

## **Part 2A of Form ADV: *Firm Brochure***

### **Prometheus Capital Management Corp.**

30 S. Main St.  
Yardley, PA 19067

215-321-9312  
swetzel@prometheuscapital.net  
www.procap.net

March 20<sup>th</sup>, 2024

This brochure provides information about the qualifications and business practices of Prometheus Capital Management Corp. If you have any questions about the contents of this brochure, please contact us at 215-321-9312 or swetzel@prometheuscapital.net. 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 Prometheus Capital Management Corp. also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 121982.

Please Note: Registration as SEC registered investment adviser does not imply a certain level of skill or training.

## **Item 2     Material Changes**

Item 2 of this Disclosure Brochure discusses specific material changes about our firm and advisory services that are important to a client's knowledge when doing business with our firm. This Disclosure Brochure, dated, March 20<sup>th</sup>, 2024, updates our previously issued Disclosure Brochure dated, March 16<sup>th</sup>, 2023.

Pursuant to the current SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

This year, our firm has no material changes and therefore, no material updates to report.

Clients may request a copy of the ADV Part 2A, 2B Supplements, CRS, Code of Ethics, Business Continuity & Privacy Statement upon request at the address below.

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## **Item 4     Advisory Business**

Prometheus Capital Management Corp., an SEC Registered Investment Adviser holds its principal place of business in PA. Prometheus Capital Management Corp. began conducting business in 1994.

Listed below are the firm's principal shareholders (i.e., individuals and/or entities controlling 25% or more of this company).

Stephen P Wetzel, CFP®, President - 100% Owner

Prometheus Capital Management Corp. offers the following advisory services to our clients

### **INVESTMENT SUPERVISORY SERVICES ("ISS") INDIVIDUAL PORTFOLIO MANAGEMENT**

Our firm provides continuous advice to a client regarding the investments of client funds based on individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstance are established, we develop a client's personal investment strategy and create and manage a portfolio based on that strategy. During our data-gathering process, we determine the client's objectives, time horizon, risk tolerance, and liquidity needs. As appropriate, we also review and discuss a client's prior investment history as well as family composition and background.

We manage these advisory accounts on a non-discretionary basis. Account supervision is guided by the client's stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income) as well as tax considerations.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company and will generally include advice regarding the following securities:

- Exchange-listed securities
- Securities traded over-the-counter
- Foreign issuers
- Warrants
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit
- Municipal securities
- Variable life insurance
- Variable annuities
- Mutual fund shares
- United States governmental securities
- Options contracts on securities
- Interests in partnerships investing in real estate

- Interests in partnerships investing in oil and gas interests
- Interests in partnerships investing in other investments
- Other investments

Because some types of investments involve additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, risk tolerance, liquidity and suitability.

## **PENSION CONSULTING SERVICES**

We also provide several advisory services separately or in combination. While the primary clients for these services will be pension, profit sharing and 401(k) plans, we offer these services, where appropriate, to individuals and trusts, estates and charitable organizations. Pension Consulting Services are comprised of four distinct services. Clients may choose to use any or all services.

### *Investment Strategy Selection*

We will meet with the client (in person, over the telephone or via web video conference) to determine an appropriate investment strategy that reflects the plan sponsor's stated investment objectives. The strategy also lists the criteria for selection of investment vehicles as well as the procedures and timing interval for monitoring investment performance.

### *Selection of Investment Vehicles*

We assist plan sponsors in constructing appropriate asset allocation models. We then review various mutual funds (both index and managed) to determine which investments are appropriate to implement the client's investment strategy. The number of investments to be recommended will be determined by the client based on their investment strategy.

### *Monitoring of Investment Performance*

We monitor client investments continually, based on the procedures and timing intervals agreed upon with the client. Although our firm is not involved in any way in the purchase or sale of these investments, we supervise the client's portfolio and will make recommendations to the client as market factors and the client's needs dictate.

### *Employee Communications*

For pension, profit sharing and 401(k) plan clients with individual plan participants exercising control over assets in their own account ("self-directed plans"), we may also provide quarterly education-based support and investment workshops designed for plan participants if requested by the sponsoring firm. The nature of the topics covered will be determined by us and the client under the guidelines established in ERISA Section 404(c). The education-based support and investment workshops will NOT provide plan participants with individualized tailored investment advice or individualized tailored asset allocation recommendations.

### *ERISA Accounts*

Prometheus Capital Management Corp. is deemed to be a fiduciary to advisory clients. When we provide investment advice to you regarding your retirement plan or individual retirement account, we are fiduciaries within the meaning of Title 1 of the Employee Retirement Security Act and/or the Internal Revenue Code., as applicable, which are laws governing retirement accounts. As such our firm is subject to specific duties and obligations that include among

other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, we may only charge fees for investment advice about products for which our firm and/or our related persons do not receive any commissions or 12b-1 fees. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interests ahead of yours. Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of ours, when making a recommendation(s) (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure we give advice in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

### *Description of Services*

Prometheus Capital Management Corp is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"), respectively. As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, ADVISOR may only charge fees for investment advice about products for which our firm and/or our related persons do not receive any commissions or 12b-1 fees, or conversely, investment advice about products for which our firm and/or our related persons receive commissions or 12b-1 fees, however, only when such fees are used to offset ADVISOR's advisory fees.

## **FINANCIAL PLANNING**

Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. Through the financial planning process, all questions, information and analysis are considered as they impact and are impacted by the entire financial and life situation of the client. Clients purchasing this service receive a written report which provides the client with a detailed financial plan designed to assist the client achieve his or her financial goals and objectives.

In general, the financial plan can address any or all the following areas:

- **PERSONAL:** We review family records, budgeting, personal liability, estate information and financial goals.
- **TAX & CASH FLOW:** We analyze the client's income tax, spending and planning for past, current and future years; then illustrate the impact of various investments on the client's current income tax and future tax liability.
- **INVESTMENTS:** We analyze investment alternatives and their effect on the client's portfolio.
- **INSURANCE:** We review existing policies to ensure proper coverage for life, health,

disability, long-term care, liability, home and automobile.

- **RETIREMENT:** We analyze current strategies and investment plans to help the client achieve his or her retirement goals.
- **DEATH & DISABILITY:** We review the client's cash needs at death, income needs of surviving dependents, estate planning and disability income.
- **ESTATE:** We assist the client in assessing and developing long-term strategies, including as appropriate, living trusts, wills, review estate tax, powers of attorney, asset protection plans, nursing homes, Medicaid and elder law.

We gather required information through in-depth personal interviews. Information gathered includes the client's current financial status, tax status, future goals, returns objectives and attitudes towards risk. We carefully review documents supplied by the client, including a questionnaire completed by the client, and prepare a written report. Should the client choose to implement the recommendations contained in the plan, we suggest the client work closely with his/her attorney, accountant, insurance agent, and/or stockbroker. Implementation of financial plan recommendations is entirely at the client's discretion.

We also provide general non-securities advice on topics that may include tax and budgetary planning, estate planning and business planning.

- Exchange-listed securities
- Securities traded over-the-counter
- Foreign issuers
- Warrants
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit
- Municipal securities
- Variable life insurance
- Variable annuities
- Mutual fund shares
- United States governmental securities
- Options contracts on securities
- Interests in partnerships investing in real estate
- Interests in partnerships investing in oil and gas interests
- Interests in partnerships investing in other investments
- Other investments

Typically, the financial plan is presented to the client within six months of the contract date, provided that all information needed to prepare the financial plan has been promptly provided.

Financial Planning recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. All recommendations are of a generic nature.

## **CONSULTING**

Clients can also receive investment advice on a more focused basis. This may include advice on only an isolated area(s) of concern such as estate planning, retirement planning, or any other specific topic. We also provide specific consultation and administrative services

regarding investment and financial concerns of the client.

Consulting recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. All recommendations are of a generic nature.

## **ASSETS UNDER MANAGEMENT**

**As of 12/31/2023, we were actively managing \$223,718,629 of client's assets on a non-discretionary basis.**

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

#### **INVESTMENT SUPERVISORY SERVICES ("ISS") INDIVIDUAL PORTFOLIO MANAGEMENT FEES**

The annualized fee for Investment Supervisory Services is charged as a percentage of assets under management according to the following schedule

<b><u>Assets Under Management</u></b>	<b><u>Annual Fee as a Percentage of Assets</u></b>
<b>\$0 - \$49,999.99</b>	<b>1.75%</b>
<b>\$50,000 - \$99,999.99</b>	<b>1.50%</b>
<b>\$100,000 - \$199,999.99</b>	<b>1.25%</b>
<b>\$200,000 - \$1,999,999.99</b>	<b>1.00%</b>
<b>\$2,000,000 - \$4,999,999.99</b>	<b>0.75%</b>
<b>\$5,000,000 - \$7,499,999.99</b>	<b>0.70%</b>
<b>\$7,500,000 - \$9,999,999.99</b>	<b>0.65%</b>
<b>\$10,000,000 and Over</b>	<b>0.60%</b>

Prometheus Capital Management charges its advisory fee based on the client's total assets under management which may include equity securities, fixed income securities, private equity securities, options, cash, mutual funds, ETF's and other similar assets deemed appropriate for a client's portfolio unless otherwise agreed in writing by advisor and client.

Fees are invoiced in arrears at the end of each calendar quarter, at which time the client will receive a written invoice itemizing fees.

The client has the option to have the payment of the Investment Advisor fees deducted directly from the client's assets held by the custodian. This is available if:

- The Advisor possesses written authorization from the client to deduct advisory fees from an account held by a qualified custodian;
- The Advisor will send the qualified custodian written notice of the fee amount to be deducted from the client's account; and
- The Advisor sends the client a written invoice itemizing the fee, including any formula used to calculate the fee, the period covered by the fee, and the amount of assets under management on which the fee was based.

**Limited Negotiability of Advisory Fees:** Although Prometheus Capital Management Corp. has established fee schedule(s), we retain the discretion to negotiate alternative fees on a client-by-client basis. We consider client facts, circumstances and needs in determining the fee schedule. These include the complexity of client needs, assets placed under management, anticipated additional assets, related accounts, portfolio style, account composition and reports; among other factors. The specific annual fee schedule is identified in the contract between the advisor and client called The Investment Advisory Agreement



(IAA).

We may group related client accounts for purposes of achieving the minimum account size requirements to determine the annualized fee.

Discounts not generally available to our advisory clients may be offered to family members and friends of associated persons of our firm.

### **PENSION CONSULTING FEES**

Our fees for Pension Consulting Services are based on a percentage of assets under advisement according to the following schedule:

<b><u>Assets Under Management</u></b>	<b><u>Annual Fee as a Percentage of Assets</u></b>
<b>\$0 - \$49,999.99</b>	<b>1.75%</b>
<b>\$50,000 - \$99,999.99</b>	<b>1.50%</b>
<b>\$100,000 - \$199,999.99</b>	<b>1.25%</b>
<b>\$200,000 - \$1,999,999.99</b>	<b>1.00%</b>
<b>\$2,000,000 - \$4,999,999.99</b>	<b>0.75%</b>
<b>\$5,000,000 - \$7,499,999.99</b>	<b>0.70%</b>
<b>\$7,500,000 - \$9,999,999.99</b>	<b>0.65%</b>
<b>\$10,000,000 and Over</b>	<b>0.60%</b>

Plan sponsors are invoiced in arrears at the end of each calendar quarter.

### **FINANCIAL PLANNING FEES**

Prometheus Capital Management Corp.'s Financial Planning fee is determined based on the nature of the services provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering a contract with any client.

We calculate and charge our Financial Planning fees on an hourly basis, \$350 per hour. Although the length of time it will take to provide a Financial Plan will depend on each client's personal situation, we will provide an estimate for the total hours at the start of the advisory relationship.

We calculate and charge our Financial Planning fees on a fixed fee basis, typically ranging from \$500 to \$10,000, depending on the specific arrangement reached with each client.

We may request a retainer upon completion of our initial fact-finding session with the client; however, advance payment will never exceed \$500 for work that will not be completed within six months. The balance is due upon completion of the plan.

We bill the client in arrears based on the actual hours accrued or agreed upon plan fee, whichever is less.

Management personnel and other related persons of our firm are licensed as registered representatives of a broker-dealer and/or licensed as insurance agents or brokers. In their separate capacity(ies), these individuals can implement investment recommendations for advisory clients for separate and typical compensation (i.e., commissions, 12b-1 fees or other sales-related forms of compensation). This presents a conflict of interest to the extent that these individuals recommend that a client invest in a security which results in a commission paid to the individuals. Clients are not under any obligation to engage these individuals when considering implementation of advisory recommendations. The implementation of any or all

recommendations is solely at the discretion of the client.

## **CONSULTING SERVICES FEES**

Prometheus Capital Management Corp.'s Consulting Services fees are determined by the nature of the services provided and complexity of each circumstance. All fees are agreed upon prior to entering a contract with any client.

We calculate and charge our Consulting Services fees on an hourly basis, which is \$350 per hour. An estimate for the total hours is determined at the start of the advisory relationship.

We calculate and charge our Consulting Services fees on a fixed fee basis, typically ranging from \$500 to \$10,000, subject to the specific arrangement reached with each client.

Management personnel and other related persons of our firm are licensed as registered representatives of a broker-dealer and/or licensed as insurance agents or brokers. In their separate capacity(ies), these individuals can implement investment recommendations for advisory clients for separate and typical compensation (i.e., commissions, 12b-1 fees or other sales-related forms of compensation). This presents a conflict of interest to the extent that these individuals recommend that a client invest in a security which results in a commission paid to the individuals. Clients are not under any obligation to engage these individuals when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client.

## **GENERAL INFORMATION**

***Termination of the Advisory Relationship:*** Either party may cancel a client agreement at any time for any reason upon receipt of written notice. We will promptly refund any prepaid, unearned fees upon termination of any agreement. If a client terminates the contract before its completion, we will bill the client only for services rendered and we will refund the client on a pro-rata basis for any fees already paid for services not yet rendered.

If the Client terminates the Agreement within five (5) business days of its signing, the Client shall receive a full refund of all advisory fees. If the Agreement is terminated after five (5) business days of its signing, any prepaid advisory fees shall be prorated and the unused portion shall be returned to Client.

***Mutual Fund Fees:*** All fees paid to Prometheus Capital Management Corp. for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. Each fund and ETF's prospectus describe their fees and expenses. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. A client could invest in a mutual fund directly without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund(s) are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees paid by the client to thereby evaluate the provided advisory services.

***Wrap Fee Programs and Separately Managed Account Fees:*** Clients participating in separately managed account programs may be charged various program fees in addition to the advisory fee charged by our firm. Such fees may include the investment advisory fees of the independent advisors, which may be charged as part of a wrap fee arrangement. In a wrap fee arrangement, clients pay a single fee for advisory, brokerage and custodial services.

Client's portfolio transactions may be executed without a commission charge in a wrap fee arrangement. In evaluating such an arrangement, the client should also consider that, depending upon the level of the wrap fee charged by the broker-dealer, the amount of portfolio activity in the client's account, and other factors, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately. We will review with clients any separate program fees that may be charged to clients.

***Additional Fees and Expenses:*** In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges and 12b-1 fees imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) on this Form ADV for additional information.

***Advisory Fees in General:*** Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

***Limited Prepayment of Fees:*** Under no circumstances do we require or solicit payment of fees in excess of \$500 more than six months in advance of services rendered.

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

Prometheus Capital Management Corp. does not charge performance-based fees.

## **Item 7 Types of Clients**

Prometheus Capital Management Corp. provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Pension and profit-sharing plans (other than plan participants)
- Corporations or other businesses not listed above
- Trusts, Estates and Charitable Organizations

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

### **METHODS OF ANALYSIS**

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

***Fundamental Analysis.*** We attempt to measure, and we may select money managers that attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market

regardless of the economic and financial factors considered in evaluating the stock.

**Technical Analysis.** We may select money managers that analyze past market movements and apply that analysis to the present to recognize recurring patterns of investor behavior and potentially predict future price movement.

Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

**Cyclical Analysis.** In this type of technical analysis, we attempt to measure, and may select money managers that attempt to measure the movements of a particular stock against the overall market in an attempt to predict the price movement of the security.

**Quantitative Analysis.** We may select money managers that use mathematical models in an attempt to obtain more accurate measurements of a company's quantifiable data, such as the value of a share price or earnings per share, and predict changes to that data.

A risk in using quantitative analysis is that the models used may be based on assumptions that prove to be incorrect.

**Qualitative Analysis.** We may select money managers that subjectively evaluate non-quantifiable factors such as quality of management, labor relations, and strength of research and development factors not readily subject to measurement; and predict changes to share price based on that data. A risk in using qualitative analysis is that the subjective judgment may prove incorrect.

**Asset Allocation.** Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to the client's investment goals and risk tolerance. This is based on an analysis of the client's investment profile and risk tolerance.

A risk in asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, may no longer be appropriate for the client's goals. However, due to tax considerations and potential changes to the client's goals and objectives, we will research, and discuss, with the client the appropriateness of rebalancing the portfolio back to the original Asset Allocation.

**Mutual Fund and/or ETF Analysis.** We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in other fund(s) in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the

fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

**Risks for all forms of analysis.** Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

**Other:** Personal interviews with the client and client-provided data help determine our analysis and strategy as well. We also refer to financial/news media, research materials prepared by others, prospectuses, Morningstar, the Wall Street Journal and other third-party providers for information and investment analysis.

## **INVESTMENT STRATEGIES**

We use the following strategy(ies) in managing client accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

**Long-term purchases.** We purchase securities with the idea of holding them in the client's account for a year or longer. Typically, we employ this strategy when:

- we believe the securities to be currently undervalued, and/or
- we want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantages of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

**Short-term purchases.** When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

**Risk of Loss.** Securities investments are not guaranteed and you may lose money on your investments. We ask that you work with us to help us understand your tolerance for risk.

## **Item 9 Disciplinary Information**

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management. Our firm and our management personnel have no reportable disciplinary events to disclose.

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

Clients should be aware that the receipt of additional compensation by Prometheus Capital Management Corp. and its management persons or employees creates a conflict of interest that may impair the objectivity of our firm and these individuals when making advisory recommendations. Prometheus Capital Management Corp. endeavors always to put the interest of its clients first as part of our fiduciary duty as a registered investment adviser; we take the following steps to address this conflict:

- we disclose to clients the existence of all material conflicts of interest, including the potential for our firm and our employees to earn compensation from advisory clients in addition to our firm's advisory fees;
- we disclose to clients that they are not obligated to purchase recommended investment products from our employees or affiliated companies;
- we collect, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;
- our firm's management conducts regular reviews of each client account to verify recommendations made to a client are suitable to the client's needs and circumstances;
- we require our employees seek prior approval of outside employment activity so we may ensure conflicts of interests in such activities are properly addressed;
- we periodically monitor these outside employment activities to verify conflicts of interest continue to be properly addressed by our firm; and
- we educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for investment advice provided to clients.

## **Item 11 Code of Ethics**

### **Participation or Interest in Client Transactions and Personal Trading**

Our firm has adopted a Code of Ethics as part of our Policies and Procedures Manual which sets forth high ethical standards of business conduct required of our employees, including compliance with applicable federal securities laws.

Prometheus Capital Management Corp. and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.

Prometheus Capital Management Corp.'s Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory and prospective clients. You may request a copy by emailing [swetzel@prometheuscapital.net](mailto:swetzel@prometheuscapital.net), or calling 215-321-9312.

Prometheus Capital Management Corp. and individuals associated with our firm are prohibited from engaging in principal transactions.

Prometheus Capital Management Corp. and individuals associated with our firm are prohibited from engaging in agency cross transactions.

Our Code of Ethics is designed to assure the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Our firm and/or individuals associated with our firm may buy or sell securities for their personal accounts identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in a security(ies) which may also be recommended to a client.

As these situations represent actual or potential conflicts of interest to our clients, we have established the following policies and procedures for implementing our firm's Code of Ethics, to ensure our firm complies with its regulatory obligations and provides our clients and potential clients with full and fair disclosure of such conflicts of interest:

1. No firm principal or employee may put his or her own interest above the interest of an advisory client.
2. No firm principal or employee may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.
3. It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account. This prevents such employees from benefiting from transactions placed on behalf of advisory accounts.
4. Our firm requires prior approval for any IPO or private placement investment by related persons of the firm.
5. We maintain a list of all reportable securities holdings for our firm and anyone associated with this advisory practice that has access to advisory recommendations ("access person"). These holdings are reviewed on a regular basis by our firm's Chief Compliance Officer or his/her designee.
6. We have established procedures for the maintenance of all required books and records.
7. All clients are fully informed that related persons may receive separate commission compensation when effecting transactions during the implementation process. However, then there are no asset management fees.
8. Our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
9. We require delivery and acknowledgement of the Code of Ethics by each supervised person of our firm.
10. We have established policies requiring the reporting of Code of Ethics violations to our senior management.
11. Any individual who violates any of the above restrictions may be subject to termination.

## **Item 12 Brokerage Practices**

Prometheus Capital Management Corp ("we"/ "our") does not maintain custody of your assets on which we advise, although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account (see Item 15—Custody, below). Your assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank. We may recommend that our clients use Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer, member SIPC, as the qualified custodian. In addition to Charles Schwab & Co., Inc, we use Capital Group as custodian for a small number of 529 Plans.

We are independently owned and operated and are not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when either we or you instruct them to. While we may recommend that you use Schwab as custodian/broker, you

will decide whether to do so and will open your account with Schwab by entering into an account agreement directly with them. Conflicts of interest associated with this arrangement are described below as well as in Item 14 (Client referrals and other compensation). You should consider these conflicts of interest when selecting your custodian.

We do not open the account for you, although we may assist you in doing so. Even though your account is maintained at Schwab, and we anticipate that most trades will be executed through Schwab, we can still use other brokers to execute trades for your account as described below (see “Your brokerage and custody costs”).

### **How we select brokers/custodians**

We use Schwab, a custodian/broker that will hold your assets and execute transactions. When considering whether the terms that Schwab provides are, overall, most advantageous to you when compared with other available providers and their services, we consider a wide range of factors, including:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
- Capability to execute, clear, and settle trades (buy and sell securities for your account)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds [ETFs], etc.)
- Availability of investment research and tools that assist us in making investment decisions
- Quality of services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices
- Reputation, financial strength, security and stability
- Prior service to us and our clients
- Services delivered or paid for by Schwab
- Availability of other products and services that benefit us, as discussed below (see “Products and services available to us from Schwab”)

### **Your brokerage and custody costs**

For our clients’ accounts that Schwab maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades it executes or settles into your Schwab account. Certain trades (for example, many mutual funds and ETFs) may not incur Schwab commissions or transaction fees. Schwab is also compensated by earning interest on the uninvested cash in your account in Schwab’s Cash Features Program. In addition to commissions and asset-based fees, Schwab charges you a flat dollar amount as a “prime broker” or “trade away” fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Schwab account. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer. Because of this, in order to minimize your trading costs, we have Schwab execute most trades for your account.



We are not required to select the broker or dealer that charges the lowest transaction cost, even if that broker provides execution quality comparable to other brokers or dealers. Although we are not required to execute all trades through Schwab, we have determined that having Schwab execute most trades is consistent with our duty to seek “best execution” of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see “How we select brokers/custodians”). By using another broker or dealer you may pay lower transaction costs.

## **Products and services available to us from Schwab**

Schwab Advisor Services™ is Schwab’s business serving independent investment advisory firms like us. They provide us and our clients with access to their institutional brokerage services (trading, custody, reporting, and related services), many of which are not typically available to Schwab retail customers. However, certain retail investors may be able to get institutional brokerage services from Schwab without going through us. Schwab also makes available various support services. Some of those services help us manage or administer our clients’ accounts, while others help us manage and grow our business. Schwab’s support services are generally available on an unsolicited basis (we do not have to request them) and at no charge to us. Following is a more detailed description of Schwab’s support services:

**Services that benefit you.** Schwab’s institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients.

Schwab’s services described in this paragraph generally benefit you and your account.

**Services that do not directly benefit you.** Schwab also makes available to us other products and services that benefit us but do not directly benefit you or your account. These products and services assist us in managing and administering our clients’ accounts and operating our firm. They include investment research, both Schwab’s own and that of third parties. We use this research to service all or a substantial number of our clients’ accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- Provide access to client account data (duplicate trade confirmations and account statements)
- Facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- Provide pricing and other market data
- Facilitate payment of our fees from our clients’ accounts
- Assist with back-office functions, recordkeeping, and client reporting

**Services that generally benefit only us.** Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events
- Consulting on technology and business needs
- Consulting on legal and related compliance needs

- Publications and conferences on practice management and business succession
- Access to employee benefits providers, human capital consultants, and insurance providers
- Marketing consulting and support

Schwab provides some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab also discounts or waives its fees for some of these services or pays all or a part of a third party's fees. Schwab also provides us with other benefits, such as occasional business entertainment of our personnel. If you did not maintain your account with Schwab, we would be required to pay for these services from our own resources.

### **Our interest in Schwab's services**

The availability of these services from Schwab benefits us because we do not have to produce or purchase them. We do not have to pay for Schwab's services. These services are not contingent upon us committing any specific amount of business to Schwab in trading commissions or assets in custody. The fact that we receive these benefits from Schwab is an incentive for us to choose the use of Schwab rather than making such a decision based exclusively on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a conflict of interest. In some cases, the services that Schwab pays for may be provided by an affiliate of ours or by another party that has some pecuniary, financial or other interests in us (or in which we have such an interest). This creates an additional conflict of interest. We believe, however, that taken in the aggregate, our selection of Schwab as custodian and broker is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of Schwab's services (see "How we select brokers/custodians") and not Schwab's services that benefit only us.

Prometheus Capital Management Corp. may recommend that brokerage clients establish brokerage accounts with the Broker-Dealer, The Investment Center, Inc. (TIC). The following factors were taken into consideration in selection of this Broker-Dealer

- Quality of overall execution services by the broker-dealer
- Promptness of execution; Provided dedicated telephone lines
- Creditworthiness and business reputation of the broker-dealer
- Promptness and accuracy of confirmation statements
- Ability to access various market centers
- The broker-dealer's facilities, including software or hardware provided to the advisor
- Commissions charged by the broker-dealer
- Reliability of the broker-dealer
- Reputation of the broker-dealer
- Execution and operational capabilities of the broker-dealer and its clearing firm
- Financial condition of the broker-dealer;
- Tax implications of selected arrangements of Individual's preferred method of compensating IAR -fee or commission basis.

Prometheus Capital Management Corp's associated persons are registered representatives

of The Investment Center, Inc. If a client freely chooses to implement the advice through such registered representative, the broker-dealer would be The Investment Center, Inc. In summary, the following statements are also made by Prometheus Capital Management Corp

1. Associated persons of Prometheus Capital Management Corp are also associates with The Investment Center, Inc.
2. Clients are under no obligation to implement any suggestions made in a written financial plan.
3. If asked to implement the suggestions of the financial plan, we intend to implement the suggestions of the financial plan. We may implement such financial planning, in whole, or in part, through products offered by The Investment Center, Inc.
4. To the extent its associated persons do implement through The Investment Center, Inc., they will be acting as registered representatives for the broker-dealer.
5. Although Prometheus Capital Management Corp's investment advisor representatives associated persons are registered representatives of The Investment Center, Inc., the advisory services, other than the investment management services, provided herein are basically beyond the scope of employment with the broker-dealer and these services are independent from such association with the broker-dealer.
6. If securities products or insurance are sold, commissions may be received by the investment advisor representative.
7. The Investment Center, Inc. offers research reports and quotes free of charge on stocks, bonds, mutual funds, etc. to the Advisor's associated persons who are registered representatives of The Investment Center, Inc.
8. Clients shall have total freedom to execute securities and/or insurance transactions with any company of their choice.
9. It is likely, if we are asked to implement, we will recommend or use only financial products offered by TIC and/or Charles Schwab & Co., and the financial plan could be limited by such products. Associated persons of Prometheus Capital Management Corp sell investment products and insurance and may receive commissions on the sale of such products.

As a result of our professional relationship with Charles Schwab & Co, Inc. and The Investment Center Inc. (TIC), other products and services that benefit Prometheus Capital Management Corp, but may not benefit its clients' accounts are made available to us. Some of these other products and services assist us in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements); facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts); provide research, pricing information and other market data; facilitate payment of fees from its clients' accounts; and assist with back-office functions, recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of Prometheus Capital Management Corp. accounts, including accounts not maintained at Schwab Institutional or TIC. Other services and discounts are also made available to Prometheus Capital Management Corp. to help Prometheus Capital Management Corp. manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing. In addition, Schwab and TIC may make available, arrange and/or pay for these types of services rendered to Prometheus Capital Management Corp. by independent third parties. Schwab and TIC may discount or waive fees it would

otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to Prometheus Capital Management Corp. While as a fiduciary, Prometheus Capital Management Corp. endeavors to act in its clients' best interests, and Prometheus Capital Management Corp.'s recommendation that clients maintain their assets in accounts at Schwab, may take into account the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab or TIC, which may create a potential conflict of interest.

Prometheus Capital Management Corp. and or its investment advisor representatives are not enrolled in the Schwab Institutional Referral program. Prometheus Capital Management Corp. and/or its investment advisor representatives do not accept or give referral fees.

## **Item 13    Review of Accounts**

### **INVESTMENT SUPERVISORY SERVICES INDIVIDUAL PORTFOLIO MANAGEMENT**

**REVIEWS:** While the underlying securities within Individual Portfolio Management Services accounts are continually monitored, these accounts are reviewed at least quarterly. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, market, political or economic environment.

These accounts are reviewed by: Stephen P Wetzel, CFP®, President of Prometheus Capital Management Corp.

**REPORTS:** In addition to monthly statements and transaction confirmations clients receive from their broker-dealer, we provide quarterly reports summarizing account performance, balances and holdings.

### **PENSION CONSULTING SERVICES**

**REVIEWS:** Prometheus Capital Management Corp. will review the client's investment strategy whenever the client advises us of a change in circumstances regarding the needs of the plan. Prometheus Capital Management Corp. will also review the investment options of the plan according to the agreed upon time intervals established with the client. Such reviews will generally occur quarterly.

These accounts are reviewed by: Stephen P Wetzel, CFP®, President of Prometheus Capital Management Corp. **REPORTS:** These client accounts will receive reports as contracted for at the inception of the advisory relationship.

### **FINANCIAL PLANNING SERVICES**

**REVIEWS:** While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Financial Planning clients unless otherwise contracted for.

**REPORTS:** Financial Planning clients will receive a completed financial plan. Additional reports will not typically be provided unless otherwise contracted for.

### **CONSULTING SERVICES**

**REVIEWS:** While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Consulting

Services clients unless otherwise contracted for. Such reviews will be conducted by the client's account representative.

**REPORTS:** These client accounts will receive reports as contracted for at the inception of the advisory engagement.

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

It is Prometheus Capital Management Corp.'s policy not to engage solicitors or to pay related or non-related persons for referring potential clients to our firm.

It is Prometheus Capital Management Corp.'s policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors whose clients maintain their accounts at Schwab. You do not pay more for assets maintained at Schwab as a result of these arrangements. However, we benefit from the referral arrangement because the cost of these services would otherwise be borne directly by us. You should consider these conflicts of interest when selecting a custodian. The products and services provided by Schwab, how they benefit us, and the related conflicts of interest are described above (see Item 12—Brokerage Practices).

## **Item 15 Custody**

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

Under government regulations, we are deemed to have custody of your assets if, for example, you authorize us to instruct Schwab to deduct our advisory fees directly from your account. We do not have custody however, under certain circumstances, we directly debit advisor fees; require Letters of Authorization to move money via ACH for third-party accounts; and will only undertake Investment Advisor Authorization to move money via ACH for first-party accounts where we require written approval.

Schwab maintains actual custody of your assets. You will receive account statements directly from Schwab at least quarterly. They will be sent to the email or postal mailing address you provided to Schwab. You should carefully review those statements promptly when you receive them.

In addition to the periodic statements that clients receive directly from their custodians, we also send account statements directly to our clients on a quarterly basis. We urge our clients to carefully compare the information provided on these statements to ensure that all account transactions, holdings and values are correct and current.

#### **Item 16 Investment Discretion**

As previously disclosed in Item 4 of this brochure, our firm does not provide discretionary asset management services.

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

As a matter of firm policy, we do not vote proxies on behalf of clients. Therefore, although our firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the way proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing each custodian of the assets, to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets.

We do not offer any consulting assistance regarding proxy issues to clients.

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

Prometheus Capital Management Corp. has no additional financial circumstances to report. Under no circumstances do we require or solicit payment of fees in excess of \$500 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

Prometheus Capital Management Corp. has not been the subject of a bankruptcy petition at any time during the past ten years.