

# **SEC Form ADV Part 2A**

## **“Brochure”**

### **Item 1 – Cover Page**

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This Brochure provides information about the qualifications and business practices of **ENRIGHT, MOLLIN, CASCIO & RAMUSEVIC, INC.** (hereinafter “EMCR,” “Advisor” or the “Firm”). If you have any questions about the contents of this Brochure, please contact us by telephone at 718-803-1817 or by email at: DMollin@EMCRadvisors.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.

**ENRIGHT, MOLLIN, CASCIO & RAMUSEVIC, INC.** is a registered investment advisor. Registration of an Investment Advisor does not imply any level of skill or training. The oral and written communications of an advisor provide you with information about which you determine to hire or retain an advisor.

Additional information about us is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Material Changes**

There are no material changes made to this Brochure since the last update on March 14, 2019.

Other information in this Brochure may have been updated, however. Consequently, we encourage you to read this Brochure in its entirety.

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## **Item 4 – Advisory Business**

### **A. Description of Advisory Firm**

EMCR, founded in 1990, provides personalized financial planning and investment management services to high net worth individuals, pension and profit-sharing plans, trusts, estates, charitable organizations and small businesses (“Clients”). Advice is provided through consultation with the client and may include, but is not limited to determination of financial objectives, identification of financial problems, cash flow management, tax planning, insurance review, investment management, education funding, retirement planning, and estate planning.

### **B. Principal Owners**

The Firm’s principal owners are Douglas Mollin, Michael Cascio and Steven Ramusevic.

### **C. Types of Advisory Services**

EMCR provides investment supervisory services, also known as asset management services, and furnishes investment advice through consultations.

As part of our asset management services, EMCRC furnishes advice to clients on matters not involving securities, such as financial planning matters

The terms of individual managed accounts are negotiated separately with each distinct Client. Clients may impose certain reasonable restrictions or limitations on EMCRC’s management of their portfolio. These restrictions or limitations, along with additional details regarding services, fees, investor suitability standards and other specific terms applicable to Clients, are set forth in the investment policy statements between the Client and EMCRC.

Below are the guidelines that are followed when managing a client’s portfolio:

- 1) We identify investment objectives by assessing the following, which includes but is not limited to, the Client's risk tolerance, liquidity needs, income requirements, emphasis on growth, and emotional tolerance for volatility. Information provided by the Client will be collected during meetings, interviews, and/or filling out questionnaires;
- 2) We analyze a Client's financial situation and formulate an investment policy statement and implement the investment strategy by investing in a combination of mutual funds, stocks, bonds, exchange traded funds ("ETFs"), cash equivalents, and selection of individual securities. Clients can instruct us not to buy certain securities or types of securities;
- 3) Capital market conditions and Client circumstances are monitored on a periodic basis for changes that may affect Client accounts; and
- 4) Portfolio adjustments are made as appropriate to reflect changes in any or all of the above variables.

#### **D. Amount of Managed Assets**

As of December 31, 2019, EMCR managed approximately \$ 219,700,000 in assets on a discretionary basis.

## **Item 5 – Fees and Compensation**

EMCR bases its fees on a percentage of assets under management or charges fixed retainer fees.

Investment advisory fees range from .40% to 1.00% annually. Investment management fees are billed quarterly, in arrears based on the account balance at each calendar quarter end. Fees generally are deducted from the Client account to facilitate billing. The Client must consent in advance to direct debiting of their investment account.

EMCR, in its sole discretion, may charge a lower investment advisory fee based upon certain criteria determined and approved by EMCR.

***Other Fees & Expenses.*** In addition to our fees, the Clients may incur certain other fees and expenses billed by third parties. Such costs could include and are not limited to brokerage commissions and transaction fees. In addition, mutual funds and exchange-traded funds have an expense ratio that represents the percentage of the fund's asset value charged as an expense for operating the fund. Mutual fund shares or ETF shares in a Client's account may be subject to other fees and expenses that are described in the fund prospectus.

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

EMCR does not charge any performance-based fees (i.e., fees based on a share of capital gains on or capital appreciation of the assets of a client).

## **Item 7 – Types of Clients**

EMCR generally provides investment advice to individuals, high net worth individuals and corporations. There is no minimum account size or minimum annual fee.

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

### **A. Methods of Analysis & Investment Strategies**

When selecting investments, the Firm's main sources of information include Morningstar, Charles Schwab & Company's research, Fidelity's research and Advisor Intelligence. We also utilize financial newspapers, magazines and professional journals.

The primary investment strategy used for Client accounts is a global balanced allocation utilizing mutual funds and exchange-traded funds. We do not focus much on individual stocks and bonds. We use complementary asset classes and complementary funds within each asset class to help provide consistent returns for each portfolio. Typical asset classes include U.S. and foreign stocks, small, mid and large sized companies (U.S. and foreign), growth and value styles, active and index based; bonds will include a broad range of exposure to U.S.

government, high grade corporate, high yield corporate, foreign government, floating rate, inflation protected, mortgage bonds and municipal bonds. The vast majority of bond investments are in the short to intermediate term range to limit interest rate risk.

We do not actively trade the portfolio. A particular investment may be replaced due to one of the factors, such as extended poor performance, a change in the risk profile, a change in management. New positions are added based on how they complement the existing investments, the management, the expenses, performance consistency, or risk-adjusted consistency.

The investment strategy for each specific Client is based upon the information provided by such Client during consultations. The Clients may change their objectives, risk tolerance or other information at any time. Each Client executes an Investment Policy Statement that documents their objectives and desired investment strategy.

## **B. Risk of Loss**

All investing and trading activities risk loss of capital and have certain risks that are borne by the investor. Although we will attempt to moderate these risks, no assurances can be given that the investment activities of an account we advise will achieve the investment objectives of such account or avoid losses. Direct and indirect 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 you from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals or objectives will be met. Past performance is in no way an indication of future performance. Our investment approach constantly keeps the risk of loss in mind.

Except as may otherwise be provided by law, we are not liable to clients for:

- Any loss you may suffer by reason of any investment decision made or other action taken or omitted by us in good faith;
- Any loss arising from our adherence to your instructions or the disregard of our recommendations made to you; or
- Any act or failure to act by a custodian or other third party to your account.

The information in this brochure does not include every potential risk associated with an investment strategy, technique or type of security applicable to a particular client account. You are encouraged to ask questions regarding risks applicable to a particular strategy or investment product and read all product-specific risk disclosures. It is your responsibility to

give us complete information and to notify us of any changes in financial circumstances or goals. It is important that you understand the risks associated with investing and that you as the investor will face the following investment risks:

- Interest-rate Risk: Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- Legal and Regulatory Risks: The regulation of the U.S and non-U.S. securities and futures markets investment funds has undergone substantial change in recent years and such change may continue. In particular, in light of the recent market turmoil there have been numerous proposals, including bills that have been introduced in the U.S. Congress, for substantial revisions to the regulation of financial institutions generally. Some of the additional regulation includes the requirements that provide fund managers register as investment advisers under the Advisers Act and disclose various information to regulators about the positions, counterparties and other exposures of the private funds managed by such managers. Further, the practice of short selling has been the subject of numerous temporary restrictions, and similar restrictions may be promulgated at any time. Such restrictions may adversely affect the returns of the Underlying Investment Funds that utilize short selling. The effect of such regulatory change on the accounts and/or underlying investment funds, while impossible to predict, could be substantial and adverse.
- Market Risk: The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events. This is also referred to as systemic risk.
- Inflation Risk: When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- Currency Risk: Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- Reinvestment Risk: This is the risk that future proceeds from the investments are reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- Liquidity Risk: Certain assets may not be readily converted into cash or may have a very limited market in which they trade. Thus, you may experience the risk that your investment or assets within your investments may not be able to be liquidated



quickly, thus extending the time by which you may receive the proceeds from your investment. Liquidity risk can also result in unfavorable pricing when exiting (i.e. not being able to quickly get out of an investment before the price drops significantly) a particular investment and therefore, can have a negative impact on investment returns. Example, Treasury Bills are highly liquid, while real estate properties are not.

- Management Risk: Your investments will vary with the success and failure of our investment strategies, research analysis and determination of portfolio securities. If you implement our recommendations and our investment strategies do not product the expected results, you may not achieve your results.
- Business Risk: These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- Financial Risk: Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.
- Other Risks and Vulnerabilities: Epidemics, pandemics and other unforeseen global emergencies, and reactions to such emergencies could cause uncertainty in markets and businesses, including the Firm's business, and may adversely affect the performance of the global economy, including causing market volatility, market and business uncertainty and closures, supply chain and travel interruptions, the need for employees and vendors to work at external locations, and extensive medical or personal absences. The Firm has policies and procedures to address many different events, however, significant outages, shortages and emergencies because of a large unexpected global situation could create significant market and business uncertainties and disruptions, therefore, not all events that could affect the Firm's business and/or the markets can be determined and addressed in advance.

Asset allocation and diversification are the Firm's primary tools for controlling risk. EMCR seeks to ensure that our Clients' mix of assets is appropriate for their temperament, desire for growth, tolerance of risk, need for liquidity, etc. However, there can be no assurance that the future performance of any specific investment or investment strategy will be profitable.

The summary of material risks provided above is not meant to be a complete description of every risk that may be applicable. All investment activities involve a high degree of risk, including the possible risk of loss of an investor's entire investment. The information contained herein is a summary only.

### **Item 9 – Disciplinary Information**

Neither EMCR nor any of its employees have been involved in legal or disciplinary events that would be material to your evaluation of the Firm or the integrity of its management.

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

Three principals of EMCR have ownership interests in Ramusevic, Cascio & Kaplan, CPAs, a tax and accounting firm. Several Clients of EMCR are also tax clients of Ramusevic, Cascio & Kaplan, CPAs, however, EMCR does not have a referral arrangement with Ramusevic, Cascio & Kaplan, CPAs and there is no obligation, real or implied, for any Firm client to retain Ramusevic, Cascio & Kaplan, CPAs.

Additionally, EMCR may from time to time recommend to its Clients a third-party investment adviser Richter Bober Asset Management (“Richter Bober”) to manage the portion of Clients’ portfolios investment in municipal securities. EMCR and Richter Bober are not affiliated.

EMCR exercises a limited oversight over Richter Bober’s management by reviewing Richter Bober’s periodic reports on the portfolios and municipal market in general, along with the accounts’ performance.

### **Item 11 – Code of Ethics**

#### **A. Code of Ethics**

EMCR has adopted a Code of Ethics (hereinafter referred to as the “Code”) in accordance with Rule 204A-1 of the Investment Advisers Act of 1940 (hereinafter the “Advisers Act”). The purpose of the Code is to set forth certain key guidelines that have been adopted by us and to specify the responsibility of our personnel to act in accordance with their fiduciary duty to our Clients and to comply with applicable federal and state laws and regulations. The Code requires that all employees conduct themselves in accordance with the highest ethical standards, which should be premised on the concepts of integrity, honesty and trust. The Code additionally includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment

items, and personal securities trading procedures, among other things. All supervised persons must acknowledge the terms of the Code of Ethics.

A copy of EMCR's Code of Ethics is available upon request.

## **B. Investment or Participation in Client Transactions & Personal Trading**

EMCR and its employees are permitted to purchase or trade securities that are also held by the Clients. As such, the Firm's related persons may have a material financial interest in such securities, which could result in a potential conflict of interest on the part of such related persons. In order to manage this conflict of interest, employees may not trade their own securities ahead of client trades and moreover, such related personal transactions will be reviewed against the best interests of the Clients and will be denied if it is determined that there is a risk of potential adverse consequences to our Clients. Employees additionally, must comply with all provisions of the EMCR Compliance Manual related to personal trading.

The Chief Compliance Officer of EMCR is Douglas Mollin. Mr. Mollin reviews all employee personal securities transactions each quarter. Mr. Mollin's trades are similarly reviewed by Steven Ramusevic. These reviews ensure that the personal trading of employees does not affect the markets and that Clients of the firm receive preferential treatment whenever feasible.

Furthermore, EMCR and its employees may not trade for Clients or themselves or recommend to others trading in securities of a company while in possession of material, non-public information (hereinafter referred to as "MNPI") or disclose such information to any person not entitled to receive it. By reason of its various investment activities, EMCR may have access to MNPI or be restricted from effecting transactions in certain investments that might have otherwise been initiated.

## **Item 12 – Brokerage Practices**

### **A. Selecting Brokerage Firms**

EMCR typically determines the broker-dealer to be used to maintain custody of the client's assets and execute trades in the Clients' accounts. Broker-dealers are selected based on several factors including: the broker-dealer's expertise in trading exchange-traded products; access to markets; responsiveness to EMCR; and EMCR's overall prior experience with the broker-dealer with respect to quality of execution, order routing practices, and clearance and settlement practices. EMCR generally also considers the broker-dealer's size, reputation, financial stability, research coverage and the value of any research provided, commission rates, ability to maintain confidentiality of client orders, disciplinary actions, and ability or

willingness to commit capital. Recognizing the value of these factors, EMCR may pay a brokerage commission in excess of that which another broker might charge for effecting the same transaction so long as the client receives the best overall qualitative execution. The Firm currently uses Charles Schwab and Fidelity Investments as broker-dealers and custodians.

## **B. Best Execution**

We seek to execute securities transactions for Clients in such a manner that the Client's total cost or proceeds in each transaction is the most favorable given the circumstances. When selecting broker-dealers, we will consider the full range and quality of the services and annually perform a review of broker-dealers to ensure EMCR continue to provide clients with best execution, including performing a comparison of Charles Schwab and Fidelity Investments to other broker-dealers.

EMCR will also periodically and systematically evaluate the execution performance of the broker-dealers executing transactions on behalf of EMCR for its clients. Quarterly, the Firm will review a sample of all transactions that were effected on behalf of clients and evaluate the quality of the execution received on those transactions based on the factors noted above. In addition, the Firm will quarterly review a sample of client transactions to ensure client execution pricing falls within a reasonable range. EMCR reviews the execution of trades at each broker-dealer each quarter. Trading fees charged by the brokers are also reviewed on a quarterly basis.

## **C. Aggregation**

We do not aggregate client transactions.

## **D. Soft Dollar Transactions**

EMCR does not engage in soft dollar transactions.

## **Item 13 – Review of Accounts**

### **A. Regular Reports**

Account reviews are performed quarterly by Douglas Mollin, President and Chief Compliance Officer. A detailed written report is delivered to each Client covering the following areas: overall market conditions and commentary, quarterly values for the portfolio, returns for the portfolio for the past quarter, 12 months, 3 years and since inception, and an updated asset allocation as compared to the target long-term allocation. In the report, we'll also discuss individual positions and recommend changes to the mix a necessary.

### **B. Review Triggers**

Conditions that may trigger a review are changes in the tax laws, new investment information and changes in a Client's own situation. General conditions in the stock and bond markets are continuously monitored. Factors triggering reviews of Client portfolios include changed circumstances of the Clients; changed general conditions in the stock and bond markets; and changes in the individual's securities owned by clients. Moreover, any discrepancies among our internal records or that of the custodians will trigger an off-cycle review of the Firm's accounts.

### **C. Periodic Reviews**

During the account reviews, EMCR contemplates the Client's current security positions and the likelihood that the performance of each security will contribute to the investment objectives of the Client.

Client accounts are reviewed on a periodic basis, but not less than quarterly. The written updates may include a portfolio summary, asset allocation update, market commentary and portfolio returns.

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

EMCR client referrals have come from current clients, estate planning attorneys, accountants, friends and other similar sources. The Firm does not compensate for these referrals or accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to the Firm.

#### **Item 15 – Custody**

All client funds and securities are maintained at qualified custodians. Clients should receive at least quarterly statements, confirmations of trading activity and tax forms from the qualified custodian that holds and maintains the investment assets. Clients are urged to carefully review such statements and compare the official custodial records to the account statements that EMCR may provide. Our statements may vary from custodial statements based upon accounting procedures, reporting dates, or valuation methodologies of certain securities.

#### **Item 16 – Investment Discretion**

EMCR provides advisory services on a discretionary basis after receiving a written discretionary authority from the Client at the outset of an advisory relationship and exercised in a manner consistent with the stated investment objectives for the particular Client account. When selecting securities and determining amounts, EMCR observes the investment policies, limitations, and restrictions of the Clients for which it advises. In certain situations, EMCR obtains blanket trading authorization. A limited power of attorney is a trading authorization Clients of EMCR sign so that the firm may execute the trades that have been approved.

All investment guidelines and restrictions are documented in writing.

#### **Item 17 – Voting Client Securities**

EMCR does not have the authority to vote proxies solicited by or with respect to the issuers of securities held in client account(s). Clients are expected to vote their own proxies.

When assistance on voting proxies is requested, EMCR will provide recommendations to the Client. If a conflict of interest exists, it will be disclosed to the Client.

#### **Item 18 – Financial Information**

EMCR does not have any financial impairment that will preclude the firm from meeting contractual commitments to clients and has not been the subject of a bankruptcy proceeding.