

# **Dock Street Asset Management Inc**

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## **FORM ADV PART 2A BROCHURE**

This brochure provides information about the qualifications and business practices of Dock Street Asset Management Inc. If you have any questions about the contents of this brochure, please contact us at 203-532-9470. 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 Dock Street Asset Management Inc is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Dock Street Asset Management Inc is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

## Item 2 Summary of Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

Since the filing of our last annual updating amendment, dated March 1, 2019, we reinstated our solicitation arrangement relating to client referrals. Please see Item 14 (*Client Referrals and Other Compensation*) for more information.

### Item 3 Table Of Contents

Item 1 Cover Page	Page 1
Item 2 Summary of Material Changes	Page 2
Item 3 Table Of Contents	Page 3
Item 4 Advisory Business	Page 4
Item 5 Fees and Compensation	Page 5
Item 6 Performance-Based Fees and Side-By-Side Management	Page 6
Item 7 Types of Clients	Page 7
Item 8 Methods of Analysis, Investment Strategies and Risk of Loss	Page 7
Item 9 Disciplinary Information	Page 10
Item 10 Other Financial Industry Activities and Affiliations	Page 10
Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	Page 10
Item 12 Brokerage Practices	Page 11
Item 13 Review of Accounts	Page 13
Item 14 Client Referrals and Other Compensation	Page 13
Item 15 Custody	Page 14
Item 16 Investment Discretion	Page 15
Item 17 Voting Client Securities	Page 15
Item 18 Financial Information	Page 15
Item 19 Additional Information	Page 16

## Item 4 Advisory Business

### Description of Services and Fees

Dock Street Asset Management Inc. is a registered investment adviser based in Scarsdale, New York. We are organized as a corporation under the laws of the State of Connecticut. We have been providing investment advisory services since 1993. Daniel A. Ogden is the principal owner. Currently, we offer the following investment advisory services, which are personalized to each individual client:

- Portfolio Management Services

The following paragraphs describe our services and fees. Please refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs. As used in this brochure, the words "we", "our" and "us" refer to Dock Street Asset Management Inc. and the words "you", "your" and "client" refer to you as either a client or prospective client of our firm.

### Portfolio Management Services

We offer discretionary and non-discretionary portfolio management services. Our investment advice is tailored to meet our clients' needs and investment objectives. If you retain our firm for portfolio management services, we will meet with you to determine your investment objectives, risk tolerance, and other relevant information at the beginning of our advisory relationship. We will use the information we gather to develop a strategy that enables our firm to give you continuous and focused investment advice and/or to make investments on your behalf. As part of our portfolio management services, we may customize an investment portfolio for you according to your risk tolerance and investing objectives. We may also invest your assets using a predefined strategy, or we may invest your assets according to one or more model portfolios developed by our firm. Once we construct an investment portfolio for you, or select a model portfolio, we will monitor your portfolio's performance on an ongoing basis, and will rebalance the portfolio as required by changes in market conditions and in your financial circumstances.

If you participate in our discretionary portfolio management services, we require you to grant our firm discretionary authority to manage your account. Discretionary authorization will allow us to determine the specific securities, and the amount of securities, to be purchased or sold for your account without your approval prior to each transaction. Discretionary authority is typically granted by the investment advisory agreement you sign with our firm and the appropriate trading authorization forms. You may limit our discretionary authority (for example, limiting the types of securities that can be purchased for your account) by providing our firm with your restrictions and guidelines in writing. If you enter into non-discretionary arrangements with our firm, we must obtain your approval prior to executing any transactions on behalf of your account.

### Types of Investments

We offer advice on equity securities, exchange traded funds (ETFs), corporate, government and municipal fixed income securities, mutual funds and options.

Additionally, we may advise you on any type of investment that we deem appropriate based on your stated goals and objectives. We may also provide advice on any type of investment held in your portfolio at the inception of our advisory relationship.

You may request that we refrain from investing in particular securities or certain types of securities. You must provide these restrictions to our firm in writing.

## **Assets Under Management**

As of December 31, 2019, we provide continuous management services for \$450,428,425 in client assets on a discretionary basis, and \$6,849,487 in client assets on a non-discretionary basis.

## **Item 5 Fees and Compensation**

### **Portfolio Management Services**

Our fee for portfolio management services is based on a percentage of your assets we manage and is set forth in the following fee schedule:

<b>Assets Under Management</b>	<b>Annual Fee</b>
Accounts up to \$500,000	1.25%
Accounts between \$500,000 to \$5 million	0.75%
Accounts above \$5 million	0.60%

Our annual portfolio management fee is billed and payable quarterly in advance based on the value of your account on the last day of the previous quarter.

If the portfolio management agreement is executed at any time other than the first day of a calendar quarter, our fees will apply on a pro rata basis, which means that the advisory fee is payable in proportion to the number of days in the quarter for which you are a client. Our advisory fee is negotiable, depending on individual client circumstances.

We require new clients to have a minimum account of \$2,000,000, although we retain the right to reduce or waive this minimum account size. Accounts of less than \$1,000,000 may be set up when the client and Dock Street anticipate the client will add additional funds to the accounts bringing the total to \$1,000,000 within a reasonable time. We charge a minimum quarterly fee of \$1,250.

At our discretion, we may combine the account values of family members living in the same household to determine the applicable advisory fee. For example, we may combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts. Combining account values may increase the asset total, which may result in your paying a reduced advisory fee based on the available breakpoints in our fee schedule stated above.

We will send you an invoice for the payment of our advisory fee, or we will deduct our fee directly from your account through the qualified custodian holding your funds and securities. We will deduct our advisory fee only when you have given our firm written authorization permitting the fees to be paid directly from your account. Further, the qualified custodian will deliver an account statement to you at least quarterly. These account statements will show all disbursements from your account. You should review all statements for accuracy. We will also receive a duplicate copy of your account statements.

Either party may terminate the contract upon written notice to the other party. You will incur a pro rata charge for services rendered prior to the termination of the contract, which means you will incur advisory fees only in proportion to the number of days in the quarter for which you are a client. If you have pre-paid advisory fees that we have not yet earned, you will receive a prorated refund of those fees.

We encourage you to reconcile our invoices with the statement(s) you receive from the qualified custodian. If you find any inconsistent information between our invoice and the statement(s) you receive from the qualified custodian please call our main office number located on the cover page of this brochure.

### **Additional Fees and Expenses**

As part of our investment advisory services to you, we may invest, or recommend that you invest, in mutual funds and exchange traded funds. The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. You will also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through whom your account transactions are executed. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian. To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange traded funds, our firm, and others. For information on our brokerage practices, please refer to the *Brokerage Practices* section of this brochure.

We may exercise margin on client accounts. Each client must sign a separate margin agreement before margin is extended to that client account. We do not utilize margin for trading purposes but to manage the cash flow needs of our clients. The use of margin permits us to maintain the securities portfolio while meeting short term cash needs. We charge investment advisory fees on the net value of the account. We do not charge advisory fees on the total value or margined value of the account. We believe that not charging advisory fees on the margined balance of the client account mitigates or removes any conflict of interest regarding the use of margin. The use of margin may also result in interest charges in addition to all other fees and expenses associated with the security involved.

Daniel A. Ogden, President of Dock Street Asset Management, is a Member of Glenville Capital Management, LLC (hereafter "Glenville"), a SEC-registered investment adviser. Mr. Ogden, in his personal capacity, will receive a share of the performance fee charged by Glenville as a return on his investment. Since Mr. Ogden receives compensation from Glenville, a conflict of interest exists in recommending these investments to our advisory clients. To mitigate this conflict of interest, qualified clients of Dock Street Asset Management are not solicited to invest in private funds offered by Glenville. Please refer to Item 10 below *Other Financial Industry Activities and Affiliations* for more detailed information to include conflicts of interest.

Moreover Mr. Ogden also serves as a Managing Member of both Manhattan Atlantic Partners IV, LLC (the General Partner to Manhattan Atlantic Partners IV, L.P.) and Manhattan Atlantic Partners VI, LLC (the General Partner to Manhattan Atlantic Partners VI, L.P.). The fees charged by these private pooled investment vehicles are separate and apart from our advisory fees. Please refer to Item 10 below *Other Financial Industry Activities and Affiliations* for more detailed information to include conflicts of interest.

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

Side-by-side management might provide an incentive for our firm to favor accounts for which we receive a performance-based fee. For example, we may have an incentive to allocate limited investment opportunities, such as initial public offerings, to clients who are charged performance-based fees over clients who are charged asset based fees only. To address this conflict of interest, we have instituted policies and procedures that require our firm to allocate investment opportunities (if they are suitable) in an effort to avoid favoritism among our clients, regardless of whether the client is charged performance fees.

## Item 7 Types of Clients

We offer investment advisory services to individuals (including high net worth individuals), pension and profit sharing plans, trusts, estates, charitable organizations, corporations and other types of business entities.

In general, we require a minimum of \$2,000,000 to open and maintain an advisory account. At our discretion, we may waive this minimum account size. For example, we may waive the minimum if you appear to have significant potential for increasing your assets under our management. We may also combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts to meet the stated minimum. We charge a minimum quarterly fee of \$1,250.

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

### Our Methods of Analysis and Investment Strategies

We utilize different investment strategies, based upon the needs of the client, including long-term purchases, short-term purchases and option writing.

We may use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

**Technical Analysis** - involves studying past price patterns, trends, and interrelationships in the financial markets to assess risk-adjusted performance and predict the direction of both the overall market and specific securities.

**Risk:** The risk of market timing based on technical analysis is that our analysis may not accurately detect anomalies or predict future price movements. Current prices of securities may reflect all information known about the security and day-to-day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

**Fundamental Analysis** - involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company and its industry. The resulting data is used to measure the true value of the company's stock compared to the current market value.

**Risk:** The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

We invest in companies that achieve high profitability on the total investment in the business. These companies must also have the ability to make additional high return investments in sufficient size to produce growth in shareholder value.

Companies which produce high returns on invested capital usually display a combination of characteristics in the way they do business through superiority in either management style, corporate culture, cost efficiency, marketing, patent protection, or new product development. Furthermore, high return companies as a rule have low debt, strong balance sheets, and can fund high levels of capital spending and growth without diluting the shareholder's interests. Once Dock Street has identified high return/reasonably valued companies, the selection process continues with a series of other evaluations and judgment factors such as the following:

- Relative historical price/earnings ratio to the company itself, its industry and to the market.
- The relationship of the historical and projected growth rates to the price/earnings ratio and debt levels of the company.
- The level and location of sales and earnings in foreign markets.
- A careful review of historical and current pre-tax and after tax profit margins and earnings acceleration or deceleration.
- A review of the technical factors which might impact on the price action of the company's stock.

**Long-Term Purchases** - securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

**Risk:** Using a long-term purchase strategy generally assumes the financial markets will go up in the long-term which may not be the case. There is also the risk that the segment of the market that you are invested in or perhaps just your particular investment will go down over time even if the overall financial markets advance. Purchasing investments long-term may create an opportunity cost - "locking-up" assets that may be better utilized in the short-term in other investments.

**Short-Term Purchases** - securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations.

**Risk:** Using a short-term purchase strategy generally assumes that we can predict how financial markets will perform in the short-term which may be very difficult and will incur a disproportionately higher amount of transaction costs compared to long-term trading. There are many factors that can affect financial market performance in the short-term (such as short-term interest rate changes, cyclical earnings announcements, etc.) but may have a smaller impact over longer periods of times.

**Option Writing** - a securities transaction that involves selling an option. An option is the right, but not the obligation, to buy or sell a particular security at a specified price before the expiration date of the option. When an investor sells an option, he or she must deliver to the buyer a specified number of shares if the buyer exercises the option. The seller pays the buyer a premium (the market price of the option at a particular time) in exchange for writing the option.

**Risk:** Options are complex investments and can be very risky, especially if the investor does not own the underlying stock. In certain situations, an investor's risk can be unlimited.

Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio.

### **Tax Considerations**

Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you consult with a tax professional prior to and throughout the investing of your assets.



Moreover, as a result of revised IRS regulations, custodians and broker-dealers will begin reporting the cost basis of equities acquired in client accounts on or after January 1, 2011. Your custodian will default to the FIFO (First-In First-Out) accounting method for calculating the cost basis of your investments. You are responsible for contacting your tax advisor to determine if this accounting method is the right choice for you. If your tax advisor believes another accounting method is more advantageous, please provide written notice to our firm immediately and we will alert your account custodian of your individually selected accounting method. Please note that decisions about cost basis accounting methods will need to be made before trades settle, as the cost basis method cannot be changed after settlement.

### **Risk of Loss**

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

### **Recommendation of Particular Types of Securities**

As disclosed under the *Advisory Business* section in this brochure, we recommend many types of securities and we do not necessarily recommend one particular type of security over another. However, we may recommend other types of investments as appropriate for you since each client has different needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with it.

**Options:** There are numerous risks associated with transactions in options on securities or securities indexes. A decision as to whether, when and how to use options involves the exercise of skill and judgment, and even a well-conceived transaction may be unsuccessful to some degree because of market behavior or unexpected events. As the writer of covered call options, the client forgoes, during the option's life, the opportunity to profit from increases in the market value of the underlying security or the index above the sum of the option premium received and the exercise price of the call, but has retained the risk of loss, minus the option premium received, should the price of the underlying security decline. In the case of index options, the client incurs basis risk between the performance of the underlying portfolio and the performance of the underlying index. For example, the underlying portfolio may decline in value while the underlying index may increase in value, resulting in a loss on the call option while the underlying portfolio declines as well.

### **Alternative Investments and Strategies**

Select clients may access (at their own discretion) one or more private investment partnerships managed by us, a related entity, or third-parties. These partnerships have a number of features and risks as outlined in their respective information memoranda and subscription documents.

To the extent clients decide to participate in these investments, individuals associated with our firm may receive management fees and/or performance based fees as general partner or investment advisor to these partnerships or directly from the client by agreement related to their Alternative Investment holdings supervised by our related entity. Partnerships are generally accessible only to sophisticated and/or accredited and qualified investors as required by law. In addition, our affiliate may charge management and/or performance fees to client (which may be deducted with consent of the client from the value of their account in each partnership), paid directly by the client, or debited from another account supervised by our affiliate under separate agreement with both the client and the administrator of each partnership (if at all).

## Item 9 Disciplinary Information

Dock Street Asset Management Inc. has been registered and providing investment advisory services since 1993. Neither our firm nor any of our management nor supervised persons have any reportable disciplinary information.

## Item 10 Other Financial Industry Activities and Affiliations

### Arrangements with Affiliated Entities

Daniel A. Ogden, President and Chief Compliance Officer of Dock Street Asset Management, is a Member of Glenville Capital Management, LLC (hereafter "Glenville"). Glenville is an investment adviser registered with the SEC. Mr. Ogden has made a personal investment in Glenville in the form of cash and shared services from Adam D. Egelberg as discussed below. Mr. Ogden, in his personal capacity, will receive a share of the performance fee charged by Glenville as a return on his investment. Since Mr. Ogden receives compensation from Glenville, a conflict of interest exists in recommending these investments to our advisory clients. To mitigate this conflict of interest, qualified clients of Dock Street Asset Management are not solicited to invest in private funds offered by Glenville.

Adam D. Egelberg, Managing Member of Glenville, and Daniel A. Ogden, President and Chief Compliance Officer of Dock Street Asset Management, share the same office space and thus will communicate with one another regarding industry, economic and individual company matters.

Mr. Ogden serves as a Managing Member of both Manhattan Atlantic Partners IV, LLC (the General Partner to Manhattan Atlantic Partners IV, L.P.) and Manhattan Atlantic Partners VI, LLC (the General Partner to Manhattan Atlantic Partners VI, L.P.), (collectively as the "Fund"), private pooled investment vehicles in which you may be solicited to invest. The Fund is offered to certain sophisticated investors, who meet certain requirements under applicable state and/or federal securities laws. Investors to whom the Fund is offered will receive a private placement memorandum and other offering documents. The fees charged by the Fund are separate and apart from our advisory fees. You should refer to the offering documents for a complete description of the fees, investment objectives, risks and other relevant information associated with investing in the Fund. Persons affiliated with our firm may have made an investment in the Fund and may have an incentive to recommend the Fund over other investments.

Referral arrangements with an affiliated entity present a conflict of interest for us because we may have a direct or indirect financial incentive to recommend an affiliated firm's services. While we believe that compensation charged by an affiliated firm is competitive, such compensation may be higher than fees charged by other firms providing the same or similar services. You are under no obligation to use the services of any firm we recommend, whether affiliated or otherwise, and may obtain comparable services and/or lower fees through other firms.

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

### Description of Our Code of Ethics

Dock Street has adopted a Code of Ethics to prevent violations of federal securities laws. The Code of Ethics is predicated on the principle that Dock Street and its employees owe a fiduciary duty to its clients. Accordingly, Dock Street expects all employees to act with honesty, integrity and

professionalism and to adhere to federal securities laws. Dock Street and its employees are required to adhere to the Code of Ethics. At all times, Dock Street and its employees must (i) place client interests ahead of Dock Street's; (ii) engage in personal investing that is in full compliance with Dock Street's Code of Ethics; and (iii) avoid taking advantage of their position. Clients and prospective clients may request a copy of Dock Street's Code of Ethics by contacting Daniel A. Ogden, President of Dock Street at 203-532-9470.

### **Participation or Interest in Client Transactions**

Mr. Ogden serves as a Managing Member of both Manhattan Atlantic Partners IV, LLC (the General Partner to Manhattan Atlantic Partners IV, L.P.) and Manhattan Atlantic Partners VI, LLC (the General Partner to Manhattan Atlantic Partners VI, L.P.), (collectively as the "Fund"), private pooled investment vehicles in which you may be solicited to invest. If you are an investor in the Fund, please refer to the Fund's offering documents for detailed disclosures regarding your Fund. Additionally, individuals associated with our firm may buy or sell for their personal account(s) investment products identical to those purchased by the Fund. This practice may create a conflict of interest because we have the ability to trade ahead of the Fund and potentially receive more favorable prices than the Fund will receive. To mitigate this conflict of interest, it is our policy that neither our firm nor persons associated with our firm shall have priority over the Fund in the purchase or sale of securities.

Please see *Other Financial Industry Activities and Affiliations* under Item 10 and *Custody* under Item 15 for more information.

### **Personal Trading Practices**

Our firm or persons associated with our firm may buy or sell the same securities that we recommend to you or securities in which you are already invested. A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To mitigate this conflict of interest, it is our policy that neither our firm nor persons associated with our firm shall have priority over your account in the purchase or sale of securities.

## **Item 12 Brokerage Practices**

We maintain relationships with several broker-dealers. While you are free to choose any broker-dealer or other service provider, we recommend that you establish an account with a brokerage firm with which we have an existing relationship. Such relationships may include benefits provided to our firm, including but not limited to market information and administrative services that help our firm manage your account(s). We believe that recommended broker-dealers provide quality execution services for our clients at competitive prices. Price is not the sole factor we consider in evaluating best execution. We also consider the quality of the brokerage services provided by recommended broker-dealers, including the value of the firm's reputation, execution capabilities, commission rates, and responsiveness to our clients and our firm. In recognition of the value of the services recommended broker-dealers provide, you may pay higher commissions and/or trading costs than those that may be available elsewhere.

### **Research and Other Soft Dollar Benefits**

#### Charles Schwab & Co., Inc.

Dock Street uses Charles Schwab & Co.'s, Schwab Advisor Services ("Schwab"). While there is no relationship between the investment advice given by Dock Street and usage of Schwab, Dock Street receives certain economic benefits which would not be received if Dock Street did not use the Schwab Advisor Service.

For example, Schwab makes available to us products and services that benefit Dock Street, but may not directly benefit our client accounts. Some of these other products and services assist us in managing and administering clients' accounts. These include: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk serving Schwab participants exclusively; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; ability to have investment advisory fees deducted directly from client accounts; access to an electronic communication network for client order entry and account information; receipt of compliance publications; and access to mutual funds which generally require significantly higher minimum initial investments or are generally available only to institutional investors.

Schwab also makes available to us other services intended to help us manage and further develop our business enterprise. These services may include consulting, publications and conferences on practice management, information technology, regulatory compliance and marketing. In addition, Schwab may make available, arrange and/or pay for these types of services rendered to us by independent third parties.

While as a fiduciary Dock Street is required to act in our clients' best interests, our recommendation that clients maintain their assets in accounts with Schwab may be based in part on the benefit to us of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage provided by Schwab. This may create a conflict of interest.

#### Client Directed Brokerage

We may receive research from brokers with which our clients have directed brokerage arrangements. The broker provides this research as a courtesy and its receipt is not a factor in negotiating commission discounts nor is the receipt of the research dependent on any volume of trading activity. Any research provided by brokers under directed brokerage arrangements is used to service all of our clients.

#### **Brokerage for Client Referrals**

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

#### **Directed Brokerage**

We routinely recommend that you direct our firm to execute transactions through Charles Schwab and Co., Inc. ("Schwab"). As such, we may be unable to achieve the most favorable execution of your transactions and you may pay higher brokerage commissions than you might otherwise pay through another broker-dealer that offers the same types of services. Not all advisers require their clients to direct brokerage.

In limited circumstances, and at our discretion, some clients may instruct our firm to use one or more particular brokers for the transactions in their accounts. If you choose to direct our firm to use a particular broker, you should understand that this might prevent our firm from aggregating trades with other client accounts or from effectively negotiating brokerage commissions on your behalf. This practice may also prevent our firm from obtaining favorable net price and execution. Thus, when directing brokerage business, you should consider whether the commission expenses, execution, clearance, and settlement capabilities that you will obtain through your broker are adequately favorable in comparison to those that we would otherwise obtain for you.

#### **Block Trades**

We combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as "block trading"). We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. The distribution of the shares

purchased is typically proportionate to the size of the account, but it is not based on account performance or the amount or structure of management fees. Subject to our discretion regarding factual and market conditions, when we combine orders, each participating account pays an average price per share for all transactions and pays a proportionate share of all transaction costs. Accounts owned by our firm or persons associated with our firm may participate in block trading with your accounts; however, they will not be given preferential treatment.

### **Item 13 Review of Accounts**

The portfolio manager and other designated employees are the reviewers that provide all accounts with continuous and regular supervisory or management services. The portfolio manager reviews each account's financial performance in detail each month. Reviews include assessments on both an aggregate account and individual security basis.

In addition to these regular reviews, the portfolio manager monitors news affecting securities owned by clients on a daily basis, and when necessary, updates assessments for future performance and makes changes in portfolio makeup accordingly.

In addition to monthly statements from the broker or custodian, we issue quarterly reports to each client which include the following:

- A Portfolio Appraisal which includes purchase price and the date for each security owned, as well as the unrealized profit or loss on each position since purchase.
- A Realized Profit and Loss Statement showing the taxable events for the period.
- A Performance Report by asset class, which allows the client to gauge the returns on equities, fixed income, cash, and total portfolio.

Clients also receive letters from the portfolio manager covering topics from market conditions to the prospects of individual securities. Clients are urged to compare the account statement provided by the broker-dealer/custodian with those provided by Dock Street.

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

We directly compensate non-employee (outside) consultants, individuals, and/or entities (solicitors) for client referrals. In order to receive a cash referral fee from us, solicitors must comply with the requirements of the jurisdictions in which they operate. If you were referred to us by a solicitor, you should have received a copy of this brochure along with the solicitor's disclosure statement at the time of the referral. If you become a client, the solicitor that referred you to us will receive a percentage of the advisory fee you pay us for as long as you are our client, or until such time as our agreement with the solicitor expires. You will not pay additional fees because of this referral arrangement. Referral fees paid to a solicitor are contingent upon your entering into an advisory agreement with us. Therefore, a solicitor has a financial incentive to recommend us to you for advisory services. This creates a conflict of interest; however, you are not obligated to retain us for advisory services. Comparable services and/or lower fees may be available through other firms.

Solicitors that refer business to more than one investment adviser may have a financial incentive to recommend advisers with more favorable compensation arrangements. We request that our solicitors disclose to you whether multiple referral relationships exist and that comparable services may be available from other advisers for lower fees and/or where the Solicitor's compensation is less favorable.



Refer to the *Brokerage Practices* section above for disclosures on research and other benefits we may receive resulting from our relationship with your account custodian.

## **Item 15 Custody**

As paying agent for our firm, your independent custodian will directly debit your account(s) for the payment of our advisory fees. This ability to deduct our advisory fees from your accounts causes our firm to exercise limited custody over your funds or securities. Your funds and securities will be held with a bank, broker-dealer, or other independent, qualified custodian. You will receive account statements from the independent, qualified custodian(s) holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate the amount of our advisory fees deducted from your account(s) each billing period.

As discussed clients with separately managed accounts generally authorize Dock Street Asset Management to directly deduct advisory fees owed to Dock Street Asset Management from their accounts held by a qualified custodian. In regard to separately managed accounts, clients will receive their account statements directly from their qualified custodian. However, Dock Street Asset Management is deemed to have custody of client funds and securities because a related person, Daniel A. Ogden, is a Managing Member of the Manhattan Atlantic Partners IV, LLC and Manhattan Atlantic Partners VI, LLC and certain clients invest in these funds. These partnerships are independently audited by an independent CPA auditing firm each year.

Clients should always carefully review all custodian account and capital account statements that they receive for accuracy as well as review any advisor fees that have been deducted to check them for accuracy. For more information about custodians and brokerage practices, see Item 12 - Brokerage Practices. If you have a question regarding your account statement, or if you did not receive a statement from your custodian, please contact us directly at the telephone number on the cover page of this brochure.

### **Trustee Relationship**

Daniel A. Ogden, President and Chief Compliance Officer of Dock Street Asset Management, serves as trustee to certain accounts for which we provide investment advisory services. Mr. Ogden's capacity as trustee gives him custody over the advisory accounts for which he serves as trustee. These accounts will be held with a bank, broker-dealer, or other independent, qualified custodian. If Mr. Ogden acts as trustee for any of your advisory accounts, you will receive account statements from the independent, qualified custodian(s) holding your funds and securities at least quarterly. You should carefully review account statements for accuracy. We will also provide statements to you. You should compare our statements with the statements from your account custodian(s) to reconcile the information reflected on each statement. If you have a question regarding your account statement or if you did not receive a statement from your custodian, please contact us directly at the telephone number on the cover page of this brochure.

### **Standing Letters of Authorization**

Pursuant to Rule 206(4)-2 (the "Custody Rule"), we have taken steps to have controls and oversight in place to support the no-action letter issued by the SEC on February 21, 2017 (the "SEC no-action letter"). With respect to third party standing letters of authorization ("SLOA") where a client may grant us the authority to direct custodians to disburse funds to one or more third party accounts, we are deemed to have limited custody. However, we are not required to comply with the surprise examination requirement of the Custody Rule if we are otherwise in compliance with the seven requirements set forth in the February 21, 2017 no-action letter. To the extent we act pursuant to a SLOA, we shall comply with these seven requirements.

## Item 16 Investment Discretion

Before we can buy or sell securities on your behalf, you must first sign our discretionary management agreement, and the appropriate trading authorization forms.

You may grant our firm discretion over the selection and amount of securities to be purchased or sold for your account(s) without obtaining your consent or approval prior to each transaction. You may specify investment objectives, guidelines, and/or impose certain conditions or investment parameters for your account(s). For example, you may specify that the investment in any particular stock or industry should not exceed specified percentages of the value of the portfolio and/or restrictions or prohibitions of transactions in the securities of a specific industry or security. Please refer to the *Advisory Business* section in this brochure for more information on our discretionary management services.

If you enter into non-discretionary arrangements with our firm, we will obtain your approval prior to the execution of any transactions for your account(s). You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

## Item 17 Voting Client Securities

### Proxy Voting

We will determine how to vote proxies based on our reasonable judgment of the vote most likely to produce favorable financial results for you. Proxy votes generally will be cast in favor of proposals that maintain or strengthen the shared interests of shareholders and management, increase shareholder value, maintain or increase shareholder influence over the issuer's board of directors and management, and maintain or increase the rights of shareholders. Generally, proxy votes will be cast against proposals having the opposite effect. However, we will consider both sides of each proxy issue. Unless we receive specific instructions from you, we will not base votes on social considerations.

In the event you wish to direct our firm on voting a particular proxy, you should contact us at 203-532-9470 with your instruction.

Conflicts of interest between you and our firm, or a principal of our firm, regarding certain proxy issues could arise. If we determine that a material conflict of interest exists, we will take the necessary steps to resolve the conflict before voting the proxies. For example, we may disclose the existence and nature of the conflict to you, and seek direction from you as to how to vote on a particular issue; we may abstain from voting, particularly if there are conflicting interests for you (for example, where your account(s) hold different securities in a competitive merger situation); or, we will take other necessary steps designed to ensure that a decision to vote is in your best interest and was not the product of the conflict.

We keep certain records required by applicable law in connection with our proxy voting activities. You may obtain information on how we voted proxies and/or obtain a full copy of our proxy voting policies and procedures by making a written or oral request to our firm.

## Item 18 Financial Information

Notwithstanding the items as discussed under Item 15 above, we are not required to provide financial information to our clients because we do not:

- require the prepayment of more than \$1,200 in fees six or more months in advance, or
- take custody of client funds or securities, or
- have a financial condition that is reasonably likely to impair our ability to meet our commitments to you.

## **Item 19 Additional Information**

### **Your Privacy**

We view protecting your private information as a top priority. Pursuant to applicable privacy requirements, we have instituted policies and procedures to ensure that we keep your personal information private and secure.

We do not disclose any nonpublic personal information about you to any nonaffiliated third parties, except as permitted by law. In the course of servicing your account, we may share some information with our service providers, such as transfer agents, custodians, broker-dealers, accountants, consultants, and attorneys.

We restrict internal access to nonpublic personal information about you to employees, who need that information in order to provide products or services to you. We maintain physical and procedural safeguards that comply with regulatory standards to guard your nonpublic personal information and to ensure our integrity and confidentiality. We will not sell information about you or your accounts to anyone. We do not share your information unless it is required to process a transaction, at your request, or required by law.

You will receive a copy of our privacy notice prior to or at the time you sign an advisory agreement with our firm. Thereafter, we will deliver a copy of the current privacy policy notice to you on an annual basis. Please contact our main office at the telephone number on the cover page of this brochure if you have any questions regarding this policy.

### **Trade Errors**

In the event a trading error occurs in your account, our policy is to restore your account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the account. If a trade error results in a profit, you will keep the profit. Losses from a trade error are handled in one of two ways. Any loss in a client's account of less than \$100 is absorbed by Charles Schwab & Co. Any loss great than \$100 will be absorbed by Dock Street. In either case, a client is never disadvantaged by a trade error.

### **Class Action Lawsuits**

We do not determine if securities held by you are the subject of a class action lawsuit or whether you are eligible to participate in class action settlements or litigation nor do we initiate or participate in litigation to recover damages on your behalf for injuries as a result of actions, misconduct, or negligence by issuers of securities held by you.