

Part 2A of Form ADV: *Firm Brochure*

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This brochure provides information about the qualifications and business practices of Ramsay, Stattman, Vela & Price, Inc. If you have any questions about the contents of this brochure, please contact us at (719) 473-6925 or rsvp@rsvp-invest.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Ramsay, Stattman, Vela & Price, Inc. also is available on the SEC's website at 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 105156.

Item 2 Material Changes

This Firm Brochure is our disclosure document prepared according to the SEC's requirements and rules.

We have no material changes to report at this time.

Consistent with the rules, we 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. Furthermore, we will provide you with other interim disclosures about material changes as necessary

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Item 4 Advisory Business

Ramsay, Stattman, Vela & Price, Inc. (hereinafter "RSVP") is an SEC-registered investment adviser with its principal place of business located in Colorado. RSVP began conducting business in 1971.

Listed below are the firm's principal shareholders (i.e., those individuals and/or entities controlling 25% or more of this company):

- Steven R. Vela, President
- Philip S. Price, Vice President/Secretary
- Frederick B. Stattman, Vice President/Treasurer & Chief Compliance Officer

RSVP offers the following advisory services to our clients:

INVESTMENT SUPERVISORY SERVICES ("ISS") INDIVIDUAL PORTFOLIO MANAGEMENT

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. During our data-gathering process, we determine the 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 (except in special circumstances which prohibit or make it less desirable to assign discretionary authority). Account supervision is guided by the client's stated objectives (i.e., Growth, Balanced: Growth Emphasis, Balanced: Income Emphasis, and Income), as well as tax considerations.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Our investment recommendations will generally include advice regarding the following securities:

- Exchange-listed securities
- Securities traded over-the-counter
- Foreign issuers
- Corporate debt securities (other than commercial paper)
- Certificates of deposit
- Municipal securities
- Mutual fund shares
- United States governmental securities

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

SUB-ADVISORY SERVICE

RSVP has a sub-advisory relationship with ANB Bank (Colorado Springs) Trust Department, a commercial bank unaffiliated with RSVP, in which RSVP provides investment management and advisory services to ANB Bank's trust and investment management accounts. RSVP provides the following services for these accounts: assesses with the bank the appropriate investment objectives of clients, performs investment management, provides periodic performance reports and periodically meets with clients as deemed appropriate or as requested by ANB Bank.

Stocks and Bonds held in these accounts are held in custody at ANB Bank.

CONSULTING SERVICES

Clients can also receive investment advice on a more focused basis. This may include advice on only an isolated area(s) of concern such as estate planning, retirement planning, or any other specific topic. We also provide specific consultation and administrative services regarding investment and financial concerns of the client.

All recommendations are of a generic nature.

AMOUNT OF MANAGED ASSETS

As of 12/31/2018, we were actively managing \$401,823,473 of clients' assets on a discretionary basis plus \$4,827,400 of clients' assets on a non-discretionary basis.

Item 5 Fees and Compensation

INVESTMENT SUPERVISORY SERVICES ("ISS") INDIVIDUAL PORTFOLIO MANAGEMENT FEES

The annualized fee for Investment Supervisory Services are charged as a percentage of assets under management, according to the following schedule:

<u>Assets Under Management</u>	<u>Annual Fee</u>
First \$1,000,000	1.25%
\$1,000,000 - \$2,000,000	0.7%
Over \$2,000,000	Negotiable

Our fees are billed quarterly, in advance, based upon the value (market value or fair market value in the absence of market value), of the client's account at the end of the previous

quarter. Our fee can either be directly debited from the client's account in accordance with the written client authorization or the client can be billed directly.

RSVP does not require a minimum dollar amount of assets for the establishment or maintenance of a portfolio management account. However, a minimum annual fee of \$3,000 is charged regardless of the size of the account. The minimum annual fee may be negotiable under certain circumstances. We request a minimum account size of \$250,000, as smaller accounts often have difficulty in achieving superior investment performance and adequate diversification.

All accounts are to be discretionary except in special circumstances which prohibit or make it less desirable to assign discretionary authority. In those cases, a 15% surcharge may be added to the regular account fee.

SUB-ADVISORY SERVICE FEES

ANB Bank pays RSVP an annual fee for the portfolio management services it provides to client accounts. Our fee is based on a percentage of the client's managed assets and is negotiable under certain circumstances based on the nature and complexity of the work required to manage each account. The fee ANB Bank pays to RSVP does not increase the fee the client ultimately pays to ANB Bank.

CONSULTING SERVICES FEES

RSVP's Consulting Services fee is determined based on the nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a contract with any client.

Our Consulting Services fees are calculated and charged on an hourly basis at a rate of \$150 per hour. An estimate for the total hours is determined at the start of the advisory relationship.

GENERAL INFORMATION

Limited Negotiability of Advisory Fees: Although RSVP has established the aforementioned fee schedules, 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 complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee schedule is identified in the contract between the adviser and each client.

We may group certain related client accounts for the purposes of determining the annualized fee.

Discounts, not generally available to our advisory clients, may be offered to family members of associated persons of our firm.

Termination of the Advisory Relationship: A client may terminate their agreement within five days of execution without penalty. After that, the agreement may be terminated at any time by either party. Upon termination, unearned fees will be refunded on a pro-rated basis. The agreement may be canceled for any reason upon receipt of written notice. As disclosed above, certain fees are paid in advance of services provided. Upon termination of any account, any prepaid, unearned fees will be promptly refunded. In calculating a client's reimbursement of fees, we will pro rate the reimbursement according to the number of days remaining in the billing period.

Mutual Fund Fees: All fees paid to RSVP for investment advisory services are separate and distinct from the fees and expenses charged by exchange-traded funds (ETFs) and/or mutual funds 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 funds 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.

Additional Fees and Expenses: In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

Grandfathering of Account Requirements: Pre-existing advisory clients are subject to RSVP'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: RSVP is deemed to be a fiduciary to advisory clients that are 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, RSVP may only charge fees for investment advice about products for which our firm and/or our related persons do not receive any commissions or 12b-1 fees, or conversely, investment advice about products for which our firm and/or our related persons receive commissions or 12b-1 fees, however, only when such fees are used to offset RSVP's advisory 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.

Limited Prepayment of Fees: Under no circumstances do we require or solicit payment of fees in excess of \$1,200 more than six months in advance of services rendered.

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

RSVP does not charge performance-based fees.

Item 7 Types of Clients

RSVP provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Trusts
- Estates
- Corporations
- Banking or thrift institutions
- Pension and profit sharing plans (other than plan participants)
- Charitable organizations

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

METHODS OF ANALYSIS

We use the following methods of analysis in formulating our investment advice and/or 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.

Technical Analysis. We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement.

Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

Technical analysis is not a method significantly employed by RSVP.

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 may be 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 with the idea of holding them in the client's account for a year or longer. Typically we employ this strategy when:

- we believe the securities to be currently undervalued, and/or
- we want exposure to a particular asset class over time, regardless of the current projection for this class.

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 using 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. This is not a strategy significantly used by RSVP.

Risk of Loss. Securities investments are not guaranteed and you may lose money on your investments. We ask that you work with us to help us understand your tolerance for risk.

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 reportable disciplinary events to disclose.

Item 10 Other Financial Industry Activities and Affiliations

Neither RSVP nor its related persons have any other financial industry activities or 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.

RSVP 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 monthly 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.

RSVP'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 rsvp@rsvp-invest.com, or by calling us at (719) 473-6925.

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 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 recommended to our clients. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts.

Item 12 Brokerage Practices

RSVP has the authority to determine, without obtaining specific client consent, the broker or dealer to be used and commission rates paid without limitations for all clients whose assets

are held in custody at bank trust departments or who have authorized Prime Broker arrangements.

The selection of a broker by the firm to execute a transaction is governed by the following considerations:

1. Ability of the broker to execute the order expeditiously at a favorable price.
2. Instructions from a client to direct business to a specific broker.
3. Receipt of research materials from the broker. These services generally consist of written and verbal information concerning securities, companies, financial and economic conditions, earnings forecasts and other information pertinent to investment management. The firm receives no products or services from brokers other than investment research and related information. Clients do not pay commissions materially different than those obtainable from other brokers in return for these services. The research is used to service all of the firm's accounts. The firm has no procedures to direct client transactions to a particular broker in return for research received.

If the client desires assistance to determine the custodian of assets, we will recommend brokers or a bank custody department. Our suggestions are based on the needs of the client and the value provided by the alternatives. Commissions are comparable to other brokers and negotiated when appropriate. RSVP receives no products, research or services by suggesting brokers, therefore these are not factors used to recommend brokers or bank custodians. However, in connection with clients who have their assets in custody at Charles Schwab & Co., Inc. ("Schwab"), RSVP receives SchwabLink services (file download, on-line services, and real-time quotes) free of charge. The receipt of SchwabLink is not a factor in suggesting Schwab to clients. RSVP does not believe that these clients pay commissions higher than those obtainable from other brokers.

In addition to Schwab, RSVP's clients have custody relationships with ANB Bank, Wells Fargo Advisors, US Bank, JPMorgan Chase, UBS and Morgan Stanley, among others.

Under certain circumstances, RSVP will accept directed brokerage relationships. In directing the use of a broker dealer, it should be understood that RSVP will not have authority to negotiate commissions or to necessarily obtain volume discounts, and best execution may not be achieved. In addition, a disparity in commission charges may exist between the commissions charged to the client and those charged to other clients (who may direct the use of another broker).

RSVP will block trades where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts, so long as transaction costs are shared equally and on a pro-rated basis between all accounts included in any such block.

Block trading may allow us to execute equity trades in a timelier, more equitable manner, at an average share price. RSVP will typically aggregate trades among clients whose accounts can be traded at a given broker, and generally will rotate or vary the order of brokers through

which it places trades for clients on any particular day. RSVP'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 RSVP, or our firm's order allocation policy.
- 2) The portfolio manager 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, and will enable RSVP to seek best execution for 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 must always prove to have been correct in the light of a "20-20 hindsight" perspective. Best execution includes the duty to seek the best quality of execution, as well as the best net price.
- 4) Prior to entry of an aggregated order, a written order ticket must be completed which identifies each client account participating in the order and the proposed allocation of the order, upon completion, to those clients.
- 5) 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 pro rata among the participating client accounts in accordance with the initial order ticket or other written statement of allocation. However, adjustments to this pro rata allocation may be made to participating client accounts in accordance with the initial order ticket or other written statement of allocation. Furthermore, adjustments to this pro rata allocation may be made to avoid having odd amounts of shares held in any client account, or to avoid excessive ticket charges in smaller accounts.
- 6) Generally, each client that participates in the aggregated order must do so at the average price for all separate transactions made to fill the order, and must share in the commissions on a pro rata basis in proportion to the client's participation. Under the client's agreement with the custodian/broker, transaction costs may be based on the number of shares traded for each client.
- 7) If the order will be allocated in a manner other than that stated in the initial statement of allocation, a written 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.
- 8) RSVP'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.

- 9) Funds and securities for aggregated orders are clearly identified on RSVP's records and to the broker-dealers or other intermediaries handling the transactions, by the appropriate account numbers for each participating client.
- 10) No client or account will be favored over another.

Item 13 Review of Accounts

INVESTMENT SUPERVISORY SERVICES ("ISS") INDIVIDUAL PORTFOLIO MANAGEMENT AND SUBADVISORY MANAGEMENT

REVIEWS: While the underlying securities within Individual Portfolio Management Services accounts are continually monitored, these accounts are reviewed periodically to ensure investment objective consistency. 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 the client's individual circumstances, or the market, political or economic environment.

These accounts are reviewed by Steven Vela, President, Frederick Stattman, Treasurer, Philip Price, Secretary, and John Herdje, Managing Director.

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

CONSULTING SERVICES

REVIEWS: While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Consulting Services clients unless otherwise contracted for. Such reviews will be conducted by the client's account representative.

REPORTS: Consulting Services clients will not typically receive reports due to the nature of the service.

Item 14 Client Referrals and Other Compensation

It is RSVP's policy not to engage solicitors or to pay related or non-related persons for referring potential clients to our firm.

It is RSVP'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 the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

Our firm maintains custody for a limited number of our clients as a result of our ability to enact money movement using standing letters of authorization with client signature.

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

Item 16 Investment Discretion

Clients may hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

Our discretionary authority includes the ability to do the following without contacting the client:

- determine the security to buy or sell; and/or
- determine the amount of the security to buy or sell

Clients give us discretionary authority when they sign a discretionary agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

Item 17 Voting Client Securities

RSVP is not normally delegated the authority to vote client proxies. Therefore, although our firm may provide investment advisory services relative to client investment assets, clients that have not delegated proxy voting authority to RSVP 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. These clients are responsible for instructing each custodian of the assets, to forward to the client copies of all proxies and shareholder communications relating to the

client's investment assets. We may provide clients with consulting assistance regarding proxy issues if they contact us with questions at our principal place of business.

For those client accounts where RSVP has been delegated the authority to vote client proxies, 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 adviser 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 calling, emailing or writing to:

Frederick B. Stattman
Ramsay, Stattman, Vela & Price, Inc.
2 North Cascade Avenue, Suite 810
Colorado Springs, CO 80903
Telephone: (719) 473-6925
Email: stattman@rsvp-invest.com

Clients may request, in writing, information on how proxies for his/her shares were voted. If any client requests 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.

Item 18 Financial Information

Under no circumstances do we require or solicit payment of fees in excess of \$1,200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

As an advisory firm that maintains discretionary authority for client accounts, we are also required to disclose any financial condition that is reasonable likely to impair our ability to meet our contractual obligations.

RSVP has not been the subject of a bankruptcy petition at any time during the past ten years.