

FIRM BROCHURE
(Part 2A of Form ADV)

March 28, 2019

Adirondack Retirement Specialists

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Part 2A of Form ADV (the “Brochure”) provides information about the qualifications and business practices of Adirondack Retirement Specialists. If you have any questions about the contents of this Brochure, please contact us at (518) 761-6184. 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.

Adirondack Retirement Specialists is registered as an investment adviser registered with Securities and Exchange Commission; however, such registration does not imply a certain level of skill or training and no inference to the contrary should be made.

Additional information about Adirondack Retirement Specialists is also available on the SEC’s website at www.adviserinfo.sec.gov.

ITEM 1: COVER PAGE

Please refer to previous page.

ITEM 2: MATERIAL CHANGES

This Brochure has been updated to make the following material changes:

- Item 4 – Advisory Business – Updated to reflect regulatory assets under management as of December 31, 2018 is \$137,065,086 for discretionary and non-discretionary accounts and disclosures related to our investment management services.
- Item 12 – Brokerage Practices – Updated disclosures to reflect order aggregation practices and receipt of incidental benefits from TD Ameritrade.
- Item 15 – Custody – Updated disclosures to reflect use of standard letters of authorization.

Adirondack encourages each client to read this Brochure carefully and to call with any questions you may have. Our previous version of Form ADV Part 2A was dated March 28, 2018.

Pursuant to SEC Rules, Adirondack will ensure that clients receive a summary of any materials changes to this Brochure within 120 days of the close of our fiscal year, along with a copy of this Brochure or an offer to provide the Brochure. Additionally, as we experience material changes in the future, we will send you a summary of our “Material Changes”, along with an offer to provide the Brochure under separate cover. For more information about Adirondack, please contact us at (518) 761-6184.

Additional information about Adirondack and its investment adviser representatives is available on the SEC’s website at www.adviserinfo.sec.gov.

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ITEM 4: ADVISORY BUSINESS

A. Description of Firm

Adirondack Retirement Specialists (“Adirondack” or the “Firm”) is a Queensbury, New York-based investment management firm founded in 1997. As further detailed in Item 4.B., below, Adirondack offers services covering the areas of financial planning, portfolio construction and investment management. The Firm typically provides its services to individuals and high net worth individuals. Some of the investment instruments Adirondack advises its clientele on include, among other things, mutual funds, exchange traded funds ("ETFs"), equities, bonds, options, treasuries and certificates of deposits. The Firm is registered with the SEC as an investment adviser and organized under the laws of New York as a corporation. The Firm conducts business primarily in the State of New York and Florida, and provides services to clients in California, Connecticut, Minnesota and other states.

Adirondack’s principal owner is Sean Berger, who also serves as the Firm’s President and Chief Compliance Officer. For information on his qualifications and business background, please refer to his Form ADV Part 2B Brochure Supplement.

B. Types of Advisory Services Offered

Adirondack provides two types of advisory services: Financial Planning Services and Investment Management Services, both of which are more fully described below.

1. Financial Planning Services

When discussed and mutually agreed upon by Adirondack and the client, Adirondack will provide Financial Planning Services regarding the management of the client’s financial resources, based upon an analysis of the individual client’s needs. The services range from comprehensive financial planning to more focused consultations, depending on the needs of each client. Generally, Adirondack first conducts a complimentary initial consultation during which pertinent information about the client’s financial circumstances and objectives is collected. For more comprehensive services, the Firm reviews and analyzes the information provided by the client and then typically offers a written financial plan containing recommendations designed with the intention of achieving the client’s stated financial goals and objectives.

Financial plans are based on the client’s financial situation at the time the plan is presented and are based on the information disclosed by the client to Adirondack. Clients are advised that certain assumptions are made with respect to interest and inflation rates, use of past trends and performance of the market and economy. Past performance is in no way an indication of future performance. Adirondack cannot offer any guarantees or promises that the client’s financial goals and objectives will be met. As the client’s financial situation, goals, objectives, or needs change, the clients are strongly urged to promptly notify the Firm. For more information on the risks associated with investing, please refer to Item 8, below.

For Financial Planning Services, clients are free at all times to accept or reject any or all recommendations made by the Firm and clients retain the authority and discretion on whether to implement Adirondack's recommendations. If the client decides to follow the recommendations, the client has the option, but is under no obligation, to request that Adirondack implement such recommendations through the Firm's Investment Management Services. Should a client request Adirondack to implement such recommendations, the client will receive the services outlined in Item 4.B.2., below. Furthermore, the President of Adirondack, Sean Berger, sells insurance products, including annuities, when the client and Mr. Berger believe it to be in the client's best interest. Rationales for such purchases typically include, among other things, desire by the client to have an income or death benefit guarantee, ability to pay for such guarantees associated with the product, tax deferral on non-qualified funds, and/or contributions to existing annuities which receive a higher fixed rate of return. Insurance products are sold by Mr. Berger in his separate capacity as an independent insurance agent for carriers not affiliated with the Adirondack.¹ If Mr. Berger implements insurance transactions in this separate capacity, he earns a sales commission but does not also charge investment management fees on money added to those annuities. This could present a conflict of interest since Mr. Berger is incentivized and earns insurance commission(s) for implementing insurance product recommendations made as part of the Firm's Financial Planning Services. This conflict is mitigated by Mr. Berger zealously attempting to always act in the best interest of his clients. Please see Items 5, 10 and 14 below for additional information concerning such conflicts.

Mr. Berger, in his capacity as a registered representative of American Portfolios Financial Services, Inc. ("APFS"), offers securities and non-advisory services to Adirondack clients. APFS is an SEC registered broker-dealer and member of the Financial Industry Regulatory Authority ("FINRA"). Accordingly, if a client chooses to open an account with APFS outside of the assets managed by Adirondack, then Mr. Berger customarily receives commissions and other concessions because of his relationship with APFS. Clients should be aware that this represents a conflict of interest. Clients are under no obligation to transact any business through APFS or Adirondack and other advisers or broker-dealers may offer similar services, with costs that are higher or lower than those obtainable from Adirondack or APFS. Please note that neither Mr. Berger nor Adirondack charge both commissions and advisory fees on the same account. Accordingly, some accounts are designated as "commission accounts" where Mr. Berger receives commissions as compensation on a given account or advisory fees based on a percentage of assets under management, but not both on the same account. Please refer to Item 5 below for important detailed information on fees and compensation.

2. Investment Management Services

Adirondack provides clients with ongoing Investment Management Services, which may be performed on either a discretionary or non-discretionary basis. The Firm's diversified portfolios typically consist of equities, fixed-income and/or cash management instruments, including mutual funds, stocks, ETFs, bonds and other financial products. In addition, when appropriate, Adirondack can use certain option strategies to mitigate market risks.

¹ In most cases, insurance sales occurred with legacy Adirondack clientele.

Adirondack customizes clients' portfolios according to their individual risk tolerance, time horizon and specific goals. Generally, Adirondack primarily uses three investment strategies, which are customized to each individual to meet his/her/their objectives. This includes moderate conservative, moderate and moderate aggressive. Each client's portfolio is managed on a "separately managed account" basis. Please note that at the onset of the engagement, as monies comes in, Adirondack allocates funds dependent upon market conditions and other factors, which may include dollar and value cost averaging. Adirondack invests client assets based on tactical allocation, taking into consideration the client's unique needs and circumstances.

Prior to engaging Adirondack to provide Investment Management Services, the client is required to enter into an Investment Advisory Agreement with the Firm setting forth the terms and conditions of the engagement, as well as describing the specific scope of the services to be provided.

While clients can place certain restrictions on their accounts, such as restricting the Firm from purchasing or selling a specific security, Adirondack does not allow clients to place restrictions on the types of securities, industries or sectors that may be included as part of the client's account. Note that cash positions can be a tactical asset, and there are times when Adirondack recommends that a client go to a money market fund (cash) for some or all of the account for tactical reasons. Clients are charged Adirondack's customary asset under management fees pursuant to the terms of the Investment Advisory Agreement regardless of what type of positions are held in the account.

a. Gold Medal Services

For clients that generally have \$500,000 or above within their household² Investment Management account(s) for which a management fee is assessed will receive, in addition to Adirondack's Investment Management Services, our complementary "Gold Medal Services." These services include, but are not limited to, a comprehensive review of investments, tax reduction planning, retirement income and distribution planning, family wealth planning and protection planning. As a "Gold Medal Services" client, you will receive the option to have more frequent meetings with the Firm's President as well as more frequent reviews and rebalancing of your portfolio(s) than those clients who are not classified as a "Gold Member Services" client.

C. Wrap-Fee Programs

Adirondack does not provide its services to any wrap fee program, as that term is defined the instructions to Form ADV Part 2.

D. General Information About Adirondack's Advisory Services

As indicated above, advisory services provided by Adirondack are customizable based upon the individual needs, objectives, and other financial goals of the client. Early in the relationship,

² Adirondack defines a "household" as a legally married couple (either husband and wife or domestic partners) and children under the age of majority, whereby the parents are holding a minor's assets for his or her benefit until he or she reaches the age of majority, who all reside at the same residential address.

Adirondack will typically memorialize each client's investment objectives, risk tolerance, time horizons and other important information, including any investment guidelines, in a client profile or similar document. This information, together with any other information relating to the client's overall financial circumstances, will be used by the Firm to determine the most appropriate asset allocation and investment strategy to best meet the client's financial goals.

Adirondack will not assume any responsibility for the accuracy of the information provided by the client. The Firm is not obligated to verify any information received from the client or from the client's other professionals (*e.g.*, attorney, accountant, etc.) and is expressly authorized to rely on such information. Under all circumstances, clients are responsible for promptly notifying the Firm in writing of any material changes to the client's financial situation, investment objectives, time horizon, tax status, risk tolerance or other material information that the Firm may have relied upon in rendering its services. If a client notifies the Firm of such changes, Adirondack will review the changes and may recommend revisions to the client's financial plan and/or portfolio.

E. Amount of Client Assets Managed

As of December 31, 2018, the following represents the amount of client assets under management by Adirondack on a discretionary and non-discretionary basis:

Type of Account	Assets Under Management ("AUM")
Discretionary	\$126,457,953
Non-Discretionary	\$10,607,133
Total:	\$137,065,086

ITEM 5: FEES AND COMPENSATION

A. Compensation for Financial Planning Services

As previously noted, when discussed and mutually agreed upon by Adirondack and the client, Adirondack will provide Financial Planning Services to clients who engage Adirondack for Investment Management Services. The Firm's Financial Planning Services is done on a complimentary basis.

Should a client elect to implement the recommendations contained in their financial plan, the client will also be subject to fees, expenses, brokerage and transaction costs as further described in Item 5.C. Please also refer to Items 5.C. and 12 for more information on fees clients are responsible for and Adirondack's brokerage practices.

B. Compensation for Investment Management Services

For Investment Management Services, Adirondack will charge a quarterly investment management fee, paid in advance at the beginning of each calendar quarter. The Firm's fees for Investment Management Services are based upon a percentage of the client's assets under management with Adirondack. Accordingly, for the Firm's Investment Management Services

clients will pay Adirondack in advance 0.25% per quarter of their account's assets under management.

As stated above, Investment Management Services fees are billed quarterly in advance. By engaging the Firm to perform Investment Management Services, clients generally authorize Adirondack to request that the custodian remit payment for Investment Management Services fees from the client's account(s). If authorized to do so, Adirondack's fees will be automatically deducted from the client's account by the custodian at the beginning of each calendar quarter. The amount due is calculated by applying the above quarterly fee percentage to the previous quarter-end account value(s). For accounts opened after the beginning of a new quarter, fees will be prorated from the date of engagement to the end of quarter. However, Adirondack may elect to waive its fee for accounts. Under certain conditions (such as for friends and family of the firm), Adirondack may, at its sole discretion, choose to waive its fee.

Adirondack submits information to the custodian as to the amount the client will be billed, which is deducted by the custodian, and reflected on the client's custodial statement.

Unless fees are otherwise waived due to the circumstances explained above and noted pursuant to the client's investment advisory agreement, Adirondack's minimum annual fee for Investment Management Services is \$500.

C. General Information on Adirondack's Compensation and Fees

Clients will incur certain fees or charges imposed by third-parties other than Adirondack in connection with investments or recommendations made by the Firm. These fees and charges are separate and distinct from the fees or charges stated above and may include, but not be limited to: mutual fund 12b-1 fees, certain deferred sales charges on previously purchased mutual funds transferred into the account, other transaction related fees, IRA and Qualified Retirement Plan fees, interest charged on margin borrowing, interest charged on debit balanced, "spreads" imposed by brokers and dealers representing implicit transaction costs, commissions and transfer taxes. Information regarding fees or charges assessed by any mutual funds held in client accounts is available in the appropriate prospectus. Adirondack is not responsible for, and does not receive any portion of, the fees imposed by such third-parties. Please note, such fees will differ from client to client based on their own unique situation and selection of products and services.

As mentioned in Item 4 above, Adirondack's President, Sean Berger, is a registered representative of APFS, a broker-dealer registered with the SEC and member of FINRA. In this capacity, Mr. Berger, in addition to implementing certain financial planning recommendations, is able to place Investment Management Services' clients in investment products sold through APFS and receive a usual and customary commission for doing so. Many such products have fixed commissions as they are sold through a prospectus. In this capacity, Mr. Berger spends approximately ten (10) hours per month. Adirondack and APFS are unaffiliated companies.

Mr. Berger (NYS life, accident and health, variable life and variable annuities license # 739400) is also a licensed insurance agent with various insurance agencies. As a licensed insurance agent, Mr. Berger recommends to clients certain insurance products sold through these various

insurance companies. If a client elects to purchase such an insurance product, Mr. Berger will receive a usual and customary commission for doing so. In this capacity, Mr. Berger spends less than 1 hour per month.

To the extent that Mr. Berger recommends the purchase of securities, insurance or other investment products where he receives commissions for doing so (which will only occur in a non-advisory account), a conflict of interest exists because Mr. Berger receives compensation should the clients elect to follow his recommendations, even if such a recommendation is based on the best interest of the clients and their needs. Adirondack has adopted certain procedures designed to mitigate the effects of these conflicts. For example, as part of Adirondack's fiduciary duty to clients, Mr. Berger will endeavor at all times to put the interests of clients first, and recommendations will only be made to the extent that they are reasonably believed to be suitable and in the best interests of the client. Additionally, material conflicts presented by these practices are disclosed to clients at the time of entering into any new advisory, brokerage or consultative arrangement.

To further mitigate these potential conflicts of interest, neither Mr. Berger nor Adirondack charge both commissions and advisory fees on the same account. Accordingly, some accounts are designated as "commission accounts" where Mr. Berger receives commissions as compensation on a given account or advisory fees based on a percentage of assets under management, but not both on the same account. Note that some clients may have two (2) or more separate accounts that charge using these different methods; therefore, to mitigate the conflicts of interest, Adirondack and Mr. Berger only gets compensated from one method or the other in any particular account, and not both.

As stated above, Adirondack charges fees in advance for the services it provides to clients. Either party, upon written notice to the other, may terminate the relationship and the services to be performed by the Firm. In these circumstances, Adirondack's fee will be prorated through the date of termination and any remaining, unearned fees will be refunded to the client in a timely manner. If a client is unable to be reached or refunded through the custodian (due to unknown location of the client), the client will receive a refund of the pro rata share of the fees upon written notification and request to Adirondack.

The advisory fees charged for Adirondack's Investment Management Services and Financial Planning Services are calculated as described above and are not charged based on a share of capital gains or the performance of the client's account. Clients may purchase some investments directly without the services of Adirondack. In that case, the client would not receive the services provided by Adirondack, which are designed, among other things, to assist the client in determining which investments may be appropriate to the client's financial situation and objectives. Clients should review the fees charged by the investments (*e.g.* mutual funds), the fees charged by the Firm, and fees charged by other third-parties to fully understand the total amount of fees being paid. Only then will the client be able to fully evaluate the advisory services being provided and the fees being paid.

ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Adirondack does not charge performance-based fees (*i.e.*, fees calculated based on a share of capital gains upon or capital appreciation of the funds or any portion of the funds of an advisory client). Consequently, the Firm does not engage in side-by-side management of accounts that are charged a performance-based fee with accounts that are charged another type of fee (such as assets under management). As described in Item 5, above, Adirondack provides its investment advisory services for fees based upon a percentage of assets under management.

ITEM 7: TYPES OF CLIENTS

A. Description

Adirondack provides its services to individuals and high net worth individuals.

B. Conditions for Managing Accounts

Adirondack generally requires a minimum portfolio size or a minimum initial investment of \$50,000 to open an account but does reserve the right to waive this minimum and also accept or decline a potential client for any reason in its sole discretion. As specified in Item 4 above, to receive Adirondack's Gold Medal Services, clients generally have a minimum of \$500,000 or above in assets under management. Prior to engaging Adirondack to provide Investment Management Services or Financial Planning Services, as described in this Brochure, the client will be required to enter into one or more written agreements with Adirondack setting forth the terms and conditions under which the Firm will render its services.

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

A. Methods of Analysis and Investment Strategies

The Firm's client portfolios typically have one of three primary investment objectives: moderate, moderate conservative and moderate aggressive. Based on this, the Firm's President, Sean Berger, has constructed a list of securities the Firm considers "buy candidates" which are used when constructing a client portfolio. Each portfolio is constructed on an individual basis, subject to the very particular needs of that client. In assessing the securities to be included in a client portfolio, Adirondack uses a variety of analytical information to assist with its security analysis. However, the primary type of method of analysis the Firm engages in is analysis of securities' fundamentals. The sources of information used by Adirondack to perform its analysis include, but are not limited to, market news reports, financial publications, rating services, meeting with fund managers, outside research reports, annual reports, prospectuses, SEC filings, company press releases, and interpretation of exchange market data.

The investment strategies Adirondack may pursue on behalf of clients include asset allocation, long- and short-term purchases, trading and option writing and trading, including covered options, uncovered options or spreading strategies. Dependent upon the client's unique circumstances, the Firm may recommend, on occasion, redistributing investment allocations to

diversify the portfolio in an effort to reduce risk. Adirondack may also recommend specific stocks to increase sector weighting and/or dividend potential, or may recommend employing cash positions as a possible hedge against market movement which may adversely affect the portfolio. Additionally, Adirondack may recommend selling positions for reasons that include, but are not limited to, harvesting capital gains or losses, business or sector risk exposure to a specific security or class of securities, overvaluation or overweighting of the position(s) in the portfolio, change in the risk tolerance of the client, or any risk deemed unacceptable for the client's risk tolerance. Although Adirondack primarily recommends open-end mutual funds, the Firm may also recommend individual stocks, ETFs, options and other individual securities.

As mentioned in Item 4 above, the Firm meets with clients prior to performing Investment Management Services to determine the client's risk tolerance, time horizon and specific goals. From there, the individual client portfolio is created. The Firm will then periodically meet with clients to review the client's portfolio and adjust the client's portfolio as needed. Positions held within a client portfolio are typically only purchased or sold following the client's portfolio review meeting with the Firm's President. "Gold Medal Service" clients have more frequent meetings with the President, and therefore their accounts are more frequently reviewed and rebalanced for new buy/sell candidates. This creates a conflict of interest in that client portfolios with higher levels of assets under management receives more frequent trading and rebalancing as compared to smaller client accounts. Further, due to the nature and timing of client meetings, as well as due to the nature of the President holding sole authority to determine client holdings, there are times when clients that share similar investment objectives and asset levels under management will have different holdings and asset allocations as well as differing levels of performance.

B. Risk of Loss

Investing in securities involves risk of loss that clients should be prepared to bear. Prior to engaging Adirondack to perform investment advisory services, a client should carefully consider: 1) committing to management only those assets that the client believes will not be needed for current purposes and that can be invested on a long-term basis, usually a minimum of three to five years, 2) that volatility from investing in the stock market can occur, and 3) that over time the client's assets may fluctuate and at anytime be worth more or less than the amount invested

Some of risks of loss a client should be aware of include, but are not limited, to the following:

- **Interest-Rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a stock, bond, mutual fund or other security 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.
- **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.
- Political and Legislative Risks: Companies face a complex set of laws and circumstances in each country in which they operate. The political and legal environment can change rapidly and without warning and with significant impact, this is especially true for companies operating outside of the United States or that conduct a portion of their business outside of the United States.
- Reinvestment Risk: This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (*i.e.* interest rate). This primarily relates to fixed income securities.
- Business Risk: These risks are associated with a particular industry or a particular company within an industry. Generally, business risk is that a company will go bankrupt or perform below expectations. Every company carries the business risk that it will produce insufficient cash flow in order to maintain operations. Business risk can come from a variety of sources, some systemic and others un-systemic. That is, every company has the business risk that the broader economy will perform poorly and therefore that sales will be poor, and also the risk that the market simply will not like its products.
- Liquidity Risk: Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if there is an active market for the asset. For example, Treasury Bills are highly liquid, while real estate properties are not.
- Financial Risk: Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

For certain clients, Adirondack can use of options for hedging purposes. For example, Adirondack may buy put options if a client owns a stock in order to help reduce market risk of a large loss in the position. While options do carry certain risks as mentioned above, Adirondack does not invest client assets in options other than for such hedging purposes. The following risks are associated with these types of transactions:

- Options: An option is a contract to buy or sell a specific financial product officially known as the option's underlying instrument or underlying interest. For equity options, the underlying instrument is a stock, ETF, or similar product. The contract itself is very precise. It establishes a specific price, called the strike price, at which the contract may be exercised, or acted on. It also has an expiration date. When an option expires, it no longer has value and no longer exists. Options come in two varieties, calls and puts, and you can buy or sell either type. Call contracts will expire worthless if the underlying security closes below the strike price on expiration. Put contracts will expire worthless if the underlying security closes above the strike price on expiration. Selling a covered call may limit the upside if the underlying security closes above the strike price on expiration. Special tax rules may apply, depending on the outcome. Prior to buying or selling an option, clients should read Characteristics and Risks of Standardized Options. Copies of this document may be obtained from the Firm, from any exchange on which options are

traded, on the web at <http://www.optionsclearing.com/components/docs/riskstoc.pdf> or by contacting The Options Clearing Corporation, One North Wacker Dr., Suite 500, Chicago, IL 60606 (1-888-678-4667).

- Option buying: This is a basic options strategy where investors buy a call or put option with the hope that the price of the underlying stock will move far enough to cover the premium paid for the option.
- Option writing: Investors can sell options in order to obtain additional income from premiums paid by the option buyer. Option writing is often associated with the investment strategy known as covered call writing. Covered calls limit the upside of a stock holding.
- Uncovered Options and Spreading Strategies: Uncovered options trading can be more risky than writing covered call options. The potential loss is theoretically unlimited. An option spread involves combining two different option strikes as part of a limited risk strategy.

As mentioned above, Adirondack may use short-term trading as one of its investment strategies. Clients should be aware that frequent trading will result in increased brokerage and other transaction costs, and that such costs generally reduce investment returns over time.

ITEM 9: DISCIPLINARY INFORMATION

Registered investment advisers such as Adirondack are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's or prospective client's evaluation of the Firm or the integrity of its management. Adirondack does not have any such legal or disciplinary events and thus has no information to disclose with respect to this Item.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

A. Financial Industry Activities and Affiliations

In addition to his activities at Adirondack, Sean Berger, the Firm's President, is a registered representative of APFS; (please refer to Items 4 and 5, above). In this capacity, Mr. Berger receives a usual and customary commission for implementing financial planning recommendations and/or placing clients in investment products sold through APFS. Many such products have fixed commissions as they are sold through a prospectus. In this capacity, Mr. Berger spends approximately forty (40) hours per month. Adirondack and APFS are unaffiliated companies.

Mr. Berger (NYS life, accident and health, variable life and variable annuities license # 739400) is also a licensed insurance agent with various insurance agencies. As a licensed insurance agent, Mr. Berger recommends to clients certain insurance products sold through these various insurance companies. If a client elects to purchase such an insurance product, Mr. Berger will receive a usual and customary commission for doing so. In this capacity, Mr. Berger spends less than 1 hour per month.

To the extent that Mr. Berger recommends the purchase of securities, insurance or other investment products where he receives commissions for doing so, a conflict of interest exists because Mr. Berger receives compensation should the clients elect to follow his recommendations, even if such a recommendation is based on the best interest of the clients and their needs. Adirondack has adopted certain procedures designed to mitigate the effects of these conflicts. For example, as part of Adirondack's fiduciary duty to clients, Mr. Berger will endeavor at all times to put the interests of the clients first, and recommendations will only be made to the extent that they are reasonably believed to be suitable and in the best interests of the client. Additionally, material conflicts presented by these practices are disclosed to clients at the time of entering into any new advisory, brokerage or consultative arrangement.

To further mitigate these potential conflicts of interest, neither Mr. Berger nor Adirondack charge both commissions and advisory fees on the same account. Accordingly, the Firm's accounts are either subject to commission charges or advisory fees based on a percentage of assets under management, but not both.

Clients are not obligated to implement recommended transactions through any Adirondack representative or any particular broker-dealer. Clients have the option to purchase recommended investment or insurance products or services through brokers or agencies other than Mr. Berger, APFS or the insurance agencies for which Mr. Berger serves as an agent.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

A. Description of Code of Ethics

The Firm has adopted a Code of Ethics which must be adhered to by all access persons. The Code of Ethics sets forth the professional behavior which must be followed by all employees, including the Firm's President and Adirondack's access persons.

Adirondack's Code of Ethics mandates that the Firm be in compliance with The Insider Trading and Securities Fraud Enforcement Act of 1988. To accomplish this mandate, Adirondack has adopted a firm wide policy statement outlining insider trading compliance for the Firm and its associated persons. This policy statement has been distributed to all associated persons of the Firm and has been signed and dated by each such person. A copy of the policy statement is left with each of the Firm's associated persons and the original is maintained in a master file. Further, Adirondack has adopted a written supervisory procedures statement highlighting the steps which shall be taken to implement the Firm's policy. These materials are also distributed to all associated persons and other employees of Adirondack, are signed, dated and filed with the insider trading compliance materials.

Adirondack's Code of Ethics contains provisions adopted for:

- Restricting access to files;
- Providing continuing education;

- Restricting and/or monitoring trading on those securities of which the Firm's employees may have material non-public information;
- Requiring all of Adirondack's employees to conduct their trading through a specified broker or reporting all transactions promptly to the Firm; and
- Monitoring the securities trading of Adirondack and its employees and associated persons.

Adirondack will provide a copy of its Code of Ethics to any client or prospective client upon request. To obtain a copy of Adirondack's Code of Ethics, please contact the Firm at (518) 761-6184.

Adirondack obtains information from a wide variety of publicly available resources. The Firm and its personnel do not have, nor claim to have, insider or private knowledge.

B. Participation or Interest in Client Transactions

Adirondack or individuals associated with the Firm may buy or sell securities identical to those recommended to clients for their personal account. In order to mitigate the potential conflicts of interest associated with this practice, Adirondack's Code of Ethics requires the Firm's access persons to pre-clear certain transactions and report all transactions on a quarterly basis. Adirondack, therefore, strives to prevent such employees from benefiting from transactions placed on behalf of the Firm's advisory accounts.

Adirondack or its related person(s) may have an interest or position in certain securities which also are recommended to a client. This presents a conflict of interest, which the Firm mitigates through the following policies and restrictions:

- A director, officer or employee of Adirondack may not buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry.
- No person of the Firm may prefer his or her own interest to that of the Firm's clients.
- The Firm requires that all individuals must act in accordance with all applicable federal and state regulations governing registered investment advisory practices.
- Any individual not in compliance with the above policies may be subject to termination by the Firm.
- Please also refer to Item 12.E., Order Aggregation, for additional considerations.

ITEM 12: BROKERAGE PRACTICES

A. Selection Criteria

When performing Investment Management Services, Adirondack generally recommends that client transactions be executed through TD Ameritrade, Inc. ("TD Ameritrade"). This is due to the fact that the Firm uses TD Ameritrade's brokerage trading platform software. However, Adirondack periodically evaluates the commissions charged and the service provided by broker-dealer custodians and compares those with other broker-dealers to evaluate whether overall best

qualitative execution could be achieved by using alternative broker-dealer custodians. Other factors the Firm may consider when evaluating its choice of broker-dealer custodian include:

- Ability to trade mutual funds and other investments that Adirondack determines suitable for a client's portfolio;
- Any custodial relationship between the client and the broker-dealer;
- Reliability, accessibility and quality of customer service and interaction with Adirondack;
- Ease of client access to funds via cashiering services (*e.g.*, direct deposits, withdrawals, wire, overnight check and ACH to clients' bank account(s));
- Ease of website access, document, and tax form accessibility;
- Discount transaction rates;
- Reliability and financial stability;
- Overall mutual fund product offerings (including no-load fund access and no transaction fees assessed); and
- Fees for ancillary services (*e.g.*, wire transaction and overnight fees)

The broker-dealer custodian recommended by the Firm may not provide the lowest commission rate available taking into consideration factors outlined above.

Adirondack does not accept or allow directed brokerage arrangements; see Item 12.D., below.

B. Benefits Provided by TD Ameritrade to Adirondack

Adirondack participates in the institutional advisor program (the "Program") offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC/NFA, an unaffiliated SEC-registered broker-dealer and FINRA member. The Firm recommends TD Ameritrade to clients for custody and brokerage services. There is no direct link between the Firm's participation in the Program and the investment advice it gives to its clients, although Adirondack receives economic benefits through its participation in the Program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): discounts for UPS mailing services and Riskalyze; access to various tools that help Adirondack in client logistics (such as iRebal and Basis Pro); receipt of duplicate client statements and confirmations; research related products and tools; access to a trading desk serving Firm participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to continuing education for CFP credits; access to an electronic communications network for client order entry and account information; benefits that Adirondack passes along to its clientele (such as access to mutual funds with no transaction fees and to certain institutional money managers; ability for direct deposit wires to client-linked bank accounts pursuant to a written standing letter of authorization³ at no charge); and discounts on compliance, marketing, research, technology, and practice management products or services provided to the Firm by third party vendors. Some of the products and services made available by TD Ameritrade through the program benefit the Firm but may not benefit its client accounts. These products or services assist the Firm in managing and

³ Please refer to Item 15 for important additional information.

administering client accounts. The benefits received by the Firm or its personnel through participation in the Program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, the Firm endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by the Firm or its related persons in and of itself creates a potential conflict of interest and is a factor in the Firm's choice of utilizing TD Ameritrade for custody and brokerage services.

C. Receipt of Incidental Benefits

As indicated in Item 12 A and B, above, Adirondack maintains a relationship with, and typically recommends the services of TD Ameritrade as a qualified third party broker-dealer custodian. In a large part, TD Ameritrade is selected based on the overall qualitative benefits Adirondack's clients receive (including overall benefits and costs to clients for services and execution).

In connection with this relationship, Adirondack does receive certain incidental benefits. Such benefits include research reports, services and annual conferences, computer software and other products and services to assist the Firm in research and other facets of its day-to-day activities. Because the Firm does not have to produce or pay for such research, products or services, Adirondack has an incentive to select or recommend a broker-dealer based on these incidental benefits rather than in the clients' interest in receiving most favorable execution. These practices may also cause clients to pay fees that are higher than those that another qualified broker-dealer might charge to effect the same or similar transaction. Some of these services are provided to Adirondack as part of a "bundled package" from the broker-dealer. Adirondack does not attempt to match a particular client's trade executions with broker-dealers who have provided research services which have directly benefited that client's portfolio. Rather, research services and other benefits received by Adirondack are generally used for the ultimate benefit of all of its clients. Alternatively, some of the services may benefit only a specific segment of Adirondack's clients.

Adirondack has entered into an agreement with American Portfolios Advisors, Inc. ("APA") a SEC Registered Investment Adviser located in Holbrook, NY (a wholly owned subsidiary of American Portfolios Holdings, Inc. which also owns American Portfolios Financial Services, Inc., a registered broker-dealer, and American Outsources, LLC a technology company servicing the financial services industry) for support services by providing blottering of transactions, web access services, data aggregation, business processing, maintaining our correspondence blotter, and conducting Anti-Money Laundering supervision for the Firm's accounts. For these, benefits, Adirondack will pay APA a negotiated percentage of the Firm's management fee income earned from client accounts. NOTE: Neither Adirondack nor are any of Adirondack's associated persons are doing business with or are otherwise associated with APA notwithstanding the support services offered through APA.

APFS and/or its affiliate, APA, . also makes available to Adirondack other products and services that benefit Adirondack but may not benefit all of the Firm's client accounts. Some of these products and services assist Adirondack in managing and administering its accounts. These include software and other technology that provide access to client account data and assist with back-office functions, recordkeeping and client reporting. Clients do not pay higher commissions as a result of these products and services furnished to Adirondack by APFS or its affiliate, APA.

To help mitigate the conflicts of interest created by Adirondack's receipt of incidental benefits and to help ensure that broker-dealer custodians recommended by the Firm are conducting overall best qualitative execution, Adirondack will periodically evaluate its trading process and brokers utilized. Adirondack will review the brokerage firm's services, their value added to the Firm's investment process along with the broker's ability to affect trades in a fair and timely manner at competitive commission rates.

D. Directed Brokerage

Adirondack does not allow a client to direct the Firm to execute all or a portion of client transactions through a specific broker ("Directed Brokerage").

E. Order Aggregation

Adirondack typically effects transactions for each client account independently. At times, when able to, the Firm generally aggregates trades of accounts. Trade aggregation, or "bunching of orders," may result in better execution and/or better realized prices for Adirondack's client account. Because Adirondack's Investment Management Services utilize various types of investments and securities, it may not be possible to bunch orders. Alternatively, even when possible, Adirondack may not be able to execute all shares of an aggregated trade because of prevailing market conditions and other variables, in which case the Firm will allocate the trade among participating accounts in an equitable manner determined prior to execution of the trade. In certain cases, the Firm may not be able to purchase or sell the same security for all clients that could transact in the security, which is generally based on various factors such as the type of security, size of the account, cash availability, account restrictions, timing of when monies are received and rebalancing needs.

As referenced in Item 11, Adirondack or its related person(s) may have an interest or position in certain securities which also are recommended to a client. When possible, if Adirondack or its related person(s) wish to transact in the same securities on the same day as client accounts, such transactions must adhere to Adirondack's Code of Ethics policies. All participants of the aggregated order will receive the average price of the block trade. In the event that a block trade is not filled, Adirondack will allocate shares executed to the underlying accounts on a pro rata basis, adjusted to be in the client's best interest. At all times, the interests of Adirondack's clients will come first.

ITEM 13: REVIEW OF ACCOUNTS

A. Periodic Reviews

Client accounts are monitored on an ongoing basis. Periodically, reviews are conducted by Adirondack to check for consistency with the investment strategy implemented in accordance with the parameters set forth by the client and the client's financial plan, and to determine if any adjustments need to be made. Client account reviews also occur upon request by the client. As mentioned in Items 4 and 8 above, clients who receive "Gold Member Services" from the Firm will have their accounts reviewed more frequently than those clients who do not qualify for such services.

B. Other Reviews and Triggering Factors

In addition to the periodic reviews described above, reviews may be triggered when a client notifies the Firm of changes in his/her personal, retirement, tax or financial status. Other events that may trigger a review of an account are material changes in market conditions, macroeconomic and company-specific events, and rebalancing needs, such as client requests for short-term income needs. Clients are encouraged to notify Adirondack and its representatives of any changes in their personal financial situation that might affect their investment needs, objectives, risk tolerance, tax status, time horizon or other material information Adirondack may have relied upon during the course of providing its services.

C. Regular Reports

Written brokerage statements are generated no less than quarterly and are sent directly from the account custodian. These reports list the account positions, activity in the account over the covered period, and other related information, including any fees deducted from the account. In addition, clients may receive other supporting reports from mutual funds based on their investments held within their accounts and their applicable internal reporting requirements.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

A. Incoming Referrals

Adirondack has been fortunate to receive many client referrals over the years. The referrals came from current clients, estate planning attorneys, accountants, employees, personal friends of employees and other similar sources. The firm does not compensate referring parties for these referrals.

B. Referring Clients to Third Parties

Adirondack does not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them by the Firm.

C. Other Compensation

As more fully explained in Item 12, above, Adirondack receives certain benefits because of its relationship and recommendation of certain broker-dealers. Based on the placement of client assets with, for example, TD Ameritrade and APFS, Adirondack receives investment research products and/or services which assist the Firm in its investment decision-making process. The receipt of such services is perceived to serve as an economic benefit to the Firm, and although customary, these arrangements give rise to potential conflicts of interest, including the incentive to allocate securities transactional business to broker-dealers based on the receipt of such benefits rather than on a client's interest in receiving most the favorable execution. To mitigate this potential conflict of interest, and as part of Adirondack's fiduciary duty to its clients, the Firm endeavors at all times to put the interest of the clients first.

As stated in Items 4, 5 and 10, above, Adirondack's President is a registered representative of APFS. In this capacity, Mr. Berger receives a usual and customary commission for implementing financial planning recommendations and/or placing clients in investment products sold through APFS. Many such products have fixed commissions as they are sold through a prospectus. In this capacity, Mr. Berger spends approximately five (5) hours per month. Adirondack and APFS are unaffiliated companies.

From time to time, Adirondack or Mr. Berger may attend sponsored events, the expenses of which may be borne either partially or entirely by a third-party entity, such as a mutual fund company or other financial industry service provider. Representatives of these third-party entities may also be present at these sponsored events with neither Adirondack nor Mr. Berger compensating these individuals for their attendance. From time to time, representatives of various investment firms may sponsor a meal to provide insights to representatives of Adirondack of product developments or changes.

Mr. Berger (NYS life, accident and health, variable life and variable annuities license # 739400) is also a licensed insurance agent with various insurance agencies. As a licensed insurance agent, Mr. Berger recommends to clients certain insurance products sold through these various insurance companies⁴. If a client elects to purchase such an insurance product, Mr. Berger will receive a usual and customary commission for doing so. In this capacity, Mr. Berger spends less than 1 hour per month.

To the extent that Mr. Berger recommends the purchase of securities, insurance or other investment products where he receives commissions for doing so, a conflict of interest exists because Mr. Berger receives compensation should the clients elect to follow his recommendations, even if such a recommendation is based on the best interest of the clients and their needs. Adirondack has adopted certain procedures designed to mitigate the effects of these conflicts. For example, as part of Adirondack's fiduciary duty to clients, Mr. Berger will endeavor at all times to put the interests of clients first, and recommendations will only be made to the extent that they are reasonably believed to be suitable and in the best interests of the client. Additionally, material conflicts presented by these practices are disclosed to clients at the time of entering into any new advisory, brokerage or consultative arrangement.

To further mitigate these potential conflicts of interest, Adirondack does not charge both commissions and advisory fees on the same account. Accordingly, the Firm's accounts are either subject to commission charges or advisory fees based on a percentage of assets under management, but not both.

Clients are not obligated to implement recommended transactions through any Adirondack representative. Clients have the option to purchase recommended investment or insurance products or services through brokers or agents other than Mr. Berger, APFS or the insurance agencies for which Mr. Berger serves as an agent.

⁴ As previously stated, such recommendations primarily are for legacy clients of Adirondack who have an existing policy.

ITEM 15: CUSTODY

Pursuant to the Investment Advisers Act of 1940, Adirondack is deemed to have custody of client funds because the Firm has the authority and ability to direct TD Ameritrade to debit its advisory fees directly from the clients' accounts. To mitigate any potential conflicts of interest, all client assets are maintained with an independent qualified custodian.

When exercising its discretionary authority, Adirondack may only implement its investment management recommendations after the client has arranged for and furnished the Firm with all information and authorization regarding its accounts held at the designated qualified custodian.

Clients will receive statements on at least a quarterly basis directly from the qualified custodian that holds and maintains their assets. Clients are urged to carefully review all custodial statements and compare them to the statements provided by other third parties. Statements sent by third-parties may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. Please refer to Item 12 for additional important disclosure information relating to Adirondack's relationship with broker-dealer custodians.

Certain clients can/will sign a Standing Letter of Authorization ("SLOA") that gives Adirondack the authority to transfer funds to a third-party as directed by the client in the SLOA. If/when this occurs, the Firm will have custody. Custody is defined as any legal or actual ability by the Firm to withdraw client funds or securities. Firms with deemed custody must take the following steps:

1. Ensure clients' managed assets are maintained by a qualified custodian;
2. Have a reasonable belief, after due inquiry, that the qualified custodian will deliver an account statement directly to the client at least quarterly;
3. Confirm that account statements from the custodian contain all transactions that took place in the client's account during the period covered and reflect the deduction of advisory fees; and
4. Obtain a surprise audit by an independent accountant on the clients' accounts for which the advisory firm is deemed to have custody.

However, the rules governing the direct debit of client fees and SLOAs exempts Adirondack from the surprise audit rules if certain conditions are met (in addition to steps 1 - 3). Those conditions are as follows:

1. When debiting fees from client accounts, Adirondack must receive written authorization from clients permitting advisory fees to be deducted from the client's account; and
2. In the case of SLOAs, Adirondack must:
 - a. confirm that the name and address of the third party is included in the SLOA;
 - b. document that the third-party receiving the transfer is not related to the Firm; and
 - c. ensure that certain requirements are being performed by the qualified custodian.

ITEM 16: INVESTMENT DISCRETION

For Adirondack's Investment Management Services, the Firm has discretionary authority to determine, without first obtaining client's permission for each transaction: 1) the type of securities to be bought and sold, 2) the dollar amounts of the securities to be bought and sold, and 3) whether a client's transaction should be combined with those of other clients and traded as a "block." The Firm's clients grant Adirondack this discretionary authority by signing the Firm's Investment Advisory Agreement.

For clients that are receiving Financial Planning Services on a non-discretionary basis, Adirondack will make recommendations to the client regarding the purchase or sale of securities or other assets that they consider to be in the best interest of the client. The client has full discretion to accept or reject the Firm's recommendations and is responsible for implementing any accepted recommendations with any broker-dealer the client chooses.

ITEM 17: VOTING CLIENT SECURITIES

Adirondack's policy and practice are to not vote proxies on behalf of its clients and therefore, shall have no obligation or authority to take any action or render any advice with respect to the voting of proxies solicited by or with respect to issuers of securities held in a client's account. Consequently, the Firm's clients retain the responsibility for receiving and voting all proxies for securities held within the client's account. Adirondack shall not be deemed to have proxy voting authority solely as a result of providing advice or information about a particular proxy vote to a client.

Adirondack does not advise or act for clients with respect to any legal matters, including bankruptcies and class actions, for the securities held in clients' accounts.

ITEM 18: FINANCIAL INFORMATION

Adirondack does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance and therefore is not required to provide, and has not provided, a balance sheet. Adirondack does not have any financial commitments that impair its ability to meet contractual and fiduciary obligations to clients and has not been the subject of a bankruptcy proceeding.