

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

**Item 1 – Cover Page**

**TA Capital Management, LLC**

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New York, NY 10001

212-913-9114

Date of Disclosure Brochure: November 2013

Updated March 2014

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This disclosure brochure provides information about the qualifications and business practices of TA Capital Management, LLC (also referred to as we, us and TA Capital Management throughout this disclosure brochure). If you have any questions about the contents of this disclosure brochure, please contact Aimee Baehr at 609-458-5899 or at [abaehr@totalalignmentwealth.com](mailto:abaehr@totalalignmentwealth.com). The information in this disclosure brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about TA Capital Management is also available on the Internet at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can view our firm's information on this website by searching for TA Capital Management, LLC or our firm's CRD number is 169326.

\*Registration as an investment adviser does not imply a certain level of skill or training.

## **Item 2 – Material Changes**

TA Capital Management is a newly registered investment adviser, and this disclosure brochure dated March 2014 updated disclosure prepared by our firm. The Material Changes in this brochure are as follows:

- TA Capital will not offer discretionary management at this time.
- TA Capital Management's ownership percentage has changed (see item 4). David Vincent has gone from 11.42 to 5.15%. Total Alignment Wealth Advisors, LLC has gone from 88.5 to 94.86%.
- TA Capital plans to use TD as our custodian (see item 12) instead of Fidelity.

We will ensure that you receive a summary of any material changes to this and subsequent disclosure brochures within 120 days after our firm's fiscal year ends. Our firm's fiscal year ends on December 31, so you will receive the summary of material changes no later than April 30 each year. At that time we will also offer or provide a copy of the most current disclosure brochure. We may also provide other ongoing disclosure information about material changes as necessary.

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#### **Item 4 – Advisory Business**

TA Capital Management is an investment adviser registered with the United States Securities and Exchange Commission (SEC) and is a limited liability company (LLC) formed under the laws of the State of New York.

- David Vincent is the Chief Executive Officer (CEO) and Managing Member of TA Capital Management. David Vincent owns 5.14% of TA Capital Management.
- Total Alignment Wealth Advisors, LLC is the Member of TA Capital Management. Total Alignment Wealth Advisors, LLC owns 94.86% of TA Capital Management. Total Alignment Wealth Advisors, LLC in turn is majority owned by TA Members LLC. There are no individuals with 25% or greater ownership or control in TA Members, LLC.
- TA Capital Management filed its initial application to become registered as an investment adviser in November 2013.

#### **Introduction**

The investment advisory services of TA Capital Management are provided to you through an appropriately licensed and qualified individual who is an investment adviser representative of TA Capital Management (referred to as a client's investment adviser representative throughout this brochure).

A client's investment adviser representative typically is not an employee of TA Capital Management; rather, a client's investment adviser representative typically is an independent contractor of TA Capital Management.

A client's investment adviser representative is limited to providing the services and charging investment advisory fees in accordance with the descriptions detailed in this brochure. However, the exact services you receive and the fees you will be charged will be specified in a client's advisory services agreement.

#### **Description of Advisory Services**

The following are descriptions of the primary advisory services of TA Capital Management. Please understand that a written agreement, which details the exact terms of the service, must be signed by you and TA Capital Management before we can provide you the services described below.

**Wealth Management Services** – TA Capital Management offers wealth management services which is a combination of asset management services and financial planning services. Asset management services involves TA Capital Management providing you with continuous and ongoing supervision over a client's specified accounts.

You must appoint our firm as a client's investment adviser of record on specified accounts (collectively, the "Account"). The Account consists only of separate account(s) held by qualified custodian(s) under a client's name. The qualified custodians maintain physical custody of all funds and securities of the Account, and you retain all rights of ownership (e.g., right to withdraw securities or cash, exercise or delegate proxy voting and receive transaction confirmations) of the Account.

The Account is managed by us based on a client's financial situation, investment objectives and risk tolerance. We actively monitor the Account and provide advice regarding buying, selling, reinvesting or holding securities, cash or other investments of the Account.

We will need to obtain certain information from you to determine a client's financial situation and investment objectives. You will be responsible for notifying us of any updates regarding a client's financial situation, risk tolerance or investment objective and whether you wish to impose or modify existing investment restrictions; however we will contact you at least annually to discuss any changes or updates regarding a client's financial situation, risk tolerance or investment objectives. We are always reasonably available to consult with you relative to the status of a client's Account. You have the ability to impose reasonable restrictions on the management of a client's accounts, including the ability to instruct us not to purchase certain securities.

It is important that you understand that we manage investments for other clients and may give them advice or take actions for them or for our personal accounts that is different from the advice we provide to you or actions taken for you. We are not obligated to buy, sell or recommend to you any security or other investment that we may buy, sell or recommend for any other clients or for our own accounts.

Conflicts may arise in the allocation of investment opportunities among accounts that we manage. We strive to allocate investment opportunities believed to be appropriate for a client's account(s) and other accounts advised by our firm among such accounts equitably and consistent with the best interests of all accounts involved. However, there can be no assurance that a particular investment opportunity that comes to our attention will be allocated in any particular manner. If we obtain material, non-public information about a security or its issuer that we may not lawfully use or disclose, we have absolutely no obligation to disclose the information to any client or use it for any client's benefit.

**Financial Planning Services** – In addition to providing asset management services on a client's selected accounts, TA Capital Management may provide financial planning services, which involve preparing a written financial plan covering specific or multiple topics. We provide full written financial plans, which typically address the following topics: Investment Planning, Retirement Planning, Insurance Planning, Tax Planning, and Education Planning. When providing financial planning services, the role of a client's investment adviser representative is to find ways to help you understand a client's overall financial situation and help you set financial objectives. We also provide modular written financial plans which only cover those specific areas of concern mutually agreed upon by you and us. A modular written financial plan is limited or segmented and does not involve the creation of a full written financial plan. You should be aware that there are important issues that may not be taken into consideration when a client's investment adviser representative develops his or her analysis and recommendations under a modular written financial plan. Written financial plans prepared by us do not include specific recommendations of individual securities.

We rely on the personnel of our parent company, Total Alignment Wealth Advisors, LLC (Total Alignment), to assist us with providing financial planning services. Specifically, we have entered into a sub-adviser relationship with Total Alignment whereby they provide us with certain financial planning tools and access to their financial planning software. In addition, their financial planning personnel are available to help us prepare financial plans and develop financial planning strategies for our clients. It should be understood that we have a conflict of interest by selecting Total Alignment because they are an affiliated firm over other investment adviser firms that provide similar and alternative financial planning

services. There may be other firms that provide financial planning services more appropriate for a client's individual situation.

### **Limits Advice to Certain Types of Investments**

TA Capital Management provides investment advice on the following types of investments:

- Mutual Funds
- Exchange Traded Funds (ETFs)
- Exchange-listed Securities
- Securities Traded Over-the-Counter
- Foreign Issues
- Corporate Debt Securities
- Commercial Paper
- Municipal Securities
- US Government Securities
- Options Contracts on Securities

Although we generally provide advice only on the products previously listed, we reserve the right to offer advice on any investment product that may be suitable for each client's specific circumstances, needs, goals and objectives.

It is not our typical investment strategy to attempt to time the market, but we may increase cash holdings modestly as deemed appropriate based on a client's risk tolerance and our expectations of market behavior. We may modify our investment strategy to accommodate special situations such as low basis stock, stock options, legacy holdings, inheritances, closely held businesses, collectibles, or special tax situations.

*(Please refer to Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss for more information.)*

### **Tailor Advisory Services to Individual Needs of Clients**

TA Capital Management's advisory services are always provided based on a client's individual needs. This means, for example, that when we provide asset management services, you are given the ability to impose restrictions on the accounts we manage for you, including specific investment selections and sectors. We work with you on a one-on-one basis through interviews and questionnaires to determine a client's investment objectives and suitability information. Our financial planning services are always provided based on a client's individual needs.

We will not enter into an investment adviser relationship with a prospective client whose investment objectives may be considered incompatible with our investment philosophy or strategies or where the prospective client seeks to impose unduly restrictive investment guidelines.

### **Client Assets Managed by TA Capital Management**

As a newly registered investment adviser, TA Capital Management has no assets under management to report as of the date of this Brochure.

## **Item 5 – Fees and Compensation**

In addition to the information provided in *Item 4 – Advisory Business*, this section provides additional details regarding our firm's services along with descriptions of each service's fees and compensation arrangements. It should be noted that lower fees for comparable service may be available from other sources. The exact fees and other terms will be outlined in the agreement between you and TA Capital Management.

TA Capital Management allows a client's investment adviser representative to set fees within ranges provided by TA Capital Management. As a result, a client's investment adviser representative may charge more or less for the same service than another investment adviser representative of TA Capital Management.

### **Wealth Management Services**

Our wealth management services provided are charged based on a percentage of assets under management, billed in arrears (at the end of the billing period) on a quarterly calendar basis and calculated based on the fair market value of a client's account as of the last business day of the current billing period. We do not charge a separate fixed or hourly fee for the financial planning component of our wealth management services.

Fees are prorated (based on the number of days service is provided during the initial billing period) for a client's account opened at any time other than the beginning of the billing period. If asset management services are commenced in the middle of the billing period, then the prorated fee for that billing period will be billed in arrears at the end of that billing period.

The Wealth Management Services continue in effect until terminated. You may terminate the services by providing TA Capital Management with notice. TA Capital Management may terminate the services by providing you with written notice effective 30 days after you receive the written notice. When fees are billed in arrears, TA Capital Management will prorate the final fee payment based on the number of days services are provided during the final period. The amount of client assets on the termination date will be used to determine the final fee payment.

The annual fee for asset management services is typically 1.00%. However, fees charged for our services are negotiable based on the investment adviser representative providing the services, the complexity of the client's situation, the composition of the client's account (i.e., equities versus mutual funds), the relationship of the client with the investment adviser representative, and the total amount of assets under management for the client.

There is a minimum account size of \$100,000.

TA Capital Management believes that its annual fee is reasonable in relation to: (1) services provided and (2) the fees charged by other investment advisers offering similar services/programs. However, our annual investment advisory fee may be higher than that charged by other investment advisers offering similar services/programs. In addition to our compensation, you may also incur charges imposed at the mutual fund level (e.g., advisory fees and other fund expenses).

The investment advisory fees will be deducted from a client's account and paid directly to our firm by the qualified custodian(s) of a client's account. You will authorize the qualified custodian(s) of a client's account to deduct fees from a client's account and pay such fees directly to our firm.

You should review a client's account statements received from the qualified custodian(s) and verify that appropriate investment advisory fees are being deducted. The qualified custodian(s) will not verify the accuracy of the investment advisory fees deducted.

Brokerage commissions and/or transaction ticket fees charged by the qualified custodian are billed directly to you by the qualified custodian. TA Capital Management does not receive any portion of such commissions or fees from you or the qualified custodian. In addition, you may incur certain charges imposed by third parties other than TA Capital Management in connection with investments made through a client's account including, but not limited to, mutual fund sales loads, 12(b)-1 fees and surrender charges, variable annuity fees and surrender charges, IRA and qualified retirement plan fees, and charges imposed by the qualified custodian(s) of a client's account. Management fees charged by TA Capital Management are separate and distinct from the fees and expenses charged by investment company securities that may be recommended to you. A description of these fees and expenses are available in each investment company security's prospectus.

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

Performance-based fees are defined as fees based on a share of capital gains on or capital appreciation of the assets held in a client's account. *Item 6* is not applicable to this Disclosure Brochure because we do not charge or accept performance-based fees.

#### **Item 7 – Types of Clients**

TA Capital Management generally provides investment advice to the following types of clients:

- Individuals
- High net worth individuals
- Trusts, estates, or charitable organizations
- Corporations and other businesses

You are required to execute a written agreement with TA Capital Management specifying the particular advisory services in order to establish a client arrangement with TA Capital Management.

#### **Minimum Investment Amounts Required**

TA Capital Management requires a minimum of \$100,000 in order to open an account. To reach this account minimum, clients can aggregate all household accounts. Exceptions may be granted to this minimum for at the discretion of a client's investment adviser representative and the Chief Compliance Officer.



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

Our investment advisor representatives use various methods of analysis and investment strategies. Methods and strategies will vary based on the investment advisor representative providing advice. Models and strategies used by one investment advisor representative may be different than strategies used by other investment advisor representatives.

Some investment advisor representatives may use just one method or strategy while other investment advisor representatives may rely on multiple. We do not require or mandate a particular investment strategy be implemented by our investment advisor representatives. Further, we do not have requirements for using a particular analysis method and our investment advisor representatives are provided flexibility (subject to TA Capital supervision and compliance requirements) when developing their investment strategies.

The following sections provide brief descriptions of some of the more common methods of analysis and investment strategies that are used by our investment advisor representatives.

### **Methods of Analysis**

- **Fundamental** – This is a method of evaluating a security by attempting to measure its intrinsic value by examining related economic, financial and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of a company). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short). Fundamental analysis is considered to be the opposite of technical analysis. Fundamental analysis is about using real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security.

The risk associated with fundamental analysis is that it is somewhat subjective. While a quantitative approach is possible, fundamental analysis usually entails a qualitative assessment of how market forces interact with one another in their impact on the investment in question. It is possible for those market forces to point in different directions, thus necessitating an interpretation of which forces will be dominant. This interpretation may be wrong, and could therefore lead to an unfavorable investment decision.

- **Charting** - This is a set of techniques used in technical analysis in which charts are used to plot price movements, volume, settlement prices, open interest, and other indicators, in order to anticipate future price movements. Users of these techniques, called chartists, believe that past trends in these indicators can be used to extrapolate future trends.

Charting is likely the most subjective analysis of all investment methods since it relies on proper interpretation of chart patterns. The risk of reliance upon chart patterns is that the next day's data can always negate the conclusions reached from prior days'

patterns. Also, reliance upon chart patterns bears the risk of a certain pattern being negated by a larger, more encompassing pattern that has not shown itself yet.

- Cyclical – This method analyzes the investments sensitive to business cycles and whose performance is strongly tied to the overall economy. For example, cyclical companies tend to make products or provide services that are in lower demand during downturns in the economy and in higher demand during upswings. Examples include the automobile, steel, and housing industries. The stock price of a cyclical company will often rise just before an economic upturn begins, and fall just before a downturn begins. Investors in cyclical stocks try to make the largest gains by buying the stock at the bottom of a business cycle, just before a turnaround begins.
- While most economists and investors agree that there are cycles in the economy that need to be respected, the duration of such cycles is generally unknown. An investment decision to buy at the bottom of a business cycle may actually turn out to be a trade that occurs before or after the bottom of the cycle. If done before the bottom, then downside price action can result prior to any gains. If done after the bottom, then some upside price action may be missed. Similarly, a sell decision meant to occur at the top of a cycle may result in missed opportunity or unrealized losses.
- Technical – This is a method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity. Technical analysts believe that the historical performance of stocks and markets are indications of future performance.

Technical analysis is even more subjective than fundamental analysis in that it relies on proper interpretation of a given security's price and trading volume data. A decision might be made based on a historical move in a certain direction that was accompanied by heavy volume; however, that heavy volume may only be heavy relative to past volume for the security in question, but not compared to the future trading volume. Therefore, there is the risk of a trading decision being made incorrectly, since future trading volume is an unknown. Technical analysis is also done through observation of various market sentiment readings, many of which are quantitative. Market sentiment gauges the relative degree of bullishness and bearishness in a given security, and a contrarian investor utilizes such sentiment advantageously. When most traders are bullish, then there are very few traders left in a position to buy the security in question, so it becomes advantageous to sell it ahead of the crowd. When most traders are bearish, then there are very few traders left in a position to sell the security in question, so it becomes advantageous to buy it ahead of the crowd. The risk in utilization of such sentiment technical measures is that a very bullish reading can always become more bullish, resulting in lost opportunity if the money manager chooses to act upon the bullish signal by selling out of a position. The reverse is also true in that a bearish reading of sentiment can always become more bearish, which may result in a premature purchase of a security.

## **Investment Strategies**

- Long term purchases. Investments held at least a year.
- Short term purchases. Investments sold within a year.
- Frequent trading. This strategy refers to the practice of selling investments within 30 days of purchase.
- Option writing including cover options, uncovered options or spreading strategies. Options are contracts giving the purchaser the right to buy or sell a security, such as stocks, at a fixed price within a specific period of time.

## **Do Not Primarily Recommend One Type of Security**

We do not primarily recommend one type of security to clients. Instead, we recommend any product that may be suitable for each client relative to that client's specific circumstances and needs.

## **Risk of Loss**

Past performance is not indicative of future results. Therefore, you should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, and bonds, etc.) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. You should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, our firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. There are certain additional risks associated with investing in securities through our investment management program, as described below:

- Market Risk – Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.
- Equity (stock) market risk – Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.
- Company Risk. When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.

- Fixed Income Risk. When investing in bonds, there is the risk that the issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- Options Risk. Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.
- ETF and Mutual Fund Risk – When investing in an ETF or mutual fund, you will bear additional expenses based on a client's pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. You will also incur brokerage costs when purchasing ETFs.
- Management Risk – A client's investment with our firm varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.

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

*Item 9* is not applicable to this Disclosure Brochure because there are no legal or disciplinary events that are material to a client's or prospective client's evaluation of our business or integrity.

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

TA Capital Management is **not** and does **not** have a related person that is a broker/dealer, municipal securities dealer, government securities dealer or broker, an investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund), a futures commission merchant, commodity pool operator, or commodity trading advisor, a banking or thrift institution, an accountant or accounting firm, an insurance company or agency, a pension consultant, a real estate broker or dealer, and a sponsor or syndicator of limited partnerships.

We are a registered investment adviser and only provide investment and wealth advisory services. We are not engaged in any other business activities and offer no other services except those described in this Disclosure Brochure. We do not sell products or services other than investment and wealth planning advice, nor may our representatives sell other products or provide services outside of their role as investment adviser representatives with us.

#### **Total Alignment Wealth Advisors, LLC**

The majority of the ownership interests of TA Capital are owned by Total Alignment Wealth Advisors, LLC (Total Alignment). Although the day-to-day management of TA Capital has been authorized to the managers of TA Capital, all founding governance and operational matters as set forth in TA Capital's operating agreement require Total Alignment Wealth Advisors, LLC's written approval before being changed. Total Alignment is also an investment adviser firm providing investment consulting and financial

planning services to its clients. Although TA Capital and Total Alignment are related persons, TA Capital is not permitted to accept clients from Total Alignment's "Pure Oversight" platform. However, the two do share personnel, resources and intellectual capital, where necessary.

As explained in Item 4, we have entered into a sub-adviser agreement with Total Alignment to assist us with providing financial planning services. Specifically, we have entered into a sub-adviser relationship with Total Alignment whereby they provide us with certain financial planning tools and access to their financial planning software. In addition, their financial planning personnel are available to help us prepare financial plans and develop financial planning strategies for our clients. It should be understood that we have a conflict of interest by selecting Total Alignment because they are an affiliated firm; therefore, we have an incentive to refer clients to Total Alignment over other investment adviser firms that provide similar and alternative financial planning services. Under such circumstances, there may be other firms that provide financial planning services as equally appropriate for a client's individual situation.

## **Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading**

### **Code of Ethics Summary**

According to the *Investment Advisers Act of 1940*, an investment adviser is considered a fiduciary and has a fiduciary duty to all clients. TA Capital Management has established a Code of Ethics to comply with the requirements of Section 204(A)-1 of the *Investment Advisers Act of 1940* that reflects its fiduciary obligations and those of its supervised persons. The Code of Ethics also requires compliance with federal securities laws. The Code of Ethics covers all individuals that are classified as "supervised persons". All employees, officers, directors and investment adviser representatives are classified as supervised persons. TA Capital Management requires its supervised persons to consistently act in a client's best interest in all advisory activities. TA Capital Management imposes certain requirements on its affiliates and supervised persons to ensure that they meet the firm's fiduciary responsibilities to you. The standard of conduct required is higher than ordinarily required and encountered in commercial business.

This section is intended to provide a summary description of the Code of Ethics of TA Capital Management. If you wish to review the Code of Ethics in its entirety, you should send us a written request and upon receipt of a client's request, we will promptly provide a copy of the Code of Ethics to you.

### **Affiliate and Employee Personal Securities Transactions Disclosure**

TA Capital Management or supervised persons of the firm may buy or sell for their personal accounts, investment products identical to those recommended to clients. This creates a potential conflict of interest. It is the express policy of TA Capital Management that all persons associated in any manner with our firm must place clients' interests ahead of their own when implementing personal investments. TA Capital Management and its supervised persons will not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of employment or association with our firm unless the information is also available to the investing public upon reasonable inquiry.

We are now and will continue to be in compliance with applicable state and federal rules and regulations. To prevent conflicts of interest, we have developed written supervisory procedures that include personal investment and trading policies for our representatives, employees and their immediate family members (collectively, supervised persons):

- Supervised persons cannot prefer their own interests to that of the client.
- Supervised persons cannot purchase or sell any security for their personal accounts prior to implementing transactions for client accounts.
- Supervised persons cannot buy or sell securities for their personal accounts when those decisions are based on information obtained as a result of their employment, unless that information is also available to the investing public upon reasonable inquiry.
- Supervised persons are prohibited from purchasing or selling securities of companies in which any client is deemed an “insider”.
- Supervised persons are discouraged from conducting frequent personal trading.
- Supervised persons are generally prohibited from serving as board members of publicly traded companies unless an exception has been granted to the Chief Compliance Officer of TA Capital Management.

Any supervised person not observing our policies is subject to sanctions up to and including termination.

## **Item 12 – Brokerage Practices**

Clients are under no obligation to act on the financial planning recommendations of TA Capital Management. If the firm assists in the implementation of any recommendations, we are responsible to ensure that the client receives the best execution possible. Best execution does not necessarily mean that clients receive the lowest possible commission costs but that the qualitative execution is best. In other words, all conditions considered, the transaction execution is in a client's best interest. When considering best execution, we look at a number of factors besides prices and rates including, but not limited to:

- Execution capabilities (e.g., market expertise, ease/reliability/timeliness of execution, responsiveness, integration with our existing systems, ease of monitoring investments)
- Products and services offered (e.g., investment programs, back office services, technology, regulatory compliance assistance, research and analytic services)
- Financial strength, stability and responsibility
- Reputation and integrity
- Ability to maintain confidentiality

We exercise reasonable due diligence to make certain that best execution is obtained for all clients when implementing any transaction by considering the back office services, technology and pricing of services offered.

### **Brokerage Recommendations**

TA Capital Management may recommend the use of a particular broker-dealer such as TD AMERITRADE Institutional, a Division of TD AMERITRADE, Inc., member FINRA/SIPC/NFA or may utilize a broker-dealer of the client's choosing. TA Capital Management will select appropriate brokers based on a number of factors including but not limited to their relatively low transaction fees and reporting ability. TA Capital Management relies on its broker to provide its execution services at the best prices available. Lower fees for comparable services may be available from other sources. Clients pay for any and all custodial fees in addition to the advisory fee charged by TA Capital Management.

### **Directed Brokerage**

Clients should understand that not all investment advisors in the industry require the use of a particular broker/dealer or custodian. Some investment advisors allow their clients to select whichever broker/dealer the client decides. By requiring clients to use a particular broker/dealer, TA Capital Management may not achieve the most favorable execution of client transactions and the practice requiring the use of specific broker/dealers may cost clients more money than if the client used a different broker/dealer or custodian. However, for compliance and operational efficiencies, TA Capital Management has decided to require our clients to use broker/dealers and other qualified custodians determined by TA Capital Management.

### **Block Trading Policy**

We may elect to purchase or sell the same securities for several clients at approximately the same time. This process is referred to as aggregating orders, batch trading or block trading and is used by our firm when TA Capital Management believes such action may prove advantageous to clients. If and when we aggregate client orders, allocating securities among client accounts is done on a fair and equitable basis. Typically, the process of aggregating client orders is done in order to achieve better execution, to negotiate more favorable commission rates or to allocate orders among clients on a more equitable basis in order to avoid differences in prices and transaction fees or other transaction costs that might be obtained when orders are placed independently.

TA Capital Management uses the pro rata allocation method for transaction allocation.

Under this procedure, pro rata trade allocation means an allocation of the trade at issue among applicable advisory clients in amounts that are proportional to the participating advisory client's intended investable assets. TA Capital Management will calculate the pro rata share of each transaction included in a block order and assigns the appropriate number of shares of each allocated transaction executed for the client's account. If and when we determine to aggregate client orders for the purchase or sale of securities, including securities in which TA Capital Management or our supervised persons may invest, we will do so in accordance with the parameters set forth in the SEC No-Action Letter, *SMC Capital, Inc.* Neither we nor our supervised persons receive any additional compensation as a result of block trades.

## **Item 13 – Review of Accounts**

### **Account Reviews and Reviewers**

Managed accounts are reviewed at least quarterly. While the calendar is the main triggering factor, reviews can also be conducted at a client's request. Account reviews will include investment strategy and objectives review and making a change if strategy and objectives have changed. Reviews are conducted by a client's individual investment advisor representative, with reviews performed in accordance with a client's investment goals and objectives.

Financial plans are reviewed and updated when changes occur to a client's financial situations warranting the need to update the financial plan. At least annually, we will meet with you determine if financial plans are current and/or need to be updated.

### **Statements and Reports**

For our asset management services, you are provided with transaction confirmation notices and regular quarterly account statements directly from the qualified custodian. Additionally, TA Capital Management may provide performance reports to you quarterly and upon request.

Financial planning clients do not receive any report other than the written plan originally contracted for and provided by TA Capital Management.

You are encouraged to always compare any reports or statements provided by us, a sub-adviser or third-party money manager against the account statements delivered from the qualified custodian. When you have questions about a client's account statement, you should contact our firm and the qualified custodian preparing the statement.

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

Except for any arrangements with affiliated entities herein, TA Capital Management does not directly or indirectly compensate any person for client referrals.

The only compensation received from advisory services is the fees charged for providing investment advisory services as described in *Item 5* of this Disclosure Brochure. TA Capital Management receives no other forms of compensation in connection with providing investment and wealth planning advice.

*Please see Item 5, Fees and Compensation, Item 10, Other Financial Industry Activities and Affiliations and Item 12, Brokerage Practices, for additional discussion concerning other compensation.*

#### **Item 15 – Custody**

Custody, as it applies to investment advisors, has been defined by regulators as having access or control over client funds and/or securities. In other words, custody is not limited to physically holding client funds and securities. If an investment adviser has the ability to access or control client funds or securities, the investment adviser is deemed to have custody and must ensure proper procedures are implemented.

TA Capital Management is deemed to have custody of client funds and securities whenever TA Capital Management is given the authority to have fees deducted directly from client accounts. However, this is the only form of custody TA Capital Management will ever maintain. It should be noted that authorization to trade in client accounts is not deemed by regulators to be custody.

For accounts in which TA Capital Management is deemed to have custody, we have established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address and the manner in which the funds or securities are maintained. Finally, account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. Clients should carefully review those statements and are urged to compare the statements against reports received from TA Capital Management. When clients have questions about their account statements, they should contact TA Capital Management or the qualified custodian preparing the statement.

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

When providing asset management services, TA Capital Management maintains trading authorization over a client's Account provides management services on a non- **discretionary** basis. This means that we will be required to contact you prior to implementing changes in a client's account. Therefore, you will be contacted and required to accept or reject our investment recommendations including:



- The security being recommended
- The number of shares or units
- Whether to buy or sell

When a client's accounts are managed on a non-discretionary basis, you need to know that if we are not able to reach you or you are slow to respond to our request, it can have an adverse impact on the timing of trade implementations and we may not achieve the optimal trading price.

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

TA Capital Management does not vote proxies on behalf of Clients. We have determined that taking on the responsibilities for voting client securities does not add enough value to the services provided to you to justify the additional compliance and regulatory costs associated with voting client securities. Therefore, it is a client's responsibility to vote all proxies for securities held in Account.

You will receive proxies directly from the qualified custodian or transfer agent; we will not provide you with the proxies. You are encouraged to read through the information provided with the proxy-voting documents and make a determination based on the information provided. Although we do not vote client proxies, if you have a question about a particular proxy feel free to contact us. However, you will have the ultimate responsibility for making all proxy-voting decisions.

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

This *Item 18* is not applicable to this brochure. TA Capital Management does not require or solicit prepayment of more than \$500 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for the most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, TA Capital Management has not been the subject of a bankruptcy petition at any time.

### **Customer Privacy Policy Notice**

Regulation S-P, Privacy of Consumer Financial Information, requires financial institutions, including TA Capital Management, to provide notice to current clients and prospective clients about their policies and practices concerning the collection and use of customer, non-public information. This privacy policy notice is given to all prospective clients of TA Capital Management upon entering into a contract with TA Capital Management and annually thereafter.

**Privacy Disclosure Statement.** A primary goal of TA Capital Management is to protect the privacy of its clients. TA Capital Management does not sell the personal information of clients to anyone.

To conduct regular business, TA Capital Management may collect non-public personal information from clients. This information is provided by clients to TA Capital Management on applications and other forms provided by clients to TA Capital Management as well as transactions with the firm, our affiliates, or others.

TA Capital Management may enter into contracts with outside third parties so that TA Capital Management can assist its clients in servicing their accounts. In order to do this, TA Capital Management will disclose personal information to companies that help TA Capital Management process transactions for client accounts (for example, executing client trades through a broker/dealer). However, TA Capital Management, LLC

Management does not share or disclose any non-public customer information except as allowed or required by law. In addition to sharing information in order to provide financial services to clients, TA Capital Management may be required to disclose personal information to cooperate with regulators or law enforcement authorities, to resolve customer disputes or for risk control.

**Information Safeguarding.** TA Capital Management has implemented strict policies and procedures aimed at protecting the sensitive nature of client information. TA Capital Management restricts access to client information to only those members of TA Capital Management that must provide products and services to clients in order to service client accounts. TA Capital Management has implemented physical, electronic, and procedural safeguards aimed at meeting TA Capital Management's duty to protect non-public client information.

If you have any questions concerning TA Capital Management's customer privacy policy or concerns about a client's personal information please feel free to contact us at 212-913-9114.

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