

# Steven Charles Capital

Part 2A of Form ADV: *Firm  
Brochure*

Part 2B of Form ADV: *Brochure  
Supplement*

**Steven Charles Capital, Ltd.**  
200 Canal View Blvd., Suite 203  
Rochester, NY 14623  
Telephone: 585-325-1870, Fax: 585-325-1879  
Email: [www.stevencharlescapital.com/contact/](http://www.stevencharlescapital.com/contact/)  
Web Address: [www.stevencharlescapital.com](http://www.stevencharlescapital.com)

**3-31-2021**

This brochure provides information about the qualifications and business practices of Steven Charles Capital, Ltd. If you have any questions about the contents of this brochure, please contact us at 585-325-1870 or via our website at [www.stevencharlescapital.com/contact/](http://www.stevencharlescapital.com/contact/)

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 Steven Charles Capital is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 104814.

## ITEM 2 MATERIAL CHANGES

On July 28, 2010, the United States Securities and Exchange Commission amended Part 2 of Form ADV. Part 2 of Form ADV sets forth the minimum requirements for the disclosure statement that investment advisors must deliver to their advisory clients and prospective advisory clients. Investment advisors must update the information in their brochure at least annually. In lieu of providing clients with an updated brochure each year, we will provide Steven Charles Capital's (SCC) existing advisory clients with this Item 2 summary describing any material changes occurring since the last annual update of the brochure. We will deliver a brochure or summary each year to existing clients within 120 days of the close of SCC's fiscal year. Clients wishing to receive a complete copy of the then-current brochure may request the complete brochure at no charge by contacting us at 585-325-1870 or by emailing [jbraverman@stevencharlescapital.com](mailto:jbraverman@stevencharlescapital.com)

### Amendments to Form ADV Part 2A, Disclosure Brochure

There are no material changes in this brochure from the last annual updating amendment of Steven Charles Capital on May 29, 2020. Material changes relate to Steven Charles Capital policies, practices or conflicts of interests only.

Additional information about Steven Charles Capital is available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with SCC who are registered, or are required to be registered, as investment adviser representatives of SCC.

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### Brochure Supplement - Part 2B

Steven C. Braverman

Jeffrey E. Braverman

Daniel L. Braverman

#### **ITEM 4 ADVISORY BUSINESS**

Steven Charles Capital, Ltd. ("SCC") is a SEC-registered investment adviser with its principal place of business located in Rochester, New York. Steven Charles Capital began conducting business in 1986.

Listed below are the firm's principal shareholders (i.e., those individuals and/or entities controlling 25% or more of this company).

- Steven Charles Braverman, CEO/Lead Portfolio Manager

Steven Charles Capital offers the following advisory services to our clients:

##### **INDIVIDUALIZED PORTFOLIO MANAGEMENT**

##### **INDIVIDUALIZED SUPERVISORY SERVICES**

Our firm provides continuous advice to clients regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which a client's goals and objectives are established, we develop a personal investment policy and create and manage a portfolio based on that policy. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we also review and discuss a client's prior investment history, as well as family composition and background.

We manage these advisory accounts on a discretionary basis. Account supervision is guided by the client's stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Our investment recommendations are not limited to any specific product or service offered by a broker-dealer and will generally include advice regarding the following securities:

- Securities traded over-the-counter
- Exchange Listed Securities
- Corporate debt securities (other than commercial paper)
- Municipal securities
- United States governmental securities
- Interests in partnerships investing in real estate
- Interests in partnerships investing in oil and gas interests

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

SCC acts a portfolio manager for wrap accounts sponsored by Morgan Stanley and Smith Barney, LLC. SCC participates in a fee sharing arrangement with these entities. Total fees charged to the client will not exceed any regulatory limits.

##### **AMOUNT OF MANAGED ASSETS**

As of December 2020, we were actively managing \$120,000,000.00 of clients' assets, all on a discretionary basis.

## ITEM 5 FEES AND COMPENSATION

### INVESTMENT SUPERVISORY SERVICES ("ISS") INDIVIDUAL PORTFOLIO MANAGEMENT FEES

The fees due Steven Charles Capital, Ltd. ("SCC") for providing investment supervisory services on a discretionary basis are paid every three (3) months in arrears and are based upon the total asset value of each portfolio. The fees are computed for the preceding three-month period based upon the asset value of the portfolios as of the last business days of March, June, September and December of each year. If a client enters into SCC's Investment Management Agreement in the middle of a quarter, they are charged only for those months for which the Agreement is effective shortly after the end of such quarter. All fees are due thirty (30) days from the billing date. Effective March 1, 2001, the following fee schedule was adopted for most new accounts. The fee is computed according to the quarterly rates indicated below unless the minimum figure (see below) applies.

.25% of the first \$1,000,000 of principal market value,  
.20% of the next \$9,000,000 of principal market value,  
.15% of amounts in excess of \$10,000,000.

For accounts procured before that date, the following quarterly fee schedule usually applies:

.25% of the first \$500,000 of principal market value,  
.225% of the next \$1,000,000 of principal market value,  
.20% of the next \$3,500,000 of principal market value,  
plus .175% of the next \$3,000,000 of principal market  
value, .15% of amounts in excess of \$8,000,000.

SCC may, on occasion, negotiate its fee arrangement, and fees are often negotiable for market value over \$10 million. SCC discourages accounts with total asset value of less than \$500,000, but will accept in some cases, based upon the specific circumstances of an account. For those accounts, the minimum annual management fee of \$5,000 will usually be applied and billed on a quarterly basis (\$1,250/Quarter).

If a lower management fee will result, a client with two or more related accounts may combine them for the purpose of computing fees. In such cases, related accounts will be aggregated, so that each account will pay a fee which is calculated on the basis of the total of all related accounts. No penalties will be assessed in the event of any termination of SCC's Investment Management Agreement. Upon termination, the client will be billed only for the portion of the management fee which is earned by SCC as the fee will be prorated for periods less than a full billing cycle.

*Limited Negotiability of Advisory Fees:* Although Steven Charles Capital, Ltd., has established the aforementioned fee schedules, we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs are considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific fee schedule is identified in the contract between the adviser and each client. Discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm as well as non-profit organizations.

### GENERAL FEE INFORMATION

*Termination of the Advisory Relationship:* A client agreement may be canceled at any time, by either party, for any reason upon receipt of 30 days written notice. The final management fee will be prorated for periods less than a full billing cycle.

*Mutual Fund Fees:* All fees paid to Steven Charles Capital for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or

deferred sales charge. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

*Wrap Fee Programs and Separately Managed Account Fees:* Clients participating in separately managed account programs may be charged various program fees in addition to the advisory fee charged by our firm. Such fees may include the investment advisory fees of the independent advisers, which may be charged as part of a wrap fee arrangement. In a wrap fee arrangement, clients pay a single fee for advisory, brokerage and custodial services. Client's portfolio transactions may be executed without commission charge in a wrap fee arrangement. In evaluating such an arrangement, the client should also consider that, depending upon the level of the wrap fee charged by the broker-dealer, the amount of portfolio activity in the client's account, and other factors, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately. We will review with clients any separate program fees that may be charged to clients. A separate Wrap Fee Brochure will be delivered to all clients participating in a wrap fee account by the wrap account sponsor.

*Additional Fees and Expenses:* In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker-dealers, including, but not limited to, any transaction charges imposed by a broker-dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

*ERISA Accounts:* Steven Charles Capital, Ltd., is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"), respectively. As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, SCC may only charge fees for investment advice about products for which our firm and/or our related persons do not receive any commissions or 12b-1 fees, or conversely, investment advice about products for which our firm and/or our related persons receive commissions or 12b-1 fees, however, only when such fees are used to offset Steven Charles Capital's advisory fees.

*Advisory Fees in General.* Clients should note that similar advisory services may be available from other investment advisers for similar or lower fees.

## **ITEM 6 TYPES OF CLIENTS**

Steven Charles Capital, Ltd, provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Pension and profit sharing plans (other than plan participants)
- Charitable organizations
- Corporations or other businesses not listed above

As previously disclosed in Item 5, our firm has established certain initial minimum account requirements, based on the nature of the service(s) being provided. For a more detailed understanding of those requirements, please review the disclosures provided in each applicable service.

## **ITEM 7 METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

### **METHODS OF ANALYSIS**

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

*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 (indicating 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.

*Quantitative Analysis.* We use 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.

*Qualitative Analysis.* We subjectively evaluate non-quantifiable factors such as quality of management, labor relations, and strength of research and development factors not readily subject to measurement, and predict changes to share price based on that data. A risk in using qualitative analysis is that our subjective judgment may prove incorrect.

*Asset Allocation.* Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to the client's investment goals and risk tolerance. A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

*Mutual Fund and/or ETF Analysis.* We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

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 we do 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.

*Risks for all forms of analysis.* Our securities analysis methods rely 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.

## **INVESTMENT STRATEGIES**

We use the following strategies in managing client accounts, provided that such strategies are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

**Long-term purchases.** We are long-term investors and our mission is simple: to deliver superior risk-adjusted performance alongside superior levels of client service. Millions of online traders make "investment decisions" every day based on nothing more than a hunch about where the market or particular stock prices are going in the near term. In many ways, today's investment arena resembles an online casino more than a true community of investors. Steven Charles Capital does not try to time the market. Rather, we examine the intrinsic qualities of every company we buy and base our investment decisions on the long-term future of excellent companies.

**Margin transactions.** We will purchase stocks for your portfolio with money borrowed from your brokerage account. This allows you to purchase more stock than you would be able to with your available cash, and allows us to purchase stock without selling other holdings.

**Option writing.** We may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset.

The two types of options are calls and puts:

- A call gives us the right to buy an asset at a certain price within a specific period of time. We will buy a call if we have determined that the stock will increase substantially before the option expires.
- A put gives us the holder the right to sell an asset at a certain price within a specific period of time. We will buy a put if we have determined that the price of the stock will fall before the option expires.

We will use options to speculate on the possibility of a sharp price swing. We will also use options to "hedge" a purchase of the underlying security; in other words, we will use an option purchase to limit the potential upside and downside of a security we have purchased for your portfolio.

We use "covered calls", in which we sell an option on security you own. In this strategy, you receive a fee for making the option available, and the person purchasing the option has the right to buy the security from you at an agreed-upon price.

We use a "spreading strategy", in which we purchase two or more option contracts (for example, a call option that you buy and a call option that you sell) for the same underlying security. This effectively puts you on both sides of the market, but with the ability to vary price, time and other factors.

**Risk of Loss.** Securities investments are not guaranteed and you may lose money on your investments. We ask that you work with us to help us understand your tolerance for risk.

## **Item 8 DISCIPLINARY INFORMATION**

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management. Our firm and our management personnel have no reportable disciplinary events to disclose.

## **Item 9 OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

None of Steven Charles Capital's employees have any other financial industry activities or affiliations.

## **Item 10 CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

Steven Charles Capital, Ltd., and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.

Steven Charles Capital's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to [info@scharles.com](mailto:info@scharles.com), or by calling us at 585-325-1870 or 800-678-3359.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any related persons 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, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts.

We may aggregate our employee trades with client transactions where possible and when compliant with our duty to seek best execution for our clients. In these instances, participating clients will receive an average share price and transaction costs will be shared equally and on a pro-rata basis. In instances where there is a partial fill of a particular batched order, we will allocate all purchases pro-rata, with each account paying the average price. Our employee accounts will be included in the pro-rata allocation.

As these situations represent actual or potential conflicts of interest to our clients, we have established the following policies and procedures for implementing our firm's Code of Ethics, to ensure our firm complies with its regulatory obligations and provides our clients and potential clients with full and fair disclosure of such conflicts of interest:

1. No principal or employee of our firm may put his or her own interest above the interest of an advisory client.
2. No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.
3. 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. This prevents such employees from benefiting from transactions placed on behalf of advisory accounts.
4. Our firm requires prior approval for any IPO or private placement investments by related persons of the firm.
5. We maintain a list of all reportable securities holdings for our firm and anyone associated with this advisory practice that has access to advisory recommendations ("access person"). These holdings are reviewed on a regular basis by our firm's Chief Compliance Officer or his/her designee.
6. We have established procedures for the maintenance of all required books and records.
7. All clients are fully informed that related persons may receive separate commission compensation when effecting transactions during the implementation process.
8. All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
9. We require delivery and acknowledgement of the Code of Ethics by each supervised person of our firm.
10. We have established policies requiring the reporting of Code of Ethics violations to our senior management.
11. Any individual who violates any of the above restrictions may be subject to termination.



As disclosed in the preceding section of this Brochure (Item 10), related persons of our firm are separately registered as securities representatives of a broker-dealer. Please refer to Item 10 for a detailed explanation of these relationships and important conflict of interest disclosures.

## **Item 11 BROKERAGE PRACTICES**

Steven Charles Capital has the power to select the clearing brokers for their clients; however, this power is only implemented on a very limited basis and a client is able to object to our choice by written letter. Steven Charles Capital will endeavor to recommend or select those brokers or dealers which will provide the best services at the lowest commission rates possible. The factors SCC considers in either selecting or suggesting brokers include financial strength and stability, reputation, ability to provide professional services, the efficiency with which it is expected that the transactions will be effected, the selection of investment products they offer, the ability to effect transactions in cases involving a large block of a particular security, competitive commission rates and prices, trading platform and other services.

Clients who direct Steven Charles Capital to use a particular broker may not receive commission rates or execution of transactions as favorable as clients who give SCC full discretion to select the broker for portfolio transactions. Unless specifically requested, SCC will generally not negotiate commission rates in these cases, but a lower rate may be negotiated by the client on his own behalf. In any case, if a client insists on using a broker that they believe provides additional services that offset the best possible price and most favorable execution, a Steven Charles Capital Directed Brokerage Letter must be signed by the client and on file before any transactions occur.

Brokers that we select to execute transactions may from time to time refer clients to our firm. Steven Charles Capital will not make commitments to any broker or dealer to compensate that broker or dealer through brokerage or dealer transactions for client referrals; however, a potential conflict of interest may arise between the client's interest in obtaining best price and execution and SCC's interest in receiving future referrals.

Steven Charles Capital does not currently have any soft-dollar arrangements and does not receive any soft-dollar benefits. Steven Charles Capital will block trades where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts, so long as transaction costs are shared equally and on a pro-rated basis between all accounts included in any such block.

Steven Charles Capital, Ltd., may recommend that clients establish brokerage accounts with the Schwab Institutional division of Charles Schwab & Co., Inc. ("Schwab"), a FINRA registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Although we recommend that clients establish accounts at Schwab, it is the client's decision to custody assets with Schwab. Steven Charles Capital, Ltd., is independently owned and operated and not affiliated with Schwab.

Schwab provides Steven Charles Capital with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts at Schwab Institutional. These services are not contingent upon our firm committing to Schwab any specific amount of business (assets in custody or trading commissions). Schwab's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For our client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Schwab Institutional also makes available to our firm other products and services that benefit Steven Charles Capital but may not directly benefit our clients' accounts. Many of these products and services may be used to service all or some substantial number of our client accounts, including accounts not maintained at Schwab.

Schwab's products and services that assist us in managing and administering our clients' accounts include software and other technology that

- i. provide access to client account data (such as trade confirmations and account statements);

- ii. facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- iii. provide research, pricing and other market data;
- iv. facilitate payment of our fees from clients' accounts; and
- v. assist with back-office functions, recordkeeping and client reporting. Schwab Institutional also offers other services intended to help us manage and further develop our business enterprise. These services may include:
  - i. compliance, legal and business consulting;
  - ii. publications and conferences on practice management and business succession; and
  - iii. access to employee benefits providers, human capital consultants and insurance providers.

Schwab may make available, arrange and/or pay third-party vendors for the types of services rendered to Steven Charles Capital. Schwab Institutional may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to our firm. Schwab Institutional may also provide other benefits such as educational events or occasional business entertainment of our personnel. In evaluating whether to recommend or require that clients custody their assets at Schwab, we may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors we consider and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

Steven Charles Capital executes trades primarily through Charles Schwab and Pershing. Those clients custodied at Schwab pay \$4.99 per trade while those custodied at Pershing pay \$16.95 per trade. In determining which broker-dealer will be used, Steven Charles Capital discusses with the client the pros and cons of each overall relationship.

## **Item 12 REVIEW OF ACCOUNTS**

**REVIEWS:** While the underlying securities within Individual Portfolio Management Services accounts are continually monitored, these accounts are reviewed at least quarterly. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

These accounts are reviewed  
by:

Steven C. Braverman, CEO/Lead Portfolio Manager and Jeffrey E. Braverman, Executive Vice  
President/Portfolio Manager.

**REPORTS:** In addition to the monthly statements and confirmations of transactions that clients receive from their broker-dealer, Steven Charles Capital provides quarterly reports summarizing account performance, balances and holdings. Specifically, we provide each client with a portfolio appraisal which displays cash balance; type, name and amount (in shares and as a percentage of total assets) of each security; and the cost, current market value, and current yield of each security. Clients may elect to receive these appraisals on a monthly basis instead of quarterly. In addition, clients are sent performance reports every quarter, and taxable clients are provided with Realized Gain & Loss and Income & Expense reports at year end. Other reports are always available upon request.

## **Item 13 CLIENT REFERRALS AND OTHER COMPENSATION**

Steven Charles Capital's active involvement in the financial community occasionally results in the acquisition of management clients from registered representatives of securities brokers and other solicitors. In return for these clients, the clients' accounts will be domiciled at the firm of the referring broker and all commissions generated in that account will be so directed; other solicitors are paid a fee equal to a percentage of the management fees earned by SCC.

Our firm may also pay referral fees to independent persons or firms ("Solicitors") for introducing clients to us. Whenever we pay a referral fee, we require the Solicitor to provide the prospective client with a copy of this document (our *Firm Brochure*) and a separate disclosure statement that includes the following information:

- the Solicitor's name and relationship with our firm;
- the fact that the Solicitor is being paid a referral fee;
- the amount of the fee. As a matter of firm practice, the advisory fees paid to us by clients referred by solicitors are not increased as a result of any referral.

It is Steven Charles Capital's policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

#### **Item 14 CUSTODY**

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

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.

In addition to the periodic statements that clients receive directly from their custodians, we also send account statements directly to our clients on a quarterly basis. We urge our clients to carefully compare the information provided on these statements to ensure that all account transactions, holdings and values are correct and current.

Our firm does not have actual or constructive custody of any client accounts.

#### **Item 15 INVESTMENT DISCRETION**

Clients may hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

Our discretionary authority includes the ability to do the following without contacting the client:

- determine the security to buy or sell; and/or
- determine the amount of the security to buy or sell

However, trades are executed according to each individual client's investment objectives, and SCC can only invest up to the full value of an account. SCC shall be free to sell securities without regard for the length of time they have been held or the gain or loss that may be realized, but clients may direct Steven Charles Capital to sell, or avoid selling, particular securities for the purpose of realizing a capital loss or avoiding a capital gain. SCC does not have the authority to withdraw funds or securities from any of their clients' accounts, except when clients direct SCC in writing to deduct their management fees from their accounts.

Clients give us discretionary authority when they sign a discretionary agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

#### **Item 16 VOTING CLIENT SECURITIES**

Steven Charles Capital 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 17 FINANCIAL INFORMATION**

Under no circumstances do we require or solicit payment of fees in excess of \$1200 per client 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 client accounts, we are also required to disclose any financial condition that is reasonable likely to impair our ability to meet our contractual obligations. Steven Charles Capital has no additional financial circumstances to report.

Steven Charles Capital, Ltd, has not been the subject of a bankruptcy petition at any time during the past ten years.

## **Part 2B of Form ADV:** *Brochure Supplement*

**Steven Charles Capital, Ltd.**  
200 Canal View Blvd., Suite 203  
Rochester, NY 14623  
Telephone: 585-325-1870, Fax: 585-325-1879  
Email: [www.stevencharlescapital.com/contact/](http://www.stevencharlescapital.com/contact/)  
Web Address: [www.stevencharlescapital.com](http://www.stevencharlescapital.com)

3-31-2021

This brochure supplement provides information about the individuals listed above that supplement the Steven Charles Capital Ltd., brochure. You should have received a copy of that brochure. Please contact Jeffrey Braveman at 585-325-1870 if you did not receive Steven Charles Capital's brochure or if you have any questions about the contents of this supplement.

**STEVEN C. BRAVERMAN**  
CEO/LEAD PORTFOLIO MANAGER

**Item 2 Educational Background and Business Experience**

Full Legal Name: Steven Charles Braverman  
Born: 1945

Education

- Colgate University; BA, Psychology (Minored in Economics); 1967
- New York University- Stern School of Business; Finance; 1969

Business Experience

- Steven Charles Capital, Ltd.; CEO/Lead Portfolio Manager; from 1986 to Present
- Excel Securities & Associates, Inc.; Registered Representative; from 2004 to Present
- Boston Security Counselors; Senior Vice President; from 1984 to 1986
- Merrill Lynch, Pierce, Fenner & Smith; Account Executive; from 1981-1984
- Paine Webber; Account Executive; from 1978-1981

**Item 3 Disciplinary Information**

Steven Braverman has no reportable disciplinary history.

**Item 4 Other Business Activities**

A. Investment-Related Activities

Member FINRA, as a registered representative. Excel trades are executed and cleared through Pershing LLC, a wholly-owned subsidiary of The Bank of New York. Clients should be aware that these services pay a commission and involve a possible conflict of interest, as commissionable products can conflict with the fiduciary duties of a registered investment advisor. SCC 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 execute trades through Mr. Braverman in his capacity as a registered representative.

B. Non-Investment-Related Activities

Steven Braverman is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his time.

**Item 5 Additional Compensation**

Mr. Braverman does not receive any economic benefit from a non-advisory client for the provision of advisory services.

**Item 6 Supervision**

As CEO of Steven Charles Capital, Ltd., Steven Braverman is not supervised by other persons. However, SCC has in place written supervisory procedures that are designed to detect and prevent violations of the securities laws, rules and regulations and works closely with the Chief Compliance Officer Daniel Braverman.

**JEFFREY E. BRAVERMAN**  
EXECUTIVE VICE PRESIDENT/LEAD PORTFOLIO MANAGER

**Item 2 Educational Background and Business Experience**

Full Legal Name: Jeffrey Evan Braverman

Born: 1974

Education

- Colgate University; BA, Economics; 1996
- University of Rochester- Simon School of Business; MBA, Business; 2000

Business Experience

- Steven Charles Capital, Ltd.; Executive VP/Director of Research; from 1996 to Present
- Excel Securities & Associates, Inc.; Licensed Support Staff Member; from 2010 to Present

**Item 3 Disciplinary Information**

Jeffrey Braverman has no reportable disciplinary history.

**Item 4 Other Business Activities**

A. Investment-Related Activities

Jeffrey Braverman will maintain a securities license with Excel Securities & Associates, Inc. ("Excel"), Member FINRA, as a licensed support staff member. At this time, Mr. Braverman is not a registered representative and is not earning any commissions.

B. Non-Investment-Related Activities

Jeffrey Braverman is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his time.

**Item 5 Additional Compensation**

As stated above, Jeffrey Braverman is not considered a registered representative of Excel Securities & Associates, Inc. and is not currently earning any commissions

Mr. Braverman does not receive any economic benefit from a non-advisory client for the provision of advisory services.

**Item 6 Supervision**

Jeffrey Braverman is supervised by Steven Charles Braverman President and CEO. Jeffrey also works closely with the Chief Compliance Officer, Daniel Braverman.



**DANIEL L. BRAVERMAN**  
**CHIEF COMPLIANCE OFFICER**

**Item 2 Educational Background and Business Experience**

Full Legal Name: Daniel Lewis Braverman  
Born: 1976

Education

- Princeton University; BA, Religion; 1999
- Harvard University Law School; 2004

Business Experience

- Steven Charles Capital, Ltd.; Founder Ivest Israel/CCO; from April 2014 to Present
- CCA Global Partners; Director of Strategy and Business Development from 2009 to 2014
- Goodwin Procter LLP; Capital Markets Attorney; from 2006-2008
- Free SAT; Founder and President; from 2000-2006
- BlackRock; Account Executive; from 1999-2000

**Item 3 Disciplinary Information**

Daniel Braverman has no reportable disciplinary history.

**Item 4 Other Business Activities**

A. Investment-Related Activities

At this time, Mr. Braverman is not a registered representative and is not earning any commissions.

B. Non-Investment-Related Activities

Daniel L. Braverman is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his time.

**Item 5 Additional Compensation**

As stated above, Daniel Braverman is not considered a registered representative of Excel Securities & Associates, Inc. and is not currently earning any commissions

Mr. Braverman does not receive any economic benefit from a non-advisory client for the provision of advisory service.

**Item 6 Supervision**

Daniel Braverman is supervised by Steven Charles Braverman, CEO/Lead Portfolio Manager.