

Item 1: Cover Page

SACKS & ASSOCIATES, LLC

Form ADV, Part 2

Firm Brochure

1160 Route 22 East
Bridgewater, New Jersey 08807
P: (732) 742-4920
Contact Person: Neil Sacks, Chief Compliance Officer

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This brochure provides information about the qualifications and business practices of Sacks & Associates, LLC. If you have any questions about the contents of this brochure, please contact us at (732) 742-4920. 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.

Additional information about Sacks & Associates, LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: Material Changes

This Disclosure Brochure is a new Disclosure Brochure. It was prepared by the Company in connection with the Company's application to register as an investment adviser with the United States Securities and Exchange Commission.

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Item 4: Advisory Business

A. The Firm and its Owners.

Sacks & Associates, LLC (the “Company” or the “Firm”), was formed in October 2008. Its initial application for registration as an investment adviser with the United States Securities and Exchange Commission was submitted in January 2015. The Company’s sole Member is Neil Sacks, who also serves as the Company’s Chief Compliance Officer.

B. The Firm’s Services.

As discussed below in this Disclosure Brochure, the Company offers non-discretionary investment management services and financial and retirement planning as part of its non-discretionary investment management service platform.

The Company’s investment management services are defined as giving ongoing and continuous investment advice to a client based on the client’s investment objectives and financial situation. During a series of personal meetings with the client, the Company, in conjunction with the client, will ascertain the client’s financial situation, risk tolerance, and investment objectives, developing a retirement plan that will establish general parameters for the Company’s investment management services. After the client agrees with the proposed retirement plan, the Firm will implement the retirement plan over a series of meetings between the Firm and the client. After implementation of the retirement plan, the Firm will monitor the allocations within the client’s account on an ongoing basis. All of the Firm’s recommendations are subject to the client’s approval; provided, however, that if the client approves those recommendations, the Firm shall be responsible for implementing those accepted recommendations.

The Company provides investment advice primarily with respect to various equity securities (such as exchange-listed, securities traded over-the-counter, and foreign issuers), exchange traded funds, warrants, corporate debt securities, certificates of deposit, and mutual fund shares. Although the Company’s investment advice is typically limited to those investment categories, the Company may provide advice with respect to other investment opportunities in response to a client request or where the Company determines that it would be in the interests of the client to pursue those other investment opportunities.

During the process of developing the client’s retirement plan, the Company engages in financial and retirement planning, which includes considerations among the areas of insurance planning (including life insurance and annuities), investment and estate planning. These financial and retirement planning services are considered to be elements of the Company’s investment management process. If requested by the client, the Company may assist the client with the implementation of various elements of the Company’s services. The Company may also recommend the services of other professionals if asked by the client. The client is under no obligation to engage the services of any such recommended professional, and retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from the Company.

C. Miscellaneous Information About the Firm's Services.

In connection with the provision of the Company's services, (1) the Company tailors its advisory services to the client's individual needs, (2) clients may impose reasonable restrictions on the Company's services, which may include restrictions on investing in certain securities or types of securities, (3) the client retains absolute discretion over all implementation decisions and is free to accept or reject any recommendation from the Company, (4) the Company is authorized to rely on any and all information that is provided to the Company by the client or any of the client's other professionals (such as the client's attorney or accountant), and shall not be required to independently verify any such information, and (5) each client is responsible to promptly notify the Company if there is ever any change in their financial situation or investment objectives so that the Company is positioned to review, evaluate and possibly revise its previous recommendations and/or services.

D. The Firm's Assets Under Management.

The firm's investment management services are limited to non-discretionary asset management. As a new investment adviser, the Company does not yet have any amount of assets under management.

Item 5: Fees and Compensation

A. The Firm's Fees and Compensation for Services.

The annual fee for investment management services will be charged as a percentage of assets under management, according to the schedule below:

| <u>Annual Fee</u> | <u>Assets Under Management</u> |
|--------------------------|---------------------------------------|
| 1.25% | Up to \$1,000,000 |
| 1.00% | \$1,000,000 up to \$2,000,000 |
| .90%.80% | \$2,000,000 up to \$3,000,000 |
| .80% | \$4,000,000 up to \$5,000,000 |
| .75% | Above \$5,000,000 |

Clients will be invoiced in advance at the end of each calendar quarter based upon the quarter end market value of the assets in the client's account as of the last business day of the previous quarter. For clients with multiple accounts, the Company, in its sole discretion, may combine the amount of assets in more than one account in determining the fee to be charged to that client for services on the client's total amount of assets. The Company, in its sole discretion, may charge a different management fee based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, type of services required, account composition, negotiations with client, etc.). In the event of termination of the Company's services before the end of a billing period for which the Firm received a pre-paid fee, the Firm shall pro-rate its fee through the date of termination and promptly return any unearned portion of that pre-paid fee to the client.

B. Compensation for the Sale of Insurance Products and Annuities

1. Certain of the Company's personnel are also licensed insurance producers/agents with several insurance companies in various states. In such capacity, each such personnel may recommend the purchase of certain insurance or annuity products where they will receive a share of revenue derived from the sale of such insurance or annuity products. For further discussion concerning these activities, see Item 10.A of this Disclosure Brochure.

2. The activity disclosed in Item 5.B.1 above represent a conflict of interest and gives the Company personnel engaging in such insurance activities an incentive to recommend the purchase of insurance or annuity products for a client account based on their ability to receive compensation from such a purchase, rather than based on a client's needs. However, the Firm addresses this conflict by (a) requiring that any such transaction be on commercially reasonable terms that are generally consistent with industry standards, and (b) neither requiring nor expecting that a client will purchase any such insurance or annuity products from or through Firm personnel. In addition, any such Firm personnel must maintain compliance with applicable rules and regulations that govern the sale of such insurance or annuity products.

3. Clients have the option to purchase investment or annuity products that the Company recommends through other brokers or agents that are not affiliated with the Company.

4. The Company's advisory fee is in addition to any commission that Company personnel may receive and the Company will not reduce its advisory fee to offset such commission. The Company does not charge advisory fees on the value of the insurance or annuity contract after it has been purchased by Firm personnel.

C. Registered Representatives.

1. Certain of the Firm's personnel are also registered representatives of Mutual Securities, Inc., an SEC registered, FINRA member broker-dealer, under which capacities they may engage in securities and variable insurance transactions on a commission basis, including the sale of 529 educational savings plans. This practice presents a conflict of interest and gives the person an incentive to recommend securities and variable insurance products based on the compensation received by them, rather than on a client's needs.

2. The Firm addresses conflicts arising from the activities disclosed in Item 5.C.1 by (a) requiring that any such transaction be on commercially reasonable terms that are generally consistent with industry standards, and (b) neither requiring nor expecting that a client will purchase any securities or variable insurance products from or through Firm personnel. In addition, any such Firm personnel must maintain compliance with applicable rules and regulations that govern the sale of such securities and variable insurance products.

3. Clients have the option to purchase securities or variable insurance products that the Company recommends through other brokers that are not affiliated with the Company.

4. The Company's advisory fee is in addition to any commission that Company personnel may receive and the Company will not reduce its advisory fee to offset such commission. The

Company does not charge advisory fees on the value of the securities or variable insurance products (or 529 educational savings plans) after such products have been purchased by Firm personnel.

D. General Information on Fees.

1. All fees are negotiable.
2. The Company's fees shall be deducted from the client's account by the client's account custodian.

With respect to the Company's investment management services, the client will also incur charges imposed directly by the custodian of the client's account, transaction charges imposed by the broker-dealer executing securities transactions for the client's account, and fees and expenses imposed directly by mutual funds held in or for the client's account. For further discussion concerning the Company's brokerage practices, please see Item 12 of this Disclosure Brochure. All fees paid to the Company for its services are separate and distinct from the fees and expenses charged directly by the client's custodian, the broker-dealer, and mutual funds. The fees and expenses imposed by mutual funds are described in each fund's prospectus, and will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. The client should review both the fees charged by the funds and the fees charged by the Company to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

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

The Company does not have any information to disclose in response to this Item 6.

Item 7: Types of Clients

A. The Firm's Clients.

The firm's client base is comprised of individuals, high net worth individuals, and corporations or other business entities.

B. Requirements for Opening or Maintaining an Account.

1. Advisory Agreement. Each client will be required to sign a servicing agreement with the Company that sets forth the terms and conditions of their relationship with the Company.

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

A. Methods of Analysis and Investment Strategies.

1. Methods of Analysis. In connection with servicing client accounts, the firm utilizes the following methods of analysis: (a) charting, (b) fundamental, and (c) technical. The main sources of the information that the firm's personnel use in their investment decision-making process

include financial newspapers and magazines, research materials prepared by others, corporate rating services, company press releases, and annual reports, prospectuses, filings with the Securities and Exchange Commission.

2. Investment Strategy. The firm utilizes long term purchases for servicing client accounts. Long term purchases are generally comprised of securities that are held at least one year after the date of their purchase. This investment strategy involves various risks, including market risk, liquidity risks and other risks that are associated with investing in the market in general.

3. Risk of Loss. Investing in securities involves risk of loss that each client should be prepared to bear.

4. Security related risks. The Company does not recommend any specific type of security over any other type of security. Every type of security is subject to various risks appurtenant to that type of security, which the Company can discuss with each client upon request.

Item 9: Disciplinary Information

The Firm does not have any information to disclose in response to this Item.

Item 10: Other Financial Industry Activities and Affiliations

A. Other Registrations.

1. As mentioned in the discussion to Item 5.B of this Disclosure Brochure, certain of the Firm's personnel (including the Firm's sole Member and Chief Compliance Officer Neil Sacks) are also licensed insurance producers/agents with various insurance companies in various states. In such capacity, each such individual may recommend the purchase of certain insurance or annuity products where they will receive a share of revenue derived from the sale of such insurance or annuity products. This activity represents a conflict of interest and gives Firm personnel an incentive to recommend the purchase of insurance or annuity products for a client account based on their ability to receive compensation from such a purchase, rather than based on a client's needs. However, the Firm seeks to address this conflict by (a) requiring that any such transaction will be on commercially reasonable terms that are generally consistent with industry standards, and (b) neither requiring nor expecting that a client will purchase any such insurance or annuity products from or through Firm personnel. In addition, Firm personnel must comply with applicable rules and regulations that govern the sale of such products. Clients have the option to purchase investment products that the Firm recommends through other brokers or agents that are not affiliated with the Firm.

2. As mentioned in the discussion to Item 5.C of this Disclosure Brochure, certain of the Firm's personnel (including the Firm's sole Member and Chief Compliance Officer Neil Sacks) are registered representatives of Mutual Securities, Inc. Although this does not constitute a significant portion of the time of any Company personnel, such personnel may be engaged in their separate capacities as registered representatives of Mutual Securities, Inc. to render securities brokerage services and variable insurance transactions under an arrangement with Mutual Securities, Inc. Commissions on the sales of securities and variable insurance products are charged by Mutual Securities, Inc., and a portion of those commissions may be payable to

Firm personnel who maintain appropriate registrations with Mutual Securities, Inc. Similarly, as mentioned previously within this Disclosure Brochure, Firm personnel may receive commissions from the sale of 529 educational savings plans. These activities and their resulting compensation presents a conflict of interest in the sense that Firm personnel who may receive such commission compensation have an incentive to implement transactions based on the potential for them to receive such commission compensation rather than based on the client's need to implement such transactions for the client's best interest. Notwithstanding, the client is under no obligation to implement any product transactions through Firm personnel, through Mutual Securities, Inc., or through any other entity given that the Firm's management services are non-discretionary in nature, and then upon acceptance of any recommendation from the Firm (provided, however, that if the client accepts the Firm's recommendation and requests the Firm to implement the recommendation, the Firm has an obligation to so implement such recommendation), the client is not obligated to execute or implement any transaction through any Firm personnel, or through any particular broker-dealer, including any broker-dealer with which any Firm personnel maintains a registration or any other relationship.

B. Other Financial Industry Activities.

See the discussion in Item 10.A ("Other Registrations") of this Disclosure Brochure discussing the registrations held by certain Firm personnel. When Firm personnel act in the capacity of insurance producers/agents, or registered representatives, they will engage in other financial industry activities that are commensurate with such other registrations.

C. Other Financial Industry Affiliations.

Please see the response in this Disclosure Brochure to Item 10.A above ("Other Registrations").

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

A. Description of the Firm's Code of Ethics

The Company has adopted a Code of Ethics pursuant to SEC Rule 204A-1, which serves to establish a standard of business conduct for all of the firm's personnel that is based upon fundamental principles of openness, integrity, honesty and trust. The Company is a fiduciary and therefore has the responsibility to render professional, continuous, and unbiased investment advice. As a fiduciary, the Company must act at all times in its clients' best interest and must avoid or disclose conflicts of interest. It is the purpose of the Company's Code of Ethics to emphasize and implement these fundamental principles within its operations.

Information concerning the identity of security holdings and financial circumstances of clients is to be confidential. Failure to comply with the Code of Ethics may result in disciplinary action, which may include termination of employment.

The Company will provide a copy of the Code of Ethics to any client or prospective client upon request.

B. Investing by the Firm and its Personnel

1. The purchase or sale of the same securities as for the client. The Company and Company personnel may purchase, sell or hold the same securities for each of its and their own accounts as are purchased or sold for client accounts. In addition, any person affiliated with the Company may directly or indirectly hold the same securities as the Company recommends to clients. These investment activities present a conflict of interest in the sense that the Company, or its personnel, may benefit financially from a transaction effected for a client account.

The firm believes that it has addressed this conflict of interest through its internal compliance policies. Initially, each such person will be required to report to the Chief Compliance Officer of the Company all securities transactions during the preceding quarter in which she or he had a direct or indirect beneficial interest, and the Chief Compliance Officer will be required to report his securities transactions to other Firm personnel. Next, employees, officers and directors of the Company are prohibited from using any information acquired in their capacities as such to affect any trade or undertake any activity that may adversely affect the Company's clients or their interests. All are similarly prohibited from furnishing such information to others or otherwise improperly using such information for their own benefit. Further, the Company emphasizes the overarching right of the client to decline to implement any advice rendered. Lastly, the Company requires that all personnel act in accordance with all applicable Federal and State regulations governing registered investment advisory practices. Any individual not in observance of the above may be subject to termination.

2. The purchase or sale of same securities at or about the same time as in a client's account. The Company, and/or any person related to the Company, may recommend securities to clients, or buy or sell securities for client accounts, at or about the same time that the Company or the person related to the Company buys or sells the same securities for the account of the Company or the Company's related person. This presents a conflict of interest because the Company or the related person may benefit financially as a result of transactions in that same security that occur in the client account. Similarly, the value of the security held in the client's account may be detrimentally impacted by transactions in that same security that occur in the Company's account or the account of the Company's related person.

The firm believes that it has addressed this conflict of interest through its internal compliance policies as described in Item 11.B.1.

Item 12: Brokerage Practices

A. Factors the Firm Considers in Selecting a Broker-Dealer.

1. Selection Criteria. In placing orders for the purchase and sale of securities and selecting brokers to effect these transactions, the Company will utilize broker-dealers that it reasonably believes will provide "best execution". In seeking "best execution", the determinative factor is not the lowest possible commission cost, but whether the transaction represents the best qualitative execution. The Company will seek prompt execution of orders at the most favorable prices reasonably obtainable under the circumstances. In doing so, the Company will consider a number of factors including, without limitation, execution capability, commission rates, and

responsiveness. The Company will weigh the amount of the broker's compensation against the other criteria it considers in selecting the broker to execute client securities transactions to determine whether the broker's compensation is reasonable in light of those other factors. Accordingly, although the Company will seek competitive commission rates, it may not necessarily obtain the lowest possible commission rates for account transactions.

2. Research and other soft dollar benefits. Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, the Company may take into consideration the investment research services that are available from a broker-dealer when determining whether to execute through that broker-dealer. The Company receives investment research and support services and/or products other than execution from the broker in connection with client securities transactions. TD Ameritrade's Institutional Division offers services to the Firm and its clients, which include custody of securities and financial products trade execution and clearance and settlement of transactions ("Institutional Program"). Commissions, rates and fees applicable to your account may be based on the scope and nature of the business that the Firm transacts with you, including the current and future expected amount of the Firm's assets custodied with TD Ameritrade. TD Ameritrade provides certain economic benefits ("Program Benefits") to all advisers, including the Firm, that participate in the Institutional Program. These benefits include various technological tools, items, and products that assist the Firm in managing and servicing its clients' accounts. In addition, TD Ameritrade may provide the Firm with discounts on products or services such as compliance, marketing, technology, and practice management products or services provided by third-party vendors. The Firm's receipt of Program Benefits does not depend on the amount of brokerage transactions it directs to TD Ameritrade, but the Firm's receipt of Program Benefits creates potential conflicts of interest between the Firm and its clients (for example, the receipt of Program Benefits by the Firm may indirectly influence the Firm's recommendation of TD Ameritrade's custodial and brokerage services).

TD Ameritrade also offers additional benefits ("Additional Services") to select investment advisers in the Institutional Program. The Additional Services may include reimbursement or waiver of fees or expenses related to the advisers' business as an adviser or the provision of services or other things of value for use in connection with the adviser's business. An adviser's receipt of Additional Services also raises potential conflicts of interest. In providing Additional Services to an adviser, TD Ameritrade considers the amount and profitability to TD Ameritrade of the assets in and trades placed for, the adviser's clients' accounts maintained with TD Ameritrade. Thus, to be eligible to receive Additional Services, an adviser may have an incentive to recommend to its clients that their assets be held in custody with TD Ameritrade and to place transactions for those client's accounts with TD Ameritrade.

However, the Company anticipates that the Company's ability to obtain investment research services from the broker as a result of the Company executing client securities transactions through such broker will be utilized primarily to benefit client portfolios. Such research generally will be used to service all of the Company's clients, but brokerage commissions paid by a client may be used to pay for research that is not used in managing the client's account, and may in fact benefit a client who did not pay for the use of that research.

Except as indicated above, the Company's clients do not pay more for investment transactions effected and/or assets maintained at a particular broker-dealer or custodian as a result of this arrangement. Further, and except as indicated above, there is no corresponding commitment made by the Company any other any entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities, or other investment products as result of the above arrangement.

The foregoing represents a conflict of interest. When the Company uses client brokerage commissions to obtain research or other products or services, the Company receives a benefit because the Company does not have to produce or pay for the research, products or services. The Company has an incentive to select or recommend a broker-dealer based on the Company's interest in receiving the research or other products of services, rather than on the client's interest in receiving most favorable execution. It is possible that clients may pay higher commission costs due to the Company's use of that research, or those products or services.

During this fiscal year, the Company anticipates acquiring products and services with client brokerage commissions consistent with the above disclosure. Nonetheless, we anticipate that the products and services the Firm will receive will generally be available to other investment advisers in a similar position as the Firm. We do not believe that the receipt of the items mentioned in Section 12.A.2 compromise our ability to service our clients in an unbiased manner and will not prevent use from changing the broker-dealer/custodian if we believe that a different broker-dealer/custodian would provide better execution and custodial services taking into consideration all of the direct and indirect benefits to the client from use that custodian.

3. Directed brokerage.

The Company does not recommend, request or require that a client direct it to execute transaction through a specified broker-dealer. Nonetheless, the Company may permit a client to request that the Company effect securities transaction for that client's account through a particular broker-dealer. A client's direction of brokerage can limit or eliminate the Company's ability to negotiate commissions (which could result in higher commission costs) and otherwise obtain most favorable execution of client transactions. In addition, the Company may be unable to aggregate orders to reduce transaction costs. If the client directs brokerage, the client will negotiate terms and arrangements for the account with that broker-dealer, and the Company will not seek better execution services or prices from other broker-dealers. As a result, the client may pay higher commissions or other transaction costs or incur greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. In other words, directing brokerage may cost a client more money.

4. No Company client is required to implement the Company's investment recommendations through, or purchase and/or sell insurance, investment or securities products from or through, Mutual Securities, Inc. or any of the Company's personnel in their separate capacities as registered representatives of Mutual Securities, Inc.

B. Aggregation.

Transactions for each client account generally will be effected independently, unless Registrant decides to purchase or sell the same securities for several clients at approximately the same time. Registrant may (but is not obligated to) combine or "batch" such orders to obtain "best execution", to negotiate more favorable commission rates, or to allocate equitably among Registrant's clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among Registrant's clients in proportion to the purchase and sale orders placed for each client account on any given day. To the extent that Registrant determines to aggregate client orders for the purchase or sale of securities, including securities in which Registrant's principals and/or associated persons may invest, Registrant shall generally do so in accordance with the parameters set forth in SEC No-Action Letter, *SMC Capital, Incorporated*. Registrant shall not receive any additional compensation or remuneration as a result of the aggregation. In the event that the Firm elects not to aggregate or batch client securities transactions when it has the opportunity to do so, the client may receive a higher price per transaction than if the Firm had aggregated the subject transaction.

Item 13: Review of Accounts

A. Account Reviews.

The Company will review accounts periodically. Each client account will be monitored by that client's adviser, and reviewed whenever significant economic events, changes in market conditions or important new developments concerning a security affect any individual account. If warranted, Firm personnel will take appropriate action consistent with the goals and objectives of each account.

B. Account Reports.

Clients will receive a written retirement plan from the Firm and confirmations of all transactions from broker-dealers on a monthly basis for securities transactions. In addition, the Firm will provide a net worth statement to each client.

Item 14: Client Referrals and Other Compensation

A. Non-Clients providing an Economic Benefit to the Company.

See the discussion in this Disclosure Brochure to benefits received by the Company from the broker in connection with execution of client securities transactions.

Item 15: Custody

The client's assets are maintained with a qualified custodian. The qualified custodian is authorized by the client to deduct and direct payment of the Company's advisory fee directly from the client's custodial account. Each client will receive account statements directly from the broker on at least a quarterly basis. Each client should carefully review those statements. In the event that a client also receives an account statement from the Company, each client is urged to compare the account statement they receive from the qualified custodian with the account

statement they receive from the Company, and to rely solely on the account statement received from the qualified custodian.

Item 16: Investment Discretion

It is expected that the majority of the activities of the Company will involve individual investment advice provided to individual clients. This advice will be non-discretionary. Any such limitations shall be presented to the Company in writing, and clients may change/amend those limitations, in writing, as the client requires.

The client's written agreement with the custodian also grants a limited power of attorney to the Company relative to transactions in the client's custodial account which are the basis for the accepted investment recommendations from the Company.

Item 17: Voting Client Securities

The Company does not vote client proxies for client accounts. Therefore, although the Company may provide investment advisory services relative to client investment assets, the Company's 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. The Company and/or the client shall correspondingly instruct each custodian of the assets to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets. The Company generally does not advise clients on questions regarding a particular solicitation.

Item 18: Financial Information

The Company does not have any information to disclose in response to this Item 18.