

**Item 1: Cover Page**



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This brochure provides information about the qualifications and business practices of Law & Associates, Inc. If you have questions about the content of this brochure, please contact us at 301-229-8500 or by e-mailing the Chief Compliance Officer, Janice L. Henderson at [janice@lawandassociates.com](mailto:janice@lawandassociates.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 Law & Associates, Inc. is also available on the SEC's website at <http://www.adviserinfo.sec.gov>

Registration as a registered investment adviser with the SEC does not imply a certain level of skill or training.

**ITEM 2. SUMMARY OF MATERIAL CHANGES**

There have been no changes since our IARD filing dated January 19, 2019.

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**ITEM 4. ADVISORY SERVICES AND FEES**

Law & Associates, Inc. has been an independent Registered Investment Adviser since 1980. From 1973 until 1980, when Law & Associates was established, the advisory filings had been under the independent name of Sally E. Law. This gives the firm a legacy relationship of filings for more than 40 years with the Securities and Exchange Commission (SEC). Since 2016, Janice L. Henderson has been the principal owner. Law & Associates is a fiduciary and is required to act in a client's best interest at all times.

Law & Associates provides supervisory services and furnishes investment advice through consultations. It also, on more than an occasional basis, furnishes advice to clients on matters not involving securities. Law & Associates has continuously operated with a comprehensive financial planning approach. Our advice is limited to the material goals, needs, and objective of our clients. Our staff routinely and regularly receives training on investments.

Most of Law & Associates clients engagement begins with a balance sheet and cash flow as well as tax pro-formas. We tailor our advice to that which best fits the needs and life cycle of the clients we serve. Some clients place restrictions on the types of securities they choose to hold.

In order to serve our client's interest, we often utilize the account management services of a broker-dealer firm to establish investment accounts. We have had a relationship with Raymond James & Associates for thirty-seven (38) years. This is a fully disclosed relationship.

Law & Associates has assets under management of \$204,443,095 in securities portfolios. Law & Associates shares physical facilities with the Branch Office of Raymond James Financial Services, Inc., a member of FINRA/SIPC. We frequently use Raymond James' approved portfolio managers for our clients, but we have the ability and authority to recommend fund managers outside of Raymond James. Law & Associates exercises its own discretion in deciding which investment funds and portfolio managers to recommend to its clients. We do not always follow the recommendations of Raymond James. We have the authority to recommend the replacement of any of the portfolio managers for our clients. Law & Associates is responsible for devising the asset allocations for our clients, and for selecting the portfolios and managers to implement the allocations.

Law & Associates does not conduct securities transactions. The staff of Law & Associates may be separately licensed as Registered Representatives of Raymond James Financial Services, Inc. and its parent company, Raymond James & Associates, Inc., and as such will place brokerage business with that broker-dealer. Law & Associates is independent of Raymond James and does not have wrap fee accounts with Raymond James. Fees charged by Law & Associates for advisory work are separate from any fees that Raymond James may charge. Law & Associates fees are discussed separately, billed separately and filed separately. Registered Representatives of Raymond James Financial Services, Inc. are compensated separately.

We sometimes recommend portfolio managers sponsored by Raymond James, and sometimes recommend portfolio managers who are independent of Raymond James. Either of these portfolio managers may have a wrap fee program under which they may charge fees based upon a combination of assets under management and commissions for transactions. In deciding whether to use a wrap fee portfolio manager for clients, we closely consider our clients' planning, balance sheet, investment policy questionnaire, cash flow needs, tax situation, and position in the life cycle. We also consider whether mutual funds, individual stocks, or a combination will benefit our clients more.

In selecting portfolio managers for our clients, we undertake a variety of due diligence methods for the benefit of our clients. We often conduct third party reviews, meet with managers, analyze performance information, evaluate management costs, and evaluate the overall goals, objectives and history of the portfolio managers. Our due diligence does not end there. We continue to monitor and assess the performance of the portfolio managers selected for our clients to ensure that they are meeting the investment objectives and financial needs of our clients.

Law & Associates abides by all securities laws, rules and regulations that apply to its advisory business. In particular Law & Associates complies with the newly enacted Department of Labor fiduciary rule, which requires advisor who provide advice on qualified retirement plans such as 401(k) plans to:

- 1- Acknowledge the advisor fiduciary duty
- 2- Comply with impartial conduct standard
- 3- Make disclosures regarding services it provides that are subject to disclosure including material conflict of interest such as the receipt of non-level compensation, the -----of proprietary products and the receipt of third party payments.

#### **ITEM 5. FEES AND COMPENSATION**

We are compensated for our advisory relationship on an hourly fee, annual fee and/or initial fee basis. Fees may vary depending upon the services provided and the amount of time involved. We discuss the fees with our clients and obtain their approval prior to charging for our services. Hourly fees range from \$125 to \$400 an hour depending on whether the services provided are administrative, comprehensive financial planning, or investment advice. In addition, we may charge an annual fee for our services. The annual fee is for comprehensive financial planning and wealth management, as well as for investment advice, and can range from \$775 to \$3,000 annually depending on the time estimated for each client's needs. Clients are billed no more than \$1,200 six months in advance. Initial fees are for financial planning and investment advice we may provide new clients. The total minimum fee for comprehensive financial planning and investment advice is \$2,000. No other investment adviser fees or expenses are charged to our clients for our investment adviser services. All fees are discussed with our clients in advance, fully disclosed to them, and are billed in advance.

Fees are not deducted from our clients' accounts unless they authorize us in writing to make the deductions. Our clients typically pay Law & Associates directly for our hourly, annual and/or initial fees. Law & Associates, in its sole discretion, may negotiate to waive, reduce or increase any fee.

New clients are given an initial appointment and consultation free of charge to discuss the range of services that Law & Associates can provide them. The initial consultation is a way for new clients to decide whether we are the right fit for them and whether they want to engage Law & Associates to be their investment adviser. Similarly, we are able to assess the needs of new clients to determine whether our investment adviser services are appropriate for them. If a new client and Law & Associates agree to proceed further, we typically meet with the client at least two times to understand and assess the client's financial situation, needs and investment objectives and provide financial planning and investment advice. Clients are required to pay us one-half (1/2) of our agreed upon fees, not to exceed \$1,200, at the first meeting after our initial consultation. The balance of our fee is due upon completion of our planning meetings.

Law & Associates does not make incentive payments or pay bonuses to its employees for offering any particular products or services. Our employees are paid a salary without regard to the amount of fees they generate for the firm. Our employees are not paid on a commission basis. Their work is well supervised and only our experienced investment adviser representatives meet with our clients. We adhere to the highest standards of the profession and assist our clients in making decisions which we believe are in their best interests. Our clients are involved in the financial planning process at all times.

Although Law & Associates has an affiliated relationship with Raymond James Financial Services, Inc., clients may have brokerage accounts with a broker-dealer that is not affiliated with Law & Associates. The "affiliated relationship" means that the investment adviser representatives of Law & Associates are Registered Representatives with Raymond James Financial Services, Inc. Law & Associates does not oversee securities transactions for client accounts that are held at broker-dealer firms outside of Raymond James.

Clients who have brokerage accounts with Raymond James will typically pay Raymond James a commission for securities transactions in their accounts. If the Registered Representatives of record are also investment adviser representatives of Law & Associates, they will be paid as Registered Representatives a portion of the commissions charged by Raymond James. When the Registered Representative recommends no-load mutual funds to a client, if the client purchases the funds directly, commissions are not paid to Law & Associates or any of its investment adviser representatives. If Raymond James purchases no-load or load mutual funds for clients through the client's Raymond James brokerage account, the mutual funds may pay commissions to Raymond James, which in turn pays the Registered Representative of record their share of the commission.

We sometimes recommend portfolio managers sponsored by Raymond James. The portfolio managers may charge the clients a wrap fee for assets under management, or commissions for securities transactions, or both. The portfolio managers may pay Raymond James as the brokerdealer a percentage of the fees or commissions charged the client. In turn, Raymond James will pay a portion of the fees or commissions to the Registered Representatives who are investment adviser representatives of Law & Associates.

There is a potential conflict of interest when an employee of the independent, Law & Associates, recommends securities transactions for a client whose brokerage account is maintained by Raymond James, or recommends a portfolio manager sponsored by Raymond James, the potential conflict arises because commissions may be paid to the Registered Representative who is affiliated with Law & Associates. We address this potential conflict on a transaction by transaction basis by ensuring that the investment recommendations made to our clients are in their best interests. Law & Associates, Inc. adheres to a Code of Ethics which makes the interest of our clients' paramount to any compensation earned by advisors. We act as fiduciaries to our clients and honor our fiduciary duty when we make investment recommendations that result in securities transactions in our clients' brokerage accounts or with portfolio managers.

The annual fees paid by our clients are not reduced or offset by the amount of commissions that are paid by Raymond James to its Registered Representatives who also are investment adviser representatives of Law & Associates. However, Law & Associates, exercises its discretion and will sometimes arrange through, Registered Representatives for Raymond James to discount the securities commissions charged to the client, or will cause its dual registered representatives to discount their brokerage commissions resulting in a savings to the client. This occurs on a discretionary basis and is not discussed with our clients in advance.

Divorce planning fees are charged on an hourly basis following the same criteria as our financial planning fees.

Clients may terminate their arrangement with Law & Associates at any time. Upon notice of termination, we will refund any unearned portion of the advisory fees.

Advice offered by Law & Associates personnel may involve investment in mutual funds. Clients are advised that all fees paid to Law & Associates for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. Further, there may be transaction charges involved with purchasing or selling of securities. Law & Associates does not share in any portion of the brokerage fees/transaction charges imposed by the custodian holding the client funds or securities. (See Item 12 Brokerage Practices). The client should review all fees charged by mutual funds, Law &

Associates and others, so that the total amount of fees to be paid by the client are fully disclosed.

**ITEM 6. PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

Law & Associates does not accept any performance-based fees.

**ITEM 7. TYPES OF CLIENTS**

Law & Associates serves a wide-range of clients. We have a long-term relationship with many of our clients. We provide professional financial planning and investment advice to individuals, families, small businesses, and corporations for their pension plans. There are no minimum requirements, such as minimum account size, for opening or maintaining an account. However, we do have initial fees for comprehensive financial planning and investment advice we provide to new clients. The minimum fee for this service is \$2,000. Our principles require us to screen prospective clients to learn as much as possible about them. We reserve the right to not accept clients if we feel that they will not be able to follow our investment guidelines or advice. With respect to the securities portfolios it has devised for its clients, Law & Associates performs the following supervisory and management services as it deems appropriate:

- Review and analyze research on the performance of investment funds considered for clients or in which clients have invested and make recommendations based on its comparative analysis;
- Make investment decisions for clients, subject to their consent, based on the comparative analysis;
- Actively researches information about the investment funds and portfolio managers;
- Talk to portfolio managers;
- Review and analyze research provided by Raymond James;
- Review and analyze research from sources other than Raymond James, including but not limited to Morningstar, Investment News, Investment Daily, and Global Pension, Exchange Funds, and Kiplinger;
- Review and analyze research available from other broker-dealers and subscription services;
- Review annuity prospectuses;
- Perform analyze on the performance of clients' accounts;
- Devise and implement scheduled withdrawals for clients;
- Monitor and supervise clients' accounts, including securities transactions, distributions, deposits and withdrawals;
- Make decisions about the investment strategies to be employed in client accounts; change strategies as the client financial situation, needs and investment objectives change; change the composition of securities and managed portfolios as market conditions warrant; change asset allocations; provide continuous and regular investment advice to clients as requested by the clients or deemed appropriate by Law & Associates.



**ITEM 8. METHODS OF ANALYSIS, SOURCES OF INFORMATION, INVESTMENT STRATEGIES AND RISK OF LOSS**

We are balance sheet financial advisers. We talk with our clients to learn their investment objectives. We explain to each client the risk of loss that can occur. We review client balance sheets on a regular basis. We pride ourselves on having strong relationships with our clients and balance sheets that are in order. Consequently, if we don't believe an investment is appropriate we will not recommend it.

We ask each client to complete an investment policy questionnaire. We discuss appropriate portfolio balance, and risk. We consider the life cycle of our clients. We decide what risk we will accept for our clients when appropriate and adjust expectations. We do not trade frequently and we do not increase brokerage fees.

There is no particular security we recommend. We explain that there are material risks involved with any investment. We present alternative strategies and discuss those risks associated with each. We advise each client to review prospectuses for the specific risk related to each investment that is held in their accounts.

Raymond James & Associates, Inc. provides Law & Associates with a continuous flow of information about its products and services. We are also consistently provided with research and data from investment companies. We have access to analysts and all of Raymond James's analysts and executives. Ms. Henderson, and Mrs. Alford Cooper and Mr. Baklouti are all graduates of the Raymond James' Institute for Investment Management Consulting which a rigorous course of study that teaches the computation of ratios (R2, Sharpe, Beta, Alpha and Information ratios and how to apply them to investment theory).

**ITEM 9. DISCIPLINARY INFORMATION**

Law & Associates has not been the subject of any customer complaints, arbitrations, civil lawsuits, or disciplinary proceedings by the SEC or any state securities division or agency.

**ITEM 10. OTHER FINANCIAL INDUSTRY ACTIVITY AND AFFILIATIONS**

With the exception of clerical staff, all other employees at Law & Associates are registered persons. We have no plans to register beyond our current scope of registrations. Our relationship with our broker-dealer is material to our advisory business. There are no other arrangements material to our advisory business. We do not select or recommend other advisers for our clients nor do we receive direct or indirect compensation from any other adviser or advisory firms. We do not maintain business relationships or engage in financial industry activities and affiliations that could create conflicts of interest with our clients or impair the objectivity of our investment advice.

Neither Law & Associates nor any of its employee has a pending application to register as a registered representative, an associated person of a futures commission merchant, a commodity pool operator, or a commodity trading adviser.

**ITEM 11. CODE OF ETHICS, PATICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

We adhere to our Code of Ethics which is signed by each employee. Our Code of Ethics provides:

That we are dedicated to providing proper and ethical advice to our advisory clients; that the interests of our clients are always placed in front of our own; that we strive to avoid any circumstances that could adversely affect our duty of complete loyalty to our clients as the interests of our clients are paramount, though we conduct ourselves in a way as to avoid any conflict between the interest of our clients and the personal interest of any of our investment adviser representatives;

That we maintain a strict adherence to the anti-fraud laws, statutes, regulations, and policies; that we adhere to the highest moral standards of conduct in our business affairs; and that we shall always act in a manner consistent with the obligation to deal fairly with all clients when taking investment action through the Raymond James side of our relationship;

That personal securities transactions by our investment adviser representatives in the same investments recommended to our clients are encouraged as we believe that we generally should not recommend investments to our clients which we would not personally own. Internal controls, including our Code of Ethics, prevent the firm and its staff from buying or selling securities contemporaneously with client transactions.

**ITEM 12. BROKERAGE PRACTICES**

Investment adviser representatives of Law & Associates are Registered Representatives with Raymond James, a broker dealer that Law & Associates has utilized for 37 years. Client accounts are frequently established at Raymond James though clients have the flexibility to open accounts at other broker-dealers. We frequently use Raymond James' approved portfolio managers for our clients, but we have the ability and authority to recommend fund managers outside of Raymond James. Law & Associates exercises its own discretion in deciding which investment funds and portfolio managers to recommend to our clients. We do not always follow the recommendations of Raymond James. We have the authority to recommend to our clients the replacement of any of the portfolio manager. We are responsible for devising the asset allocations for our clients, selecting the portfolio and managers to implement the allocations, devising client programs for deposits and withdrawals, implementing the foregoing, supervising the performance of the accounts, advising the clients about the account values, and making recommendations to re-allocate assets and to change managers when appropriate. Law & Associates receives research and analysis reports from Raymond James as well as other

thirdparty sources. Other than the benefits from having a long-standing relationship with Raymond James, Law & Associates does not receive special perks or benefits from Raymond James. Law & Associates does not receive research or services from Raymond James in exchange for it conducting securities transactions for Law & Associates.

**BROKERAGE FOR CLIENT REFERRALS**

Typically, Law & Associates refers clients to Raymond James. Law & Associates does not receive referrals from Raymond James.

**DIRECTED BROKERAGE**

As discussed in Item 4, client accounts are frequently established at Raymond James but clients have the flexibility to open their accounts at other broker-dealers. Investment adviser representatives of Law & Associates are unable to oversee securities transactions for our clients at other broker-dealers, but we may provide investment advice that clients may execute at other broker-dealers. Law & Associates believes that Raymond James provides valuable brokerage services and portfolio managers for our clients. Law & Associates has received the best execution policies and practices of Raymond James and has found them to be reasonable and appropriate for the client accounts that we have helped to establish at this broker-dealer. We have found Raymond James to be a superior organization that treats our clients fairly. Law & Associates has the right to discontinue its relationship with Raymond James should we ever decide that the broker-dealer firm does not serve the best interests and needs of our clients. In that event, the investment advisers of Law & Associates would become registered representatives of another broker-dealer firm and, as appropriate, client accounts could be established at the new broker-dealer firm. Law & Associates also could at any time discontinue the use of a broker-dealer firm and operate only under its Registered Investment Adviser registration.

**ITEM 13. REVIEW OF ACCOUNTS**

Client accounts are reviewed regularly by the investment adviser representatives as we monitor the performance of our client accounts, including the performance of investment funds and portfolio managers, and transactions specific to each of our client accounts. We review client accounts periodically with clients by phone or e-mail. Distributions, withdrawals and deposits trigger account reviews and the updating of account records by our administrative staff and, as appropriate, any of our investment adviser representatives. We also review client accounts as market conditions change, or in response to changes in the investment funds or the portfolio managers recommended by us. Other factors that generate account reviews include changes in our clients' investment objectives, financial situation, income, and needs, which may cause us to change our investment recommendations. We review client accounts during in-person meetings, which usually occur at least once a year, sometimes two times (or more frequently if a client requests it) and we review accounts again at year-end when annual reports are generated for each client. During scheduled meetings, we typically review our clients' investment objectives, tax consequences, current and future needs, anticipated life cycle

changes, portfolio performance, and specific investments – making recommendations as deemed appropriate. Balance sheets, cash flow, tax projection forms, and descriptive graphs are useful tools prepared for our clients. Janice L. Henderson supervises the overall review of our clients' asset allocations, investment objectives, financial situation, needs, and the performance of investments recommended by us. Ramzi Baklouti and Crystal Alford Cooper participate in this process.

We prepare a year-end annual report for each of our clients. Clients receive a written status report of their investments whenever an in-person meeting is scheduled. Clients who request delivery of a report on a regular basis, or intermittently, are provided a report of their accounts. Clients who have investment funds or portfolio managed accounts with Raymond James receive at least a quarterly brokerage account statement from Raymond James that include among other information, the cash balance, securities held, market value, account activity for the period, and unrealized gains or losses of securities held, among other information. Clients also receive trade confirmations and monthly statements for months in which activity has occurred in their accounts. Clients may arrange to access their investment accounts at any time through Raymond James' website or a portal on our website.

While it is not possible to demand that all clients schedule a review every year, we encourage it. We make every effort to review all clients' financial plans and accounts in front of them every year. Registered Principals and/or Certified Financial Planners conducts the review.

In addition to the annual reviews, we continuously monitor our clients' investments and returns on investment with a view of ensuring that each client's financial plan continues to meet the financial objectives of the client.

#### **ITEM 14. CLIENT REFERRALS AND OTHER COMPENSATION**

No one at Law & Associates receives an economic benefit for providing investment advice or other advisory services to our client. There are no sales awards or prizes. No one is compensated for client referrals.

#### **ITEM 15. CUSTODY**

We do not have physical custody of client funds. The broker-dealer sends monthly statements to Law & Associates' clients by mail or provides an on-line service. Clients are urged to review their statements. Clients receive statements from Law & Associates following year-end and interim meetings during the year. They also receive a year-end Raymond James statement.

#### **ITEM 16. INVESTMENT DISCRETION**

We do not have discretionary authority over any client accounts.

**ITEM 17. VOTING CLIENT SECURITIES**

We do not accept the responsibility of voting or advising on client securities. Clients receive their own proxy's and vote on their own.

**ITEM 18. FINANCIAL INFORMATION**

We have an annual system that bills clients in advance for fees. A fee is quoted for planning work to be completed. The fee is never more than \$1,200, and never payable more than six or more months in advance. Law & Associates, Inc. does not have any adverse financial information to disclose.

**CONFIDENTIALITY**

Protecting clients' privacy is very important to us. We view it as a top priority. Pursuant to the requirements of the Gramm-Leach-Bliley Act, we have instituted policies and procedures to ensure that customer information is kept private and secure. We do not disclose any non-public personal information about clients or former clients to any non-affiliated third parties, except as permitted by law. In the course of servicing a client account, we may share some information with service providers, such as, but not limited to, transfer agents, custodians, broker/dealers, accountants, and lawyers.

We restrict internal access to non-public personal information about clients to those employees who need to know that information in order to provide products or services to the client. We maintain physical and procedural safeguards that comply with federal standards to guard a client's non-public personal information and ensure its integrity and confidentiality. As emphasized above, it has always been and will always be our policy to never sell to anyone any information about current or former customers or their accounts to anyone. It is also our policy not to share information unless required to process a transaction, at the request of our customer, or as required by law.

A copy of our privacy policy will be provided to each client prior to, or contemporaneously with, the execution of the advisory agreement. Thereafter, we will deliver a copy of the current privacy policy to clients prior to any change in sharing practices.

**WRAP FEE PROGRAMS**

At Law & Associates, there are no brokerage arrangements. The staff of Law & Associates may be separately licensed as Registered Representatives with Raymond James Financial Services, Inc. and, as such, will place brokerage business with that broker-dealer. Law & Associates is independent of Raymond James and does not wrap accounts with Raymond James for the purpose of charging a single fee. Fees charged by Law & Associates for advisory work are separate. Law & Associates fees are discussed separately, billed separately and filed separately. Registered representatives of Raymond James Financial Services, Inc. are also compensated separately from Law & Associates. These fees are separately discussed, paid directly to Raymond James and filed separately.

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