



E.K. Riley Investments, LLC  
1420 5th Avenue, Suite 3300  
Seattle, WA 98101  
206.832.1520  
Web Address: [www.ekriley.com](http://www.ekriley.com)

Part 2B of Form ADV: Brochure Supplement for:

**Charles Mitchell Richey, CRD 2349108**  
**4020 Old Ranch Parkway, Suite 300**  
**Seal Beach, CA 90740**  
**562.314.4287**

February 2012

This brochure supplement provides information about Charles Mitchell Richey that supplements the E.K. Riley Investments, LLC brochure. You should have received a copy of that brochure.

Please contact Alexis Vanden Bos, CCO ([alexis.vandenbos@ekriley.com](mailto:alexis.vandenbos@ekriley.com)) if you did not receive E.K. Riley Investments, LLC's brochure or if you have any questions about the contents of this supplement.

Additional information about Charles Mitchell Richey is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

## **Item 2: Educational Background and Business Experience**

**Full Legal Name:** Charles Mitchell Richey      **Born:** 1968

### **Education**

- Washington State University; Bachelor, Communications; 1992

### **Business Experience**

- E.K. Riley Investments, LLC; Financial Advisor; from July 22, 2011 to Present
- Morgan Stanley Smith Barney; Financial Advisor; from June 1, 2009 to July 22, 2011
- Morgan Stanley & Co. Incorporated; Financial Advisor; from April 2, 2007 to June 1, 2009
- Morgan Stanley DW Inc.; Financial Advisor; from February 2, 2001 to April 2, 2007

## **Item 3: Disciplinary Information**

Charles Mitchell Richey has no reportable disciplinary history.

## **Item 4: Other Business Activities**

### **A. Investment-Related Activities**

1. Charles Mitchell Richey is also engaged in the following investment-related activities:

#### **Registered representative of a broker-dealer**

E.K. Riley Investments, LLC is dually registered as both a broker-dealer and a registered investment adviser.

Charles Mitchell Richey is a registered representative of E.K. Riley's broker-dealer. As a registered representative, Mr. Richey earns commissions, 12b-1 fees, trailers and other sales-related forms of compensation. This presents a conflict of interest to the extent that Mr. Richey recommends that a client invest in a security which results in a commission being paid to him, and in particular when commissions may be in addition to or higher than advisory fees.

#### **Licensed to sell insurance products**

E.K. Riley Investments, LLC is a licensed insurance agency and Charles Mitchell Richey is licensed as an insurance producer. As an insurance producer, Mr. Richey earns commissions, trailers and other sales-related forms of compensation. This presents a conflict of interest to the extent that Mr. Richey recommends that a client purchase an insurance product which results in a commission being paid to him, and in particular when commissions may be in addition to or higher than advisory fees.

2. Because Charles Mitchell Richey receives commissions, bonuses or other compensation on the sale of securities, insurance or other investment products this practice provides an incentive to recommend products based on the compensation received, rather than on the client's needs. The implementation of any or all recommendations by a registered representative or insurance producer is solely at the discretion of the client.

## **B. Non Investment-Related Activities**

Charles Mitchell Richey is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his time.

### **Item 5: Additional Compensation**

Charles Mitchell Richey does not receive any economic benefit from a non-advisory client for the provision of advisory services.

### **Item 6: Supervision**

**Supervisor:** Edward Riley

**Title:** Chairman & CEO

**Phone Number:** 206.832.1520

Upon the opening of each advisory account, the client's investment objectives and strategy are reviewed for consistency with the advisory program's guidelines.

Trading activity in client accounts is reviewed on a next day basis reviewing for suitability of transactions.

Subsequently, accounts are reviewed on a monthly, quarterly or annual basis. The frequency and nature of the review is dependent on a number of factors and situations, such as: whether the account is managed on a discretionary basis, the particular advisory program, the level of activity, and the investment objective of the account.