

RRBB Asset Management, LLC

**111 Dunnell Road, Suite 100
Maplewood, New Jersey 07040**

**Telephone: 973-763-7727
Facsimile: 973-763-4430**

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FORM ADV PART 2A BROCHURE

This brochure provides information about the qualifications and business practices of RRBB Asset Management, LLC. If you have any questions about the contents of this brochure, please contact us at 973-763-7727. 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 RRBB Asset Management, LLC (CRD No. 157823) is available on the SEC's website at www.adviserinfo.sec.gov.

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

Item 2 Summary of Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

Since the filing of our last annual updating amendment, dated February 29, 2020 we have made the following material changes:

We revised Item 9 to disclose that on April 21, 2020 RRBB Asset Management, LLC ("RRBB") and Carl Schwartz ("Mr. Schwartz") were notified that the Securities and Exchange Commission has made a preliminary determination to recommend that the Commission file an enforcement action against RRBB and Mr. Schwartz. Specifically, the proposed action would allege violations of Sections 17(a)(1) and 17(a)(2) of the Securities Act of 1933 ("Securities Act"), Section 10(b) of the Securities and Exchange Act of 1934 ("Exchange Act") and Rule 10b-5 thereunder, and Sections 206(1), 206(2) and 207 of the Investment Advisers Act of 1940 ("Advisers Act") against both RRBB and Mr. Schwartz and allegations of violations of Sections 206(1) and 206(2) of the Advisers Act or, in the alternative, that he aided and abetted RRBB's primary violations of those provisions. The proposed action would also allege that RRBB violated Section 206(4) of the Advisers Act and Rule 206(4)-7 thereunder and that Mr. Schwartz aided and abetted RRBB's primary violations of those provisions. The recommendation may involve a civil injunctive action, public administrative proceeding, and/or cease-and-desist proceeding, and may seek remedies that include injunctions, cease-and-desist orders, disgorgement, pre-judgment interest, civil money penalties, bars from appearing or practicing before the commission, censure, and limitations on activities or bars from association.

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Item 4 Advisory Business

RRBB Asset Management, LLC is a registered investment adviser based in Maplewood, New Jersey. The firm is organized as a limited liability company under the laws of the State of New Jersey. We have been providing investment advisory services since 2011. Rosenberg Rich Baker Berman & Co. P.A. and Carl S. Schwartz are our principal owners.

As used in this brochure, the words "we," "our," "firm," and "us" refer to RRBB Asset Management, LLC and the words "you," "your," and "client" refer to you as either a client or prospective client of our firm. Also, you may see the term "Associated Person" throughout this brochure. As used in this brochure, our Associated Persons are our firm's officers, employees, and all individuals providing investment advice on behalf of our firm.

Our advisory services include: Discretionary and Non-discretionary Portfolio Management, Financial Planning, and Selection of Other Advisers. Please refer to the description of each investment advisory service listed below for information on how we tailor our advisory services based on an analysis of your financial situation, personal balance sheet complexities, and individualized needs.

Portfolio Management Services

We provide discretionary and non-discretionary portfolio management services in accordance with your individual investment objectives. If you participate in our discretionary portfolio management services, we require you to grant our firm discretionary authority to manage your account. Discretionary authority is typically granted by the investment advisory agreement you sign with our firm, a power of attorney, or trading authorization forms. Discretionary authorization will allow our firm to determine the specific securities, and the amount of securities, to be purchased or sold for your account without your approval prior to each transaction. In limited circumstances, and at our sole discretion, we may allow clients to impose restrictions on the investments made for their account. We may also manage advisory accounts on a non-discretionary basis, meaning specific client consent must be granted prior to each transaction. You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

You may make additions to and withdrawals from your account at any time. You may withdraw account assets on notice to our firm, and subject to the usual and customary securities settlement procedures. However, we design our portfolios as long-term investments and asset withdrawals may impair the achievement of your specific investment objectives.

Selection of Other Advisers

As part of our investment advisory services, we may also recommend third-party money managers ("MM") to you for investment management services. The MM may be retained to manage a portion of, or your entire portfolio. In doing so, our primary objective is to align you with the appropriate MM(s) to allow you to capitalize on opportunities that will strengthen or enhance your personal wealth. Under such arrangements, we will monitor the MM's performance to ensure that it remains aligned with your stated investment goals and objectives.

Factors that we take into consideration when making our recommendation(s) include, but are not limited to, the following: the MM's performance, methods of analysis, fees, your financial needs, investment goals, risk tolerance, and investment objectives.

Wrap Fee Program(s)

We do not currently offer wrap fee programs.

Types of Investments

We recommend various types of securities and we do not necessarily recommend one particular type of security over another since each client has different needs and different tolerances for risk. We may also advise you on any type of investment held in your portfolio at the inception of our advisory relationship, or on specific types of investments at your request. You may request that we refrain from investing in particular securities or certain types of securities. You must provide these restrictions to our firm in writing.

Assets Under Management

As of March 29, 2021, we provide advice on \$10,000,000 of assets under advisement.

Item 5 Fees and Compensation**Portfolio Management Fees**

Generally, we charge an annualized fee of 1.25% for portfolio management services. The fee is based on a percentage of assets under management and is negotiable based on the size, asset composition and complexity of the client account. The fees and terms of payment will be clearly set forth in the executed agreement for services.

Our annual portfolio management fee is billed and payable quarterly in arrears based on the value of your account on the last day of the quarter. If the portfolio management agreement is executed at any time other than the first day of a calendar quarter, our fees will apply on a pro rata basis, which means that the advisory fee is payable in proportion to the number of days in the quarter for which you are a client.

We will deduct our fee directly from your account through the qualified custodian holding your funds and securities. We will deduct our advisory fee only when the following requirements are met:

- You provide our firm with written authorization permitting the fees to be paid directly from your account held by the qualified custodian.
- We have a reasonable basis, after due inquiry, for believing that the qualified custodian of your account sends an account statement to you, at least quarterly, identifying the amount of funds and of each security in the account at the end of the period and setting forth all transactions in the account during that period, including the amount of any fees paid directly to our firm.

Either party may terminate the portfolio management agreement upon 30-days' written notice to the other party. You will incur a pro rata charge for services rendered prior to the termination of the portfolio management agreement, which means you will incur advisory fees only in proportion to the number of days in the quarter for which you are a client. Refunds are not applicable since our management fee is payable in arrears.

We encourage you to reconcile our invoices with the statement(s) you receive from the qualified custodian. If you find any inconsistent information between our invoice and the statement(s) you receive from the qualified custodian please call our main office number located on the cover page of this brochure.

Financial Planning/Pension Consulting Fees

We charge an hourly fee for financial planning and/or pension consulting services that ranges between \$100 and \$300. Our fees are negotiable, and are payable in arrears, as invoiced.

If you have retained our services for portfolio management, we do not assess additional fees for these services.

Selection of Other Advisers Fees

We do not charge you a separate fee for the selection of other advisers. We will share in the advisory fee you pay directly to the MM. The advisory fee you pay to the MM is established and payable in accordance with the brochure provided by each MM to whom you are referred. These fees may or may not be negotiable. Our compensation may differ depending upon the individual agreement we have with each MM. As such, a conflict of interest may arise where we may have an incentive to recommend one MM over another MM with whom we have more favorable compensation arrangements or other advisory programs offered by MMs with whom we have less or no compensation arrangements.

If you are referred to a MM(s), you will receive full disclosure, including services rendered and fee schedules, at the time of the referral by delivery of a copy of the relevant MM's Form ADV Part 2 or equivalent disclosure document. Either our firm or the MM will provide you with all appropriate disclosure statements, including disclosure of any solicitation fees we may receive.

You may be required to sign an agreement directly with the recommended MM(s). You may terminate your advisory relationship with the MM according to the terms of your agreement with the MM. You should review each MM's brochure for specific information on how you may terminate your advisory relationship with the MM and how you may receive a refund, if applicable. You should contact the MM directly for questions regarding your advisory agreement with the MM.

Associated Persons of our firm may, from time to time, attend conferences offered by various vendors and/or wholesalers. These conferences may be available to these persons at a discounted rate or no cost.

Additional Fees and Expenses

As part of our investment advisory services to you, we may invest, or recommend that you invest, in mutual funds and exchange traded funds ("ETFs"). The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or ETFs (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. You will also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through whom your account transactions are executed. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian. To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, ETFs, our firm, and others. For information on our brokerage practices, please refer to the *Brokerage Practices* section below.

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

We do not accept performance-based fees or participate in side-by-side management. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Our fees are calculated as described in the *Advisory Business* section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

Item 7 Types of Clients

We typically offer investment advisory services to individuals, pension and profit sharing plan participants, trusts, estates, charitable organizations, corporations, and other business entities. In general, we do not require a minimum dollar amount to open and maintain an advisory account; however, we have the right to terminate your account if it falls below a minimum size which, in our sole opinion, is too small to effectively manage.

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

We may use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

- Charting Analysis - involves the gathering and processing of price and volume information for a particular security. This price and volume information is analyzed using mathematical equations. The resulting data is then applied to graphing charts, which is used to predict future price movements based on price patterns and trends.
- Fundamental Analysis - involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's stock compared to the current market value.
- Technical Analysis - involves studying past price patterns and trends in the financial markets to predict the direction of both the overall market and specific stocks.
- Cyclical Analysis - a type of technical analysis that involves evaluating recurring price patterns and trends.
- Long Term Purchases - securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.
- Short Term Purchases - securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations.

Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio. **It is important that you notify us immediately with respect to any material changes to your financial circumstances, including for example, a change in your current or expected income level, tax circumstances, or employment status.**

We may use short-term trading (in general, selling securities within 30 days of purchase) as an investment strategy when managing your account(s). Short-term trading is not a fundamental part of our overall investment strategy, but we may use this strategy occasionally when we determine that it is suitable given your stated investment objectives and tolerance for risk.

Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you continuously consult with a tax professional prior to and throughout the investing of your assets.

Moreover, as a result of revised IRS regulations, custodians and broker-dealers will begin reporting the cost basis of equities acquired in client accounts on or after January 1, 2011. Your custodian will default to the "first-in, first-out" ("FIFO") accounting method for calculating the cost basis of your investments. You are responsible for contacting your tax advisor to determine if this accounting method is the right choice for you. If your tax advisor believes another accounting method is more advantageous, please provide written notice to our firm immediately and we will alert your account custodian of your individually selected accounting method. Please note that decisions about cost basis accounting methods will need to be made before trades settle, as the cost basis method cannot be changed after settlement.

Risk of Loss

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

Recommendation of Particular Types of Securities

As disclosed under the *Advisory Business* section above, we recommend various types of securities and we do not necessarily recommend one particular type of security over another since each client has different needs and different tolerances for risk.

Item 9 Disciplinary Information

On April 21, 2020 RRBB Asset Management, LLC ("RRBB") and Carl Schwartz ("Mr. Schwartz") were notified that the Securities and Exchange Commission has made a preliminary determination to recommend that the Commission file an enforcement action against RRBB and Mr. Schwartz. Specifically, the proposed action would allege violations of Sections 17(a)(1) and 17(a)(2) of the Securities Act of 1933 ("Securities Act"), Section 10(b) of the Securities and Exchange Act of 1934 ("Exchange Act") and Rule 10b-5 thereunder, and Sections 206(1), 206(2) and 207 of the Investment Advisers Act of 1940 ("Advisers Act") against both RRBB and Mr. Schwartz and allegations of violations of Sections 206(1) and 206(2) of the Advisers Act or, in the alternative, that he aided and abetted RRBB's primary violations of those provisions. The proposed action would also allege that RRBB violated Section 206(4) of the Advisers Act and Rule 206(4)-7 thereunder and that Mr. Schwartz aided and abetted RRBB's primary violations of those provisions. The recommendation may involve a civil injunctive action, public administrative proceeding, and/or cease-and-desist proceeding, and may seek remedies that include injunctions, cease-and-desist orders, disgorgement, pre-judgment interest, civil money penalties, bars from appearing or practicing before the commission, censure, and limitations on activities or bars from association

Item 10 Other Financial Industry Activities and Affiliations Advisory Business

We do not have any financial industry activities, affiliations or relationships that are material to our advisory business or to our advisory clients except as listed below.

Accountant or Accounting Firm

Carl S. Schwartz is a Partner of Rosenberg Rich Baker Berman & Company ("RRBB"), a full service certified public accounting ("CPA") firm providing a wide range of accounting services to individuals and business clients. If you require accounting services, we will recommend that you use RRBB. Compensation received by Mr. Schwartz as a CPA is separate and distinct from compensation he receives in his capacity as an investment advisor representative of our firm. Moreover, our advisory services and related fees are separate and distinct from the accounting related services and compensation paid to RRBB for their services. Additionally, Mr. Schwartz may refer accounting clients of RRBB to various third party advisers and he will receive compensation for such referrals. These referral arrangements we have with affiliated entities and unaffiliated third party advisers present a conflict of interest because we may have a financial incentive to recommend these services. While we believe that compensation charged by our affiliates and the unaffiliated third party advisers are competitive, such compensation may be higher than fees charged by other firms providing the same or similar services. You are under no obligation to use our affiliates' services or any unaffiliated third party advisers' services that we recommend and you may obtain comparable services and/or lower fees through other firms. You will not pay additional fees because of this referral arrangement.

Recommendation of Other Advisers

We may recommend that you use a third party money manager ("MM") based on your needs and suitability. We will receive compensation from the MM for recommending that you use their services. These compensation arrangements present a conflict of interest because we have a financial incentive to recommend the services of the third party adviser. You are not obligated, contractually or otherwise, to use the services of any MM we recommend.

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

Description of Code of Ethics

We have adopted a Code of Ethics that sets the standard of conduct expected to comply with applicable securities laws. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. We adhere strictly to these guidelines. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.

A copy of our Code of Ethics is available to clients or prospective clients upon request.

Participation or Interest in Client Transactions

We do not have any material financial interests in client transactions beyond the provision of investment advisory services as disclosed in this brochure.

Personal Trading Practices

Our firm or persons associated with our firm may buy or sell the same securities that we recommend to you or securities in which you are already invested. A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will

receive. To mitigate this conflict of interest, it is our policy that neither our firm nor any of our Associated Persons shall have priority over your account in the purchase or sale of securities. We have also adopted a written Code of Ethics designed to prevent and detect personal trading activities that may interfere or be in conflict with client interests, as discussed above in this section.

These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

Item 12 Brokerage Practices

We recommend the brokerage and custodial services of TD Ameritrade, Inc. (whether one or more "Custodian"). Your assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank. In recognition of the value of the services the Custodian provides, you may pay higher commissions and/or trading costs than those that may be available elsewhere.

We seek to recommend a custodian/broker that will hold your assets and execute transactions on terms that are, overall, the most favorable compared to other available providers and their services. We consider various factors, including:

- Capability to buy and sell securities for your account itself or to facilitate such services.
- The likelihood that your trades will be executed.
- Availability of investment research and tools.
- Overall quality of services.
- Competitiveness of price.
- Reputation, financial strength, and stability.
- Existing relationship with our firm and our other clients.

TD Ameritrade Institutional

We participate in the institutional advisor program (the "Program") offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC ("TD Ameritrade"), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions. We receive some benefits from TD Ameritrade through our participation in the Program.

As disclosed above, we participate in TD Ameritrade's institutional customer program and we may recommend TD Ameritrade to you for custody and brokerage services. There is no direct link between our participation in the Program and the investment advice we give you, although we receive economic benefits through our 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 our participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to your accounts); the ability to have advisory fees deducted directly from your accounts; access to an electronic communications network for 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 us by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by our related persons. Some of the products and

services made available by TD Ameritrade through the Program may benefit us but may not benefit your accounts. These products or services may assist us in managing and administering your accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help us manage and further develop our business enterprise. The benefits received by us or our personnel through participation in the Program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of our fiduciary duties to you, we endeavor at all times to put your interests first. You should be aware, however, that the receipt of economic benefits by us or our related persons in and of itself creates a potential conflict of interest and may indirectly influence our choice of TD Ameritrade for custody and brokerage services.

Research and Other Soft Dollar Benefits

We do not have any soft dollar arrangements.

Economic Benefits

As a registered investment adviser, we have access to the institutional platform of your account custodian. As such, we will also have access to research products and services from your account custodian and/or other brokerage firm. These products may include financial publications, information about particular companies and industries, research software, and other products or services that provide lawful and appropriate assistance to our firm in the performance of our investment decision-making responsibilities. Such research products and services are provided to all investment advisers that utilize the institutional services platforms of these firms, and are not considered to be paid for with soft dollars. However, you should be aware that the commissions charged by a particular broker for a particular transaction or set of transactions may be greater than the amounts another broker who did not provide research services or products might charge.

Brokerage for Client Referrals

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

Directed Brokerage

In limited circumstances, and at our discretion, some clients may instruct our firm to use one or more particular brokers for the transactions in their accounts. If you choose to direct our firm to use a particular broker, you should understand that this might prevent our firm from aggregating trades with other client accounts or from effectively negotiating brokerage commissions on your behalf. This practice may also prevent our firm from obtaining favorable net price and execution. Thus, when directing brokerage business, you should consider whether the commission expenses, execution, clearance, and settlement capabilities that you will obtain through your broker are adequately favorable in comparison to those that we would otherwise obtain for you.

Block Trades

We combine multiple orders for shares of the same securities purchased for discretionary advisory accounts we manage (this practice is commonly referred to as "block trading"). We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. Generally, participating accounts will pay a fixed transaction cost regardless of the number of shares transacted. In certain cases, each participating account pays an average price per share for all transactions and pays a proportionate share of all transaction costs on any given day. In the event an order is only partially filled, the shares will be allocated to participating accounts in a fair and equitable manner, typically in proportion to the size of each client's order. Accounts owned by our firm or persons associated with our firm may participate in block trading with your accounts; however, they will not be given preferential treatment.

We do not block trade for non-discretionary accounts. Accordingly, non-discretionary accounts may pay different costs than discretionary accounts pay. If you enter into non-discretionary arrangements with our firm, we may not be able to buy and sell the same quantities of securities for you and you may pay higher commissions, fees, and/or transaction costs than clients who enter into discretionary arrangements with our firm.

Item 13 Review of Accounts

We monitor client portfolios as part of an ongoing process while regular account reviews are conducted at least annually. You are encouraged to discuss your needs, goals, and objectives with our firm, and to keep us informed of any changes in this information. Carl S. Schwartz, Owner, or another qualified investment adviser representative of our firm will conduct all reviews. Additional reviews may be conducted at your request, or based on various circumstances, including, but not limited to, contributions and withdrawals, year-end tax planning, market moving events, security specific events, and/or, changes in your risk/return objectives.

You will receive transaction confirmation notices and regular summary account statements, at least quarterly, directly from your account custodian. Where available, such information may be accessed online. If any portion of your account is managed by a third party adviser you will receive performance reports and/or statements on those assets directly from the third party adviser's custodian.

Item 14 Client Referrals and Other Compensation

We do not compensate any individual or firm for client referrals.

Refer to the *Other Financial Industry Activities and Affiliations* section above for disclosures on the compensation we may receive from unaffiliated third party investment advisers in connection with referring your account to these unaffiliated firms for investment management services.

TD Ameritrade Institutional Customer Program

As disclosed above under *Item 12 Brokerage Practices*, we participate in TD Ameritrade's Institutional Customer Program ("Institutional Program") and we may recommend TD Ameritrade to clients for custodial and brokerage services. There is no direct link between our participation in the program and the investment advice we give to our clients, although we receive economic benefits through our 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 adviser 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 advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to our firm by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by our Associated Persons. Some of the products and services made available by TD Ameritrade through the program may benefit our firm but may not benefit our Client accounts. These products or services may assist us in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help us manage and further develop our business enterprise. The benefits received by our Firm or our Associated Persons through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of our fiduciary duties to our clients, we endeavor at all times to put the interests of our clients first.

Clients should be aware, however, that the receipt of economic benefits by our firm or our Associated Persons in and of themselves creates a potential conflict of interest and may indirectly influence our choice of TD Ameritrade for custody and brokerage services.

Other Compensation

We receive compensation from one or more registered investment advisers for referring clients to them. This arrangement will not cause you to pay more in advisory fees than you would otherwise pay had there been no solicitor's compensation. All referral fees paid to our firm represent a portion of the fees actually charged to you by such other investment adviser for investment advisory services. There is no differential between the amount or level of investment advisory fees that such other investment adviser will charge for managing the client account(s) in excess of that which they would customarily charge for managing any other new client's account with similar assets and which was not referred to such other investment adviser by our firm.

Item 15 Custody

As paying agent for our firm, your independent custodian will directly debit your account(s) for the payment of our advisory fees. This ability to deduct our advisory fees from your accounts causes our firm to exercise limited custody over your funds or securities. We do not have physical custody of any of your funds and/or securities. Your funds and securities will be held with a bank, broker-dealer, or other independent, qualified custodian. You will receive account statements from the independent, qualified custodian(s) holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate the amount of our advisory fees deducted from your account(s) each billing period. You should carefully review account statements for accuracy.

If you have a question regarding your account statement or if you did not receive a statement from your custodian, contact our firm at the telephone number on the cover page of this brochure.

Trustee Services

In certain select circumstances, persons associated with our firm may agree to serve as trustees to certain accounts for which we also provide investment advisory services. This capacity as trustee gives our firm custody over those specific advisory accounts for which the individual serves as trustee. These accounts will be held with a bank, broker-dealer, or other qualified custodian. If we, or any of our associated persons, act as trustee for any of your advisory accounts, you will receive account statements from the qualified custodian(s) holding your funds and securities at least quarterly. You should carefully review account statements for accuracy.

Item 16 Investment Discretion

Before we can buy or sell securities on your behalf, you must first sign our discretionary management agreement, a power of attorney, and/or trading authorization forms. You may grant our firm discretion over the selection and amount of securities to be purchased or sold for your account(s) without obtaining your consent or approval prior to each transaction. You may specify investment objectives, guidelines, and/or impose certain conditions or investment parameters for your account(s). For example, you may specify that the investment in any particular stock or industry should not exceed specified percentages of the value of the portfolio and/or restrictions or prohibitions of transactions in the securities of a specific industry or security. Please refer to the "Advisory Business" section in this brochure for more information on our discretionary management services.

If you enter into non-discretionary arrangements with our firm, we will obtain your approval prior to the execution of any transactions for your account(s). You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

Item 17 Voting Client Securities

We will not vote proxies on behalf of your advisory accounts. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward any electronic solicitation to vote proxies.

Item 18 Financial Information

We are not required to provide financial information to our clients because we do not:

- require the prepayment of more than \$500 in fees and six or more months in advance, or
- take custody of client funds or securities, or
- have a financial condition that is reasonably likely to impair our ability to meet our commitments to you.

Item 19 Requirements for State-Registered Advisers

We are a federally registered investment adviser; therefore, we are not required to respond to this item.

Item 20 Additional Information

Your Privacy

We view protecting your private information as a top priority. Pursuant to applicable privacy requirements, we have instituted policies and procedures to ensure that we keep your personal information private and secure.

We do not disclose any nonpublic personal information about you to any nonaffiliated third parties, except as permitted by law. In the course of servicing your account, we may share some information with our service providers, such as transfer agents, custodians, broker-dealers, accountants, consultants, and attorneys.

We restrict internal access to nonpublic personal information about you to employees, who need that information in order to provide products or services to you. We maintain physical and procedural safeguards that comply with regulatory standards to guard your nonpublic personal information and to ensure our integrity and confidentiality. We will not sell information about you or your accounts to anyone. We do not share your information unless it is required to process a transaction, at your request, or required by law.

You will receive a copy of our privacy notice prior to or at the time you sign an advisory agreement with our firm. Thereafter, we will deliver a copy of the current privacy policy notice to you on an annual basis. Please contact our firm at the telephone number on the cover page of this brochure if you have any questions regarding this policy.

Massachusetts Clients

A disciplinary history of the Registrant or its representatives, if any, can be obtained by calling the Massachusetts Securities Division at (617) 727-3548. An Investment Advisor is forbidden from sharing any information about a Massachusetts client, which qualifies as private, unless the client specifically agrees thereto or "opts in" [see CMR 12.205(9)(c)13].

If you decide to close your account(s) we will adhere to our privacy policies, which may be amended from time to time.

If we make any substantive changes in our privacy policy that would further permit or require disclosures of your private information, we will provide written notice to you. Where the change is based on permitted disclosures, you will be given an opportunity to direct us as to whether such disclosure is acceptable. Where the change is based on required disclosures, you will only receive written notice of the change. You may not opt out of the required disclosures.

If you have questions about our privacy policies contact our main office at the telephone number on the cover page of this brochure and ask to speak to the Chief Compliance Officer.

Trade Errors

In the event a trading error occurs in your account, our policy is to restore your account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the account.

Class Action Lawsuits

We do not determine if securities held by you are the subject of a class action lawsuit or whether you are eligible to participate in class action settlements or litigation nor do we initiate or participate in litigation to recover damages on your behalf for injuries as a result of actions, misconduct, or negligence by issuers of securities held by you.