

# **SEC Form ADV Part 2A**

## **“Brochure”**

### **Item 1 – Cover Page**

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This Brochure provides information about the qualifications and business practices of **ENRIGHT, MOLLIN, CASCIO & RAMUSEVIC, INC.** (hereinafter “EMCR,” “Advisor” or the “Firm”). If you have any questions about the contents of this Brochure, please contact us by telephone at 718-803-1817 or by email at: DMollin@EMCRadvisors.com. 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.

**ENRIGHT, MOLLIN, CASCIO & RAMUSEVIC, INC.** is a registered investment advisor. Registration of an Investment Advisor does not imply any level of skill or training. The oral and written communications of an advisor provide you with information about which you determine to hire or retain an advisor.

Additional information about us is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Material Changes**

Since the last update to this Brochure as filed with the SEC on August 8, 2016, there have been no material changes.

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## **Item 4 – Advisory Business**

### **A. Description of Advisory Firm**

EMCR, founded in 1990, provides personalized, financial planning and investment management services to high net worth individuals, pension and profit sharing plans, trusts, estates, charitable organizations and small businesses. Advice is provided through consultation with the client and may include, but is not limited to: determination of financial objectives, identification of financial problems, cash flow management, tax planning, insurance review, investment management, education funding, retirement planning, and estate planning.

### **B. Principal Owners**

Listed below are the Firm's key personnel and equity holders:

Douglas Mollin is a 33.34% stockholder.  
Michael Cascio is a 33.33% stockholder.  
Steven Ramusevic is a 33.33% stockholder.

### **C. Types of Advisory Services**

EMCR provides investment supervisory services, also known as asset management services, and furnishes investment advice through consultations.

On more than an occasional basis, EMCR furnishes advice to clients on matters not involving securities, such as financial planning matters, taxation issues, and estate planning.

The terms of individual managed accounts are negotiated separately with each distinct Client. Clients may impose modest restrictions or limitations on EMCR's management of their portfolio. These restrictions or limitations, along with additional details regarding services, fees, investor suitability standards and other specific terms applicable to Clients, are set forth in the investment policy statements between the Client and EMCR.

Below are the guidelines that are followed when managing a client's portfolio:

- 1) Investment objectives are identified by assessing the client's risk tolerance, liquidity needs, income requirements, emphasis on growth, and emotional tolerance for volatility. Information provided by the client will be collected during meetings, interviews, and/or questionnaires;
- 2) After analyzing a client's financial situation and formulating an investment policy statement, we implement the investment strategy through an appropriate combination of mutual funds, stocks, bonds, exchange traded funds, cash equivalents, and selection of individual securities. Clients can instruct us not to buy certain securities or types of securities;
- 3) Capital market conditions and client circumstances are monitored; and
- 4) Portfolio adjustments are made as appropriate to reflect significant changes in any or all of the above variables.

The annual Advisory Service Agreement fee is based upon a percentage of the investable assets. Current client relationships may exist that differ from the current fee schedule.

The Advisory Service Agreement is monitored and managed on an ongoing basis. The client may terminate an Agreement by providing a 30-day written notice at any time. At termination, fees will be billed on a pro rata basis for the portion of the quarter completed. The portfolio value at the completion of the prior full billing quarter is used as the basis for the fee computation, adjusted for the number of days during the billing quarter prior to termination.

***Retainer Agreement.*** In some circumstances, a Retainer Agreement is executed in lieu of an Advisory Service Agreement when it is more appropriate to work on a fixed- fee basis. The annual fee for a Retainer Agreement is negotiable on a case by case basis.

***Investment Management Agreement.*** An Investment Management Agreement may be executed when financial planning is not provided as part of the relationship. The annual fees for an Investment Management Agreement are negotiable on a case by case basis.

### **Asset Management**

Assets are invested primarily in no-load mutual funds and exchange-traded funds, usually through brokers. Mutual funds charge an investment management fee that is disclosed in

the fund prospectus. Brokerage firms may charge a transaction fee for the purchase of some funds.

The brokerage firm charges a fee for stock and bond trades. EMCR does not receive any compensation, in any form, from fund companies.

### **Termination of Agreements**

A Client may terminate the aforementioned agreements at any time, by providing EMCR with a 30 day written notice and paying the rate for the time spent on the investment advisory engagement prior to notification of termination. If the client made an advance payment, EMCR will refund any unearned portion of the advance payment.

Similarly, EMCR may terminate the aforementioned agreements at any time, by providing the client a 30 day written notice. If the client made an advance payment, EMCR will refund any unearned portion of the advance payment.

### **D. Amount of Managed Assets**

As of 12/31/16 EMCR manages approximately \$193,157,000 in assets on a discretionary basis.

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

EMCR bases its fees on a percentage of assets under management and fixed retainer fees.

Financial plans are priced according to the degree of complexity associated with the client's situation. Fees are negotiable on a case by case basis.

Investment management fees are billed quarterly, in arrears, in that the firm invoices our clients after the three-month billing period has ended. Fees may be deducted from a designated client account to facilitate billing. The client must consent in advance to direct debiting of their investment account.

EMCR in its sole discretion, may charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with clients, etc.).

***Other Fees & Expenses.*** Our investment management fees do not include certain other fees and expenses. The client pays all brokerage commissions and similar transaction fees in connection with account transactions from the assets in the account. These fees are charged directly by and paid to the custodian. In addition, mutual funds and exchange-traded funds have an expense ratio that represents the percentage of the fund's asset value charged as an expense for operating the fund. Mutual fund shares or ETF shares in a client's account may be subject to other fees and expenses that are described in the fund prospectus.

***Expense Ratios.*** Advisory fees charged by the advisor are separate and distinct from fees and expenses charged by mutual and/or exchange traded funds, which may be recommended to clients. Additionally, the fees charged by the advisor are exclusive of any costs related to custodians, brokers, or any other third parties. Clients should review all fees charged by the advisor, custodians, brokers, and others to fully understand the total amount of fees incurred.

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

EMCR does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

#### **Item 7 – Types of Clients**

EMCR generally provides investment advice to individuals, high net worth individuals and corporations. There is no minimum account size or minimum annual fee.

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

##### **A. Methods of Analysis & Investment Strategies**

When selecting investments, the firm's main sources of information include Morningstar, Charles Schwab & Company's research, Fidelity's research and Advisor Intelligence. We also utilize financial newspapers, magazines and professional journals.

The primary investment strategy used for client accounts is a global balanced allocation utilizing mutual funds and exchange traded funds. We do not focus much on individual stocks and bonds. We use complementary asset classes and complementary funds within each asset class to help provide consistent returns for each portfolio. Typical asset classes include US and foreign stocks, small, mid and large sized companies (US and foreign), growth and value styles, active and index based; bonds will include a broad range of exposure to US government, high

grade corporate, high yield corporate, foreign government, floating rate, inflation protected, mortgage bonds and municipal bonds. The vast majority of bond investments are in the short to intermediate term range to limit interest rate risk.

We do not actively trade the portfolio. An investment will be replaced due to one of several factors: extended poor performance, a change in the risk profile, a change in management. New positions are added based on how they complement the existing investments, the management, the expenses, performance consistency, or risk-adjusted consistency.

The investment strategy for each specific client is based upon the objectives stated during consultations. The client may change these objectives at any time. Each client executes an Investment Policy Statement that documents their objectives and their desired investment strategy.

## **B. Risk of Loss**

All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

- 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 security, bond, or mutual fund 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. For example, political, economic and social conditions may trigger market events.
- 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.
- 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. For example, oil-drilling companies depend on



finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.

- **Liquidity Risk**: Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. 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.

Securities investments are not guaranteed and clients may lose money on your investments. Asset allocation and diversification are the firm's primary tools for controlling risk. EMCR seeks to ensure that our clients' mix of assets is appropriate for their temperament, desire for growth, tolerance of risk, need for liquidity, etc.

The summary of material risks provided above is not meant to be a complete description of every risk that may be applicable. All investment activities involve a high degree of risk, including the possible risk of loss of an investor's entire investment. The information contained herein is a summary only.

#### **Item 9 – Disciplinary Information**

Registered investment advisors 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 EMCR or the integrity of our management.

None of our employees have been involved in legal or disciplinary events related to past or present investment clients.

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

EMCR has an arrangement, material to its clients, with a related firm. Specifically, the three principals in the firm also have interests in Ramusevic, Cascio & Kaplan, CPAs, a tax and accounting firm. Although several firm clients are also tax clients of Ramusevic, Cascio &

Kaplan, CPAs, there is no obligation, real or implied, for any firm client to retain Ramusevic, Cascio & Kaplan, CPAs.

## **Item 11 – Code of Ethics**

### **A. Code of Ethics**

EMCR has adopted a Code of Ethics (hereinafter referred to as the “Code”) in accordance with Rule 204A-1 of the Investment Advisers Act of 1940 (hereinafter the “Advisers Act”). The purpose of the Code is to set forth certain key guidelines that have been adopted by us and to specify the responsibility of our personnel to act in accordance with their fiduciary duty to our clients and to comply with applicable federal and state laws and regulations. The Code requires that all employees conduct themselves in accordance with the highest ethical standards, which should be premised on the concepts of integrity, honesty and trust. The Code additionally includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons must acknowledge the terms of the Code of Ethics.

A copy of EMCR’s Code of Ethics is available upon request.

### **B. Investment or Participation in Client Transactions & Personal Trading**

EMCR and its employees are permitted to purchase or trade securities that are also held by clients. As such, the firm’s related persons may have a material financial interest in such securities, which could result in a potential conflict of interest on the part of such related persons. In order to manage this conflict of interest, employees may not trade their own securities ahead of client trades and moreover, such related personal transactions will be reviewed against the best interests of the clients and will be denied by the Chief Compliance Officer if it is determined that there is a risk of potential adverse consequences to our clients.. Employees additionally, must comply with all provisions of the EMCR Compliance Manual related to personal trading.

The Chief Compliance Officer of EMCR is Douglas Mollin. Mr. Mollin reviews all employee

trades each quarter. Mr. Mollin's trades are similarly reviewed by Steven Ramusevic. These reviews ensure that the personal trading of employees does not affect the markets and that clients of the firm receive preferential treatment whenever feasible.

Furthermore, EMCR and its employees may not trade for Clients or themselves or recommend to others trading in securities of a company while in possession of material, non-public information (hereinafter referred to as "MNPI") or disclose such information to any person not entitled to receive it. By reason of its various investment activities, EMCR may have access to MNPI or be restricted from effecting transactions in certain investments that might have otherwise been initiated.

## **Item 12 – Brokerage Practices**

### **A. Selecting Brokerage Firms**

Specific custodian recommendations are made to Clients based on the integrity and financial responsibility of the firm, as well as the best execution of orders at reasonable commission rates.

### **B. Best Execution**

We seek to execute securities transactions for Clients in such a manner that the Client's total cost or proceeds in each transaction is the most favorable given the circumstances. When selecting custodians, we will consider the full range and quality of the services.

EMCR reviews the execution of trades at each custodian each quarter. Trading fees charged by the custodians are also reviewed on a quarterly basis.

### **C. Aggregation**

We do not aggregate client transactions.

## **Item 13 – Review of Accounts**

### **A. Regular Reports**

Account reviews are performed quarterly by Douglas Mollin, President and Chief Compliance

Officer. A detailed written report is delivered to each client covering the following areas: overall market conditions and commentary, quarterly values for the portfolio, returns for the portfolio for the past quarter, 12 months, 3 years and since inception, and an updated asset allocation as compared to the target long-term allocation. In the report, we'll also discuss individual positions and recommend changes to the mix as necessary.

### **B. Review Triggers**

Conditions that may trigger a review are changes in the tax laws, new investment information and changes in a client's own situation. General conditions in the stock and bond markets are continuously monitored. Factors triggering reviews of client portfolios include changed circumstances of the clients; changed general conditions in the stock and bond markets; and changes in the individual's securities owned by clients. Moreover, any discrepancies among our internal records or that of the custodians will trigger an off-cycle review of the Firm's accounts.

### **C. Periodic Reviews**

Account reviews are conducted by Douglas Mollin. Mr. Mollin contemplates the client's current security positions and the likelihood that the performance of each security will contribute to the investment objectives of the client.

Client accounts are reviewed on a periodic basis, but not less than quarterly. The written updates may include a portfolio summary, asset allocation update, market commentary and portfolio returns.

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

EMCR client referrals have come from current clients, estate planning attorneys, accountants, friends and other similar sources. The firm does not compensate for these referrals or accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to the firm.

## **Item 15 – Custody**

All assets are held at qualified custodians. Clients should receive at least quarterly statements from the qualified custodian that holds and maintains the investment assets. Clients are urged to carefully review such statements and compare the official custodial

records to the account statements that EMCR may provide. Our statements may vary from custodial statements based upon accounting procedures, reporting dates, or valuation methodologies of certain securities.

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

EMCR provides Advisory services on a discretionary basis after receiving discretionary authority from the client at the outset of an advisory relationship and exercised in a manner consistent with the stated investment objectives for the particular client account. When selecting securities and determining amounts, EMCR observes the investment policies, limitations, and restrictions of the clients for which it advises. In certain situations, EMCR obtains blanket trading authorization.

A limited power of attorney is a trading authorization Clients of EMCR sign so that the firm may execute the trades that have been approved.

All investment guidelines and restrictions are documented in writing.

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

EMCR does not have the authority to vote proxies solicited by or with respect to the issuers of securities held in client account(s). Clients are expected to vote their own proxies.

When assistance on voting proxies is requested, EMCR will provide recommendations to the Client. If a conflict of interest exists, it will be disclosed to the Client.

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

Registered investment advisers are required in this Item to provide certain financial information or disclosures about their financial condition. EMCR does not have any financial impairment that will preclude the firm from meeting contractual commitments to clients and has not been the subject of a bankruptcy proceeding.