

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

Item 1 Cover Page

**RIDLEY ASSET MANAGEMENT, LLC**

**Part 2A of Form ADV: Firm Brochure  
May 31, 2011**

**Ridley Asset Management LLC  
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This brochure provides information about the qualifications and business practices of Ridley Asset Management, LLC. If you have questions about the contents of this brochure, please contact us by telephone at (415) 381-5583 or by Email at [info@ridleyasset.com](mailto:info@ridleyasset.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority.

Additional information about Ridley Asset Management, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). A unique identifying number, known as a CRD number, can be used to search this site. Ridley Asset Management LLC's CRD number is 144735.

## **Item 2 Material Changes**

On July 28, 2010, the SEC adopted "Amendments to Form ADV" which amend the disclosure document provided to the firm's clients as required by the SEC. This Firm Brochure, dated May 31, 2011, is a new disclosure document prepared according to the SEC's new requirements and rules. This document is in a narrative format that is substantially different in structure and content, and includes additional new information that we were not previously required to disclose.

After the initial filing of this Brochure, this Item 2 will be used to provide clients and prospective clients with a summary of new and/or updated information. We will inform you of the revision(s) based on the nature of the updated information. Also, we will reference the date of our last annual Brochure update.

Consistent with the new rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year on December 31st. Furthermore, we will provide you with other interim disclosure information about material changes as necessary. Our Brochure may be requested by contacting us at (415) 381-5583 or by Email at [info@ridleyasset.com](mailto:info@ridleyasset.com) at any time.

Additionally, information is available on the SEC's website [www.advisorinfo.gov](http://www.advisorinfo.gov) regarding Ridley Asset Management LLC. This website provides additional information regarding any persons affiliated with Ridley Asset Management LLC who are registered, or required to be registered, as investment advisor representatives.

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## **Item 4 Advisory Business**

Ridley Asset Management LLC is a California limited liability company established in June 2007, and registered as an investment adviser with the SEC in August 2007. We provide independent investment advisory and investment management services to individuals, high net worth individuals, families, retirement and pension accounts, and trusts. All our client accounts are separately managed on a fee-only basis.

Listed below are the firm's principal shareholders, members, individuals and/or entities controlling 25% or more of the ownership of Ridley Asset Management, LLC:

- Craig Reisfield, Managing Member & President
- Ginette Reisfield, Managing Member & Chief Compliance Officer

We offer investment advisory and investment management services to our clients. Our firm provides portfolio review and advice to our clients regarding the investment of client funds based on each particular client's unique needs. During our initial review and discussions, we assess a client's financial objectives, time horizons, risk tolerance, and liquidity needs, and propose to manage an investment portfolio based on that information. As appropriate, but not less than annually, we will review and discuss with our client's any changes in their investment objectives or financial situation, and implement any necessary adjustments to their investment portfolio.

Account management is guided by the client's stated objectives, as well as tax considerations when appropriate. Ridley Asset Management, LLC implements asset allocation focused investment strategies primarily utilizing Exchange Traded Funds (ETFs), Exchange Traded Notes (ETNs) and other Index-linked securities products traded on principal exchanges. These securities offer diversification, which minimizes single stock selection risk, tax and cost efficiency, transparency and liquidity. We may also invest in individual equity securities, mutual funds, certificates of deposits, municipal securities, United States government and agency securities, corporate securities, sovereign government securities, money market fund securities, cash and cash equivalents pending investment in ETFs, ETNs and other Index securities, to pursue investment objectives or to implement fixed income and cash management strategies for clients. Because some types of investments involve additional risk, they will only be selected when considered consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability. We manage client accounts on a discretionary basis. However, clients may impose reasonable restrictions on investing in certain securities or types of securities.

As of May 31, 2011, our firm managed \$24,700,000 of client assets on a discretionary basis.

## **Item 5 Fees and Compensation**

An investment management fee is charged as compensation for the services we provide to clients. The fee is calculated in arrears at the end of each quarter based upon the amount of assets under management (aggregated account(s) fair market value) as reported by the account(s) custodian. Under no circumstances do we require or solicit payment of fees in advance of services rendered. The fee ranges from 1.00% to 0.50% and it is negotiable. Fee amounts may be adjusted for cash flows (significant contributions and withdrawals) that occur during the quarterly period. All account(s) assets such as cash balances and investments in money market funds, demand deposit accounts, and certificates of deposit are included in the fee calculations unless otherwise stated in writing in a client's Investment Management Agreement. The annualized investment management fee will be charged as a percentage of assets under management, according to the following schedule:

<u>Assets Under Management</u>	<u>Annual Fee</u>
Below \$1.0 Million	1.00%
\$1.0 Million to \$5 Million	0.75%
Above \$5.0 Million	0.50%

Our firm may unilaterally amend our fee and billing arrangements. Any change will only become effective after thirty days prior written notice as stipulated in our Investment Management Agreement. Our fee is not based on the financial performance or capital gains or losses experienced in a client's account(s).

Our firm's fee is separate and distinct from brokerage commissions, transaction fees, and other related costs and expenses incurred by a client's account(s). Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Money market funds, mutual funds, and exchange-traded funds may also charge internal management fees and other expenses, sometimes referred to as "expense ratios", which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to our firm's fee and it shall not receive any portion of these commissions, fees, expenses and costs. Please refer to Item 12, which describes the factors that our firm considers in selecting or recommending custodians for client account(s) and determining the reasonableness of their compensation and transaction commissions.

A minimum of \$250,000 of assets under management is required for our advisory services. This account size may be negotiable under certain circumstances. We may aggregate certain related client accounts for the purposes of achieving the minimum account size and determining the annualized investment management fee. Although we have an established fee schedule, we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs may be considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts; account portfolio composition, reporting requirements, among other factors. The specific annual fee schedule will be stated in the investment management agreement between each client and us. Discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm.

A client Investment Management Agreement may be canceled at any time, by either party, for any reason upon receipt of five days written notice. As disclosed above, no fees are paid in advance of services provided. Upon termination of any account relationship, any owed, or earned fees will be calculated and due as of the date of termination. In calculating a client's earned, but unpaid fees, we will pro rate the fees according to the number of days since the last billing period.

Clients should note that similar advisory services may or may not be available from other registered (or unregistered) investment advisers for similar, higher or lower fees.

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

Ridley Asset Management LLC does not charge performance-based fees, fees that are based on the financial performance or capital gains or losses experienced in a client's account(s).

## **Item 7    Types of Clients**

Ridley Asset Management LLC provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High Net Worth Individuals
- Families
- Retirement and Pension accounts
- Trusts

As previously disclosed in Item 5, Fees and Compensation, our firm has established certain minimum account requirements. In general, our firm's minimum initial account size is \$250,000. We may aggregate related party accounts to meet account minimums. Minimum account size may be negotiated, reduced or waived at our firm's sole discretion.



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

Asset allocation, diversifying your investments among multiple asset classes, is a time-tested approach to portfolio management. Ridley Asset Management, LLC uses an asset allocation model comprised of four broad asset classes--U.S. Equities, International Equities, Fixed Income and Diversifying -- Real Estate Investment Trusts (REITs), Inflation Protected Securities, Commodities and Currencies – to implement our client’s investment portfolios. Our strategy is to blend asset classes with low correlations to help lessen the effects of market volatility, manage risk and provide the potential to maximize overall portfolio returns.

Our method of analysis focuses on using economic, financial, statistical, and valuation metrics to determine asset class weightings within our asset allocation model. Our research information is obtained from financial publications, investment firm research publications, third-party research, press releases, prospectuses and other sources.

While the goal of asset allocation is to smooth returns over time, there can be no assurances that such a strategy will be successful. As we select asset class weightings for a client’s investment goals and risk tolerance, there is a risk that we may select an inappropriate mix of asset classes and not perform according to expectations. Another risk is that the mixture of asset classes and securities may change over time due to market movements and performance; if the portfolio is not rebalanced periodically, it may no longer represent a client’s targeted risk level or expected return.

After determination of the asset class weightings, we screen the universe of Exchange Traded Funds (ETFs), Exchange Traded Notes (ETNs) and similar index-linked investments to select the appropriate securities to implement the asset allocation model. We attempt to understand the composition, structure and risk characteristics of various index ETFs. For each client, the model portfolio asset class weightings and underlying securities are adjusted to suit the unique investment needs based on an assessment determined by the client. Adjustments that are made to portfolios accommodate the client’s judgment of financial objectives, risk tolerance, investment time horizon and other factors. The objective of our investment management approach is to provide tax efficient equity-like returns for clients with lower volatility, as measured by standard deviation, when compared to a common industry benchmarks such as the Standard & Poors 500 Index.

Our firm concentrates on using ETFs, ETNs and similar securities whenever possible to implement the asset allocation strategy. These securities are designed to track the financial performance of specific market indexes, such as the S&P 500, as well as tracking investment styles, industry sectors, geographic regions, individual countries, commodities and currency indexes. Using these securities allows the attainment of broad or narrow exposure to individual asset classes while minimizing stock selection risk. These securities offer many benefits including:

- Competitive performance versus active management
- Diversification
- Low ownership costs

- Tax efficiency
- Liquidity
- Transparency

ETFs, ETNs and similar securities have risks. Securities investments such as those we use to invest for our clients are not guaranteed and you may lose money. There is market risk that the assets within the securities may decline in value due to general market, political, regulatory and economic conditions. There can be no assurances that an active or liquid market will exist or be maintained when buying or selling a security, which might cause the purchase of underlying the assets above or below their net asset value. Besides, the market risks, there is a risk that an individual security selected to implement a particular asset class investment may not achieve its desired function within a portfolio.

**Item 9      Disciplinary Information**

Ridley Asset Management LLC is 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.

Neither Ridley Asset Management LLC, nor any of its registered investment advisors or management personnel, have been the subject of any complaints or been involved in any disciplinary, criminal or civil proceedings since its inception or within the past ten years. There are no reportable disciplinary events to disclose.

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

Our firm is a Registered Investment Advisor. Our firm is not a broker-dealer, and no employees are registered representatives of a broker-dealer. Our firm is not a commodity pool operator, commodity trading advisor or futures commission merchant, and none of our management persons are an associated person of any of the foregoing.

We do not recommend or select other investment advisers for clients, and we do not receive compensation either directly or indirectly from any advisors.

Our employees are not engaged in other financial industry activities and have no other industry affiliations.

**Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

Our firm has adopted a Code of Ethics ("Code") establishing high ethical standards of business conduct that are required of our employees, including compliance with applicable federal and state securities laws, and in compliance with the Investment Advisers Act of 1940.

Our Code prohibits our employees from taking inappropriate advantage of their positions and the access to information concerning the investments or investment intentions of Ridley Asset Management, LLC for its clients, or their ability to influence such investment intentions, for personal gain or in a manner detrimental to the interests of its clients. Rule 17j-1 and Rule 204A-1 make it unlawful for our personnel to engage in conduct which is deceitful, fraudulent, or manipulative, or which involve false or misleading statements, in connection with the purchase or sale of securities. The Code states the general principles that Ridley Asset Management, LLC and/or its employees: (1) owe a fiduciary responsibility to clients; (2) have the obligation to place the interests of their clients first at all times (3) must conduct any personal securities transactions in such a manner as to avoid any actual or potential conflict of interest or abuse of an individual's position of trust and responsibility; (4) should not take inappropriate advantage of their positions in relation to client account(s); (5) must comply with all applicable Federal and State Securities Laws governing investment advisory conduct; and (6) must make every effort to safeguard non-public information.

Our firm and individuals associated with our firm are prohibited from soliciting or making investments in securities where our employees have a disclosed or undisclosed beneficial interest. Our firm and individuals associated with our firm are prohibited from engaging in principal transactions. Our firm and individuals associated with our firm are prohibited from engaging in agency cross transactions. Our Code is designed to assure that 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 for their personal accounts securities 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 that may also be recommended to a client. It is the expressed policy of our firm that no person employed by us may purchase or sell any security immediately prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts.

We may aggregate our employee trades with client transactions where possible and when compliant with our duty to seek best execution for our clients. In these instances, participating clients and employees will receive an average share price calculated across all accounts. In the instances where there is a partial fill of a particular batched order, we will allocate all purchases pro-rata, with each account paying the average price. Our employee accounts will be included in the pro-rata allocation.

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, 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 principal or employee of our firm may put his or her own interest above the interest of an advisory client. (2) No principal or employee of our firm 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 immediately 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) 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"). Our Chief Compliance Officer reviews all of our client security holdings on a regular basis. (5) We have established procedures for the maintenance of all required books and records. (6) All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices. (7) We require delivery and acknowledgement of the Code of Ethics by each supervised person of our firm. (8) We have established policies requiring the reporting of Code of Ethics violations to our senior management. (9) Any individual who violates any of the above restrictions may be subject to termination.

Our firm and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code. Our Code includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports. Our Code also provides for oversight, enforcement and recordkeeping provisions. Our Code further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular 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 clients and prospective clients. You may request a copy by Email sent to [info@ridleyasset.com](mailto:info@ridleyasset.com), or by calling us at (415) 381-5583.

## **Item 12 Brokerage Practices**

Ridley Asset Management LLC requires that it be provided with written discretionary authority to affect client transactions and to deduct management fees from client accounts. Commissions charged to client accounts for transactions are determined by the client's relationship with the broker/dealer and may vary based upon the size of the client's assets held at the broker/dealer. Clients must include any limitations on this discretionary authority in this written authority statement associated with their brokerage account. Clients may change/amend these limitations as required. Such amendments must be provided to us in writing.

Ridley Asset Management LLC will block trades where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts; transaction costs for block trades are client-specific based upon the broker/dealers fee schedule and may differ from that of other clients included in any such block trade. Block trading may allow us to execute securities trades in a more timely and equitable manner, at an average share price. Ridley Asset Management LLC will typically aggregate trades among clients whose accounts have an indicated need for the same security transaction. Ridley Asset Management LLC's block trading policy and procedures are as follows:

- 1) Transactions for any client account may not be aggregated for execution if the practice is prohibited by or inconsistent with the client's advisory agreement with Ridley Asset Management LLC, or our firm's order allocation policy.
- 2) The portfolio manager determines that the purchase or sale of the particular security involved is appropriate for the client and consistent with the client's investment objectives and with any investment guidelines or restrictions applicable to the client's account.
- 3) The portfolio manager must reasonably believe that the order aggregation will benefit, and will enable Ridley Asset Management LLC to seek best execution for each client participating in the aggregated order. This requires a good faith judgment at the time the order is placed for execution. It does not mean that the determination made in advance of the transaction must always prove to have been correct in the light of a "20-20 hindsight" perspective. Best execution includes the duty to seek the best quality of execution, as well as the best net price.
- 4) Prior to entry of an aggregated order, a written order ticket must be completed which identifies each client account participating in the order and the proposed allocation of the order, upon completion, to those clients.
- 5) If the order cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated pro rata among the participating client accounts in accordance with the initial order ticket or other written statement of allocation. However, adjustments to this pro rata allocation may be made to participating client accounts in accordance with the initial order ticket or other written statement of allocation. Furthermore, adjustments to this pro rata allocation may be made to avoid having odd amounts of shares held in any client account, or to avoid excessive ticket charges in smaller accounts.
- 6) Generally, each client that participates in the aggregated order must do so at the average price for all separate transactions made to fill the order. Commissions for aggregated orders are based upon the fee schedule applicable to each client. Under the client's agreement with the custodian/broker, transaction costs may be based on the number of shares traded for each client.

- 7) If the order will be allocated in a manner other than that stated in the initial statement of allocation, a written explanation of the change must be provided to and approved by the Chief Compliance Officer no later than the morning following the execution of the aggregate trade.
- 8) Ridley Asset Management LLC's client account records separately reflect, for each account in which the aggregated transaction occurred, the securities which are held by, and bought and sold for, that account.
- 9) Funds and securities for aggregated orders are clearly identified on Ridley Asset Management LLC's records and to the broker-dealers or other intermediaries handling the transactions, by the appropriate account numbers for each participating client.
- 10) No client or account will be favored over another.

Ridley Asset Management LLC may recommend that clients establish brokerage accounts with the Schwab Institutional division of Charles Schwab & Co., Inc. ("Schwab"), a FINRA registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Although we may recommend that clients establish accounts at Schwab, it is the client's decision to custody assets with Schwab. Ridley Asset Management LLC is independently owned and operated and not affiliated with Schwab.

Schwab provides Ridley Asset Management LLC with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's client assets are maintained in accounts at Schwab Institutional. These services are not contingent upon our firm committing to Schwab any specific amount of business (assets in custody or trading commissions). Schwab's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For our client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Schwab Institutional also makes available to our firm other products and services that benefit Ridley Asset Management LLC but may not directly benefit our clients' accounts. Many of these products and services may be used to service all or some substantial number of our client accounts, including accounts not maintained at Schwab.

Schwab's products and services that assist us in managing and administering our clients' accounts include software and other technology that

- i. provide access to client account data (such as trade confirmations and account statements);
- ii. facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- iii. provide research, pricing and other market data;
- iv. facilitate payment of our fees from clients' accounts; and
- v. assist with back-office functions, recordkeeping and client reporting.

Schwab Institutional also offers other services intended to help us manage and further develop our business enterprise. These services may include:

- i. compliance, legal and business consulting;
- ii. publications and conferences on practice management and business succession; and
- iii. access to employee benefits providers, human capital consultants and insurance providers.



Schwab may make available, arrange and/or pay third-party vendors for the types of services rendered to Ridley Asset Management LLC. Schwab Institutional 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 our firm. Schwab Institutional may also provide other benefits such as educational events or occasional business entertainment of our personnel. In evaluating whether to recommend or require that clients custody their assets at Schwab, we may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors we consider and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

## **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 formally reviewed at least annually. 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 or the market and/or economic environment for various asset classes. Accounts are reviewed by Craig Reisfield, Managing Member.

### **REPORTS**

In addition to the monthly statements and confirmations of transactions that clients receive from their broker-dealer, we provide quarterly reports summarizing account performance, balances and holdings information.

**Item 14   Client Referrals and Other Compensation**

**CLIENT REFERRALS**

Ridley Asset Management LLC does not pay referral fees to independent persons or firms for introducing clients to us.

It is Ridley Asset Management LLC'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.

## **Item 15   Custody**

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits (deducts) advisory fees from client accounts. As part of this billing process, the client and the client's custodian are advised of the amount of the fee to be deducted from a client account and invoiced at the same time. 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 our firm's calculation, among other things. Each client is provided an invoice and a statement reflecting the calculation of management fees on a quarterly basis. Our firm generates these quarterly reports. Clients should contact us directly if they believe that there may be an error in their statement.

Our firm does not have actual or constructive custody of client accounts.

## **Item 16 Investment Discretion**

Clients may hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission. Our discretionary authority includes the ability to do the following without contacting the client:

- Determine the security to buy or sell; and/or
- Determine the amount of the security to buy or sell

Clients give us discretionary authority when they sign a discretionary agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

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

## **Item 17   Voting Client Securities**

In general, we vote proxies for the following types of accounts: Institutional and ERISA accounts only. We vote proxies only for specific institutional and ERISA client accounts; however, even when such voting arrangements exist, these clients always have the right to vote their own proxies. This right can be exercised by instructing us in writing not to vote proxies in the client account. When authorized by an institutional or ERISA client, we vote proxies in the best interests of its clients and in accordance with our established policies and procedures. Our firm will retain all proxy voting books and records for the requisite period of time, a record of each vote cast, a copy of any document created by us that was material to making a decision how to vote proxies, and a copy of each written client request for information on how the adviser voted proxies. If our firm has a conflict of interest in voting a particular action, we will notify the client of the conflict.

Clients may obtain a copy of our complete proxy voting policies and procedures by contacting Craig Reisfield by telephone, Email, or in writing. Clients may request, in writing, information on how proxies for his/her shares were voted. If any client requests a copy of our complete proxy policies and procedures or how we voted proxies for his/her account(s), we will promptly provide such information to the client.

We will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. If desired, clients may direct us to transmit copies of class action notices to the client or a third party. Upon such direction, we will make commercially reasonable efforts to forward such notices in a timely manner. With respect to ERISA accounts, we will vote proxies unless the plan documents specifically reserve the plan sponsor's right to vote proxies. To direct us to vote a proxy in a particular manner, clients should contact Craig Reisfield by telephone, Email, or in writing.

We vote proxies for some, but not all of our clients. Clients may, at their election, choose to receive proxies related to their own accounts, in which case we may consult with clients as requested. Generally, we do not vote proxies for the following types of accounts: Individuals, High Net Worth Individuals, Families or Trusts. For accounts where we do not vote proxies, our firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner in which 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.

**Item 18 Financial Information**

Ridley Asset Management LLC has no additional financial circumstances to report. Under no circumstances do we require or solicit payment of fees in advance of services rendered. Therefore, we are not required to include a financial statement. Ridley Asset Management LLC has not been the subject of a bankruptcy petition at any time.

## **Item 19 Requirements for State-Registered Advisors**

Our firm currently has only one supervised registered investment advisor, Craig Reisfield. Craig Reisfield's education and business background can be found on the Supplemental Form ADV Part 2B. Mr. Reisfield's other business activities can be found on the Supplemental Form ADV Part 2B.

Our firm does not accept performance-based fees or other fees or compensation based on a share of capital gains on or capital appreciation of the assets of a client. Such performance-based fees or compensation may create an incentive for an advisor to recommend an investment that may carry a higher degree of risk to a client.

Any material conflict of interest relating to our firm or our representatives and employees that could be reasonably expected to impair the rendering of unbiased or objective advice are disclosed to prospective clients and clients pursuant to the State of California's Conflict of Interest Disclosure (CCR § 260.238(K)). Conflicts of interest may include, but are not limited to, (a) compensation arrangements connected with advisory services which are in addition to the advisory fees, (b) other financial industry activities or affiliations, or (c) participation of interest in client transactions.

No management person at our firm has been involved in an arbitration claim or been found liable in a civil, self-regulatory organization, or administrative proceeding that is material to the client's evaluation of the firm or its management.

Neither our firm, nor its management persons, has any relationship or arrangement with issuers of securities.

There are no other additional items that require information to be provided regarding our firm or its employees in this section.