 of Form ADV Part 2A**.

Conversation Starters: *How might your conflicts of interest affect me, and how will you address them?*

Additional Information: For more information about our conflicts of interests and the ways we are compensated, please see **Item 5 and Item 11 of Form ADV Part 2A**.

How Do Your Financial Professionals Make Money?

Description of Salary/Payment of IARs: We compensate our investment adviser representative based on the level of assets that the representative brings in to us. This creates a conflict of interest as it gives your representative an incentive to recommend you invest more in your account with us due to the potential for increased payments.

Do You or Your Financial Professionals Have Legal or Disciplinary History?

Neither us, nor our investment adviser representative have a legal or disciplinary history to report. You can look up more information about us and our investment adviser representative at <https://www.investor.gov/CRS>.

Conversation Starters: *As a financial professional, do you have any disciplinary history? For what type of conduct?*

Additional Information About Inverlochy Capital, Inc.

Additional information about us and a copy of this relationship summary are available on the Internet at www.inverlochycapital.com. You can also find our disclosure brochures and other information about us at <https://adviserinfo.sec.gov/firm/summary/132253>. If you have any questions or want an up-to-date copy of this relationship summary, we can be reached by phone at 705-887-6953.

Conversation Starters: *Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?*

Exhibit A – Summary of Material Changes

Since the ADV Part 3 Brochure dated June 2020, the following material changes have been made to this Relationship Summary:

<i>Under “What Are Your Legal Obligations to Me When Acting as My Investment Adviser? How Else Does Your Firm Make Money and What Conflicts of Interest Do You Have?”</i>	As a result of the acquisition of TD Ameritrade, Inc. by Charles Schwab & Company, Inc., Inverlochy Capital, Inc., removed all references to TD Ameritrade, Inc. due to the transition of moving our clients' managed accounts away from TD Ameritrade, Inc. to Charles Schwab & Company Inc.
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