

**Form ADV: Part 2A - Firm *Brochure***

**Item 1: Cover Page**

**Yim Investment Management, LLC**

1950 Young Street, Suite 288

Honolulu, Hawaii 96826

[www.yimllc.com](http://www.yimllc.com)

**This brochure provides information about the qualifications and business practices of Yim Investment Management, LLC. If you have any questions about the contents of this brochure, please contact us at 808-955-8800 or via email at [myim@yimllc.com](mailto:myim@yimllc.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.**

**Additional information about Yim Investment Management, LLC is also available on the SEC website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**YIM Investment Management, LLC is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state authority does not imply a certain level of skill or training.**



October 31, 2019

## Item 2: Material Changes

This Brochure, dated June 15, 2018 is an annual amendment to Yim Investment Management LLC's previously published update dated March 29, 2018.

This amendment includes various minor updates. Pursuant to SEC Rules, within 120 days of the end of our fiscal year, we will deliver to each client a summary of material changes that includes an offer to provide a copy of the updated brochure and information on how a client may obtain the brochure. We may further provide other ongoing disclosure information about material changes as necessary. All such information will be provided to you free of charge.

**Item 3: Table of Contents**

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

## Item 4: Advisory Business

Yim Investment Management, LLC is a Registered Investment Advisor in the State of Hawaii with its principal place of business located in Honolulu, Hawaii. The firm was founded in 1999 and is owned entirely by Mario K.M. Yim who serves as Chief Financial Officer. YIM Investment Management, LLC is structured to provide quality, professional investment advice and excellent service to each client.

As an active investment advisor, Yim Investment Management, LLC evaluates and incorporates a broad spectrum of investment tools, generally limiting its advice and/or money management to exchange traded funds (ETFs), stocks, bonds and mutual funds. The firm offers various portfolio management programs with third party custodians. This includes managed portfolios, variable annuity and variable life, life insurance, retirement plan management, and other managed accounts. With the help of such products, we help clients achieve their financial goals.

### Individual Portfolio Management

Yim Investment Management, LLC generally provides investment advisory services to individuals, trusts, estates, charitable organizations, pension, and profit sharing plans. We provide continuous advice to the client regarding the investment of client funds based on the individual needs of the client. Services are set forth in the agreement that the client signs with Yim Investment Management, LLC. We have personal discussions with clients to establish goals and objectives based on a client's particular circumstances.

The data gathering process is conducted by our firm and determines the client's individual objectives, time horizons, risk tolerance, and liquidity needs:

1. The client is interviewed concerning their financial status, future goals, attitudes towards risk, client's prior investment history, as well as family composition and background.
2. The client then selects a specific investment model that best meet the client's goals and risk tolerance.
3. Yim Investment Management, LLC uses Fundamental, Technical and Quantitative Investment Analysis blended into what believe is a rational approach to inter-disciplinary investment decision making.
4. These accounts are managed on a discretionary basis.
5. Account supervision is guided by the client's stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as risk concerns.

### Yim Investment Management, LLC offers the following portfolio investment strategies:

**Mutual funds/ETFs:** These portfolios are constructed using no transaction or low transaction fee mutual funds and ETFs. Based on market conditions, we will adjust the weightings of fixed income and equity holdings in attempting to reduce the downside risk and enhance the returns of the portfolios. There are four risk categories in this program:

- **Income** – This conservative income strategy (approximately 35% equities, 65% fixed income) focuses on preservation of capital with exceptionally low volatility and high current yield. This is a lower-risk investment portfolio that offers a slight hedge against inflation and a

general exposure to risk of 35%.

- **Moderate** – A balanced asset allocation strategy (approximately 50% equities, 50% fixed income), this portfolio invests half of the assets in equities for potential growth, while maintaining the defensive strategy of asset allocation with fixed income. The general exposure to risk is 50%.
- **Moderate Growth** – This is a more aggressive strategy than Moderate (approximately 70% equities, 30% fixed income) that invests a larger portion of assets in equities to focus on potential growth with a portion in fixed income. The general exposure to risk is 70%.
- **Growth** – An aggressive strategy (approximately 100% equities), this portfolio invests all assets in equities to promote potential growth. This portfolio has high volatility with a general exposure to risk of 100%.

**Stock:** These portfolios are designed for maximum total return. Returns are garnered from capital appreciation with a combination of growth, dividend, or income yields. The mixture of holdings at any given time will be based on the opportunity of current thriving industry sectors.

**Variable Annuity and Life:** Yim Investment Management, LLC offers variable annuities and variable life contracts. We actively manage subaccounts to maximize returns and minimize transaction costs. We are limited to the subaccounts offered in each of the variable contracts. Based on market conditions, we will adjust the weightings of fixed income and equity holdings in attempting to reduce the volatility and enhance the returns of the portfolios. The models we use are:

- **Conservative** - This conservative income strategy (approximately 35% equities, 65% fixed income) focuses on preservation of capital with exceptionally low volatility and high current yield. This is a low-risk investment portfolio that offers a slight hedge against inflation and a general exposure to risk of 35%.
- **Growth and Income** - This is a more aggressive strategy than Moderate (approximately 70% equities, 30% fixed income) that invests a larger portion of assets in equities to focus on potential growth with a portion in fixed income. The general exposure to risk is 70%.
- **Growth** - An aggressive strategy (approximately 100% equities), this portfolio invests all assets in equities to promote potential growth.

**Retirement Plan Management:** This option is ideal for 401(k), 403(b), or 457 plans that are held at various custodians. Yim Investment Management, LLC offers turnkey and custom plans using the limited mutual funds and assets classes offered by the sponsoring company. Based on market conditions, we will adjust the weightings of fixed income and equity holdings in attempting to reduce the volatility and enhance the returns of the portfolios. The Portfolios we make available are:

- **Conservative** - This conservative income strategy (approximately 35% equities, 65% fixed income) focuses on preservation of capital with exceptionally low volatility and high current

yield. This is a low-risk investment portfolio that offers a slight hedge against inflation and a general exposure to risk of 35%.

- **Growth and Income** – This is a more aggressive strategy than Moderate (approximately 70% equities, 30% fixed income) that invests a larger portion of assets in equities to focus on potential growth with a portion in fixed income. The general exposure to risk is 70%.
- **Growth** - An aggressive strategy (approximately 100% equities), this portfolio invests all assets in equities to promote potential growth. This portfolio has high volatility with a general exposure to risk of 100%.

YIM Investment Management, LLC reviews our models throughout each trading day and if necessary, rebalance our client's portfolios according to the client's individual needs.

#### **Risk Analysis/Investment Election:**

We gather required information through in-depth personal interviews. Information gathered includes the client's current financial status, future goals, returns objectives and attitudes towards risk. We carefully review documents supplied by the client. This risk analysis leads the client to a suggested blend of Yim Investment Management, LLC investment products.

As of June 15, 2018, Yim Investment Management, LLC managed discretionary assets of approximately \$163,561,092.

In addition to investment management fees, Yim Investment Management can also charge fees for financial planning and other services up to \$500.00 per hour, due at the time of service. All invoices are due within 10 days of invoice. Special arrangement may be made with clients wishing to retain services on an ongoing basis.

### **Item 5: Fees and Compensation**

Compensation to Yim Investment Management, LLC is calculated quarterly and in arrears in accordance with the Standard Fee Schedule. Generally, a standard fee schedule is calculated based on an annualized percentage of 1.40% of net liquidation value and billed on a quarterly basis. Fees may be negotiable and accepted on an individual basis. Quarterly standard fees are calculated as follows:

$$(\text{Annual Fee}/4) \times (\text{Days Billed}/\text{Days in Quarter}) = \text{Quarterly Advisory Fees}$$

Such fees may be paid directly to Yim Investment Management, LLC from the account by the Custodian. Normally, during the first month following the billing period, we will send to Custodian the account number and fee to be deducted from the account. Any refunds will be posted back to the same account that it was deducted from. Either party may terminate the client-advisor relationship at any time with written notice.

Compensation to Advisor for its services will be calculated in accordance to the fee rate specified within the Client's Investment Advisory Agreement, which may be amended from time to time by Advisor upon 30 days prior written notice to Client. Such fees may be paid directly to Advisor from the account by the custodian upon submission of an invoice to custodian showing the amount of fees, the

value of the Client's assets on which the fees are based, and the specific manner in which the fees are calculated. Payment of fees may result in the liquidation of Client's securities if there is insufficient cash in the account. Copies of the fee invoices will be sent to Client upon request. Fees are generally reflected on the custodian's monthly statement.

In addition to advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, IRA and retirement plan fees, transfer fees, SEC fees, 12b-1 fees, wire transfer fees, overnight check fees, transaction charges for fund level asset allocation model trades, and any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Yim Investment Management, LLC does not take custody of assets. They are held in the client's name at the broker/dealer or custodian of the client's choice. We will execute trades for the clients' account via discretionary authority which is granted by the client. Yim Investment Management, LLC has authority to trade clients' accounts without prior notification to clients. These same assets will also be subject to additional fees and expenses as set forth in the prospectuses of those funds and variable annuities, and fees and expenses charged by the various custodians. These fees and expenses are ultimately borne by the client. Clients may request to receive trade confirmations and prospectuses from their custodian(s). This election may be initiated and changed by the client at any time.

It is the responsibility of the client to verify the accuracy of the fee calculation. The client may terminate the investment advisory contract by notifying Yim Investment Management, LLC in writing at its principal place of business.

Additionally, Yim Investment Management, LLC's principals and associated persons are registered representatives with Triad Advisors, a registered NASD securities broker/dealer. In such capacity the associated persons may, if requested by the client, implement the decisions of the client and execute the corresponding transactions. Along with being a registered representative, Mario Yim is also a licensed insurance agent, a licensed mortgage broker, a licensed real estate agent, and part owner of BCB Young LLC. As such, he is able to receive separate, yet customary commission compensation resulting from implementing product transactions on behalf of advisory clients. This could present a potential conflict of interest, since he could receive both fees and commissions if the client chose to implement recommendations in the capacity of a registered representative or his other respected roles. Clients, however, are not under any obligation to engage Mario Yim when considering the implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client.

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

Yim Investment Management, LLC does not currently charge performance-based fees on any managed accounts.

## Item 7: Types of clients

Yim Investment Management, LLC generally provides investment advice to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and other business entities. At minimum total asset value of \$250,000 is recommended for new clients; however this can be waived at the sole discretion of Yim Investment Management, LLC.

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

### Methods of Analysis

Yim Investment Management, LLC uses a combination of the following methods of analysis to determine which securities to buy, sell, or hold:

**Fundamental analysis:** We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indication it may be a good time to buy) or overpriced (indicating it may be time to sell). Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

**Technical analysis:** We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement. This style of analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

**Cyclical analysis:** In this type of technical analysis, we measure the movements of a particular stock against the overall market in an attempt to predict the price movement of the security.

**Charting:** In this type of technical analysis, we review charts of market and security activity in an attempt to identify when the market is moving up or down and to predict when how long the trend may last and when that trend might reverse.

**Quantitative analysis:** We use proprietary mathematical models in an attempt to obtain more accurate measurements of a company's quantifiable data, such as the value of a share price or earnings per share, and predict changes to that data. A risk in using quantitative analysis is that the models used may be based on assumptions that prove to be incorrect.



**Risks for all forms of analysis:** Our analysis method relies on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information. Yim Investment Management, LLC also obtains pricing information, dividends, corporate filings, published research, and their fundamental information through various publishers and computer database companies.

### **Investment Strategies**

Yim Investment Management, LLC uses the following strategies in managing client accounts:

**Long-term purchases:** We purchase securities with the idea of holding them in the clients account for a year or longer. We may do this because we believe the securities to be currently undervalued. We may do this because we want exposure to a particular asset class over time, regardless of the current projection for this class. A risk in a long-term purchase strategy is that, by holding the security for this length of time, we may not take advantages of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

**Short-term purchases:** We purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase. A risk in a short-term purchase strategy is that, should the anticipated price swing not materialize, we are left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss. In addition, this strategy involves more frequent trading than does a longer term strategy, and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

**Trading:** We purchase securities with the idea of selling them very quickly (typically within 30 days or less). We do this in an attempt to take advantage of calculated predictions of brief price swings. A risk in a short-term purchase is the potential for sudden losses if the anticipated price swing does not materialize. Moreover, should the anticipated price swing not materialize, we are left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss. In addition, this strategy involves more frequent trading than does a longer-term strategy, and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

**Short Sales:** Short Sales are not made but purchases of negative beta mutual funds and Exchange Traded Funds (“ETF”)s are made from time to time. A negative beta means that the stock is inversely correlated with the market. Many precious metals and precious-metal-related stocks are beta-negative as their value tends to increase when the general market is down and vice versa.

**Risk of Loss**

Clients must understand that past performance is not indicative of future results. Therefore, current and prospective clients (including you) should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, variable annuities, variable universal life insurance, EFTs, REITs, options and bonds) involves risk of loss. Further, depending on the different types of investments, there may be varying degrees of risk. Clients and prospective clients should be prepared to bear investment loss including loss of original principal.

Due to the inherent risk of loss associated with investing, our YIM Investment Management, LLC is unable to represent, guarantee, or even imply that our services and 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.

Yim Investment Management, LLC will use their best judgment and good faith efforts in rendering services. Client indemnifies our firm for any losses, claims, or damages. We cannot warrant or guarantee any particular level of account performance, or that accounts will be profitable over time. Not every investment decision or recommendation made will be profitable. Client assumes all risk related to various market, currency, economic, political, and business conditions.

**Item 9: Disciplinary Information**

In 22 years of business, there is only one reported incident. A complaint was filed by a former client (Claimant) of less than one year. This was during the period of March 2000 to February 2001 in which a well documented market downturn occurred. Claimants sought to have Respondents guarantee their investments from market loss. This complaint involves nothing more than buyer's remorse.

The Claimant sought damages of \$110,000 plus legal costs and punitive fees. This judgment was reduced to \$44,000. All other allegations for the other accounts as well as the legal, arbitration, and punitive fees by the Claimant were denied.

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

Yim Investment Management, LLC's principals and associated persons participate as a Licensed Real Estate Agent to negotiate and arrange Real Estate sales under the supervision of Y.P. Kang, Realtor. Agent will receive pre-determined compensation by Y.P. Kang, Realtor for any involved real estate transactions.

Additionally, principals and associated persons are registered representatives with Triad Advisors, a registered NASD securities broker/dealer. In such capacity the associated persons may, if requested by the client, implement the decisions of the client and execute the corresponding transactions. However, clients are not under any obligation to engage these individuals when considering implementation of advisory recommendations.

YIM Investment Management, LLC employees may be licensed as insurance agents of the Insurance Agency and receive commission when selling insurance products. Whether or not to sue the insurance services through YIM Investment Management, LLC is at the discretion of the client.

The implementation of any or all recommendations is solely at the discretion of the client. Anyone associated with Yim Investment Management, LLC receive the usual and customary commissions when executing transactions in their capacity as registered representatives.

Mario Yim is a mortgage broker with Norwest Funding Group and through this affiliation may provide clients with real estate loans.

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

Yim Investment Management, LLC takes great pride in serving clients' needs and maintaining integrity when conducting business. A Code of Ethics was developed to outline the appropriate and professional conduct that all employees are required to follow. This is in compliance with SEC rule 204A-1 of the Investment Advisors Act and has strict consequences for those who are in violation of its terms. Any client or prospective client will be provided a copy of the Code of Ethics upon request.

All employee trades are monitored by management of Yim Investment Management, LLC to ensure that they are in compliance with U.S. Securities and Exchange Commission regulations. Duplicate statements and trade confirmations are received and maintained with the Compliance Officer. No access person (defined below), including investment advisors, may knowingly:

- Trade on the basis of material, non-public information;
- Tip material, non-public information to others who trade based upon such information;
- Recommend the purchase or sale of securities based on material, non-public information;
- Provide assistance to a person trading on the basis of material, non-public information;
- Trade in securities of an issuer involved in a tender offer while in possession of material, non-public information; or
- Misappropriate material, non-public information in a manner that breaches a fiduciary duty owed to someone.

Employees may not purchase or sell any security in which the employee has a beneficial ownership unless the transaction occurs in an exempted security or the employee has complied with the pre-authorization policy

Employees must have written clearance for all personal securities transactions before completing the transactions. We reserve the right to disapprove any proposed transaction that may have the appearance of improper conduct.

Employees or associates of Yim Investment Management, LLC are prohibited from soliciting sales or giving investment advice on closely held securities, thinly traded securities, or any securities in which

they have a material interest. No securities are placed in client accounts in which any employees or associates of Yim Investment Management, LLC have a material interest or are thinly traded or closely held. All employees are required to sign Yim Investment Management, LLC Code of Ethics, in which they acknowledge their duty of loyalty to the firm's clients and their placing the clients' interests first and foremost before their own. By signing this document, all employees also acknowledge that they will not participate in insider trading, that they will keep client information confidential, and that they will report their trading activity and holdings. Our code provides for oversight, enforcement and recordkeeping provisions.

From time to time, proprietary accounts may be aggregated with client accounts for trading purposes. At no time is any advisory account favored over any other account participating in the aggregated order. All accounts participating in the aggregate order shall receive an average share price with all other transaction costs shared on a pro-rata basis. Yim Investment Management, LLC and associated parties may buy or sell securities identical to those recommended to customers for their personal accounts. In addition, any related person(s) may have an interest or position in certain securities which may also be recommended to a client. It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, and therefore, preventing such employees from benefiting from transactions placed on behalf of advisory accounts.

As these situations represent a conflict of interest, we have established the following restrictions in order to ensure its fiduciary responsibilities:

1. No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. No principal or employee of our firm may prefer his or her own interest to that of the advisory client.
2. We maintain a list of all securities holdings for our firm and anyone associated with this advisory practice with access to advisory recommendations. These holdings are reviewed on an annual basis by the Chief Compliance Officer.
3. We emphasize the unrestricted right of the client to decline to implement any advice rendered, except in situations where our firm is granted discretionary authority.
4. All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.

## Item 12: Brokerage Practices

Yim Investment Management, LLC will endeavor to select those brokers/dealers which provide the best services at the lowest commission rates possible. The reasonableness of commissions is based on the broker's stability, reputation, ability to provide professional services, competitive commission rates and prices, research, trading platform, and other services which will help investment advisors in providing investment management services to clients. Yim Investment Management, LLC may therefore recommend (or use) the use of a broker who provides useful research and securities transaction services even though a lower commission may be charged by a broker who offers no research services and minimal securities transaction assistance. Research services may be useful in servicing all our clients, and not all of such research may be useful for the account for which the

particular transaction was effected.

Consistent with obtaining best execution for clients, Yim Investment Management, LLC may direct brokerage transactions for clients' portfolios to brokers who provide research and execution services. These services are described in Section 28(e) of the Securities Exchange Act of 1934 and are designed to augment internal research and investment strategy capabilities. This may be done without prior agreement or understanding by the client. Yim Investment Management, LLC does not attempt to put a specific dollar value on the services rendered or to allocate the relative costs or benefits of those services among clients, believing that the research received will help to fulfill the overall duty to clients. Each particular research service may not necessarily be utilized to service each client. As a result, a client may pay brokerage commissions that are used, in part, to purchase research services that are not used to benefit that specific client.

When Yim Investment Management, LLC uses client brokerage commissions to obtain research or brokerage services, we receive a benefit to the extent that such products do not have to be produced internally or compensate third-parties for the delivery of such services. Therefore, such use of client brokerage commissions results in a conflict of interest, because there is an incentive to direct client brokerage to those brokers who provide research and services we utilize, even if they do not offer the best price or commission rates for our clients.

The advisory clients use Fidelity Investments as the custodian for their investment portfolios. Yim Investment Management, LLC has an arrangement with National Financial Services LLC, and Fidelity Brokerage Services LLC (together with all affiliates, "Fidelity") through which Fidelity provides our firm with their "platform" services. Fidelity provides services that include brokerage, custodial, administrative support, record keeping and related services that are intended to support intermediaries like Yim Investment Management, LLC in conducting business and in serving the best interests of our clients but that may also benefit us. Fidelity charges brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Fidelity enables Yim Investment Management, LLC to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. Fidelity's commission rates are generally considered discounted from customary retail commission rates. However, the commissions and transaction fees charged by Fidelity may be higher or lower than those charged by other custodians and broker-dealers. As part of the arrangement, Fidelity also makes available to our firm, at no additional charge to us, certain research and brokerage services, including research services obtained directly from independent research companies, as selected by Yim Investment Management, LLC (within specified parameters). These research and brokerage services presently include services such as duplicate client [statements and] confirmations; research related products and tools; consulting services ; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain Institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Yim Investment Management, LLC by third party vendors.

Fidelity may also pay for business consulting and professional services received by Yim Investment Management, LLC related persons and may also pay or reimburse expenses (including travel, lodging, meals and entertainment expenses) for Yim Investment Management, LLC personnel to attend conferences or meetings relating to the program or to these custodians' adviser custody and brokerage services generally. As a result of receiving such services for no additional cost, we may have an incentive to continue to use or expand the use of Fidelity's services. We examined this potential conflict of interest when we chose to enter into the relationship and have determined that the relationship is in the best interests of Yim Investment Management, LLC clients and satisfies our client obligations, including our duty to seek best execution. A client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where we determine in good faith that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of broker-dealer services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, while Yim Investment Management, LLC will seek competitive rates, to the benefit of all clients, we may not necessarily obtain the lowest possible commission rates for specific client account transactions. Although the investment research products and services that may be obtained by us will generally be used to service all of our clients, a brokerage commission paid by a specific client may be used to pay for research that is not used in managing that specific client's account. Yim Investment Management, LLC and these custodians are not affiliated.

### Item 13: Review of Accounts

**Reviews:** While the underlying securities within managed accounts are monitored daily, these accounts are reviewed as needed. Reviews may also be triggered by material changes in variables such as the client's individual circumstances, the market, political or economic environment.

Portfolio reviews are conducted by Mario K.M. Yim as needed and may be performed more frequently if there are material changes in investments, financial conditions, industry and/or company outlook, and other economic factors that may affect client accounts. Clients may request additional reviews based on other factors which may be conducted by Susie L. Ing or a qualified client service representative under the supervision of Mario K.M. Yim. Portfolio reviews are conducted using standing instructions established through the Risk Analysis/Investment Elections designated by the client. Client's initial management agreement and Risk Analysis/Investment Election are reviewed prior to investing to ensure completeness and that the client's investor risk score coincides with their portfolio preference.

**Reports:** Transaction confirmations and monthly statements are sent to clients from their Custodian.

### Item 14: Client Referrals and Other Compensation

Yim Investment Management, LLC does not compensate any parties in order to solicit new clients.

### Item 15: Custody

YIM Investment Management LLC does not maintain direct custody or possession of the client's funds or securities; they are held in the client's name at unaffiliated qualified custodians. YIM Investment Management, LLC is deemed to have custody for purposes of the amended Custody Rule (Rule 206(4)-2 under the Investment Advisers Act) for one or more the following reasons:

- YIM Investment Management, LLC is authorized by its clients to debit our management fees directly from client accounts
- A YIM Investment Management, LLC associate has been named as a trustee of a trust account which we manage
- YIM Investment Management, LLC has authorization to direct payments from client accounts

Because the custodian does not calculate the amount of the fee to be deducted, it is important for

clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement. Clients are sent statements directly from the custodian which includes a description of all activities in their accounts on a monthly or quarterly basis.

In order to ensure that all account transactions, holdings and values are correct and current, Yim Investment Management, LLC urges clients to carefully review all transactions and values reported through these statements for accuracy.

### **Item 16: Investment Discretion**

For all clients who chose to be in our actively managed portfolios, Yim Investment Management, LLC is given full discretionary trading authority. This includes buying and selling individual securities and whichever products deemed suitable to accomplish the clients' chosen investment objective(s). Clients give Yim Investment Management, LLC full discretionary authority when signing the Investment Advisory Agreement and may limit this authority with written instructions. Clients may also submit changes/amendments in writing at any time.

### **Item 17: Voting client Securities**

YIM Investment Management, LLC current policy is to abstain from proxy voting on securities held in client managed accounts.

### **Item 18: Financial Information**

Clients' assets are never co-mingled with the assets of Yim Investment Management, LLC and are managed by third party companies that provide custodial services. All fees are charged in arrears and we do not, at any time, have custody of any client assets. Under no circumstances do we require or solicit payment of fees in excess of \$1200 per account and more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

As an advisory firm that maintains discretionary authority for clients accounts, we are also required to disclose any financial condition that is reasonably likely to impair our ability to meet our contractual obligations. YIM Investment Management, LLC has no additional financial circumstances to report.

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

Yim Investment Management, LLC is registered directly with the Securities and Exchange Commission (SEC).



**Form ADV: Part 2B – *Brochure Supplement***

**Item 1: Cover Page**

**Mario K.M. Yim**  
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June 15, 2018

**This brochure supplement provides information about Mario K.M. Yim that supplements the Yim Investment Management, LLC brochure. You should have received a copy of that brochure.**

**Please contact YIM Investment Management's customer service if you did not receive YIM Investment Management, LLC's brochure or if you have any questions about this brochure**

**Additional information about Yim Investment Management, LLC is also available on the SEC website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## Item 2: Educational Background and Business Experience

**Mario K.M. Yim**

Birth Date: May 13, 1969

Education:

1993, Master's Degree in Business Administration, University of Minnesota

1992, Bachelor's Degree in Business Administration, University of Hawaii

Business Background:

03/2014 – Present, Owner, BCB Young LLC

12/2013 – Present, Mortgage Loan Officer, Northwest Funding Group

06/2012 – 12/2013 Mortgage Loan Officer, Mortgage Design Partners, LLC

07/2010 – Present, Registered Representative of Triad Advisors

08/1999 – Present, Co-Founder/President/Chief Financial Officer,  
YIM Investment Management, LLC

09/2005 – 07/2010, Registered representative of Cambridge Investment Research, Inc.

08/1999 – 09/2005, Investment Consultant, Raymond James Financial Services

10/1996 – 08/1999, Investment Consultant, Everen Securities

04/1996 – 10/1996, Insurance Agent, The New England

08/1994 – 04/1996, Insurance Agent, MassMutual

Professional Designations:

Certified Financial Planner

Professional Examinations and Licenses:

FINRA Series 7, General Securities Representative Examination

FINRA Series 24, General Securities Principal Examination

NASAA Series 63, Uniform Securities Agent State Law Examination

NASAA Series 65, NASAA Investment Advisors Law Examination

Mortgage Loan Originator, NMLS (National Mortgage Licensing System Registry), No. 884831

Hawaii Life and Health Insurance Licenses

Hawaii Real Estate License

## Item 3: Disciplinary Information

In 22 years of business, there is only one reported incident. A complaint was filed by a former client (Claimant) of less than one year. This was during the period of March 2000 to February 2001 in which a well documented market downturn occurred. Claimants sought to have Respondents guarantee their investments from market loss. This complaint involves nothing more than buyer's remorse.

The Claimant sought damages of \$110,000 plus legal costs and punitive fees. This judgment was reduced to \$44,000. All other allegations for the other accounts as well as the legal, arbitration, and punitive fees by the Claimant were denied.

**Item 4: Other Business Activities**

Mario K.M. Yim offers mortgage loans through Norwest Funding Group. He also participates as a Licensed Real Estate Agent to negotiate and arrange Real Estate sales under the supervision of Y.P. Kang, Realtor. Agent will receive pre-determined compensation by Y.P. Kang, Realtor for any involved real estate transactions.

Mario K.M. Yim is a registered representative with Triad Advisors, a registered NASD securities broker/dealer. In such capacity the associated persons may, if requested by the client, implement the decisions of the client and execute the corresponding transactions. However, clients are not under any obligation to engage these individuals when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client. Anyone associated with Yim Investment Management; LLC receives the usual and customary commissions when executing transactions in his/her capacity as a registered representative.

Mario Yim is licensed as an insurance representative, which allows to him to evaluate and offer various insurance products such as variable annuities, long term care insurance, and life insurance from various insurance carriers. The ability to offer insurance products provides clients with a much more comprehensive financial plan. Mario Yim receives commissions, bonuses or other compensation on the sale of insurance products, securities or other investment products.

Mario is a member of BCB Young LLC which holds a single commercial rental property.

**Item 5: Additional Compensation**

Fees for planning services are based on an hourly rate of \$500.00 per hour, due at time of service. All invoices are due within 10 days of invoice. Special arrangements may be made with clients wishing to retain financial planning services on an ongoing basis.

Mario Yim may receive additional compensation in connection with his attendance at conferences, seminars, sales or training programs, and other trips (such as reimbursement for travel, lodging and meal expenses) and /or in the form of entertainment, merchandise and other benefits for providing advisory services.

**Item 6: Supervision**

Mario K.M. Yim, President/CIO, is responsible for all supervision, formulation, and monitoring of investment advice offered to clients. He may be reached at 808-955-8800 or myim@yimllc.com.

**Form ADV: Part 2B – *Brochure Supplement***

**Item 1: Cover Page**

**Susie L. Ing**  
**Yim Investment Management, LLC**  
1950 Young Street, Suite 288  
Honolulu, Hawaii 96826  
[www.yimllc.com](http://www.yimllc.com)  
(808) 955-8800

June 15, 2018

**This brochure supplement provides information about Susie L. Ing that supplements the Yim Investment Management, LLC brochure. You should have received a copy of that brochure. Please contact YIM Investment Management’s customer service if you did not receive YIM Investment Management, LLC’s brochure or if you have any questions about this brochure**

**Additional information about Yim Investment Management, LLC is also available on the SEC website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**Item 2: Educational Background and Business Experience****Susie L. Ing**

Birth Date: June 15, 1950

Education:

Certified Financial Planning Program Graduate, University of Georgia  
1973, Bachelor's Degree in Psychology, University of Hawaii

Business Background:

03/2014 – Present, Owner, BCB Young LLC  
06/2012 – 12/2013, Administrator, Mortgage Design Partners, LLC  
07/2010 – Present, Registered representative of Triad Advisors  
09/2005 – 07/2010, Registered representative of Cambridge Investment Research, Inc.  
08/1999 - Present, Co-Founder YIM Investment Management, LLC  
08/1999 – 09/2005, Investment Consultant, Raymond James Financial Services  
11/1996 – 08/1999, Investment Consultant, Everen Securities  
05/1996 – 11/1996, Insurance Agent, The New England  
10/1995 – 04/1996, Insurance Agent, Massmutual  
01/1994 – 01/1996, Real Estate Agent, Century 21  
01/1992 – 01/1994, Insurance Agent, Finance Insurance  
09/1987 – 01/1992, Insurance Agent, Hawaii Insurance Consultants  
09/1974 – 09/1987, Insurance Agent, First Insurance

Professional Examinations and Licenses:

FINRA Series 6, Investment Company Products/Variable Contracts Representative Examination  
FINRA Series 7, General Securities Representative Examination  
NASAA Series 63, Uniform Securities Agent State Law Examination  
NASAA Series 65, NASAA Investment Advisors Law Examination

**Item 3: Disciplinary Information**

Ms. Ing does not have any history of disciplinary events.

**Item 4: Other Business Activities**

Susie L. Ing is a registered representative with Triad Advisors, a registered NASD securities broker/dealer. In such capacity she may, if requested by the client, implement the decisions of the client and execute the corresponding transactions. However, clients are not under any obligation to engage these individuals when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client. Anyone associated with Yim Investment Management, LLC receive the usual and customary commissions when executing transactions in their capacity as registered representatives.

Susie Ing is licensed as an insurance representative, which allows to her to evaluate and offer various insurance products such as variable annuities, long term care insurance, and life insurance from various insurance carriers. The ability to offer insurance products provides clients with a much more comprehensive financial plan. Susie Ing receives commissions, bonuses or other compensation on the sale of insurance products, securities or other investment products.

Susie is a member of BCB Young LLC which holds a single commercial rental property.

Susie Ing is not engaged in any other business or occupation that provides a substantial compensation or involves a substantial amount of her time.

**Item 5: Additional Compensation**

Susie Ing may receive additional compensation in connection with her attendance at conferences, seminars, sales or training programs, and other trips (such as reimbursement for travel, lodging and meal expenses) and /or in the form of entertainment, merchandise and other benefits for providing advisory services.

**Item 6: Supervision**

Susie Ing, CCO, is responsible for all supervision, and monitoring of investment advice offered to clients for those Client Service Representatives under his supervision. She may be reached at 808-955-8800 or [susieing@yimllc.com](mailto:susieing@yimllc.com).