

**Form ADV Part 2A**

**Gripman Investment Advisors, LLC**



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March 15, 2017

This brochure provides information about the qualifications and business practices of Gripman Investment Advisors, LLC ("Adviser" or "Gripman"). If you have any questions about the contents of this brochure, please contact us at (844) 474-7626. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Additional information about the Adviser also is available on the Securities and Exchange Commission's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Gripman is an investment adviser registered with the SEC. Since Gripman has recently stopped managing a 40 Act fund, and the advisor does not manage over \$100 million of assets, we will register with the state of Ohio no later than the date that our annual registration with the SEC expires (March 31, 2017). Registration of an investment adviser does not imply any level of skill or training.

Pursuant to new SEC Rules, Gripman will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year (currently December 31). Gripman will further provide other ongoing disclosure information about material changes as required by applicable law or as Gripman otherwise determines to be necessary.

Gripman will further provide you with a new Brochure as necessary based on changes or new information at any time, upon request.

## **MATERIAL CHANGES**

Under the SEC's rules we are required to update our Form ADV Part 2A on an annual basis or whenever there is a material change to our policies, practices, or conflicts of interest or other information presented. This Form ADV Part 2A reflects the following changes to our March 28, 2016 Brochure:

- Since Gripman has recently stopped managing a 40 Act fund, and the advisor does not manage over \$100 million of assets, we will register with the state of Ohio no later than the date that our annual registration with the SEC expires (March 31, 2017).
- Consistent with the requirements for state of Ohio registered advisors, a Part 2B of Form ADV or "brochure supplement" has been added which provides information about the advisory personnel on whom the particular client receiving the brochure relies for investment advice.

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## **ADVISORY BUSINESS**

Gripman is an Ohio limited liability company that was formed in January 2015. Gripman maintains its principal office at 100 East Campus View Blvd Suite 250, Columbus, Ohio 43235. The owners of the Adviser are Timothy Bond and Brian Bookheimer.

Gripman provides investment advisory services for clients. Gripman offers investment advisory services that focus on targeting low volatility strategies that combine various asset classes to build portfolios of individual securities. Clients primarily include High Net Worth Individuals/Families, but may in the future include other entities such as: pension and profit sharing plans, trusts, estates, charitable organizations, corporations, hedge funds and private investment companies, and state and municipal government entities.

### **Discretionary Investment Services**

Gripman provides continuing supervision of each client's investment portfolio. The services provided by Gripman are on a discretionary basis. As a result, Gripman has full discretion to determine, consistent with clients' investment objectives and restrictions, which securities and the total amount of securities that are to be bought or sold for clients' accounts. Gripman may buy and sell both domestic U.S. and foreign securities that include, but are not limited to: common and preferred stocks; 144A, private placements and other restricted securities; convertible stocks and bonds; options; warrants; rights; commercial paper; certificates of deposit; futures contracts; interests in partnerships investing in real estate, oil and gas interests and securities; mortgage pass-through securities; stripped mortgage securities; Z-bonds; inverse floaters; repurchase agreements; U.S. Government securities; and corporate, municipal and government bonds, notes and bills. The Adviser provides management services primarily in a value investment style. Gripman's discretionary investment authority may be limited by conditions imposed by clients in their stated investment objectives or guidelines, and mutually agreed to by Gripman.

Gripman provides discretionary investment management services to: all current and any future clients.

### **Non-Discretionary Investment Services**

The Adviser does not provide non-discretionary investment services.

## **FEES AND COMPENSATION**

### **Advisory Fees for Separate Account Management**

Advisory fees are paid by clients at a monthly fee calculated at the annual rate of 0.74% of client's average net assets. Fixed Fees are negotiable depending on the size of the client account and are generally fixed after negotiation with the client.

Fees are generally billed monthly in arrears based on the market value of the account(s) as specified in the investment management agreement. If an account is opened or closed during the billing period, the advisory fees are pro-rated for that portion of the billing period which the account was open.

## **PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

The Adviser does offer a performance fee arrangement with separate account clients. These arrangements would be contingent upon satisfying all the conditions in Rule 205-3 under the Investment Advisers Act of 1940, as amended (the "Investment Advisers Act"). This arrangement is made up of a 10bp fixed fee billed monthly and a 10% of AUM performance based fee billed quarterly.

Under Gripman's allocation policies, the Adviser attempts to allocate portfolio transactions equitably whenever concurrent decisions are made to purchase or sell securities for its advisory accounts. The main factors considered in such allocations are the respective investment objectives, the relative amount of portfolio holdings of the same or comparable securities, the availability of cash for investment, the size of investment commitments generally held, and the opinion of the persons responsible for recommending the investments.

## **TYPES OF CLIENTS**

The Adviser generally provides investment advice to High Net Worth Individuals/Families, but may in the future include other entities such as: pension and profit sharing plans, trusts, estates, charitable organizations, corporations, hedge funds and private investment companies, and state and municipal government entities.

## **METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

Gripman is a leading practitioner of value based balanced fund investing. Providing a prudent place to invest, Gripman focuses on generating superior returns over the long-term coupled with capital preservation. Gripman's styles are linked by a common fundamental value orientation and focus on building a portfolio of cash based investments regardless of the asset class. Gripman's goal is to provide consistent, risk-averse and disciplined approach to long-term investing in individual securities with the objectives of achieving superior total returns and providing income for client portfolios.

### **Methods of Analysis**

Gripman uses a variety of sources of information to facilitate methods of analysis. In particular, Gripman may consult with research analysts, specific broker-dealers, economists and others in formulating investment strategies. Gripman may also attend company presentations and participate in interviews and industry sponsored conferences. Gripman may engage in discussions with management and others having business with the company or expertise in a particular industry. Gripman also regularly monitors newspapers, magazines and industry and trade related journals; websites; information provided by affiliated and unaffiliated analysts and consultants; corporate rating services; annual reports, prospectuses, and SEC or governmental filings; and information published by a company, such as press releases.

Gripman also takes into account the following valuation criteria, which are guidelines generally aimed at identifying undervalued or reasonably valued securities: (1) balance credit, interest rate & liquidity risk of each security and make sure we are getting paid well for each; (2) build a portfolio of high quality cash

flows regardless of the asset; (3) trade against the direction of the market (i.e. buy on weakness, sell on strength); and (4) build a portfolio of investments in which you are indifferent to macro scenarios.

General descriptions of Gripman's investment strategies are included below. These descriptions are not intended to serve as specific guidelines. Gripman reserves the right to limit the availability of any particular strategy at any given time based on factors including capacity, pre-existing relationships, minimum account sizes, fees and distribution channels. In addition, Gripman may develop other investment strategies from time to time and manage portfolios according to a client's specific investment guidelines, thus strategies may vary by client account.

Prospectuses and statements of additional information for the registered investment companies, and the offering memoranda for the private investment funds, contain important information concerning the investment objectives, strategies, policies, and risks for those funds. Shares of the registered investment companies are sold solely pursuant to their respective registration statements and interests in the private investment companies are sold solely pursuant to their respective offering memoranda to persons who satisfy the eligibility requirements imposed by the federal securities laws for the purchase of such interests in private offerings.

The results for individual portfolios will vary depending on market conditions and the portfolio's overall composition. All investments carry a certain degree of risk including the possible loss of principal and there is no assurance that an investment will provide positive performance over any period of time. Past performance is no guarantee of future results, and any investment includes the risk of loss that clients should be prepared to bear. Clients should not assume that portfolio investments in securities will be profitable.

### **Investment Strategies**

Absolute Value Balanced strategy seeks long-term total return and income through investing primarily in carefully selected common stocks and select fixed income securities of high quality. The strategy converts all assets to a cash flow yield and compares the risk of each investment to assemble the best return for a moderate level of risk. Under normal circumstances, the fund will keep the equity allocation between 25-40% and the remainder will be in mostly investment grade fixed income assets under 7 years until maturity. Up to 10% of the fund can be allocated to BB bonds and up to 10% of the fund can be allocated to distressed opportunities. Typically the portfolio will have investments in 60-100 securities, with the top ten securities and the largest three sectors generally constituting more than 20% of the portfolio. Market capitalizations generally fall within the range of \$1 billion to \$4 billion.

When the Advisor believes that current market, economic, political or other conditions are unsuitable and would impair the pursuit of the fund's investment objectives, the fund may invest some or all of its assets in cash or cash equivalents, including but not limited to obligations of the U.S. Government, money market fund shares, commercial paper, certificates of deposit and/or bankers acceptances, as well as other interest bearing or discount obligations or debt instruments that carry an investment grade rating by a national rating agency. When the fund takes a temporary defensive position, the fund may not achieve its investment objectives.

## **Principal Risks**

While Gripman seeks to manage accounts so that risks are appropriate to the return potential for the strategy, it is often not possible to fully mitigate risks. As with any investment, loss of principal is a risk of investing in accordance with the investment strategies described above. However, the following list of risk factors does not claim to be a complete account or explanation of the risks involved in an investment strategy nor do all risks apply to each strategy. Gripman investors are encouraged to read investment agreements, prospectuses or offering memorandum specific to each strategy before investing. Due to the ever changing nature of the markets, strategies may be subject to additional risks factors not mentioned below.

### **Equity Risk**

**Common Stock Risk-** The risks that could affect the value of the strategy's products and the total return on your investment include the possibility that the equity securities, generally common stocks and/or ADRs of U.S. and foreign domiciled companies held, will experience sudden, unpredictable drops in value or long periods of decline in value. This may occur because of factors that affect the securities markets generally, such as adverse changes in economic conditions, the general outlook for corporate earnings, interest rates or investor sentiment. Equity securities may also lose value because of factors affecting an entire industry or sector, such as increases in production costs or factors directly related to a specific company, such as decisions made by its management.

**Mid-Cap and Small-Cap Companies Risk-** Investing in smaller companies generally involves greater risk than investing in larger companies and securities of smaller companies are often more volatile. The prices of securities of mid-cap and small-cap companies tend to fluctuate more widely than those of larger, more established companies. Mid-cap and small-cap companies may have limited product lines, markets or financial resources or may depend on the expertise of a few people and may be subject to more abrupt or erratic market movements than securities of larger, more established companies or the market averages in general. Securities of such issuers may lack sufficient market liquidity to effect sales at an advantageous time or without a substantial drop in price. In addition, small and mid-cap companies often have shorter operating histories and are more reliant on key products or personnel than larger companies. Securities of such issuers may lack sufficient market liquidity to effect sales at an advantageous time or without a substantial drop in price.

**Value Stock Risks-** Value stocks, including those selected by Gripman for a strategy, are subject to the risks that their intrinsic value may never be realized by the market and that their prices may go down. In addition, the market may favor certain stocks (value stocks vs. growth stocks) and the strategy may hold investments that are out of favor. Gripman's value discipline often results in a portfolio of stocks that may differ materially from its benchmark index.

**Concentration Risk-** Gripman manages both diversified and non-diversified strategies. As such a portfolio may from time to time have more than 5% of total assets invested in the securities of a single company. Such relative concentration is likely to increase the volatility of the portfolio's asset value. If an adverse event depresses the value of a particular security, an investment in a security proves in retrospect to be inopportune because of other adverse developments or the vagaries of the markets, or company-specific events reduce the income or return generated from its securities, the products in the strategy may be more susceptible to losses if one invested in more companies.

## **Fixed Income Risks**

**Interest Rate Risk-** Changes in interest rates are one of the most important factors that could affect the value of an investment in a strategy's products. Rising interest rates tend to cause the prices of debt securities (especially those with longer maturities) to fall. Investments in fixed-income securities with longer maturities generally produce higher yields but are subject to greater market fluctuation. Rising interest rates may also cause investors in mortgage-backed and asset-backed securities to be paid off later than anticipated, forcing the products in the strategy to keep its money invested at lower rates or to sell the securities at lower prices. Falling interest rates, however, generally cause investors in mortgage-backed and asset-backed securities to be paid off earlier than expected, forcing the products in the strategy to reinvest the money at a lower interest rate.

**Duration Risk-** The concept of duration is useful in assessing the sensitivity of the fixed-income portion of the products in a strategy to interest rate movements, which are the main source of risk for the fixed-income portion of these products. Duration measures price volatility by estimating the change in price of a debt security for a 1% change in its yield. For example, a duration of five years means the price of a debt security will change about 5% for every 1% change in its yield. Thus, the higher the duration, the more volatile the security.

**Credit Risk-** The credit rating or financial condition of an issuer may also affect the value of a debt security. Generally, the lower the quality rating of a security, the greater the risk that the issuer will fail to pay interest fully and return principal in a timely manner. If an issuer defaults or becomes unable to honor its financial obligations, the security may lose some or all of its value. The issuer of an investment-grade security is typically valued as more likely to pay interest and repay principal than an issuer of a lower rated bond. Adverse economic conditions or changing circumstances, however, may weaken the issuer's capacity to pay interest and repay principal.

**High Yield Risk-** High yield bonds, commonly referred to as "junk" bonds, are highly speculative securities that are usually issued by smaller, less credit-worthy and/or highly leveraged (indebted) companies. Compared with investment-grade bonds, high yield bonds carry a greater degree of risk and are less likely to make payments of interest and principal. Market developments and the financial and business conditions of the corporation issuing these securities influence their price and liquidity more than changes in interest rates, when compared to investment-grade debt securities. Insufficient liquidity in the high yield bond market may make it more difficult to dispose of high yield bonds and may cause products in the portfolio to experience sudden and substantial price declines. A lack of reliable, objective data or market quotations may make it more difficult to value high yield bonds accurately. There is no limit on the ratings of high yield securities that may be purchased or held by the portfolios in the strategy and the strategy may also invest in securities that are in default.

**Mortgage-Backed Securities Risk-** The value of mortgage-backed securities may be affected by, among other factors, changes or perceived changes in: interest rates, factors concerning the interests in and structure of the issuer or the originator of the mortgages, the creditworthiness of the entities that provide any supporting letters of credit, surety bonds or other credit enhancements, or the market's assessment of the quality of underlying assets. Payment of principal and interest on some mortgage-backed securities (but not the market value of the securities themselves) may be guaranteed by the full faith and credit of the U.S. Government or by its agencies, authorities, enterprises or instrumentalities, which are not insured or guaranteed by the U.S. Government. Mortgage-backed securities issued by non-governmental issuers



(such as commercial banks, savings and loan institutions, private mortgage insurance companies, mortgage bankers and other secondary market issuers) may entail greater risk than obligations guaranteed by the U.S. Government. Mortgage-backed securities are subject to prepayment risk, which is the possibility that the underlying mortgage may be refinanced or prepaid prior to maturity during periods of declining or low interest rates, causing the strategy's products to have to reinvest the money received in securities that have lower yields. Rising or high interest rates tend to extend the duration of mortgage-backed securities, making their prices more volatile and more sensitive to changes in interest rates.

**Repurchase Agreement Risk-** A repurchase agreement is a short-term investment. A strategy's products may acquire a debt security that the seller agrees to repurchase at a future time and set price. If the seller declares bankruptcy or defaults, the products in this strategy may incur delays and expenses liquidating the security. The security may also decline in value or fail to provide income.

**Convertible Securities Risk-** Convertible securities are generally not investment grade and are subject to greater credit risk than higher-rated investments. They may also be less liquid and more difficult to value than higher-rated debt securities.

### **Foreign Securities Risk**

**Foreign Securities Risk-** The economies of some foreign markets often do not compare favorably with that of the U.S. in areas such as growth of gross domestic product, reinvestment of capital, resources, and balance of payments. Some of these economies may rely heavily on particular industries or foreign capital. They may be more vulnerable to adverse diplomatic developments, the imposition of economic sanctions against a country, changes in international trading patterns, trade barriers and other protectionist or retaliatory measures. Governmental actions, such as the imposition of capital controls, nationalization of companies or industries, expropriation of assets or the imposition of punitive taxes, may adversely affect investments in foreign markets. The governments of certain countries may prohibit or substantially restrict foreign investing in their capital markets or in certain industries. This could severely affect security prices. This could also impair the ability to purchase or sell foreign securities or transfer assets or income back to the U.S. or otherwise adversely affect the management of the portfolio. Other foreign market risks include foreign exchange controls, difficulties in pricing securities, defaults on foreign government securities, difficulties in enforcing favorable legal judgments in foreign courts, and political and social instability. Legal remedies available to investors in some foreign countries are less extensive than those available to investors in the U.S. Many foreign governments supervise and regulate stock exchanges, brokers and the sale of securities less than the U.S. government does. Corporate governance may not be as robust as in more developed countries. As a result, protections for minority investors may not be strong, which could affect security prices. Accounting standards in other countries are not necessarily the same as in the U.S. If the accounting standards in another country do not require as much disclosure or detail as U.S. accounting standards, it may be harder to completely and accurately determine a company's financial condition. Because there are usually fewer investors on foreign exchanges and smaller numbers of shares traded each day, it may be difficult to buy and sell securities on those exchanges. In addition, prices of foreign securities may go up and down more than prices of securities traded in the U.S. Foreign markets may have different clearance and settlement procedures. In certain markets, settlements may not keep pace with the volume of securities transactions. If this occurs, settlement may be delayed, and assets may be un-invested and may not be earning returns, or other investment opportunities may be

missed. Changes in currency exchange rates will affect the value of foreign holdings or exposures. The costs of foreign securities transactions tend to be higher than those of

U.S. transactions, increasing the transaction costs. International trade barriers or economic sanctions against foreign countries may adversely affect holdings or exposures.

**Emerging Markets Risk-** Investments in foreign issuers in developing or emerging market countries involve increased exposure to changes in economic, social and political factors. The economies of most emerging market countries are in the early stage of capital market development and may be dependent on relatively fewer industries. As a result, their economic systems are still evolving, and their political systems are typically less stable than those in developed economies. Securities markets in these countries can also be smaller, and there may be increased settlement risks. Emerging market countries often suffer from currency devaluation and higher rates of inflation. Due to these risks, securities issued in developing or emerging countries may be more volatile, less liquid, and harder to value than securities issued in more developed countries.

### **Non-Diversified Risk**

Certain strategies are non- diversified and may invest a greater percentage of its total assets in the securities of fewer issuers than a “diversified” strategy. This increases the risk that a change in the value of any one investment in the portfolios of the strategy could affect the overall value more than it would affect that of a diversified strategy holding a greater number of investments. Accordingly, a portfolio in a non-diversified strategy will likely be more volatile than the value of a portfolio in a more diversified strategy.

## **DISCIPLINARY INFORMATION**

There are no legal or disciplinary events that are material to a client's or a prospective client's evaluation of Gripman's advisory business or the integrity of its management.

## **OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

### **Registered Investment Companies**

Gripman has no advisory role with any registered investment company.

### **Private Investment Companies**

Gripman has no advisory role with any private investment company.

Gripman is currently exempt from CFTC registration requirements.

### **Broker-Dealer**

Gripman is not registered, nor has any pending application for registration as a broker-dealer.

## **CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

Gripman has adopted a Code of Ethics (the “Code”) in compliance with the requirements of the United States Securities Exchange Commission (“SEC”), Rule 204A-1 under the Investment Advisers Act of 1940 (the “Advisers Act”), and Rule 17j-1 under the Investment Company Act of 1940 (the “1940 Act”), as amended. The purpose of the Code is to set forth the standards of conduct expected of all employees, directors, officers of the firm (“Employees”), and to demonstrate Gripman’s commitment to the highest legal and ethical standards and to provide guidance in understanding and fulfilling these responsibilities. Gripman and its employees strive at all times to conduct its business in accordance with its fiduciary obligations, which include the duties of care, honesty, integrity, and good faith.

The Code requires certain business activity or conduct to be reported and monitored to avoid potential conflicts of interest. In addition, the Code also outlines policies and procedures designed to detect and prevent conflicts of interest relating to personal trading by all Employees and to ensure that Gripman effects transactions for clients in a manner consistent with its fiduciary duty and in accordance with applicable laws.

The Adviser may recommend to clients the purchase of shares of registered investment companies and interests in private investment companies for which it serves as investment adviser. To the extent the Adviser recommends such purchases to clients, the Adviser is bound by its fiduciary duty to act in the clients' best interests in making those recommendations.

Employees are not permitted to purchase any securities that are under active consideration for purchase or sale or are being purchased or sold by any of the accounts managed by the Adviser. In addition, all Employees are forbidden from trading, either personally or on behalf of others, on material nonpublic information or communicating material nonpublic information to others in violation of the law. The Code incorporates recommendations and requirements of Rule 17j-1 of the 1940 Act and guidelines issued by the Investment Company Institute in 1994 regarding restrictions and prohibitions on certain trading practices and limitations upon certain other employee activities. The provisions of the Code apply equally to all Employees of the Adviser regardless of their position within the organization.

Various procedures have been adopted under the Code including the requirement to pre-clear all applicable transactions, provide the Adviser with duplicate confirmations of all applicable transactions, and the imposition of a seven calendar day blackout period. On a quarterly basis, all employees must provide a report on all applicable transactions in any security in which they have or acquire direct or indirect ownership. This reporting requirement also applies to securities issued by the Government of the United States or state/local municipalities, and shares of registered open-end investment companies. This requirement does not apply to the 401k investments and month- end direct payroll deductions into the mutual funds managed by the Adviser, nor does it apply to money market funds, bankers' acceptances, bank certificates of deposit, or commercial paper. All employees must disclose any broker dealer, bank or other account used or maintained for security transactions upon commencement of employment. On an annual basis, all employees must provide a full accounting of their personal securities holdings, certify that they have read and understand the Code, and certify that they have complied with the provisions of the Code. Additionally, on an annual basis, all employees must disclose any board memberships for which they serve, other than the investment companies managed by the Adviser, and acknowledge that they have disclosed in writing to their supervisor any ongoing business activities outside of their employment with the Adviser.

Securities issued by the United States or state/local municipalities, bankers' acceptances, bank certificates of deposit, commercial paper, and shares of registered open-end investment companies are excluded from the pre-clearance, duplicate confirmations and blackout period requirements of the Code. A copy of the Adviser's Code is available upon written request to:

Gripman Investment Advisors, LLC  
Attn: Corporate Secretary  
100 East Campus View Blvd, Suite 250, PMB 108784  
Columbus, OH 43235

From time to time, employees may be offered or receive gifts and entertainment from entities with whom Gripman conducts business. Under the Code, employees are subject to certain limitations regarding the receipt and giving of gifts and other benefits from any client, prospective client, or any person or entity that does or seeks to do business with or on behalf of the firm.

Under the Code, employees are prohibited from making political or charitable contributions for the sole purpose of obtaining or retaining advisory contracts. Periodically, employees may make political contributions and are subject to certain limitations regarding political contributions. Gripman has established policies and procedures to comply with applicable law regarding political contributions. In addition, Gripman also requires all applicable contributions to be pre-cleared and employees are required to certify on an annual basis that they have reported such applicable political contributions.

## **BROKERAGE PRACTICES**

Generally, Adviser makes decisions to buy and sell securities for its clients, selects brokers and dealers and negotiates commission rates or net prices. Equity securities are generally traded on an agency basis. For fixed income securities traded in the over-the-counter market, orders are placed directly with a principal market maker, unless it is believed better prices and executions are available elsewhere, generally on an agency basis. In selecting brokers to be used in portfolio transactions, Adviser's primary consideration is to obtain the best overall execution for each account in each trade, which is a combination of price and execution. With respect to execution, Adviser considers a number of judgmental factors including the actual handling of the order, the ability of the broker to settle the trade promptly and accurately, Adviser's past experience with the broker on similar trades and other factors that may be unique to that particular order. If the primary consideration of best overall execution is met, agency transactions for the client are typically placed with brokers that provide brokerage and research services to the client or Adviser at commission rates considered to be reasonable, although they may be higher than the lowest rates that may be available. Advisor is not affiliated with the brokerage firm. Broker does not supervise the advisor, its agents or activities.

While research services may be useful in supplementing other available investment information, when the Adviser uses client brokerage commissions (or markups or markdowns) to obtain research or other products or services, the Adviser benefits by not having to produce or pay for that research or those other products or services. The agreements with Adviser's clients authorize Adviser to cause the clients to pay commissions to broker-dealers furnishing research services in an amount higher than would have been charged by another broker-dealer if Adviser determines in good faith that the amount is reasonable in

relation to the services provided as required by Section 28(e) of the Securities Exchange Act of 1934. In making this determination, Adviser may consider not only the particular transaction and the value of brokerage and research services to a particular client, but also the value of those services in Adviser's performance of its overall investment responsibilities to all of its clients.

The research received by Adviser includes information on the U.S. and world economies; information on specific industries, groups, companies, or other news affecting specific securities or markets; and technical and quantitative information. Research is received in the form of written reports, telephone contacts, personal meetings, research seminars, and access to computer databases. Some of these research services are paid for through the use of third-party soft dollar arrangements. The client bears the cost of such services and each account may either contribute to the payment for research which benefits others or be the benefactor of similar research paid for by others.

Adviser maintains an internal allocation procedure to identify those brokers which have provided it with research. Internal guidelines are established by each portfolio manager to provide direction to the Trading Department and are usually based on the quality and usefulness of the research provided and its value to Adviser. A summary of the commissions paid to brokers are provided to the portfolio managers and the CCO of Adviser on a regular basis for their review.

Because many of these research services could be considered to provide some benefit to Adviser and the "soft dollars" used to acquire them are assets of Adviser's clients, Adviser could be considered to have a conflict of interest in allocating client brokerage business. In addition, Adviser could have an incentive to cause clients to engage in more securities transactions than would otherwise be optimal in order to generate brokerage commissions with which to acquire research.

Adviser may potentially manage the portfolios of a number of investment companies and advisory accounts. In the opinion of Adviser, it is not possible to measure separately the benefits from brokerage and research services to each of the accounts managed by Adviser. Because the volume and nature of the trading activities of the accounts managed by Adviser are not uniform, the amount of commissions in excess of the lowest available rate paid by each account for brokerage and research services will vary. However, in the opinion of Adviser, such costs to each client will not be disproportionate to the benefits received by each client on a continuing basis.

Adviser seeks to allocate portfolio transactions equitably whenever concurrent decisions are made to purchase or to sell identical securities for several clients managed by Adviser. Adviser typically aggregates orders for its client accounts for the same security where concurrent decisions are made to purchase or to sell identical securities for several clients managed by Adviser and such aggregation will generally result in more favorable net results for its clients. In these cases, Adviser will allocate the securities or proceeds arising out of those transactions (and the related expenses) on an average price basis among the various participants. While Adviser believes combining orders in this way will, over time, be advantageous to all participants, in particular cases, this procedure could have an adverse effect on the price or the amount of securities purchased or sold by any one client. In making such allocations, the main factors considered by Adviser are the respective investment objectives, the relative size of portfolio holdings of the same or comparable securities, the availability of cash for investment, the size of investment commitments generally held and the opinions of the persons responsible for recommending the investment.

The Adviser may only enter into cross transactions where prudent and in compliance with SEC and Department of Labor rules and where permitted by accounts under management. The Adviser has developed procedures using the requirements of Rule 17a-7 of the Investment Company Act of 1940 and Rule 206(3)-2 under the Advisers Act as a guide. Cross transactions are generally initiated when a portfolio manager sells a security in an account, for example, to raise cash to meet redemptions. Simultaneously, either that or another portfolio manager would like to increase the amount of that security held in another account which may include a Gripman Fund, at the current price level. Cross transactions are executed at the last sale price on trade date as reported by the security's primary exchange or the NASDAQ Official Closing Price for securities traded in the NASDAQ National Market System. If the security is not traded that day or is not listed, the trade is executed at the mean between the highest bid and lowest asked prices based upon inquiry of at least two independent broker-dealers who make a market in the security or by the price provided by an independent pricing service. No fees or commissions are paid by either account and the trades are only initiated if they are consistent with the investment guidelines and objectives of both. All such transactions involving an investment company are reviewed at least quarterly by the Board of each investment company.

## **REVIEW OF ACCOUNTS**

### **Reviews**

In effect, Adviser's investment advisory accounts are under constant review because of the commonality of holdings among the relatively low number of accounts under management and the limited number of different portfolio securities. These factors facilitate the continual monitoring of client portfolios in relation to changes in market prices and available information (e.g. earnings and dividends). The ongoing interaction between portfolio managers and the Trading Department supplements this review process. In some cases the portfolio manager may not use the Trading Department and will execute trades directly. The Adviser also utilizes Rules Manager, a module of the accounting system, which provides alerts when trades are entered in the system that may breach investment guidelines. The Trading Department may override some of these alerts, but certain restrictions are subject to permission by the Compliance Department or Senior Management.

### **Reviewers**

Adviser does not have an investment committee or group. Each lead portfolio manager assumes primary responsibility for the ongoing review of the accounts under their management. All reviews are conducted pursuant to the guidelines established by, or in connection with, the applicable account.

The functions of the portfolio manager and Chief Compliance Officer of Adviser include assessing, reviewing and reporting on those compliance policies and procedures required by Rule 206(4)-7 of the Investment Advisers Act of 1940 and Rule 38a-1 of the Investment Company Act of 1940.

## **CLIENT REFERRALS AND OTHER COMPENSATION**

From time to time, Gripman may enter into written solicitation agreements for the referral of Gripman's investment advisory services under which persons introducing new clients to Gripman receive a referral fee. Generally, the fee is based on a percentage of the investment advisory fees earned on assets invested with Gripman at the commencement of the relationship. Clients do not pay higher fees as a result of these arrangements.

## **CUSTODY**

The Adviser does not maintain possession or custody of the funds or securities of any client. The custodial arrangements for the Adviser's registered investment company clients are subject to regulation under the Investment Company Act of 1940. The firm will custody most assets with Pershing LLC, a subsidiary of The Bank of New York Mellon (A1/A/AA-), through a relationship with Shareholder Services Group. BNY Mellon is the world's largest custodian with over \$27 trillion of assets under custody, and assets are safeguarded by one of the oldest custodians in the world. Advisor is not affiliated with the custodian. The custodian does not supervise the advisor, its agents or activities.

## **INVESTMENT DISCRETION**

The Adviser has discretionary authority to manage securities accounts on behalf of its clients. The Adviser's discretionary authority is generally limited by the investment objectives, strategies, policies, and restrictions set forth in the registration statements of its registered investment company clients, the offering memoranda of its private investment company clients, and the account documentation for its other clients.

## **VOTING CLIENT SECURITIES**

The Adviser is authorized to vote proxies on behalf of its clients, unless a client specifically retains or delegates this authority to another party in writing. When voting proxies for clients, the Adviser's utmost concern is that all decisions be made solely in the best interest of the client (and for ERISA accounts, plan beneficiaries and participants, in accordance with the letter and spirit of ERISA). The Adviser will act in a prudent and diligent manner intended to enhance the value of the assets of the client's account.

A complete copy of Gripman's Proxy Voting policies and procedures is available upon written request to:

Gripman Investment Advisors, LLC  
Attn: Corporate Secretary  
100 East Campus View Blvd, Suite 250, PMB 108784  
Columbus, OH 43235

Clients may obtain information on how the Adviser voted their proxies by contacting their client service representative or the Corporate Secretary.

## **FINANCIAL INFORMATION**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Gripman's financial condition. Gripman has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

## **REQUIREMENTS FOR STATE-REGISTERED ADVISERS**

See **Form ADV Part 2B** – Brochure Supplement



**Form ADV Part 2B – Brochure Supplement**

**Gripman Investment Advisors, LLC**



100 East Campus View Blvd, Suite 250, PMB 108784

Columbus, Ohio 43235

Telephone: 1-844-GRIPMAN (474-7626)

[www.gripmanfunds.com](http://www.gripmanfunds.com)

March 15, 2017

This supplement to the Gripman Investment Advisor's brochure provides information about Tim Bond who leads and directs investment advisory and portfolio management services to clients. Brian Bookheimer, our Chief Operating and Chief Compliance Officer's information is included also. You should have received a copy of that brochure. Please contact Brian if you did not receive the Gripman Investment Advisor's brochure or if you have any questions about the contents of this supplement.

Additional information regarding Tim Bond or Brian Bookheimer is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Tim Bond**

***Educational Background***

Tim received his Bachelor of Science in Avionics Technology from Purdue University in 1994. He received his Master's Degree in Business Administration from Indiana University in 2002.

***Business Experience***

Prior to forming Gripman Investment Advisors, Tim served more than 10 years as an Analyst/Sector Portfolio Manager for one of J.P. Morgan's largest and most successful flagship funds. Prior to joining J.P. Morgan, Tim performed commodities trading at Midwestern energy trading firms and worked for a large insurance asset manager. Tim's career has included extensive experience in management of equity and fixed income portfolios, plus derivative components of these assets, and coverage of all credit sectors; industrial, utility, financial, structured, high grade, high yield and distressed investments.

***Compensation***

Tim receives a salary which is commensurate with his education, business experience and responsibilities as CEO/Portfolio Manager. As a shareholder of Gripman Investment Advisors, LLC should the company earn a profit, he may receive a portion of those profits.

***Disciplinary History***

Tim has not been subject to any criminal or civil disciplinary actions.

**Brian Bookheimer*****Educational Background***

Brian received his Bachelor of Science in Finance from The Ohio State University in 1985. He received his Master's Degree in Business Administration from Indiana University in Bloomington in 1987.

***Business Experience***

Prior to forming Gripman Investment Advisors, Brian was employed with J.P. Morgan Chase for more than 25 years. After serving as Chief Financial Officer for their Financial Card Services business, Brian spent the next 14 years within Asset Management serving in a variety of senior roles including Global Planning & Analysis Manager for Global Investment Management Technology & Operations, which included the Americas, Europe, Asia and Japan. During his last 3 years with J.P. Morgan, he was the Business Management & Reporting Manager for the Anti-Money Laundering/Anti-Terrorist Investigations organization within Global Financial Crimes Corporate Compliance.

***Compensation***

Brian receives a salary which is commensurate with his education, business experience and responsibilities as Chief Operating and Chief Compliance Officer. As a shareholder of Gripman Investment Advisors, LLC should the company earn a profit, he may receive a portion of those profits.

***Disciplinary History***

Brian has not been subject to any criminal or civil disciplinary actions.