

Vescio Asset Management, LLC

Firm Brochure - Form ADV Part 2A

This brochure provides information about the qualifications and business practices of Vescio Asset Management, LLC. If you have any questions about the contents of this brochure, please contact us at (724) 940-5400 or by email at: william@vescioassetmgt.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 Vescio Asset Management, LLC is also available on the SEC's website at www.adviserinfo.sec.gov. Vescio Asset Management, LLC's CRD number is: 311607. Vescio Asset Management, LLC is a Pennsylvania Registered Investment Advisor.

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Registration as an investment adviser does not imply a certain level of skill or training.

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Item 2: Material Changes

**This section of the brochure contains material changes from the last annual update.*

Vescio Asset Management, LLC has not yet filed an annual updating amendment using the Form ADV Part 2A. Therefore, there are no material changes to report.

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Item 4: Advisory Business

A. Description of the Advisory Firm

Vescio Asset Management, LLC (hereinafter “VAM”) is a Limited Liability Company organized in the State of Pennsylvania. The firm was formed in September 2010, and the principal owner is William Vescio.

B. Types of Advisory Services

Portfolio Management Services

VAM offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. VAM creates an Investment Policy Statement for each client, which outlines the client’s current situation (income, tax levels, and risk tolerance levels). Portfolio management services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment policy
- Asset selection
- Regular portfolio monitoring

VAM evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. VAM will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

VAM seeks to provide that investment decisions are made in accordance with the fiduciary duties owed to its accounts and without consideration of VAM’s economic, investment or other financial interests. To meet its fiduciary obligations, VAM attempts to avoid, among other things, investment or trading practices that systematically advantage or disadvantage certain client portfolios, and accordingly, VAM’s policy is to seek fair and equitable allocation of investment opportunities/transactions among its clients to avoid favoring one client over another over time. It is VAM’s policy to allocate investment opportunities and transactions it identifies as being appropriate and prudent among its clients on a fair and equitable basis over time.

VAM offers consulting services to pension and other employee benefit plans. Financial projections are provided to some clients to assist in their retirement planning efforts. Any reports, financial statement projections, and analyses are intended for use in developing and implementing a financial plan. Because of this limited purpose, the projections should not be considered a complete financial plan. There may be material differences

between projected and actual results because events are variable, and circumstances frequently do not fit predictions.

VAM does not provide comprehensive financial planning. The financial planning for clients is mainly focused upon investment and retirement planning. Risk management issues such as life, health, disability, and long-term care insurance may not be addressed. Additionally, VAM does not provide tax or legal advice, but may suggest transactions or investments for tax benefits.

Services Limited to Specific Types of Investments

VAM generally limits its investment advice to mutual funds, fixed income securities, real estate funds, equities, ETFs and treasury inflation protected/inflation linked bonds. VAM may use other securities as well to help diversify a portfolio when applicable.

C. Client Tailored Services and Client Imposed Restrictions

VAM offers the same suite of services to all of its clients. However, specific client investment strategies and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels). Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent VAM from properly servicing the client account, or if the restrictions would require VAM to deviate from its standard suite of services, VAM reserves the right to end the relationship.

D. Wrap Fee Programs

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and other administrative fees. VAM does not participate in any wrap fee programs.

E. Assets Under Management

VAM has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$235,000,000	\$0	January 1, 2021*

*pending approval and date calculated will be updated

Item 5: Fees and Compensation

A. Fee Schedule

Portfolio Management Fees

Total Assets Under Management	Annual Fees
First \$2,000,000	1.00%
Next \$8,000,000	0.75%
Thereafter	0.50%

VAM uses the value of the account as of the last business day of the billing period, after taking into account deposits and withdrawals, for purposes of determining the market value of the assets upon which the advisory fee is based. If the management agreement does not span the entire billing period, the fee will be pro-rated on the number of days the account is open during the billing period. The account custodian will send a statement at least quarterly showing all disbursements, including any advisory fee if authorized in writing.

These fees are generally negotiable and the final fee schedule will be memorialized in the client's advisory agreement. Clients may terminate the agreement without penalty for a full refund of VAM's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract generally with 30 days' written notice.

B. Payment of Fees

Payment of Portfolio Management Fees

Asset-based portfolio management fees are withdrawn directly from the client's accounts with client's written authorization on a monthly basis, or may be invoiced and billed directly to the client on a quarterly basis. Clients may select the method in which they are billed. Fees are paid in arrears.

C. Client Responsibility For Third Party Fees

Clients are responsible for the payment of all third party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by VAM.

Investment company funds (mutual funds or ETF's) bear their own internal transaction and execution costs, as well as direct compensation to investment managers, and internal administration costs. Some funds pay 12b-1 fees and / or shareholder service fees to broker / dealers that offer investment company funds. These fees affect the valuation of the shares and are an indirect cost to the shareholder. Some fund companies charge a redemption fee. A redemption fee is charged to a shareholder when the security is sold or redeemed within a stated period of time from the purchase date. A redemption fee is deducted from the sales proceeds similar to a deferred sales load, but it is not considered as a deferred sales load. A sales load is generally used to compensate broker dealers. This fee is used to offset fund costs associated with the redemption of shares. It is paid to the fund, not to a broker. The SEC generally limits redemption fees up to 2%.

A more in-depth explanation of these charges is contained in any Prospectus and Statement of Additional Information supplied by the investment company fund.

Please see Item 12 of this brochure regarding additional broker-dealer/custodian information.

D. Prepayment of Fees

VAM collects its fees in arrears. It does not collect fees in advance.

E. Outside Compensation For the Sale of Securities to Clients

Neither VAM nor its supervised persons accept any compensation for the sale of investment products, including asset-based sales charges or service fees from the sale of mutual funds.

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

VAM does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

Item 7: Types of Clients

VAM generally provides advisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ State or Municipal Government Entities
- ❖ Business Organizations
- ❖ Pension and Profit-Sharing Plans
- ❖ Foundations
- ❖ Trusts

There is no account minimum for any of VAM's services.

Item 8: Methods of Analysis, Investment Strategies, & Risk of Loss

A. Methods of Analysis and Investment Strategies

Methods of Analysis

VAM's methods of analysis include Cyclical analysis, Fundamental analysis, Modern portfolio theory, Quantitative analysis and Technical analysis.

Cyclical analysis involves the analysis of business cycles to find favorable conditions for buying and/or selling a security.

Fundamental analysis involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

Modern portfolio theory is a theory of investment that attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, each by carefully choosing the proportions of various asset.

Quantitative analysis deals with measurable factors as distinguished from qualitative considerations such as the character of management or the state of employee morale, such as the value of assets, the cost of capital, historical projections of sales, and so on.

Technical analysis involves the analysis of past market data; primarily price and volume.

Investment Strategies

VAM uses long term trading and short-term trading. Portfolios are constructed along the risk spectrum between conservative to aggressive. The more conservative portfolios will generally contain less equity-like investments while the more aggressive portfolios will generally contain more equity-like investments. VAM will research from the universe of mutual funds and ETF's to build client portfolios.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

B. Material Risks Involved

Methods of Analysis

Cyclical analysis assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy are two-fold: 1) the markets do not always repeat cyclical patterns; and 2) if too many investors begin to implement this strategy, then it changes the very cycles these investors are trying to exploit.

Fundamental analysis concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

Modern portfolio theory assumes that investors are risk averse, meaning that given two portfolios that offer the same expected return, investors will prefer the less risky one. Thus, an investor will take on increased risk only if compensated by higher expected returns. Conversely, an investor who wants higher expected returns must accept more risk. The exact trade-off will be the same for all investors, but different investors will evaluate the trade-off differently based on individual risk aversion characteristics. The implication is that a rational investor will not invest in a portfolio if a second portfolio exists with a more favorable risk-expected return profile – i.e., if for that level of risk an alternative portfolio exists which has better expected returns.

Quantitative analysis Investment strategies using quantitative models may perform differently than expected as a result of, among other things, the factors used in the models, the weight placed on each factor, changes from the factors' historical trends, and technical issues in the construction and implementation of the models.

Technical analysis attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not take into account new patterns that emerge over time.

Investment Strategies

Long term trading is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

Short term trading risks include liquidity, economic stability, and inflation, in addition to the long term trading risks listed above. Frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

C. Risks of Specific Securities Utilized

Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) are not guaranteed or insured by the FDIC or any other government agency.

Mutual Funds: Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond “fixed income” nature (lower risk) or stock “equity” nature.

Equity investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.

Fixed income investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best known type of fixed income security. In general, the fixed income market is volatile and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.

Exchange Traded Funds (ETFs): An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance. Risks in investing in ETFs include trading risks, liquidity and shutdown risks, risks associated with a change in authorized participants and non-participation of authorized participants, risks that trading price differs from indicative net asset value (iNAV), or price fluctuation and disassociation from the index being tracked. With regard to trading risks, regular trading adds cost to your portfolio thus counteracting the low fees that one of the typical benefits of ETFs. Additionally, regular trading to beneficially “time the market” is difficult to achieve. Even paid fund managers struggle to do this every year, with the majority failing to beat the relevant indexes. With regard to liquidity and shutdown risks, not all ETFs have the same level of liquidity. Since ETFs are at least as liquid as their underlying assets, trading conditions are more accurately reflected in implied liquidity rather than the average daily volume of the ETF itself. Implied liquidity is a measure of what can potentially be traded in ETFs based on its underlying assets. ETFs are subject to market volatility and the risks of their underlying securities, which may include the risks associated with investing in smaller companies, foreign securities, commodities, and fixed income investments (as applicable). Foreign securities in particular are subject to interest rate, currency exchange rate, economic, and political risks, all of which are magnified in emerging markets. ETFs that target a small universe of securities, such as a specific region or market sector, are generally subject to greater market volatility, as well as to the specific risks associated with that sector, region, or other focus. ETFs that use derivatives, leverage, or complex investment strategies are subject to additional risks. The return of an index ETF is usually different from that of the index it tracks because of fees, expenses, and tracking error. An ETF may trade at a premium or discount to its net asset value (NAV) (or indicative value in the case of exchange-traded notes). The degree of liquidity can vary significantly from one ETF to another and losses may be magnified if no liquid market exists for the ETF’s shares when attempting to sell them. Each ETF has a unique risk profile, detailed in its prospectus, offering circular, or similar material, which should be considered carefully when making investment decisions.

Real estate funds (including REITs) face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.

Past performance is not indicative of future results. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

D. General Risks

Market Risk: Accounts could lose money over periods due to short-term market fluctuations and over longer periods during market downturns. The value of a security may decline due to general market conditions, economic trends, or events that are not specifically related to the issuer of the security or to factors that affect a particular industry or industries. During a general downturn in the securities markets, multiple asset classes may experience a loss.

Asset Class Risk: Securities in underlying investments such as mutual funds and ETF's may under perform in comparison to the general securities markets or other asset classes.

Concentration Risk: To the extent that VAM recommends portfolio allocations that are concentrated in a particular market, industry, or asset class, a portfolio may be susceptible to loss due to adverse occurrences affecting that market, industry, or asset class.

Management Risk: The performance of an account is subject to the risk that the investment management strategy may not produce the intended results.

Regulatory Risk: Changes in government regulations may adversely affect the value of a security. An insufficiently regulated industry or market may also permit inappropriate practices that adversely affect an investment.

Item 9: Disciplinary Information

A. Criminal or Civil Actions

There are no criminal or civil actions to report.

B. Administrative Proceedings

There are no administrative proceedings to report.

C. Self-regulatory Organization (SRO) Proceedings

SEC order found William Vescio failed to adequately disclose the conflicts arising from his selection and best execution of a mutual fund share class that charged higher 12b-1 fees, instead of a lower-cost share class of the same funds that were available to clients. Vescio failed to disclose to certain clients they were paying 12b-1 fees in addition to the mutual funds' underlying expenses. Mr. Vescio was sanctioned to cease and desist and censure. A Civil and Administrative Penalty/Fine in the amount of \$40,000.00, disgorgement in the amount of \$275,000.00 and a monetary penalty other than Fines in the amount \$7,631.00.

Item 10: Other Financial Industry Activities and Affiliations

A. Registration as a Broker/Dealer or Broker/Dealer Representative

Neither VAM nor its representatives are registered as, or have pending applications to become, a broker/dealer or a representative of a broker/dealer.

B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

Neither VAM nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests

Bryan Robert Vescio is a licensed insurance agent with Lincoln Financial, and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. VAM always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to utilize the services of any representative of VAM in connection with such individual's activities outside of VAM.

D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections

VAM does not utilize nor select third-party investment advisers.

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

A. Code of Ethics

VAM has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting

Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. VAM's Code of Ethics is available free upon request to any client or prospective client.

B. Recommendations Involving Material Financial Interests

VAM does not recommend that clients buy or sell any security in which a related person to VAM or VAM has a material financial interest.

C. Investing Personal Money in the Same Securities as Clients

From time to time, representatives of VAM may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of VAM to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. VAM will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

D. Trading Securities At/Around the Same Time as Clients' Securities

From time to time, representatives of VAM may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of VAM to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, VAM will never engage in trading that operates to the client's disadvantage if representatives of VAM buy or sell securities at or around the same time as clients.

Item 12: Brokerage Practices

A. Factors Used to Select Custodians and/or Broker/Dealers

Custodians/broker-dealers will be recommended based on VAM's duty to seek "best execution," which is the obligation to seek execution of securities transactions for a client on the most favorable terms for the client under the circumstances. Clients will not necessarily pay the lowest commission or commission equivalent, and VAM may also consider the market expertise and research access provided by the broker-dealer/custodian, including but not limited to access to written research, oral communication with analysts, admittance to research conferences and other resources provided by the brokers that may aid in VAM's research efforts. VAM will never charge

a premium or commission on transactions, beyond the actual cost imposed by the broker-dealer/custodian.

VAM will require clients to use TD Ameritrade Institutional, a division of TD Ameritrade, Inc. Member FINRA/SIPC.

1. Research and Other Soft-Dollar Benefits

While VAM has no formal soft dollars program in which soft dollars are used to pay for third party services, VAM may receive research, products, or other services from custodians and broker-dealers in connection with client securities transactions ("soft dollar benefits"). VAM may enter into soft-dollar arrangements consistent with (and not outside of) the safe harbor contained in Section 28(e) of the Securities Exchange Act of 1934, as amended. There can be no assurance that any particular client will benefit from soft dollar research, whether or not the client's transactions paid for it, and VAM does not seek to allocate benefits to client accounts proportionate to any soft dollar credits generated by the accounts. VAM benefits by not having to produce or pay for the research, products or services, and VAM will have an incentive to recommend a broker-dealer based on receiving research or services. Clients should be aware that VAM's acceptance of soft dollar benefits may result in higher commissions charged to the client.

2. Brokerage for Client Referrals

VAM receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

3. Clients Directing Which Broker/Dealer/Custodian to Use

VAM will require clients to use a specific broker-dealer to execute transactions. Not all advisers require clients to use a particular broker-dealer.

B. Aggregating (Block) Trading for Multiple Client Accounts

If VAM buys or sells the same securities on behalf of more than one client, then it may (but would be under no obligation to) aggregate or bunch such securities in a single transaction for multiple clients in order to seek more favorable prices, lower brokerage commissions, or more efficient execution. In such case, VAM would place an aggregate order with the broker on behalf of all such clients in order to ensure fairness for all clients; provided, however, that trades would be reviewed periodically to ensure that accounts are not systematically disadvantaged by this policy. VAM would determine the appropriate number of shares and select the appropriate brokers consistent with its duty to seek best execution, except for those accounts with specific brokerage direction (if any).

Item 13: Review of Accounts

A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews

All client accounts for VAM's advisory services provided on an ongoing basis are reviewed at least Monthly by William Vescio, President, with regard to clients' respective investment policies and risk tolerance levels. All accounts at VAM are assigned to this reviewer.

B. Factors That Will Trigger a Non-Periodic Review of Client Accounts

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

C. Content and Frequency of Regular Reports Provided to Clients

Each client of VAM's advisory services provided on an ongoing basis will receive a monthly report detailing the client's account, including assets held, asset value, and calculation of fees. This written report will come from the custodian. VAM will also provide at least quarterly a separate written statement to the client.

Item 14: Client Referrals and Other Compensation

A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)

VAM participates in the institutional advisor program (the "Program") offered by TD Ameritrade. TD Ameritrade offers to independent investment advisor services which include custody of securities, trade execution, clearance and settlement of transactions. VAM receives some benefits from TD Ameritrade through its participation in the Program.

As disclosed above, VAM participates in TD Ameritrade's institutional advisor program and VAM may recommend TD Ameritrade to clients for custody and brokerage services. There is no direct link between VAM's participation in the Program and the investment advice it gives to its clients, although VAM receives economic benefits through its participation in the Program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without

cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving VAM participants; 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 VAM's 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 VAM by third party vendors. TD Ameritrade may also pay for business consulting and professional services received by VAM's related persons. Some of the products and services made available by TD Ameritrade through the Program may benefit VAM but may not benefit its client accounts. These products or services may assist VAM in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help VAM manage and further develop its business enterprise. The benefits received by VAM or its personnel through participation in the Program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, VAM endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by VAM or its related persons in and of itself creates a conflict of interest and may indirectly influence the VAM's choice of TD Ameritrade for custody and brokerage services.

B. Compensation to Non - Advisory Personnel for Client Referrals

VAM does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

Item 15: Custody

When advisory fees are deducted directly from client accounts at client's custodian, VAM will be deemed to have limited custody of client's assets and must have written authorization from the client to do so. Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy.

Item 16: Investment Discretion

VAM provides discretionary and non-discretionary investment advisory services to clients. The advisory contract established with each client sets forth the discretionary authority for trading. Where investment discretion has been granted, VAM generally manages the client's account and makes investment decisions without consultation with the client as to when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, what securities to buy or sell, or the price per share.

Item 17: Voting Client Securities (Proxy Voting)

VAM will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

Item 18: Financial Information

A. Balance Sheet

VAM neither requires nor solicits prepayment of more than \$1,200 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet with this brochure.

B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients

Neither VAM nor its management has any financial condition that is likely to reasonably impair VAM's ability to meet contractual commitments to clients.

C. Bankruptcy Petitions in Previous Ten Years

VAM has not been the subject of a bankruptcy petition in the last ten years.