



**Cornerstone Investment Management & Consulting, LLC**  
**Investment Advisor Disclosure Brochure Supplement/Form ADV PART IIb**

*Dated June 15, 2012*

**CRD#124322**

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**This brochure supplement provides information about Mark E. Davidson, CFA and Scott M. Koser, CFA that supplements Cornerstone Investment Management & Consulting's brochure. You should have received a copy of that brochure. Please contact Scott M. Koser, CFA at the above contact information if you did not receive Cornerstone's brochure or if you have any questions about the contents of this supplement.**

**Additional information about Mark E. Davidson, CFA and Scott M. Koser, CFA is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

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## 2. Educational Background & Business Experience

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### A. Name, Age (Year of Birth), CRD#

Mark E. Davidson, CFA b. 1970, CRD#4620630; Scott M. Koser, CFA b. 1969, CRD#4380622

### B. Formal Education

Mr. Davidson pursued an undergraduate degree from Samford University in Birmingham, Alabama. He was awarded a BS in Mathematics, Magna Cum Laud, in 1992. Davidson furthered his education in graduate school at Purdue University in West Lafayette, Indiana. He was awarded an MS in Finance from Purdue in 1994. Mr. Davidson entered into the CFA program as a candidate in 1994 and after completing the series of examinations and his required work experience his Chartered Financial Analyst (CFA) was conferred September 16, 1999.

Mr. Koser pursued an undergraduate business degree in Finance at Auburn University in Auburn, Alabama. He was awarded a BSBA in Finance in 1992. Mr. Koser entered into the CFA program as a candidate in 1993. After completing the examination series and required work experience, Mr. Koser's Chartered Financial Analyst (CFA) was conferred September 15, 1997.

### C. Business Background

Prior to founding Cornerstone Investment Management and Consulting with Scott M. Koser, CFA Mr. Davidson served as an Investment Officer at Fiduciary Services Corporation, Savannah, Georgia from 1997 to 2003.

Prior to founding Cornerstone with Mr. Davidson in 2003, Mr. Koser served as a Vice President and Portfolio Manager at Diaz-Verson Capital Investments from 1992 until 2003.

### D. Description of Professional Designations

The Chartered Financial Analyst (CFA) charter is a globally respected, graduate-level investment credential established in 1962 and awarded by CFA Institute — the largest global association of investment professionals.

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There are currently more than 90,000 CFA charterholders working in 135 countries. To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.

### **High Ethical Standards**

The CFA Institute Code of Ethics and Standards of Professional Conduct, enforced through an active professional conduct program, require CFA charterholders to:

- Place their clients' interests ahead of their own
- Maintain independence and objectivity
- Act with integrity
- Maintain and improve their professional competence
- Disclose conflicts of interest and legal matters

### **Global Recognition**

Passing the three CFA exams is a difficult feat that requires extensive study (successful candidates report spending an average of 300 hours of study per level). Earning the CFA charter demonstrates mastery of many of the advanced skills needed for investment analysis and decision making in today's quickly evolving global financial industry. As a result, employers and clients are increasingly seeking CFA charterholders—often making the charter a prerequisite for employment.

Additionally, regulatory bodies in 19 countries recognize the CFA charter as a proxy for meeting certain licensing requirements, and more than 125 colleges and universities around the world have incorporated a majority of the CFA Program curriculum into their own finance courses.

### **Comprehensive and Current Knowledge**

The CFA Program curriculum provides a comprehensive framework of knowledge for investment decision making and is firmly grounded in the knowledge and skills used every day in the investment profession. The three levels of the CFA Program test a proficiency with a wide range of fundamental and advanced investment topics, including ethical and professional standards, fixed-income and equity analysis, alternative and derivative investments, economics, financial reporting standards, portfolio management, and wealth planning.

The CFA Program curriculum is updated every year by experts from around the world to ensure that candidates learn the most relevant and practical new tools, ideas, and investment and wealth management skills to reflect the dynamic and complex nature of the profession.

To learn more about the CFA charter, visit [www.cfainstitute.org](http://www.cfainstitute.org)

## 3. Disciplinary Information

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### A. Legal or Disciplinary Events

Registered investment advisers and investment advisor representatives are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Cornerstone or the integrity of our management. Mr. Davidson has no information applicable to this item to disclose. Mr. Koser has no information applicable to this item to disclose.

### B. Criminal or Civil Action

Registered investment advisers and investment advisor representatives are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Cornerstone or the integrity of our management. Mr. Davidson has no information applicable to this item to disclose. Mr. Koser has no information applicable to this item to disclose.

### C. Administrative Proceeding

Registered investment advisers and investment advisor representatives are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Cornerstone or the integrity of our management. Mr. Davidson has no information applicable to this item to disclose. Mr. Koser has no information applicable to this item to disclose.

### D. Self-Regulatory Organization Proceeding

Registered investment advisers and investment advisor representatives are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Cornerstone or the integrity of our management. Mr. Davidson has no information applicable to this item to disclose. Mr. Koser has no information applicable to this item to disclose.

### E. Other Proceeding

Registered investment advisers and investment advisor representatives are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Cornerstone or the integrity of our management. Mr. Davidson has no information applicable to this item to disclose. Mr. Koser has no information applicable to this item to disclose.

## 4. Other Business Activities

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### A. Investment-related Activities

Registered investment advisers and investment advisor representatives are required to disclose all material facts regarding other investment related activities that they are engaged in. Mr. Davidson has no information applicable to this item to disclose. Mr. Koser has no information applicable to this item to disclose.

### B. Other Business or Occupation for Compensation

Registered investment advisers and investment advisor representatives are required to disclose all material facts regarding other business or occupation that they are engaged in. Mr. Davidson has no information applicable to this item to disclose. Mr. Koser has no information applicable to this item to disclose.

## 5. Additional Compensation

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### A. Economic Benefit

Registered investment advisers are required to disclose all material facts regarding any economic benefits (for example sales awards or other prizes) that would be material to your evaluation of Cornerstone. As we do not receive economic benefits from someone who is not a client, Mr. Davidson has no information applicable to this item to disclose. Mr. Koser has no information applicable to this item to disclose.

## 6. Supervision

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Mr. Davidson is supervised under the standing policies and procedures of Cornerstone Investment Management and Consulting, LLC. Mr. Davidson is supervised by Cornerstone's Chief Compliance officer, Scott M. Koser, CFA 251-626-6292

Mr. Koser is supervised under the standing policies and procedures of Cornerstone Investment Management and Consulting, LLC. Mr. Koser is supervised by Cornerstone's Chief Compliance officer, Scott M. Koser, CFA 251-626-6292.

## 7. Requirements for State-Registered Advisers

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### **A. Additional Disclosures for supervised individuals**

Mr. Davidson has no information applicable to this item to disclose. Mr. Koser has no information applicable to this item to disclose.

### **B. Additional disclosures for supervised individuals subject to bankruptcy petition**

As neither Mr. Davidson nor Mr. Koser has been subject to a bankruptcy proceeding there is no information applicable to this item to disclose.