

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

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This brochure provides information about the qualifications and business practices of Wittenberg Investment Management, Inc. If you have any questions about the contents of this brochure, please contact us at (978) 610-6871 or [joelwittenberg@comcast.net](mailto:joelwittenberg@comcast.net). 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.

Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Information about Wittenberg Investment Management, Inc. is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 105792.

## **Item 2 Material Changes**

The SEC adopted “Amendments to Form ADV” in October 2017. This firm Brochure, dated March 31, 2019, is our disclosure document prepared according to the SEC’s requirements and rules.

We will ensure that you receive at no charge a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary. To obtain a copy of this Brochure, please contact us at (978) 610-6871 or [joelwittenberg@comcast.net](mailto:joelwittenberg@comcast.net).

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## Item 4 Advisory Business

### A. Description of Advisory Firm

Wittenberg Investment Management, Inc. is an SEC-registered investment adviser with its principal place of business located in Massachusetts. Wittenberg Investment Management, Inc. began conducting business in 1988.

The firm's principal shareholder is Joel B. Wittenberg, its President and Chief Compliance Officer.

### B. Advisory Services Offered

Wittenberg Investment Management, Inc. provides investment advisory and portfolio management services and does not provide custody of securities or other administrative services. At no time will Wittenberg Investment Management accept or maintain custody of a client's funds or securities. All client assets will be managed within a client's designated brokerage account or accounts.

Our firm provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal investment policy and create and manage a portfolio based on that policy. We seek to determine each client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we also review and discuss a client's prior investment history, as well as family composition and background.

We manage these advisory accounts on a discretionary basis. Account supervision is guided by the client's stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations. After taking into account their investment needs and objectives, we endeavor to construct a diversified portfolio for each client. The portfolio may include the following types of investments:

- Stocks
- Bonds
- Mutual Funds
- Exchange Traded Funds (ETFs)
- Warrants
- Money Market Funds

Our investment strategy is primarily focused on the long-term holding of common stocks, preferred stocks and bonds but we may buy, sell, or re-allocate positions that have been held for less than one year in an effort to meet the objectives of a particular

client or due to market conditions. We may sell positions for reasons that include, but are not limited to, harvesting capital gains or losses, tax minimization, business or sector risk exposure to a specific security or class of securities, a change in a client's risk tolerance, generating cash to meet the needs of a client, or to seek to decrease any risk deemed unacceptable for a client's risk tolerance. We may employ cash as a possible hedge against a potential downward market movement; this may adversely affect the portfolio.

Holdings in client accounts may differ from other client accounts with a similar risk tolerance due to many factors, including but not limited to a client's need for income, liquidity, the timing of cash flows in or out of a particular account, portfolio concentration, investment restrictions imposed by the client, and the tax consequences of potential portfolio changes.

Because different investments involve varying degrees of risk, they will only be purchased when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

#### C. Availability of Customized Services for Individual Clients

Each client has the opportunity to place reasonable restrictions on the types of investments to be held in his or her portfolio, subject to the acceptance of such restrictions by Wittenberg Investment Management, Inc. Such restrictions must be provided to our firm in writing.

#### D. Wrap Fee Programs

We do not manage or place client assets into any wrap fee program.

#### E. Assets Under Management

As of December 31, 2018, we were actively managing \$266,709,305 of clients' assets on a discretionary basis. We do not accept any assets for management on a non-discretionary basis.

## Item 5 Fees and Compensation

### Advisory Fees and Compensation

Investment advisory fees are paid quarterly in arrears pursuant to the terms of the investment advisory agreement. Investment advisory fees are based on the market value of assets under management at the end of each month or, in some cases, at the end of each calendar quarter.

Our annual fees for investment advisory services are based upon a percentage of assets under management and generally range from 1.00% to 1.50%.

The annualized fee for investment advisory services is charged as a percentage of assets under management, according to the following schedule:

Assets Under Management	Annual Rate
First \$500,000	1.50%
Assets exceeding \$500,000	1.00%

The investment advisory fee in the first quarter of service is pro-rated from the inception date of the account to the end of that quarter. All securities held in accounts managed by Wittenberg Investment Management, Inc. will be independently valued by the custodian, typically Charles Schwab & Co., designated by the client. Wittenberg Investment Management, Inc. will not have the authority or responsibility to value portfolio securities.

### Performance-Based Fees

Wittenberg Investment Management, Inc. ordinarily does not charge performance-based fees for its investment advisory services. The fees charged by Wittenberg Investment Management, Inc. are as described above and ordinarily are not based upon the capital appreciation of a client's funds or securities. However, Wittenberg Investment Management, Inc. reserves the right to negotiate a performance-based fee for a client whose assets under management (including the assets of the client's spouse) exceed \$10 million.

Our performance-based fee schedule is based on a percentage of assets under management plus a percentage of the difference between a client's account and that of an appropriate index. The index will be chosen by Wittenberg Investment Management, Inc. and the client based on the nature of the investment strategy to be used.

The fees charged for this service will be determined by the client's individual circumstances and will never exceed 25% of the account's performance above an

appropriate index. The actual fees are disclosed to the client before entering into this type of arrangement and are detailed in the client's Investment Management Agreement. The percentage of assets under management is billed quarterly, in arrears.

The client must understand the proposed method of compensation and its risks prior to entering into the contract. Accordingly, clients paying performance-based fees are directed to the "Performance-Based Fees" section (Item 6) below for more comprehensive disclosures, including potential conflicts of interest resulting from this type of compensation.

Clients who elect to terminate their contracts will be charge a performance-based fee based on the performance of the account for the measuring period going back from the termination date and pro-rated from the date on which the performance-based fee was previously assessed by our firm.

In measuring the client's assets for the calculation of performance-based fees, Wittenberg Investment Management, Inc. shall include: for securities for which market quotations are readily available, the realized capital losses and unrealized capital losses of securities over the period and, if the unrealized capital appreciation of the securities over this period is included, the unrealized capital depreciation of securities over the period.

The performance-based fee may create an incentive for Wittenberg Investment Management, Inc. to recommend investments which maybe riskier or more speculative than those which would be recommended under a different fee arrangement.

Performance-based fees will only be charged in accordance with the provisions of Reg. 205-3 of the Investment Advisers Act of 1940 and/or applicable state regulations. The fees will not be offered to any client residing in a state in which such fees are prohibited.

***Limited Negotiability of Advisory Fees:*** Although Wittenberg Investment Management, Inc. has established the aforementioned fee schedule(s), we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs are considered in determining the fee schedule. These include the assets to be placed under management, anticipated future additional assets, related accounts, portfolio style and account composition, among other factors. The specific annual fee schedule is identified in the contract between the firm and each client.

We may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee. We discount or waive fees for certain employee and related accounts.

## GENERAL INFORMATION

***Termination of the Advisory Relationship:*** A client agreement may be canceled at any time, by either party, for any reason upon receipt of 30 days written notice.

***Mutual Fund Fees:*** All fees paid to Wittenberg Investment Management, Inc. for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees 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. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the fund and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

***Wrap Fee Programs and Separately Managed Account Fees:*** Wittenberg Investment Management, Inc. does not manage or place client assets into any wrap fee program.

***Additional Fees and Expenses:*** Wittenberg Investment Management, Inc. does not receive any compensation for securities transactions in any client account other than the investment advisory fees noted above.

In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker-dealers, including commissions, other transaction charges, and any custodial or account maintenance fees. Please refer to the "Brokerage Practices" section (Item 12) of the Form ADV for additional information.

Wittenberg Investment Management, Inc. may purchase mutual funds or exchange-traded funds for its clients. These types of investments charge their own fees for fund management and administration; these fees are taken into account in calculating each fund's net asset value. Clients are responsible for these fund expenses in addition to the investment management fee paid to us.

Wittenberg Investment Management, Inc. does not manage any proprietary pooled investment funds or limited partnerships (for example, a mutual fund or a hedge fund) and has no financial incentive to recommend any particular investments to its clients.

***Grandfathering of Minimum Account Requirements:*** Pre-existing advisory clients are subject to Wittenberg Investment Management, Inc.'s minimum account



requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, our firm's minimum account requirements will differ among clients.

**ERISA Accounts:** Wittenberg Investment Management, Inc. is deemed to be a fiduciary to advisory clients that have employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"), respectively. As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, Wittenberg Investment Management, Inc. only charges fees for investment advice about securities for which our firm and/or our related persons do not receive any commissions or 12b-1 fees.

**Advisory Fees in General:** Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

**Prepayment of Fees:** Under no circumstances do we require or solicit payment of fees in advance of services rendered.

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

As we disclosed in Item 5 of this Brochure, our firm may agree to a performance-based fee arrangement with a client. Such a performance-based fee is calculated based on a share of capital gains on or capital appreciation of the assets of the client. To qualify for a performance-based fee arrangement, a client (or Fund investor, as applicable) must have at least \$10,000,000 under management immediately after entering into a management agreement with us.

Clients should be aware that a performance-based fee arrangement may create an incentive for us to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement.

Furthermore, as almost all of our clients do not pay performance-based fees, we may have an incentive to favor accounts that do pay such fees because compensation we receive from these clients is more directly tied to the performance of their accounts. Please see Item 12 below for further information describing how we seek to handle this potential conflict of interest.

## Item 7 Types of Clients

Wittenberg Investment Management, Inc. provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Charitable organizations
- Pension plans and trusts

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

We use the following methods of analysis in managing client assets:

***Fundamental Analysis.*** We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

***Qualitative Analysis.*** We subjectively evaluate non-quantifiable factors such as quality of management, labor relations, and the strength of a company's research and development.

A risk in using qualitative analysis is that our subjective judgment may prove incorrect.

***Asset Allocation.*** Although we focus primarily on securities selection, we will sometimes attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to a client's investment goals and risk tolerance.

A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

***Mutual Fund and/or ETF Analysis.*** We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine whether that manager

has demonstrated an ability to invest successfully over a meaningful period of time and in different economic and stock market conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine whether there is significant overlap in the underlying investments held in another fund(s) in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine whether they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as with all securities investments, past performance does not guarantee future results. A manager who has been successful in the past may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by a client may purchase the same security, increasing the risk to a client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for a client's portfolio.

**Risks for all forms of analysis.** Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis maybe compromised by inaccurate or misleading information.

## **INVESTMENT STRATEGIES**

We use the following strategies in managing client accounts, provided that such strategies are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

**Long-term purchases.** We purchase securities that we believe to be undervalued with the idea of holding them in the client's account for a year or longer.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

**Short-term purchases.** When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

**Trading.** We rarely purchase securities with the idea of selling them very quickly (typically within 30 days or less). When we do, we do so in an attempt to take advantage of our expectation of near-term price swings.

**Margin transactions.** If you authorize the use of margin, we may purchase stocks for your portfolio with money borrowed from your brokerage account. This allows you to purchase more stock than you would be able to with your available cash and allows you to purchase stock without selling other holdings, thereby avoiding unwanted tax consequences. However, the use of margin may result in larger gains or losses than would otherwise have been the case.

## **RISK OF LOSS**

**General.** While it is our intention to implement strategies designed to minimize potential losses suffered by our clients, there is no assurance that such strategies will be successful. It is possible that a client may lose a substantial proportion or all of his, her, or its assets in connection with investment decisions made by Wittenberg Investment Management, Inc. All investing involves a risk of loss and the investment strategies offered by Wittenberg Investment Management, Inc. could lose money over short or even long periods. There is no guarantee that a client's portfolio will achieve appreciation in terms of capital growth or that a client's investment objective will be met. Regular communication with clients plays a critical role in maintaining a prudent and successful long-term investment program.

**Stock Market Risk.** There is a chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices.

**Mutual Fund Investing Risk.** When we purchase a mutual fund on behalf of a client, we will purchase the fund's institutional shares or the best share class available. In the instance of legacy holdings, we generally do not have control over the share class in which the account is invested. Shares can be bought and sold through a broker, and the selling shareholder may have to pay a brokerage commission in connection with the sale. Investment returns and principal value will fluctuate so that when shares are redeemed, they may be worth more or less than original cost. Shares can only be redeemed directly from the fund. There can be no assurance that an active trading market for the shares will develop or be maintained, and shares of a closed-end mutual fund may trade at, above or below their net asset value. Wittenberg Investment Management, Inc. and its employees do not accept compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

**ETF Investing Risk.** ETFs are subject to risks similar to those of stocks and may not be suitable for all investors. Shares can be bought and sold through a broker, and the selling shareholder may have to pay brokerage commissions in connection with the sale. Investment returns and principal value will fluctuate so that when shares are redeemed, they may be worth more or less than original cost. There can be no assurance that an active trading market for the shares will develop or be maintained, and shares may trade at, above or below their net asset value.

## **Item 9 Disciplinary Information**

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Our firm and our management personnel have no disciplinary events to disclose.

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

Our firm and our related persons are not engaged in other financial industry activities and have no other industry affiliations.

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

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

Wittenberg Investment Management, Inc. and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our Code also provides for oversight, enforcement and recordkeeping provisions.

Wittenberg Investment Management, Inc.'s Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to [joelwittenberg@comcast.net](mailto:joelwittenberg@comcast.net) or by calling us at (978) 610-6871.

Wittenberg Investment Management, Inc. and individuals associated with our firm are prohibited from engaging in agency cross transactions.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of our advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those purchased for our clients.

We may aggregate client transactions in a given security on a given day where possible and when compliant with our duty to seek best execution for our clients. In these instances, participating clients will all receive the same average share price. In the instances where there is a partial fill of a particular block order, we will allocate all purchases or sales randomly among those client accounts for which the purchases or sales were intended, with each account paying or receiving the same average price.

As these situations represent actual or potential conflicts of interest to our clients, we have established the following policies and procedures for implementing our firm's Code of Ethics, to ensure our firm complies with its regulatory obligations and provides our clients and potential clients with full and fair disclosure of such conflicts of interest:

1. No principal or employee of our firm may put his own interest above the interest of an advisory client.
2. No principal or employee of our firm may buy or sell securities for his personal portfolio(s) where his decision is a result of information received as a result of his employment unless the information is also available to the investing public.
3. It is the policy of our firm that no person employed by us may purchase or sell any security immediately prior to a transaction(s) that is being implemented in the same security for an advisory account. This prevents such employees from benefiting from transactions placed on behalf of advisory accounts.
4. Our firm requires prior approval for any initial public offering or private placement investments by related persons of the firm.
5. We maintain a list of all reportable securities holdings for our firm. These holdings are reviewed on a regular basis by our firm's Chief Compliance Officer.
6. We have established procedures for the maintenance of all required books and all of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
7. We require delivery and acknowledgement of the Code of Ethics by each supervised person of our firm.

8. We have established policies requiring the reporting of Code of Ethics violations to our senior management.
9. Any individual who violates any of the above restrictions may be subject to termination.

## **Item 12 Brokerage Practices**

Wittenberg Investment Management's clients determine which broker-dealer to use.

Wittenberg Investment Management, Inc. will make block trades where possible and when advantageous to clients. Block trading may allow us to execute equity trades in a more timely and equitable manner, with all participating clients receiving the same average share price. Wittenberg Investment Management, Inc. will typically aggregate trades among clients for whom we are seeking to buy or sell a given security. We generally will rotate or vary the order of clients participating in a given block trade on any particular day so that no clients receive any systematic advantage or disadvantage. Wittenberg Investment Management, Inc.'s block trading policy and procedures are as follows:

- 1) Transactions for any client account may not be aggregated for execution if the practice is prohibited by or inconsistent with the client's advisory agreement with Wittenberg Investment Management, Inc. or our firm's order allocation policy.
- 2) Wittenberg Investment Management, Inc. must determine that the purchase or sale of the particular security involved is appropriate for the client and consistent with the client's investment objectives and with any investment guidelines or restrictions applicable to the client's account.
- 3) The portfolio manager must reasonably believe that the order aggregation will benefit each client participating in the aggregated order. This requires a good faith judgment at the time the order is placed for the execution. It does not mean that the determination made in advance of the transaction will always prove to have been correct in retrospect. Best execution includes the duty to seek the best quality of execution, as well as the best net price.
- 4) If the order cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated among the participating client accounts in accordance with a written statement of allocation. However, adjustments to this allocation may be made to avoid having odd amounts of shares held in any client account, to avoid multiple transactions on behalf of a given client or to avoid excessive commissions in smaller accounts.

5) Each client that participates in the aggregated order must do so at the average price for all separate transactions made to fill the order.

6) If the order will be allocated in a manner other than that stated in the initial statement of allocation, an explanation of the change must be provided to and approved by the Chief Compliance Officer no later than the morning following the execution of the aggregate trade.

7) Wittenberg Investment Management, Inc.'s client account records separately reflect, for each account in which the aggregated transaction occurred, the securities which are held by, and bought and sold for, that account.

8) Funds and securities for aggregated orders are clearly identified on Wittenberg Investment Management, Inc.'s records and to the broker-dealer handling the transactions, by the appropriate account numbers for each participating client.

9) No client or account will be favored over another.

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

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

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

Schwab Institutional also makes available to our firm other products and services that benefit Wittenberg Investment Management, Inc. but that may not directly benefit our clients' accounts. Many of these products and services may be used to service all or



some substantial number of our client accounts, including accounts not maintained at Schwab. Schwab's products and services that assist us in managing and administering our clients' accounts include software and other technology that

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

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

1. compliance, legal and business consulting;
2. publications and conferences on practice management and business succession; and
3. access to employee benefits providers, human capital consultants and insurance providers.

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

## **Item 13 Review of Accounts**

**Reviews:** While the underlying securities within individual client accounts are continually monitored, these accounts are reviewed at least monthly by Joel Wittenberg. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as a client's individual circumstances, new information relating to a particular holding or changes in the stock market, political or economic environment.

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

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

It is Wittenberg Investment Management, Inc.'s policy not to engage solicitors or to pay related or non-related persons for referring potential clients to our firm.

It is Wittenberg Investment Management, Inc.'s policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

## **Item 15 Custody**

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify, among other things, the accuracy of the calculation. Clients should contact us immediately if they believe that there may be an error in their statement.

In addition to the periodic statements that clients receive directly from their custodians, we also send account statements directly to our clients on a quarterly basis. We urge our clients to carefully compare the information provided on these statements to ensure that all account transactions, holdings and values are correct and current.

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

## **Item 16 Investment Discretion**

Because clients hire us to provide discretionary portfolio management services, we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

Without contacting the client, our discretionary authority includes the ability to determine the security to buy or sell and the amount of the security being bought or sold.

Clients give us discretionary authority when they sign an investment advisory agreement with our firm and may limit this authority by giving us written instructions. Clients may also change such limitations by once again providing us with written instructions. We do not accept any assets for management on a non-discretionary basis.

## **Item 17 Voting Client Securities**

We can vote proxies for those clients who provide us with that authority; however, you always have the right to vote proxies yourself. You can exercise this right by instructing us in writing to not vote proxies in your account.

In upholding our fiduciary obligation to our clients, we strive to keep votes free from inappropriate influences. We exercise voting responsibilities in a manner that we believe serves our clients as shareholders of the companies in which they own stock and in a manner most likely to increase the value of the securities within their portfolios.

We will vote proxies in the best interests of our clients and in accordance with our established policies and procedures. Our firm will retain all proxy voting books and records for the requisite period of time, including a copy of each proxy statement received, a record of each vote cast, a copy of any document created by us that was material to making a decision how to vote proxies, and a copy of each written client request for information on how the advisor voted proxies. If our firm has a conflict of interest in voting a particular action, we will notify the client of the conflict and retain an independent third party to cast a vote.

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

We will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. If desired, clients may direct

us to transmit copies of class action notices to the client or a third party. Upon such direction, we will make commercially reasonable efforts to forward such notices in a timely manner.

With respect to ERISA accounts, we will vote proxies unless the plan documents specifically reserve the plan sponsor's right to vote proxies. To direct us to vote a proxy in a particular manner, clients should contact us by telephone, email, or in writing.

You can instruct us to vote proxies according to particular criteria (for example, to always vote with management or to vote against a proposal to allow a so-called "poison pill" defense against a possible takeover). These requests must be made in writing. You can also instruct us on how to cast your vote in a particular proxy contest.

## **Item 18 Financial Information**

As an advisory firm that maintains discretionary authority for client accounts, we are required to disclose any financial condition that is reasonably likely to impair our ability to meet our contractual obligations. Wittenberg Investment Management, Inc. has no such financial circumstances to report.

Under no circumstances do we require or solicit payment of fees in excess of \$1200 per client more than six months in advance of services rendered. Therefore, pursuant to S.E.C. regulations, we are not required to include a financial statement as part of this Brochure.

Wittenberg Investment Management, Inc. has never been the subject of a bankruptcy petition.