



## **Form ADV Part 2A – Brochure**

### **Archer Investment Management, LLC**

**8701 N. MoPac Expressway, Suite 160  
Austin, Texas 78759**

**(800) 840-5946**

**[www.ArcherIM.com](http://www.ArcherIM.com)**

**CRD #: 146852**

**March 2021**

This Brochure provides information about the qualifications and business practices of Archer Investment Management, LLC. If you have any questions about the contents of this Brochure, please contact us at (800) 840-5946 or Rich@ArcherIM.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.

Archer Investment Management, LLC is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with information about that adviser which you use to determine whether to hire or retain them.

Additional information about Archer Investment Management, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) and at [www.ArcherIM.com](http://www.ArcherIM.com). The SEC's web site also provides information about any persons affiliated with Adviser who are registered, or are required to be registered, as investment adviser representatives of Adviser.

We will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. We will further provide other ongoing disclosure information about material changes as necessary. We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge upon request. Currently, our Brochure can be requested by contacting Richard Archer, CFA, CFP, MBA, President at (800) 840-5946 or [Rich@ArcherIM.com](mailto:Rich@ArcherIM.com).

## Form ADV Part 2A – Brochure

### *Item 2 – Material Changes*

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The last annual update of this brochure was on March 10, 2020. Material changes that have occurred since that update are as follows:

On July 29, 2020, the Firm's legal name of Aequis Investment Management LLC was changed to Archer Investment Management, LLC.

AIM no longer has a solicitation arrangement with Financial Insight Technology, Inc. (d/b/a SmartAsset).

AIM currently has regulatory assets under management of over \$100 million; therefore, we have registered with the Securities and Exchange Commission.

## ***Item 3 – Table of Contents***

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## ***Item 4 – Advisory Business***

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Archer Investment Management, LLC (“AIM,” “we,” “us”) is an independent, fee-only registered investment advisor (“RIA”) that accepts its responsibility as a fiduciary to put the interests of clients first. All portfolios are managed on a discretionary basis only. All advisors adhere to the Code of Ethics and Professional Conduct set forth by the highly esteemed CFA Institute.

We strive to understand the unique goals and requirements of each client. In doing so, we design customized investment solutions to fulfill each client’s specific liability or funding needs. From the very beginning, our objective is to apply the strategies and ideas provided many large institutional investors to the management of our clients’ portfolios.

Richard Archer, CFA, CFP, MBA launched Archer Investment Management, LLC in April 2008 with the goal of bringing institutional-level sophistication to individuals and nonprofit organizations. Richard Archer spent much of his career working with very large, complex institutional portfolios, and he translates these skills to AIM clients.

### **Investment Services**

Our goal is to deliver institutional-grade investment practices and guidance to individual investors and nonprofits. Our approach is to build a prudent investment process around an Investment Policy Statement (“IPS”) that focuses on your investment objectives, your time frame, and your comfort with risk. This philosophy is designed to achieve long-term investment goals and is based on five core principles:

1. Analyze your current position
2. Formalize your IPS
3. Implement your IPS
4. Diversify and allocate your portfolio
5. Monitor, supervise, and adjust your portfolio with market changes

Our process is a disciplined, continuous cycle of planning, implementing, monitoring, and refining—a cycle we believe helps to ensure success in attaining your overall financial objectives.

### **Our Investment Philosophy**

AIM provides personalized investment advice for high-income professionals and successful families. You will receive customized investment strategies based on your specific circumstances and goals — and you will always understand how those strategies work because AIM can explain even the most complex financial options with crystal clarity. Your customized client website will clearly show you exactly where your portfolio is going and your ongoing progress toward your financial goals; our communications line is always open whenever you have questions.

Along with creating your financial plan, our other focus is on developing the investment portfolio that will help you reach your goals. Our investment approach is disciplined, unemotional, and highly diversified and AIM favors objective advice to “hot stocks” of the moment.

Clients have the ability to tailor their portfolios to their needs. For instance, socially responsible and higher risk investment portfolios can be built upon request.

## Statements and Reports

Charles Schwab & Co., Inc. (“Schwab”) is the custodian of most of AIM’s client accounts, while a few accounts are held at TD Ameritrade, Inc. (“TD Ameritrade”). Each month, Schwab and TD Ameritrade send each client a statement detailing the current positions and valuations. In addition, trade confirmations are sent by Schwab and TD Ameritrade when AIM conducts a trade in an account. At the end of the year, all clients receive Forms 1099 for their taxable accounts and trade reconciliation statements on non-taxable accounts.

The Schwab Alliance website offers an array of daily print-on-demand reports that clients can download. Most clients elect to receive statements and confirmations by email rather than by regular mail.

Clients can also log in to their investment management portal at any time to view the *after-fee* performance of each account over various time periods.

## Additional Services

In addition to investment management, we can assist you with the following:

- Transferring and consolidating assets
- Comprehensive Financial Planning
- Estate Planning
- Retirement planning
  - 401(k) and 403(b) rollovers and investment selection
  - Traditional and Roth IRAs
  - ORP and TSA plan management
  - Portfolio income generation
- Education funding
  - 529 plans and other savings vehicles
- Executive Compensation
  - Stock options
  - Concentrated stock holdings
  - Deferred compensation
- Small business retirement plans
  - Individual 401(k)s
  - Personal Defined Benefit Plans
  - Qualified Retirement Plans
  - SEP IRAs
  - SIMPLE IRAs
- Financial life events such as inheritances, home purchases, etc.

## Assets Under Management

As of February 24, 2021, assets under management and number of accounts totaled:

|                    | U.S. Dollar Amount | Total Number of Accounts |
|--------------------|--------------------|--------------------------|
| Discretionary:     | (a) \$ 125,481,719 | (d) 573                  |
| Non-Discretionary: | (b) \$ 0           | (e) 0                    |
| Total:             | (c) \$ 125,481,719 | (f) 573                  |

## Item 5 – Fees and Compensation

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AIM is compensated by our clients through a monthly investment management fee that is calculated according to the size of the account. Trades will not be placed in all client portfolios every month, but AIM will still charge the ongoing management fee. Grandfathered accounts will be billed quarterly. Our standard fee schedule is as follows:

- 1.00% per year on assets under management up to \$2,500,000
- 0.50% per year on assets under management from \$2,500,000 to \$10,000,000
- 0.15% per year on assets under management greater than \$10,000,000

The fee will be based on a percentage of the net asset value, or total assets minus liabilities, of the account. The net asset value of securities in the account shall be calculated using the average daily balance on the largest securities exchanges or over-the counter market, as applicable. Fees are payable within thirty (30) days following the end of each month. Fees and services are negotiable and can be waived under any circumstances in AIM's sole discretion. Financial planning is also offered at a rate of \$200 per hour.

The specific manner in which fees are charged by AIM is established in a written Investment Management Agreement with AIM. Clients will be billed in arrears each calendar month. Clients authorize AIM to directly debit fees from client accounts. The monthly invoices we provide clients include the fee calculation formula, amount of assets the fees are based upon, and the time periods covered by the fee and are sent to clients before fees are deducted from their accounts. Management fees shall be prorated for each capital contribution and withdrawal made during the applicable calendar month (with the exception of very small contributions and withdrawals). Accounts initiated or terminated during a calendar month will be charged a prorated fee. Upon termination of any account, any unpaid fees will be due and payable.

Clients' average management fee will be reduced by AIM by "householding" their investment accounts. For example, a household could have multiple account types, including brokerage, retirement, trust, and otherwise, and AIM will aggregate all account balances for purposes of calculating the investment management fee according to the aforementioned fee schedule.

AIM's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses that will be incurred by the client. Clients will incur charges imposed by custodians, brokers, third parties (such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer

taxes, wire transfer and electronic fund fees), and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees, and commissions are exclusive of and in addition to AIM's fee, and AIM shall not receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that AIM considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (*e.g.*, commissions).

AIM uses FeeX, an online platform, to directly manage client 401ks, 403bs, and other employer-based retirement plans. The client securely logs into the site and allows AIM to manage the accounts without taking custody of the assets. FeeX charges AIM a percentage of assets under management annually. The client does not pay extra for this service.

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

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AIM does not charge any performance-based fees, i.e., fees based on a share of capital gains on or capital appreciation of the assets of a client.

## ***Item 7 – Types of Clients***

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AIM provides portfolio management services to individuals (including high net worth individuals), charitable institutions, foundations, and endowments. AIM has a \$500,000 account minimum for initiating a new client relationship. In other words, the total value of all accounts under management must total at least \$500,000 at the time of initial client engagement. AIM reserves the right to waive this account minimum in its sole discretion.

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

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AIM's strategy is built for those who desire low-fee, tax-efficient portfolio management that pays special attention to risk control. Our firm's proprietary strategy employs a diversified and disciplined approach to protecting clients' assets. We generally invest in publicly traded stocks, mutual funds, exchange traded funds ("ETFs"), and bonds. Each client's portfolio will vary based on the acceptable risk and the size of the portfolio. Portfolios typically hold such investments as domestic and international stocks, bonds, commodities, and hedge funds. There will be no direct investment in commodities or hedge funds. When utilized, ETFs and mutual funds will be used for exposure to these investments.

Our firm believes the market is the best gauge of an investment's value and we aim to limit risk through diversification. When you have the appropriate asset mix, relatively low investment costs and taxes, and actively work to protect against loss, you have a much higher probability of reaching your financial goals. We use research provided by such sources as Morningstar, Dimensional Fund Advisors, Bloomberg, Bespoke Investment Group, Goldman Sachs, Schwab, TD Ameritrade, the Wall Street Journal, and Yahoo! Finance.



Not all investment advisers and custodians can hold funds provided by Dimensional Fund Advisors or invest in these funds. If a client changes adviser, there could be limitations to buying and selling these funds and these limitations could affect a client's future taxes and transactions costs.

We cannot guarantee our analysis methods will yield a return. In fact, a loss of principal is always a risk. Investing in securities involves a risk of loss that you should be prepared to handle. The investment decisions we make for you will not always be profitable nor can we guarantee any level of performance. Investing in the markets involves risk that clients should be prepared to bear.

## ***Item 9 – Disciplinary Information***

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

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

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As a fiduciary, AIM has certain legal obligations, including the obligation to act in clients' best interest. AIM maintains a Business Continuity and Succession Plan and seeks to avoid a disruption of service to clients in the event of an unforeseen loss of key personnel, due to disability or death. To that end, AIM has a succession agreement with Buckingham Strategic Wealth, LLC. AIM can provide additional information to any current or prospective client upon request to Richard J. Archer, President at (512) 689-6498 or [Rich@archerim.com](mailto:Rich@archerim.com).

## ***Item 11 – Code of Ethics***

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AIM has adopted a Code of Ethics ("Code") for all supervised persons of the firm describing its high standard of business conduct and fiduciary duty to its clients. The Code includes provisions relating to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at AIM must acknowledge the terms of the Code annually, or as amended.

AIM will likely invest client accounts in investments in which AIM holds a portfolio position. AIM's employees are required to follow AIM's Code of Ethics. Subject to Code and applicable laws, employees of AIM trade for their own accounts in securities that are recommended to and/or purchased for AIM's clients. The Code is designed to assure that the personal securities transactions, activities, and interests of the employees of AIM will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing those decisions while allowing employees to invest for their own accounts.

Under the Code, certain classes of securities have been designated as exempt transactions, based upon a determination that these would not materially interfere with the best interest of AIM's clients. In addition, the Code requires pre-clearance of many transactions, and restricts trading in close proximity to client

trading activity except for exempt transactions. Nonetheless, because the Code in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between AIM and its clients.

Periodically, AIM's and employee accounts trade in the same securities with client accounts by trading at the same time and varying the order of client portfolio buckets which are traded first.

AIM's clients or prospective clients can request a copy of the firm's Code of Ethics by contacting Richard J. Archer, CFA, CFP, MBA, President.

It is AIM's policy that the firm will not execute any principal or agency cross securities transactions for client accounts. AIM will also not cross trades between client accounts.

## ***Item 12 – Brokerage Practices***

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### **Selection of Brokers**

AIM recommends that clients establish brokerage accounts with the Schwab Institutional divisions of Charles Schwab & Co., Inc., a registered broker-dealer, Member SIPC/NYSE or the TD Ameritrade Institutional program, which is a division of TD Ameritrade, Inc., member FINRA/SIPC or other qualified broker-dealers to maintain custody of clients' assets and to effect trades for their accounts. Schwab and TD Ameritrade are independent and unaffiliated SEC-registered broker-dealers.

### **Soft Dollars**

AIM receives some items described below that are construed as soft dollar items, but otherwise has no formal soft dollar arrangement.

Schwab Institutional and TD Ameritrade provide AIM with access to their institutional trading and operations services, which are typically not available to Schwab or TD Ameritrade retail investors. The services from Schwab Institutional generally are available to independent investment advisors at no charge to them so long as a total of \$10 million of the adviser's clients' account assets are maintained at Schwab Institutional. The benefits received from TD Ameritrade do not depend on the amount of brokerage transactions directed to TD Ameritrade.

Schwab Institutional and TD Ameritrade services include research, brokerage, custody, access to mutual funds and other investments that are otherwise available only to institutional investors or would require a significantly higher minimum initial investment. Schwab Institutional and TD Ameritrade also make available to AIM other products or services that benefit AIM but do not always benefit its clients/accounts. Some of these other products and services assist AIM in managing and administering clients' accounts. These include software and other technology that provide access to client account data (e.g., trade confirmations and account statements), facilitate trade execution (e.g., allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of AIM's fees from its clients' accounts, and assist with back office support, record

keeping and client reporting. Many of these services generally are used to service all or a substantial number of AIM's accounts, including accounts not maintained at Schwab Institutional or TD Ameritrade.

Schwab Institutional and TD Ameritrade also provide AIM with other services intended to help AIM manage and further develop management, information technology, business succession, regulatory compliance, and marketing. In addition, Schwab and TD Ameritrade can make available, arrange and/or pay for these types of services to AIM by independent third parties. Schwab Institutional and TD Ameritrade can 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 AIM. Soft dollar benefits are not proportionally allocated to any accounts that generate different amounts of the soft dollar benefits. All of the above benefits provided to AIM by Schwab and TD Ameritrade creates an incentive for AIM to recommend Schwab or TD Ameritrade as custodian and/or broker-dealer for client assets even when best execution for certain securities trades can be obtained elsewhere. This incentive creates a potential conflict of interest. In accordance with our fiduciary duty, we will act in our clients' best interest.

## **Brokerage for Client Referrals**

We do not receive any compensation or incentive for referring you to broker-dealers for brokerage trades.

## **Directed Brokerage**

Not all advisory firms require you to direct brokerage to a specific broker-dealer. We have an obligation to seek best execution for you. In seeking best execution, the determinative factor is not the lowest possible commission 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, commission rates, and responsiveness. Therefore, we will seek competitive commission rates, but we are not required to obtain the lowest possible commission rates for account transactions.

In recommending Schwab or TD Ameritrade as custodian and as the securities brokerage firm responsible for executing transactions for your portfolios, we consider at a minimum their:

- existing relationship with us,
- financial strength,
- reputation,
- reporting capabilities,
- execution capabilities,
- pricing, and
- types and quality of research.

The determining factor in the selection of a broker-dealer/custodian to execute transactions for your accounts is not the lowest possible transaction cost, but whether they can provide what is in our view the best qualitative execution for your account.

By directing brokerage to Schwab or TD Ameritrade, you could pay higher fees or transaction costs than those obtainable by other broker-dealers. In most cases, we believe you are paying a discounted and reasonable rate. You could pay higher or lower fees if you select another broker-dealer. Generally, we will not negotiate lower rates below the rates established by the executing broker-dealer for this type of directed brokerage account, unless we believe that such rate is unfair or unreasonable for the size and type of transaction. We believe that Schwab and TD Ameritrade charge industry standard charges on transactions they handle for us.

Transactions for each client account generally will be effected independently, unless we decide to purchase or sell the same securities for several clients at approximately the same time. We typically (but are not obligated to) combine or “batch” such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among our clients’ differences in prices and commission or other transaction costs. Under this procedure, transactions will be price-averaged and allocated among our clients in proportion to the purchase and sale orders placed for each client account on any given day.

### ***Item 13 – Review of Accounts***

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Portfolios are evaluated in light of the client’s Investment Policy Statement and AIM’s investment discipline on a daily basis. Reviews are conducted by Richard Archer, CFA, CFP, MBA, President.

From the custodians, clients receive monthly account statements indicating activity, previous portfolio balances, current portfolio balance, and an overall account summary. Clients have daily access to performance and portfolio data through client portals on our website. Written performance reports are available upon request. Written quarterly billing receipts are provided through the portals.

Financial plans are reviewed with clients as needed. No formal ongoing review or updating of financial plans is conducted unless requested by the client.

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

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AIM engages independent solicitors to provide client referrals. If a client is referred to AIM by a solicitor, this practice is disclosed to the client in writing by the solicitor and AIM pays the solicitor out of its own funds — specifically, AIM generally pays the solicitor a portion of the advisory fees earned for managing the capital of the client that was referred. The use of solicitors is strictly regulated under applicable federal and state law. AIM’s policy is to fully comply with the requirements of Rule 206(4)-3, under the Investment Advisers Act of 1940, as amended, and similar state rules, as applicable. AIM receives client referrals from the following solicitor: Zoe Financial, Inc. through its participation in Zoe Advisor Network (ZAN) (the “Solicitor”). The Solicitor is independent of and unaffiliated with AIM and there is no employee relationship between them. Zoe Financial, Inc. established ZAN as a means of referring individuals and other investors seeking fee-only personal investment management services or financial planning services to independent investment advisors. The Solicitor does not supervise AIM nor has responsibility for AIM’s management of client portfolios or AIM’s other advice or services. AIM pays Zoe Financial, Inc. an on-

going fee for each successful client referral. This fee is usually a percentage of the advisory fee that the client pays to AIM ("Solicitation Fee"). Such compensation will be paid pursuant to a written agreement with the Solicitor and generally can be terminated by either party from time to time. The cost of any such fees will be borne entirely by AIM and not by any affected client. AIM will not charge clients referred through the Solicitor any fees or costs higher than its standard fee schedule offered to its clients. For information regarding additional or other fees paid directly or indirectly to Zoe Financial, Inc., please refer to the Zoe Financial, Inc. Disclosure and Acknowledgement Form.

AIM and other outside professionals periodically refer clients to each other. Neither AIM nor the outside professional receives a fee for the referral.

## ***Item 15 – Custody***

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We do not have physical custody of any accounts or assets. However, we are deemed to have custody of your account(s) if we have the ability to deduct your monthly fees from the custodian. To mitigate this, we do the following for clients:

- The invoices we provide clients include the fee calculation formula, amount of assets the fees are based upon, and the time period covered by the fee. Invoices are sent to clients before fees are debited from client accounts.
- Clients receive at least quarterly statements from the broker-dealer, bank or other qualified custodian that holds and maintains client's investment assets. AIM urges you to carefully review such statements and compare such official custodial records to the account statements and performance evaluations that we provide to you. Our statements could vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. If you notice any discrepancies, please contact the Chief Compliance Officer.
- All fees are clearly described to and authorized by clients in our Investment Management Agreement.

## ***Item 16 – Investment Discretion***

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AIM receives discretionary authority to select the identity and amount of securities to be bought or sold from the client through the execution of a detailed investment management agreement and a limited power of attorney at the outset of an advisory relationship. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives and the custom Investment Policy Statement for the particular client account. When selecting securities and determining amounts, AIM observes the investment policies, limitations, and restrictions of the clients whom it advises. Investment guidelines and restrictions must be provided to AIM in writing through an Investment Policy Statement.

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

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As a matter of firm policy and practice, we do not have any authority to and do not vote proxies on behalf of advisory clients. You retain the responsibility for receiving and voting proxies for any and all securities

maintained in your portfolios. By request, we will provide advice to you regarding your voting of proxies. We are authorized to instruct the custodian to forward you copies of all proxies and shareholder communications relating to your account assets.

### ***Item 18 – Financial Information***

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Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about AIM's financial condition. AIM has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.