



## Item 1 – Cover Page

# Kachkovsky & Fisher, Inc. Form ADV Part 2A – Brochure Form ADV Part 2B – Brochure Supplement Updated: May 2020

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This Brochure provides information about the business practices of Kachkovsky & Fisher, Inc. and the qualifications of its advisors. It is available, free of charge, to all clients and prospective clients of the firm by contacting Garry Kachkovsky or Kristian Fisher at (858) 450-9711 or by visiting our website at [kachfish.com](http://kachfish.com). The purpose of this brochure is to provide you with information about the firm that may help you make a decision on whether or not to retain our services. Additional information about our firm is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching CRD# 117811.

The information in this Brochure has not been approved or verified by the Securities and Exchange Commission or by any other State Securities Authority, and registration as an investment advisor does not imply any specified level of skill or training.

## **Item 2 – Material Changes**

Since our last annual amendment filed on February 28<sup>th</sup>, 2020, our firm has obtained financial assistance by participating in Paycheck Protection Program (“PPP”) established by the U.S. Small Business Administration (“SBA”). PPP is intended to assist us with maintaining our firm’s business in response to the COVID-19 pandemic by providing low-interest loans for business essentials such as payroll expenses. These loans are eligible for forgiveness, but it is not guaranteed as it will be based on factors such as staff retention and being used for payroll or firm overhead.

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## **Item 4 – Advisory Business**

### **Advisory Firm**

Kachkovsky & Fisher, Inc. (“K&F”) is a corporation founded in 2001 by Garry Kachkovsky, CFP® and Kristian R. Fisher, CFP® under the laws of Arizona. Garry and Kristian are the sole equal owner partners and investment advisor representatives at K&F.

K&F provides investment management and financial planning and consulting services for many different types of clients to help meet their financial goals while remaining sensitive to risk tolerance and time horizons. As a fiduciary, it is our duty to always act in the client’s best interest. This is accomplished in part by knowing the client. Our firm has established a service-oriented advisory practice with open lines of communication. Working with clients to understand their investment objectives while educating them about our process, facilitates the kind of working relationship we value.

### **Advisory Services**

#### *Investment Management*

K&F provides investment management services that include the development of an investment strategy that is unique to each client, presentation and implementation of investment recommendations, and ongoing supervision and management of client investment assets. Investment Advisor Representatives (“IARs”) of K&F monitor accounts to identify situations that may warrant actions be taken on behalf of a client’s portfolio. Other services include periodic rebalancing, semi-annual and annual reviews with clients, quarterly newsletter and periodic market commentary communications. Reviews include, but are not limited to, suitability, performance, asset allocation, change in investment objectives and risk tolerance. IARs review client portfolios, and communicate with clients at least annually, for conformity with respect to portfolios, investment objectives, change in the client’s financial situation and account performance. K&F does not provide tax or legal services.

#### *Financial Planning and Consulting*

In addition to investment management services, K&F provides financial planning and consulting services to clients. Financial planning services are typically offered to investment management clients at no additional charge. K&F may also from time to time offer stand-alone planning services charged at an hourly rate. Financial planning and consulting services will involve preparing a financial plan or rendering a financial consultation for clients based on the client’s financial goals and objectives. This planning or consulting may encompass one or more of the following areas:

- **Cash Flow & Debt Management** – This involves advice with respect to cash accounts, financial obligations, and cash management.
- **Risk Management & Insurance Planning** – This includes risk management associated with advisory recommendations based on the combination of insurance types that best meet a client's specific needs, e.g. life, health, disability, and long-term care, and others as appropriate.
- **Investment Planning** – This involves advice with respect to asset selection and allocation, as well as investment income accumulation techniques. Evaluations are made of existing and, when applicable, potential investments in terms of their economic and tax characteristics as well as their suitability for meeting client's objectives. Tax consequences and their implications are identified and evaluated in general terms.
- **Retirement Planning** – This involves advice with respect to alternatives and techniques for accumulating wealth for retirement income or advice relative to appropriate distributions of assets following retirement. Tax implications and consequences are identified and evaluated in general terms.
- **Education Planning** – This includes alternatives and strategies with respect to the complete or partial funding of college or other post-secondary education experience. Tax consequences and their implications are identified and evaluated in general terms.
- **Estate Planning** – This service involves advice with respect to property ownership, distribution strategies, estate tax reduction, and tax payment techniques. It involves a discussion of gifts, trusts, etc. and the disposition of business interests. Tax consequences and their implications are identified and evaluated. At the request of the Client, our firm will engage the client's chosen personal estate attorney or planner, with regard to advising the wealth management of the estate planning.
- **Tax Planning** – Tax planning is referred to the client's chosen personal tax advisor. Our firm may offer advice as to how tax laws may affect various financial decisions, e.g. acquisitions, pension strategy, investing in new opportunities or consolidation of existing investments, and individual taxation issues, among others.
- **Business Succession Planning** – This includes alternatives and strategies with respect to continuity or disposition of the business upon the business owners' retirement, death, disability, or decision to sell. Tax implications and consequences are identified and evaluated.

- **Consolidation of Finances** – As a result of performing some or all of the services listed in points 1 through 8 above, our firm may be able to recommend strategies or methods for consolidating the client's financial situation in order for the client to manage their financial situation more easily and to obtain efficiency, cost savings, and diversification.

For clients seeking financial advice involving analysis of a particular investment, investment portfolio, or overall financial situation, K&F through its IARs, provides financial planning and consulting services designed to meet the client's specific financial needs and objectives. These consulting services include review of aspects of an individual's current financial situation, with emphasis on income tax planning, estate tax planning, insurance planning, education planning, retirement planning and capital needs planning. To the extent other services are needed, the IAR will assist the individual in those areas in which he is competent. IARs may also help the client coordinate the implementation of any recommendations made, including referral to other practicing professionals such as an attorney, accountant or insurance agent whose services may be required. In preparing a financial plan for a client, the IAR gathers information deemed relevant to the particular service provided through personal interviews with the client and through documents and/or client profile questionnaires completed by the client. Each service includes an analysis of the client's financial information, which may, but is not necessarily required to include items such as: their current assets, income, investments, liabilities, short and long-term capital and liquidity needs, risk tolerance and short and long-term financial goals and objectives. Should a client choose to implement the recommendations contained in the financial plan, IARs generally make recommendations with respect to products and services offered by K&F. However, the decision to implement any recommendation rests exclusively with the client, and the client has the right to decide where to implement any such recommendations.

In addition to providing individual financial planning and investment advisory consulting services to individuals and corporations, IARs may also provide advice and consultation to Retirement Plan Sponsors and Pension Plans. Typical services rendered include, but are not necessarily limited to: development of an Investment Policy Statement, fund and investment selection, participant education, fund performance monitoring and guidance on ERISA fiduciary obligations.

Financial Planning and consulting fees are negotiable between the client and IAR. Fees charged for these services will be dependent upon the anticipated time to provide the services and complexity of the plan and or client's financial situation. The fees are determined in advance and disclosed to the client at the time the Investment Advisory Consulting Agreement is executed.

### **Customized Portfolios**

K&F tailors individual client portfolios in the following ways:

- We review a client's personal risk tolerance and time horizon, and then allocate

investments among stocks, bonds and cash in order to optimize the trade-off between risk and return for that particular client.

- We review a client's liquidity needs to make sure they have sufficient cash on hand to fund either regular or unexpected portfolio withdrawals.
- We gather information about each client's tax situation to make sure that we are achieving the best possible investment returns on an after-tax basis.
- We make accommodations for investments that a client may hold that are outside of our normal set of recommendations. We also make accommodations for those clients who wish to engage in Socially Responsible Investing by researching and using SRI-strategy mutual funds.
- We allow each client to place reasonable restrictions on the types of investments to be held in their portfolio. Restrictions on investments in certain securities or types of securities may not be possible due to the level of difficulty this would entail in managing the account.

## **Wrap Fee Programs**

Our firm offers and sponsors a wrap fee program. Investment Management services are only offered through wrapped accounts, which are managed on an individualized basis according to the client's investment objectives, financial goals, risk tolerance, etc. Please see our Part 2A, Appendix 1 (the "Wrap Fee Program Brochure") for more information.

## **Discretionary Management**

As of December 31<sup>st</sup>, 2019, K&F manages \$114,598,670 on a discretionary basis and \$8,219,633 on a non-discretionary basis. Our total assets under management is \$122,818,303.

## **Item 5 – Fees and Compensation**

### *Investment Management*

Advisory fees are charged quarterly in advance. The fee is calculated by taking the quarter-end portfolio value, assigning the following rate schedule, and then dividing by four to arrive at a quarterly fee amount. The annual rates are:

<b>Assets Under Management</b>	<b>Annual Fee</b>
Up to \$1,000,000	1.00%
\$1,000,001 to \$2,000,000	0.75%
\$2,000,001 to \$5,000,000	0.50%
\$5,000,001 & Over	0.25%

Advisory fees include the provision of financial planning services at no additional charge. Lower fees for comparable services may be available from other sources. K&F's annualized fees are billed on a pro-rata basis quarterly in advance based on the value of your account on

the last business day of the quarter. Fees are negotiable and will be deducted from your account or payable by check. The specific manner in which fees are charged by K&F is established in the client's Investment Management Agreement. If the client elects to have the fees directly deducted from their account, the following will be in place:

- a) Your independent custodian sends statements at least quarterly to you showing the market values for each security included in the Assets and all disbursements in your account including the amount of the advisory fees paid to us;
- b) You provide written authorization permitting us to be directly paid by these terms.
- c) It is the client's responsibility to verify the calculation of advisory fees deducted from the account; and
- d) The account custodian sends a statement to the client, at least quarterly, showing all account disbursements, including advisory fees.

### *Financial Planning and Consulting*

K & F may from time to time, at its discretion, provide stand-alone financial planning and consulting services to individuals who do not retain our investment management services.

**Hourly fees:** Our hourly fee for plan development is \$250 per hour. The items addressed in a financial plan or general consulting services may include one or more of the services listed above. The amount of time spent will depend on the complexity of the request and all services will be completed within six months. The total number of hours will be estimated prior to the engagement and will be specified in our firm's Financial Planning & Consulting Agreement. The client will be invoiced directly for hourly fees.

- **Example:** A client meets with our firm to discuss basic financial consulting issues and seeks general investment advice relating to broad issues such as retirement planning and education planning. The meeting lasts for 2 hours and follow up research takes 2 hours. The client would be invoiced for \$1000 upon completion of the plan.

**Fixed Fees:** Our fixed fees are negotiable and will not exceed \$10,000. Depending on circumstances, fees for financial planning and consulting services are offered to clients for small consulting projects. Such services include any combination of the services listed above, periodic reviews, revisions/updates to the financial plan, and day-to-day consulting as required.

- **Example:** A client with limited financial investing history and modest assets who engages our firm for a single service listed above would be charged a fee of \$500, because of limited document review and fewer consulting options. A client with maximum complexity who retains our firm for all services listed above, which may require 40 or more hours of adviser's time would be charged a flat fee of \$10,000.



Services rendered and the fees charged are disclosed in each Investment Advisory Consulting Agreement. It is possible that a client of K&F may pay more or less for similar services than another client. Any investment program involves risk and there is no guarantee that using the Financial Planning and Consulting Services will produce favorable results.

### **Other Types of Fees & Expenses**

The fees listed above are in addition to any fees charged by the account custodian or costs associated with the implementation of the investment plan. These costs may include transaction fees for non-wrap accounts, mutual fund operating expenses, custodial fees, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. K&F seeks to minimize these additional costs on clients' behalf whenever possible.

### **Termination & Refunds**

If a client wishes to terminate our services, they will need to contact us in writing and state that they wish to terminate our services. Upon receipt of their letter of termination, accounts initiated or terminated during a calendar quarter will be charged a pro-rated fee, calculated based on a calendar year. Refunds will be paid based on the remaining days in the billable quarter that are determined as unearned fees. Refunds of unearned fees will be calculated on a pro-rata basis and the unearned fees paid back to the client. The fee will be refunded to the client's account or provided to the client in the form of a check.

Financial Planning & Consulting clients may terminate their agreement at any time before the delivery of a financial plan by providing written notice. For purposes of calculating refunds, all work performed by us up to the point of termination shall be calculated at the hourly fee currently in effect. Clients will receive a pro-rata refund of unearned fees based on the time and effort expended by our firm.

Unless the client has received the firm's disclosure brochure at least 48 hours prior to signing the investment advisory contract, the investment advisory contract may be terminated by the client within five (5) business day of signing the contract without incurring any advisory fees.

### **Commissionable Securities Sales**

We do not sell securities for a commission in our advisory accounts.

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

K&F does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

## **Item 7 – Types of Clients**

K&F provides investment management and financial planning services to high net worth individuals, families, trusts, corporations or other business, limited liability companies, corporate pension and profit-sharing plans, and charitable institutions.

K&F will typically require new clients to have a minimum of \$250,000 to invest; however, K&F may make exceptions on a client by client basis.

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

K&F follows the principles of asset allocation to construct broadly diversified investment portfolios that are designed for the long-term and are based on each client's personal circumstances (goals, time horizon, risk tolerance, tax considerations). K&F strives to keep expenses and investment costs low, and primarily use no-load, low-cost mutual funds and exchange-traded funds when implementing investment portfolios. We seek to minimize the effect of taxes through asset location and tax-efficient investment vehicles.

The prices of securities held in client accounts and the income they generate may decline in response to certain events taking place around the world. These include events directly involving the issuers of securities held as underlying assets of mutual funds in a client's account, conditions affecting the general economy, and overall market changes. Other contributing factors include local, regional, or global political, social, or economic instability and governmental or governmental agency responses to economic conditions. Finally, currency, interest rate, and commodity price fluctuations may also affect security prices and income. Various administrative difficulties, such as delays in clearing and settling portfolio transactions, or in receiving payment of dividends can increase risk.

Although we do a great amount of work to determine in advance a client's risk tolerance, it is important to understand that investing money involves many risks (i.e. market, interest rate, liquidity, reinvestment, geopolitical, currency/exchange rate), including the risk of loss of principal, and clients should be prepared to bear this risk. We cannot guarantee any particular investment outcome. A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as our firm does not control the underlying investments in a fund or ETF, managers of different funds held by the Client may purchase the same security, increasing the risk to the Client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the Client's portfolio.

## **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 K&F or the integrity of our management. K&F has received no legal or disciplinary action.

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

Representatives of our firm are insurance agents/brokers. They may offer insurance products and receive customary fees as a result of insurance sales. A conflict of interest arises as these insurance sales create an incentive to recommend products based on the compensation adviser and/or our supervised persons earn. Clients have the right to purchase insurance products that we may recommend in a financial plan from anybody they choose. In order to mitigate this conflict of interest, we fulfill our fiduciary duty by acting in the client's best interest.

If our management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, our firm must disclose this fact. Our firm has nothing to disclose in this regard.

If our management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities, our firm must disclose this fact. Our firm has nothing to disclose in this regard.

If our firm recommends or select other investment advisers for our clients and our firm receives compensation directly or indirectly from those advisers, or our firm has other business relationships with those advisers, our firm is required to describe these practices and discuss the conflicts of interest these practices create and how our firm addresses them. Our firm does not recommend or select other investment advisers for our clients.

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

An investment adviser is considered a fiduciary and our firm has a fiduciary duty to all clients. As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. Our fiduciary duty is considered the core underlying principle for our Code of Ethics which also includes Insider Trading and Personal Securities Transactions Policies and Procedures. If a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided upon request.

We recognize that the personal investment transactions of members and employees of our firm demand the application of a high Code of Ethics and require that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, we believe that if investment goals are similar for clients and for members and employees of our firm, it is logical and even desirable that there be common ownership of some securities.

Therefore, in order to prevent conflicts of interest, we have in place a set of procedures (including a pre-clearing procedure) with respect to transactions effected by our members, officers and employees for their personal accounts<sup>1</sup>. In order to monitor compliance with our personal trading policy, we have a quarterly securities transaction reporting system for all of our associates. Upon employment or affiliation and at least annually thereafter, all supervised persons will sign an acknowledgement that they have read, understand, and agree to comply with our Code of Ethics.

Neither our firm nor a related person recommends to clients, or buys or sells for client accounts, securities in which our firm or a related person has a material financial interest. Related persons of our firm may buy or sell securities and other investments that are also recommended to clients. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics. Further, our related persons will refrain from buying or selling the same securities prior to buying or selling for our clients in the same day. If related persons' accounts are included in a block trade, our related persons' accounts will be traded in the same manner every time.

Our firm and supervised persons must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics.

## **Item 12 – Brokerage Practices**

### **Selecting a Brokerage Firm:**

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

- Ability to maintain the confidentiality of trading intentions
- Timeliness of execution
- Timeliness and accuracy of trade confirmations
- Liquidity of the securities traded

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<sup>1</sup> For purposes of the policy, our associate's personal account generally includes any account (a) in the name of our associate, his/her spouse, his/her minor children or other dependents residing in the same household, (b) for which our associate is a trustee or executor, or (c) which our associate controls, including our client accounts which our associate controls and/or a member of his/her household has a direct or indirect beneficial interest in.

- Ability to place trades in difficult market environments
- Research services provided
- Execution facilitation services provided
- Record keeping services provided
- Custody services provided
- Frequency and correction of trading errors
- Ability to access a variety of market venues
- Financial condition
- Business reputation and overall level of service

With the aforementioned in consideration, we utilize the services of Raymond James Financial Services (“RJFS”) to keep custody of our clients’ assets. Raymond James & Associates, Inc. (“RJA”), an affiliate of RJFS (together known as “Raymond James”), acts as the clearing agent when we execute securities transactions placed through RJFS. RJFS may make certain research and brokerage services available at no additional cost to our firm. These services may be directly from independent research companies, as selected by our firm. Research products and services provided by RJFS may include research reports on recommendations or other information about particular companies or industries; economic surveys, data and analyses; financial publications; portfolio evaluation services; financial database software and services; computerized news and pricing services; quotation equipment for use in running software used in investment decision-making; and other products or services that provide lawful and appropriate assistance by RJFS to our firm in the performance of our investment decision-making responsibilities. As a result of receiving these services, we may have an incentive to continue to use or expand the use of RJFS services. Our firm examined this conflict of interest when we chose to enter into the relationship with RJFS and we have determined that the relationship is in the best interest of our firm’s clients and satisfies our fiduciary obligations, including our duty to seek best execution.

RJFS charges transaction fees for effecting certain securities transactions (i.e., transaction fees are charged for certain mutual funds, debt securities transactions, etc.). RJFS does not charge transaction fees for U.S. listed equities or ETFs. RJFS enables us to obtain many mutual funds without transaction charges and other funds at nominal transaction charges.

Our clients may pay a transaction fee to RJFS that is higher than another qualified broker dealer might charge to effect the same transaction. We have determined in good faith that the fee is reasonable in relation to the value of the 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 a broker-dealer’s services, including the value of research provided, execution capability, transaction rates, and responsiveness. Accordingly, although we will seek competitive rates to the benefit of all clients, we may not necessarily obtain the lowest possible rates for specific client account transactions.

**Soft Dollars:**

The investment research products and services that may be obtained by our firm will generally be used to service all of our clients. Our firm does not accept products or services that do not qualify for Safe Harbor outlined in Section 28(e) of the Securities Exchange Act of 1934, such as those services that do not aid in investment decision-making or trade execution.

**Client Brokerage Commissions:**

We do not acquire any services from RJFS based on client brokerage commissions (or markups or markdowns). In any case, we do not receive a portion of the commissions paid to RJFS.

**Procedures to Direct Client Transactions in Return for Soft Dollars:**

We do not direct client transactions to a particular broker-dealer in return for soft dollar benefits.

**Brokerage for Client Referrals:**

Our firm does not receive compensation for client referrals.

**Directed Brokerage:**

Neither our firm nor any of our firm's representatives have discretionary authority in making the determination of the brokers-dealers and/or custodians with whom orders for the purchase or sale of securities are placed for execution, and the commission rates at which such securities transactions are effected. Our firm routinely requests that clients direct us to execute through a specified broker-dealer. Our firm recommends the use of RJFS. Each client will be required to establish their account(s) with RJFS if not already done. Please note that not all advisers have this requirement.

**Special Considerations for ERISA Clients:**

A retirement or ERISA plan client may direct all or part of portfolio transactions for its account through a specific broker or dealer, insurance company, or mutual fund company in order to obtain goods or services on behalf of the plan. Such direction is permitted provided that the goods and services provided are reasonable expenses of the plan incurred in the ordinary course of its business for which it otherwise would be obligated and empowered to pay. ERISA prohibits directed brokerage arrangements when the goods or services purchased are not for the exclusive benefit of the plan. Consequently, we will request that plan sponsors who direct plan brokerage provide us with a letter documenting that this arrangement will be for the exclusive benefit of the plan.

## **Aggregation of Purchase or Sale:**

We perform investment management services for various clients. There are occasions on which portfolio transactions may be executed as part of concurrent authorizations to purchase or sell the same security for numerous accounts served by our firm, which involve accounts with similar investment objectives. Although such concurrent authorizations potentially could be either advantageous or disadvantageous to any one or more particular accounts, they are affected only when we believe that to do so will be in the best interest of the effected accounts. When such concurrent authorizations occur, the objective is to allocate the executions in a manner which is deemed equitable to the accounts involved. In any given situation, we attempt to allocate trade executions in the most equitable manner possible, taking into consideration client objectives, current asset allocation and availability of funds using average price and proration. Block orders not fully executed will result in pro-rata allocation to the accounts allocated in the block trade.

## **Item 13 – Review of Accounts**

Client accounts are reviewed as follows:

*Daily Review:* Our custodian, Raymond James Financial Services, provides K&F with a daily electronic data file containing all client account transactions and positions.

*On-going Review:* Accounts are regularly reviewed in relation to economic and market movements, changes in fund recommendations, and shifts in target asset allocations.

*Annual Review:* In addition to the above, we seek to meet with clients at least once per year in order to stay informed regarding their personal situation and to determine whether the established investment strategy remains appropriate. Our firm does not provide written reports to clients, unless asked to do so. Verbal reports to clients take place on at least an annual basis when clients are contacted.

*Upon Client Request:* In addition to the above, we periodically review client accounts in relation to new information presented by the client or in order to provide information requested by the client.

All reviews, whether initiated by Client or Advisor, are performed by Mr. Kachkovsky and Mr. Fisher.

Factors that may trigger a review in addition to those listed above include withdrawals from a client portfolio, additions to a client portfolio, changes to our tactical investment strategies, changes to our approved list of mutual funds and ETFs, and extreme market conditions that would trigger a rebalancing of the portfolio.

All investment management clients receive monthly account position and transaction statements from RJFS. Clients may elect to have reports from RJFS delivered electronically (via e-mail and website access) or via U.S. mail.

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

We receive an economic benefit from RJFS 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 RJFS. These products and services, how they benefit us, and the related conflicts of interest are described above (*see Item 12 – Brokerage Practices*).

### **Client Referrals:**

We neither pay nor receive referral fees from independent solicitors (non-registered representatives), nor to anybody else, for the referral of their clients to our firm in accordance with relevant state statutes and rules.

## **Item 15 – Custody**

The SEC issued a no-action letter (“Letter”) with respect to the Rule 206(4)-2 (“Custody Rule”) under the Investment Advisers Act of 1940 (“Advisers Act”). The letter provided guidance on the Custody Rule as well as clarified that an adviser who has the power to disburse client funds to a third party under a standing letter of instruction (“SLOA”) is deemed to have custody. As such, our firm has adopted the following safeguards in conjunction with our custodian, RJFS:

- The client provides an instruction to the qualified custodian, in writing, that includes the client’s signature, the third party’s name, and either the third party’s address or the third party’s account number at a custodian to which the transfer should be directed.
- The client authorizes the investment adviser, in writing, either on the qualified custodian’s form or separately, to direct transfers to the third party either on a specified schedule or from time to time.
- The client’s qualified custodian performs appropriate verification of the instruction, such as a signature review or other method to verify the client’s authorization, and provides a transfer of funds notice to the client promptly after each transfer.
- The client has the ability to terminate or change the instruction to the client’s qualified custodian.
- The investment adviser has no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the client’s instruction.
- The investment adviser maintains records showing that the third party is not a related party of the investment adviser or located at the same address as the investment adviser.
- The client’s qualified custodian sends the client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.



We encourage our clients to raise any questions with us about the custody, safety or security of their assets. The custodians we do business with will send you independent account statements listing your account balance(s), transaction history and any fee debits or other fees taken out of your account. We urge clients to compare statements received from our firm and the custodian.

## **Item 16 – Investment Discretion**

Clients have the option of providing our firm with investment discretion on their behalf, pursuant to an executed investment advisory client agreement. By granting investment discretion, we are authorized to execute securities transactions, which securities are bought and sold, and the total amount to be bought and sold. Limitations may be imposed by the client in the form of specific constraints on any of these areas of discretion with our firm's written acknowledgement in the Investment Policy Statement.

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

As a matter of firm policy and practice, K&F 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. K&F may provide advice to clients regarding the clients' voting of proxies.

## **Item 18 – Financial Information**

Our firm is not required to provide financial information in this Brochure because:

- Our firm does not require the prepayment of more than \$1,200 in fees and six or more months in advance.
- Our firm does not have a financial condition or commitment that impairs our ability to meet contractual and fiduciary obligations to clients.
- Our firm has never been the subject of a bankruptcy proceeding.

Our firm has obtained financial assistance by participating in Paycheck Protection Program ("PPP") established by the U.S. Small Business Administration ("SBA"). PPP is intended to assist us with maintaining our firm's business in response to the COVID-19 pandemic by providing low-interest loans for business essentials such as payroll expenses. These loans are eligible for forgiveness, but it is not guaranteed as it will be based on factors such as staff retention and being used for payroll or firm overhead.

**Item 1 - Cover Page**

Form ADV Part 2B – Brochure Supplements

Garry Kachkovsky, CFP®  
Kachkovsky & Fisher, Inc.

3202 Governor Drive | Suite 201  
San Diego, CA 92122  
(858) 450-9711

Updated: February 2020

This Brochure Supplement provides information about Garry Kachkovsky that supplements the Kachkovsky & Fisher, Inc. (K&F) Brochure. You should have received a copy of that Brochure. Please contact Garry Kachkovsky or Kristian R. Fisher at (858) 450-9711 if you did not receive K&F's Brochure or if you have any questions about the contents of this supplement. Additional information about Garry Kachkovsky is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching CRD# 2911581.

**Garry Kachkovsky, CFP® | Born in 1975**

## **Item 2 - Educational Background & Business Experience**

### **Educational Background:**

- 2002: Certified Financial Planner (CFP®) designation
- 1997: Illinois Wesleyan University; Bachelor of Arts in Economics & Russian

### **Business Background:**

- 03/2001 – Present Kachkovsky & Fisher, Inc.; Owner
- 04/2015 – Present Kachkovsky & Fisher, Inc.; Investment Advisor Representative
- 06/2006 – Present K&F Real Estate, LLC; Manager
- 08/2012 – 04/2015 Raymond James Financial Services Advisors, Inc.; Investment Advisor
- 02/2001 – 04/2015 Raymond James Financial Services Inc.; Registered Representative
- 06/1997 – 02/2001 SunAmerica Securities; Financial Advisor

CERTIFIED FINANCIAL PLANNER™ certification is obtained by completing an advanced college-level course of study addressing the financial planning subject areas that the CFP board's studies have determined as necessary for the competent and professional delivery of financial planning services, a comprehensive certification exam (administered in 10 hours over a 2 day period) and agreeing to be bound by the CFP board's standard of professional conduct. As a prerequisite the IAR must have a bachelor's degree from a regionally accredited United States college or university (or foreign university equivalent) and have at least 3 years of full time financial planning experience (or equivalent measured at 2,000 hours per year). This designation requires 30 hours of continuing education every 2 years and renewing an agreement to be bound by the standards of professional conduct.

## **Item 3 - 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 each supervised person providing investment advice. Mr. Kachkovsky has received no legal or disciplinary action.

## **Item 4 - Other Business Activities**

Mr. Kachkovsky is a licensed insurance agent. He may offer insurance products and receive normal and customary fees as a result of insurance sales. A conflict of interest arises as these insurance sales create an incentive to recommend products based on the compensation he and/or our supervised persons earns. In order to mitigate this conflict of interest, Mr. Kachkovsky will fulfill his fiduciary duty by putting client's interests ahead of his own.

## **Item 5 - Additional Compensation**

Mr. Kachkovsky does not receive economic benefit from non-clients.

## **Item 6 - Supervision**

Mr. Kachkovsky is a 50% owner of Kachkovsky & Fisher, Inc., and is supervised by Kristian R. Fisher, President of Kachkovsky & Fisher, Inc. Kristian can be reached at (303) 674-9711 or (602) 604-9711.



**Item 1 - Cover Page**

Form ADV Part 2B – Brochure Supplements

Kristian R. Fisher, CFP®

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Updated: February 2020

This Brochure Supplement provides information about Kristian R. Fisher that supplements the Kachkovsky & Fisher, Inc. (K&F) Brochure. You should have received a copy of that Brochure. Please contact Garry Kachkovsky or Kristian R. Fisher at (858) 450-9711 if you did not receive K&F's Brochure or if you have any questions about the contents of this supplement. Additional information about Kristian R. Fisher is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching CRD# 2827120.

**Kristian R. Fisher, CFP® | Born in 1972**

## **Item 2 - Educational Background & Business Experience**

### **Educational Background:**

- 2004: Certified Financial Planner (CFP®) designation
- 1995: Michigan State University; Bachelor of Arts in Finance

### **Business Background:**

- 03/2001 – Present Kachkovsky & Fisher, Inc.; Owner
- 04/2015 – Present Kachkovsky & Fisher, Inc.; Investment Advisor Representative
- 06/2006 – Present K&F Real Estate, LLC; Manager
- 01/2009 – 04/2015 Raymond James Financial Services Advisors, Inc.; Investment Advisor
- 03/2001 – 04/2015 Raymond James Financial Services Inc.; Registered Representative
- 11/1996 – 03/2001 SunAmerica Securities; Financial Advisor

CERTIFIED FINANCIAL PLANNER™ certification is obtained by completing an advanced college-level course of study addressing the financial planning subject areas that the CFP board's studies have determined as necessary for the competent and professional delivery of financial planning services, a comprehensive certification exam (administered in 10 hours over a 2 day period) and agreeing to be bound by the CFP board's standard of professional conduct. As a prerequisite the IAR must have a bachelor's degree from a regionally accredited United States college or university (or foreign university equivalent) and have at least 3 years of full time financial planning experience (or equivalent measured at 2,000 hours per year). This designation requires 30 hours of continuing education every 2 years and renewing an agreement to be bound by the standards of professional conduct.

## **Item 3 - 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 each supervised person providing investment advice. Mr. Fisher has received no legal or disciplinary action.

## **Item 4 - Other Business Activities**

Mr. Fisher is a licensed insurance agent. He may offer insurance products and receive normal and customary fees as a result of insurance sales. A conflict of interest arises as these insurance sales create an incentive to recommend products based on the compensation he and/or our supervised persons earn. In order to mitigate this conflict of interest, Mr. Fisher will fulfill his fiduciary duty by putting client's interests ahead of his own.

### **Item 5 - Additional Compensation**

Mr. Fisher does not receive economic benefit from non-clients.

### **Item 6 - Supervision**

Mr. Fisher is a 50% owner of Kachkovsky & Fisher, Inc., and is supervised by Garry Kachkovsky, Secretary of Kachkovsky & Fisher, Inc. Garry can be reached at (858) 450-9711 or (602) 604-9711.