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## Form ADV Part 2A-Disclosure Brochure

March 16, 2020

This Brochure provides information about the qualifications and business practices of Financial Asset Management Corporation ["FAM"]. If you have any questions about the contents of this Brochure, please contact us at 914-238-8900 or [skahan@famcorporation.com](mailto:skahan@famcorporation.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.

Financial Asset Management Corporation is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Financial Asset Management Corporation also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 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 8, 2019 we have no material changes to report.

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## Item 4 Advisory Business

Financial Asset Management Corporation is a registered investment advisor with the U.S. Securities & Exchange Commission. Founded in 1986, by its Principal owner Scott M. Kahan, Financial Asset Management Corporation is a fee-only financial planning firm providing personalized services to individuals, families and small businesses.

### **FAM Services**

Financial Planning is the process of meeting your life goals through the development and proper management of your financial resources. Life goals may include buying a home, saving for college, planning for retirement, or wealth accumulation. Our services include both Financial Planning and Investment Management on an ongoing basis.

### **Financial Planning**

Financial planning is an all-inclusive process, requiring review and analysis of all aspects of your financial situation that can include: Cash Flow; Tax Planning; Retirement Planning; Education Planning; Estate Planning; Investment Analysis; and Insurance Review.

The financial planning process consists of a series of steps taken to help you, our client, accomplish your goals.

1. We work with you to identify *your* objectives
2. We gather the information pertinent to *your* overall financial situation such as income, expenses, taxes, insurance coverage, retirement plans, investments, wills and trusts
3. We review *your* current financial situation based upon the information we have gathered
4. We provide recommendations and strategies for achieving *your* goals
5. We assist *you* in implementing the recommendations
6. We monitor *your* plan on an on-going basis for needed changes

### **Investment Management**

As part of our Financial Planning services, FAM provides on-going investment management of all your investment assets. Our philosophy relies on a long-term investment strategy determined by your needs and objectives. Utilizing allocation strategies, our client portfolios are diversified to minimize sector and industry risk.

During the financial planning process, we determine the portfolio model that is needed to meet a client's goals. We then use a risk tolerance questionnaire to help determine the level of risk a client is comfortable with. We will then discuss with a client the results to determine the appropriate investment model to implement.

### **Types of Investments**

We primarily offer advice on investment company securities, equity securities, warrants, corporate debt securities, commercial paper, certificates of deposit, municipal securities, US Government securities, options contracts on securities and commodities, futures contracts on securities and commodities, and interest in partnerships investing in real estate, oil and gas interests, and others.

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 \$207,516,459 in client assets on a discretionary basis, and \$39,121,489 in client assets on a non-discretionary basis.

## Item 5 Fees and Compensation

FAM provides services on a Fee-Only basis. At no time does FAM or any associated person receive compensation from securities, insurance or other financial product sales.

The specific manner in which fees are charged by FAM is established in a client's written agreement with FAM. After the initial fee, FAM will bill its ongoing fees on a quarterly basis in arrears. Clients may also elect to be billed directly for fees or to authorize FAM to directly debit fees from client accounts. Accounts terminated during a calendar quarter will be charged a prorated fee. (A 30 day notice is required when terminating an account.)

### Fees for Financial Planning

Investable Assets	Initial Planning	Quarterly	Investable Assets	Initial Planning	Quarterly
up to*	Fee**	Fee	up to*	Fee**	Fee
Up to \$499,999	\$2,500-\$3,500	\$375-\$1,500	\$5,250,000.00	\$13,000.00	\$6,500.00
\$500,000.00	\$3,750.00	\$1,500.00	\$5,500,000.00	\$13,500.00	\$6,750.00
\$750,000.00	\$4,000.00	\$2,000.00	\$5,750,000.00	\$14,000.00	\$7,000.00
\$1,000,000.00	\$4,500.00	\$2,250.00	\$6,000,000.00	\$14,500.00	\$7,250.00
\$1,250,000.00	\$5,000.00	\$2,500.00	\$6,250,000.00	\$15,000.00	\$7,500.00
\$1,500,000.00	\$5,500.00	\$2,750.00	\$6,500,000.00	\$15,500.00	\$7,750.00
\$1,750,000.00	\$6,000.00	\$3,000.00	\$6,750,000.00	\$16,000.00	\$8,000.00
\$2,000,000.00	\$6,500.00	\$3,250.00	\$7,000,000.00	\$16,500.00	\$8,250.00
\$2,250,000.00	\$7,000.00	\$3,500.00	\$7,250,000.00	\$17,000.00	\$8,500.00
\$2,500,000.00	\$7,500.00	\$3,750.00	\$7,500,000.00	\$17,500.00	\$8,750.00
\$2,750,000.00	\$8,000.00	\$4,000.00	\$7,750,000.00	\$18,000.00	\$9,000.00
\$3,000,000.00	\$8,500.00	\$4,250.00	\$8,000,000.00	\$18,500.00	\$9,250.00
\$3,250,000.00	\$9,000.00	\$4,500.00	\$8,250,000.00	\$19,000.00	\$9,500.00
\$3,500,000.00	\$9,500.00	\$4,750.00	\$8,500,000.00	\$19,500.00	\$9,750.00
\$3,750,000.00	\$10,000.00	\$5,000.00	\$8,750,000.00	\$20,000.00	\$10,000.00
\$4,000,000.00	\$10,500.00	\$5,250.00	\$9,000,000.00	\$20,500.00	\$10,250.00
\$4,250,000.00	\$11,000.00	\$5,500.00	\$9,250,000.00	\$21,000.00	\$10,500.00
\$4,500,000.00	\$11,500.00	\$5,750.00	\$9,500,000.00	\$21,500.00	\$10,750.00
\$4,750,000.00	\$12,000.00	\$6,000.00	\$9,750,000.00	\$22,000.00	\$11,000.00
\$5,000,000.00	\$12,500.00	\$6,250.00	\$10,000,000.00	\$22,500.00	\$11,250.00

Above 10,000,000: Additional \$500 initial fee and \$250 per quarter for each additional \$250,000 of Investable Assets. Under certain circumstances fees may be negotiable.

**\*Investable Assets** are investment assets over which Client has control, such as investment accounts, IRA's, employer sponsored retirement accounts, stock options, bank accounts, etc. Real estate is not included as an Investable Asset. Additional fees may be charged for business or real estate analysis.

**\*\*Initial Fee** covers the first six months of service. After six months, ongoing quarterly fees will be billed quarterly in arrears.

In some cases, FAM's legacy clients may be receiving the same services but charged based on assets under management ranging from .60% to 1.00% annually. For these clients, management fees shall be prorated for each capital contribution and withdrawal made during the applicable calendar quarter.

Initial Fee is due at the time the Agreement is signed. Ongoing fees will be billed quarterly in arrears.

### **Termination Provisions**

A client has five (5) full business days after entering into an Agreement in which to cancel and obtain a full refund. Either party at any time upon receipt of 30 days written notice may terminate services. Upon termination, FAM will be paid any fees earned from the end of the previous quarter through the date of termination.

### **Additional Fees and Expenses**

FAM's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus.

Such charges, fees and commissions are exclusive of and in addition to FAM's fee, and FAM shall not receive any portion of these commissions, fees, and costs.

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

We do not accept performance-based fees or participate in side-by-side management. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Our fees are calculated as described in the *Advisory Business* section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

## **Item 7 Types of Clients**

FAM provides Financial Planning services to individuals, high net worth individuals, small business owners and their pension and profit-sharing plans. FAM does not have a minimum amount that needs to be managed, but rather has a minimum fee as described in Item 5 regarding FEES.

In general, we do not require a minimum dollar amount to open and maintain an advisory account; however, we have the right to terminate your Account if it falls below a minimum size which, in our sole opinion, is too small to effectively manage.

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

FAM has various model portfolios that are used to manage client assets. To determine these models, FAM uses fundamental and cyclical analysis to determine asset allocations. This information is derived from financial news available (both print and on-line), 3<sup>rd</sup> party research that FAM subscribes to, and annual reports issued by companies and investment firms (such as mutual fund companies). In most cases, FAM is utilizing mutual funds and ETF's in its model portfolios. At times, individual securities can be used to meet client objectives. FAM does not use option writing and other aggressive strategies, but the managers of the mutual funds in a client portfolio may at times use various strategies that FAM itself would not use. These strategies would be explained in the prospectus issued by the investment company.

**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.

**Cyclical Analysis** - a type of technical analysis that involves evaluating recurring price patterns and trends. Economic/business cycles may not be predictable and may have many fluctuations between long term expansions and contractions.

**Risk:** The lengths of economic cycles may be difficult to predict with accuracy and therefore the risk of cyclical analysis is the difficulty in predicting economic trends and consequently the changing value of securities that would be affected by these changing trends.

The strategies used by FAM are long term in nature (held more than a year). At times, short term purchases and sales can occur.

**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.

### **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 primarily recommend mutual funds and ETFs 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.

## **Item 9 Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of FAM or the integrity of FAM's management. FAM has no information applicable to this Item.

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

We have not provided information on other financial industry activities and affiliations because we do not have any relationship or arrangement that is material to our advisory business or to our clients with any of the types of entities listed below.

1. broker-dealer, municipal securities dealer, or government securities dealer or broker;
2. investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund);
3. other investment adviser or financial planner;
4. futures commission merchant, commodity pool operator, or commodity trading adviser;
5. banking or thrift institution;
6. accountant or accounting firm;
7. lawyer or law firm;
8. insurance company or agency;
9. pension consultant;
10. real estate broker or dealer; and/or
11. sponsor or syndicator of limited partnerships.



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

### **Description of Our Code of Ethics**

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for persons associated with our firm. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All persons associated with our firm are expected to adhere strictly to these guidelines. Our Code of Ethics also requires that certain persons associated with our firm submit reports of their personal account holdings and transactions to a qualified representative of our firm who will review these reports on a periodic basis. Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.

Clients or prospective clients may obtain a copy of our Code of Ethics by contacting us at the telephone number on the cover page of this brochure.

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

Neither our firm nor any persons associated with our firm has any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this brochure.

### **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 eliminate 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**

### **The Custodian and Brokers We Use**

We do not maintain custody of your assets that we manage, although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account. Your assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank. We recommend that our clients use Charles Schwab & Co., Inc. (Schwab), a FINRA-registered broker-dealer, member SIPC, as the qualified custodian. We are independently owned and operated and not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when we instruct them to.

While we recommend that you use Schwab as custodian/broker, you will decide whether to do so and open your account with Schwab by entering into an account agreement directly with them. We assist in opening the account for you.

### **How We Select Brokers/Custodians**

We seek to select a custodian who will hold your assets and execute transactions on terms that are overall most advantageous when compared to other available providers and their services. We consider a wide range of factors, including, among others, these:

- combination of transaction execution services along with asset custody services (generally

- without a separate fee for custody)
- capability to execute, clear and settle trades (buy and sell securities for your account)
- capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- breadth of investment products made available (stocks, bonds, mutual funds, exchange traded funds (ETFs), etc.)
- availability of investment research and tools that assist us in making investment decisions
- quality of services
- competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate them
- reputation, financial strength and stability of the provider their prior service to us and our other clients
- availability of other products and services that benefit us, as discussed below (*see "Products and Services Available to Us from Schwab"*)

### **Your Custody and Brokerage Costs**

For our clients' accounts it maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account.

### **Products and Services Available to Us from Schwab**

Schwab Advisor Services (formerly called Schwab Institutional) is Schwab's business serving independent investment advisory firms like us. They provide us and our clients with access to its institutional brokerage - trading, custody, reporting and related services - many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients' accounts while others help us manage and grow our business. Schwab's support services are generally available on an unsolicited basis. Here is a more detailed description of Schwab's support services:

**Services that Benefit You.** Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit you and your account.

**Services that May Not Directly Benefit You.** Schwab also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or some substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

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

**Services that Generally Benefit Only Us.** Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- educational conferences and events
- technology, compliance, legal, and business consulting;
- publications and conferences on practice management and business succession; and
- access to employee benefits providers, human capital consultants and insurance providers.

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees.

### **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.

### **Block Trades**

Transactions for each client generally will be effected independently, unless we decide to purchase or sell the same securities for several clients at approximately the same time. We may, but are not obligated to, 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 on any given day. 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**

Investment accounts are reviewed each quarter for needed changes based on the client portfolio model. More frequent reviews may be triggered by market, economic and/or political events. A change in the client's situation may also cause a review more frequently.

Investment reports sent to clients will provide portfolio performance and allocation. Clients have the option of receiving either monthly reports that are available on the FAM website in a secure client section or quarterly reports that are sent via the U.S. Postal Service. Scott M. Kahan, CFP and Viktoria Kamin, CFP are the advisers responsible for reviews at this time.

Client's financial planning needs are addressed periodically during the year. Updates can either be written reports or discussions regarding specific planning needs a client may have. Reviews are performed by the adviser assigned to the client.

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

We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors that have their clients maintain accounts at Schwab. These products and services, how they benefit us, and the related conflicts of interest are described above (*see Item 12 - Brokerage Practices*). The availability to us of Schwab's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

Besides receiving referrals from clients, at times, other professionals will refer clients to FAM. FAM has no special arrangements with these professionals and provides no additional compensation to anyone referring clients to the firm.

## **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. We do not have physical custody of any of your funds and/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. You should carefully review account statements for accuracy. We will also provide statements to you reflecting the amount of advisory fee deducted from your account.

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.

### **Asset Transfer Authority**

Our firm or persons associated with our firm may effect third party asset transfers for client accounts without client written consent per transaction for client accounts. These transfers can only be made based on a client's prior preapproval in writing. An adviser with authority to conduct third party asset transfers has access to the client's assets, and therefore has custody of the clients' assets in any related accounts. Based on the Securities and Commission guidelines, the firm is not subject to audits for these transfers.

## **Item 16 Investment Discretion**

FAM manages assets on a discretionary or non-discretionary basis. When managed on a discretionary basis, FAM receives authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account. If client prefers for FAM to have a non-discretionary relationship, all transactions will be approved by client before being completed. When selecting securities and determining amounts, FAM observes the investment policies, limitations and restrictions of the clients for which it advises. For registered investment companies, FAM's authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made. Any additional investment guidelines and restrictions must be provided to FAM in writing.

## **Item 17 Voting Client Securities**

As a matter of firm policy and practice, FAM does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. FAM may provide advice to clients regarding the clients' voting of proxies. Clients should contact Scott M. Kahan with questions regarding any proxies they may have.

## **Item 18 Financial Information**

Our firm does not have any financial condition or impairment that would prevent us from meeting our contractual commitments to you. We do not take physical custody of client funds or securities, or serve as trustee or signatory for client accounts, and, we do not require the prepayment of more than \$1,200 in fees six or more months in advance nor have we filed a bankruptcy petition at any time in the past ten years. Therefore, we are not required to include a financial statement with this brochure.

## **Item 19 Requirements for State-Registered Advisers**

We are a federally registered investment adviser therefore this section is not applicable.

## **Item 20 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, the trade error will be corrected in the trade error account of the executing broker-dealer and you will not keep the profit.

### **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.