

Item 1:
Castle Asset Management, LLC
Part 2A of Form ADV
The Brochure

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This brochure provides information about the qualifications and business practices of Castle Asset Management, LLC (“CAM”). If you have any questions about the contents of this brochure, please contact us at 631-952-3700. 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 CAM is also available on the SEC’s website at: www.adviserinfo.sec.gov.

Registration as an investment Advisor, or any reference to the firm being or the use of the term “registered”, “registration” or “registered investment advisor” does not imply a certain level of skill or training.

Item 2: Material Changes

CAM's most recent update to Part 2 of Form ADV was made in March 2021. This brochure is a revision of the disclosure submitted in March 2021. There have been no material changes.

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Item 4: Advisory Business

CAM primarily provides customized investment management services to high-net-worth individuals and associated trusts, estates, pension and profit sharing plans, and other legal entities. CAM generally invests client assets in domestic and international stocks, bonds, mutual funds, exchange traded funds ("ETFs") and certificates of deposit.

CAM or the Client's Solicitor will work with each client to establish an appropriate investment profile. Clients may choose from growth, balanced, and conservative strategies, and can impose reasonable restrictions on CAM's management of their accounts. A description of portfolio strategies & their respective fees are located in Item 5.

CAM was founded in 2004 and is owned by John D. Caffrey. As of December 31, 2020 CAM managed \$334,567,453 on a discretionary basis on behalf of approximately 384 clients.

Castle Asset Management, LLC may provide financial planning services to clients that engage in this process. In general, a financial plan may address the following areas:

Financial Organization: Aid a client in the organization of their important financial documents and determining their personal financial objectives. The purpose is to provide the client with a clear understanding of their current financial position and pointing out specific areas of concern.

Risk Management: Identify issues that relate to safeguarding client's assets and other personal property from potential risk and/or liability. Implement the necessary process or product to protect the financial interest of a family in the event of a death or a debilitating illness or injury of a family member.

Income Tax & Cash Flow Analysis: Review the ongoing expenses needed by a client to run their household. Identify expense items that can be redirected to savings and investment. Investigating income tax savings measures or debt restructure techniques to improve cash flow.

College Funding: Project the future college costs and review programs that help a client provide the needed capital to meet this future (or current) expense.

Investment Analysis: Evaluate if the current investments owned by a client meet their stated investment objectives. If necessary, suggest investment alternatives that may be appropriate and consistent with the client's financial plan.

Retirement Planning: Review the client's personal and employer sponsored retirement programs. Consider new strategies that could be introduced that better help a client meet their retirement goals. Identify the qualified plan options that are available and determine the viability of these plans for clients who are business owners.

Distribution Planning: Determine a methodology for a client to access their wealth in retirement in a way that is consistent with their cash flow needs and income tax concerns. This methodology may also serve to protect the interests of a surviving spouse.

Estate Planning: Coordinate asset titling, beneficiary designations and other ownership arrangements with the estate plan executed by a qualified attorney selected by the client.

Our financial planning professional or solicitor gathers the required information to draft a financial plan through in-depth personal interviews with clients. Information gathered includes the client's current financial status, current and future goals and attitudes toward risk. The client is asked to provide various documents to support the information gathered during these interviews. CAM suggests that a client who chooses to implement the recommendations contained in the financial plan work closely with their other professional advisors. The implementation of the planning recommendations is solely at the client's discretion. The client may implement the planning recommended through CAM and their professional associations.

In connection with providing advisory services to client, CAM tailors its advisory services to the individual needs of clients. We have an individually tailored planning and meeting process for each client using, in many instances, an Investment Strategy Questionnaire to determine the client's goals, objectives and risk tolerance. Nonetheless, clients may request in writing to impose reasonable restrictions on CAM's services, including restrictions on investing in certain securities or types of securities.

Item 5: Fees and Compensation

CAM charges most of its clients an annual investment management fee based on the amount of assets under management and the investment program that they are enrolled in.

Wealth Builder Program – (Manager of Managers Portfolios):

Castle Asset Management, LLC, (the “Advisor”) provides investment supervisory services on a discretionary basis through a proprietary program called Wealth Builder (“WB”). WB combines a core portfolio of low cost passively managed Exchange-Traded Funds (ETFs) with a satellite portfolio of actively managed mutual funds across various markets and asset classes. This strategic asset allocation investment management program uses no-load mutual funds.

Through personal discussions and use of an Investment Strategy Questionnaire the Advisor or client’s representative will assist the client in determining the client’s goals, objectives and risk tolerance. The Advisor will use this information to establish an asset allocation policy for the client, and allocate the account balance to either the; Income and Growth, Growth and Income or Growth investment strategy.

For investment supervisory services, compensation is derived as fee income based upon the percentage of assets under management. The compensation method is explained and agreed with the clients in advance before any services are rendered. The Advisor has adopted the following fee schedule for all portfolios:

Asset Tiers		Annual
From	To	Mgt. Fee
\$25,000	\$49,999	1.750% -1.950%
\$50,000	\$99,999	1.500% -1.700%
\$100,000	\$249,999	1.250% -1.450%
\$250,000	\$499,999	1.125% -1.325%
\$500,000	\$999,999	1.000% -1.200%
\$1,000,000	\$2,000,000	0.875%-1.075%
\$2,000,000	and above	0.500%-0.950%

Due to additional contributions, withdrawals or market changes, a client’s portfolios may move into a different tier, Castle will adjust the fee schedule accordingly. This may result in a lower or higher percentage annual management fee then is initially agreed upon.

There are no additional transaction fees or commissions charged to a client’s account by the Advisor; however, the account may incur such transaction fees and commission charges if they are imposed by the broker-dealer or custodian. These may include a transaction fee of \$4.95 for hard copy transaction confirmations and or short-term trading redemption fees associated with mutual funds. Advisor's fees are generally paid quarterly, in advance, based on the value of the account(s) as of the close of the previous quarter, or unless otherwise negotiated with the client as provided for in the Advisor’s agreement that the client will sign. Advisor’s fees will be deducted directly from the client’s account. For new client accounts, the advisory fee for the initial quarter will be prorated for the number of days remaining in the calendar quarter between the date of the client’s engagement and the end of the same calendar quarter. The Advisor's service may be terminated by either party upon written notification in accordance with the applicable contractual notice of termination. Upon receipt of written termination notice, CAM will advise Custodian to transition the account as instructed by Client within two weeks of Client’s written request. If an account is to be liquidated as a result of a termination notice, CAM will have a period of 72 hours to begin liquidation. Proceeds will be payable to Client upon settlement of all transactions in the account. When an

account or any particular security is liquidated, generally, there may be adverse tax consequences and the client should seek advice from their tax professional as it relates to this transaction(s). Upon termination, the fees charged for advisory services will be pro-rated and a refund for any unearned fees will be issued. CAM reserves the right to collect an account closing fee of \$100.

Castle recognizes, that certain clients have multiple advisory accounts, with varying custodians, that may cover different investment programs. These clients' accounts, may contain fee billing rates that vary from account to account. Castle will aggregate such clients' accounts to apply fee rates on a household basis, resulting in reduced fees.

All Advisory fees are disclosed in Schedule "B" of the Investment Advisory Agreement.

Managed Solutions Program (Actively Managed ETF Portfolios):

Castle Asset Management, LLC, (the "Advisor") provides investment supervisory services on a discretionary basis through a proprietary program called Managed Solutions (MS). MS incorporates the concept of both core and satellite portfolios to investment management. Our core portfolio consists of broad-based ETFs that reflect the returns of equities and bonds in the U.S. and international markets. In contrast, our satellite portfolio is invested across various sub-segments of the equity, fixed income and alternative markets where we have strong conviction. These focused segments can include individual sectors / industries, regions / countries, bond durations or other factors where our proprietary research indicates opportunity. In short, our core portfolio provides exposure to beta (overall market performance), while our satellite portfolio provides alpha (outperformance relative to benchmarks).

Through personal discussions and use of an Investment Strategy Questionnaire, the Advisor or client's representative will assist the client in determining the client's goals, objectives and risk tolerance. The Advisor will use this information to establish an asset allocation policy for the client and allocate the account balance to either the, Income and Growth, Growth and Income or Growth investment allocation.

For investment supervisory services, Advisory fees are based upon the percentage of assets under management. The Advisory fee structure is explained and agreed with the client in advance before any services are rendered. The Advisor has adopted a blended fee structure; whereas certain asset tiers will be charged a specific rate regardless of account balance. Typically, the second asset tier is 80% of the first tier and the third asset tier is calculated at 80% of the second tier.

An example of the recommended fee structure is as follows:

<u>Asset Tiers</u>	<u>Annual Mgt. Fee</u>
\$500,000	1.00%
Next 1,000,000	0.80%
\$1,500,000 & above	0.64%

In this example, an account that has an asset level of \$1,000,000 will be charged no more than 90 bps or \$9,000 annually.

There are no additional transaction fees or commissions charged to a client's account by the Advisor; however, the account may incur transaction fees and / or commission charges if they are imposed by the

broker-dealer or custodian. Advisor's fees are generally paid quarterly, in advance, based on the value of the account(s) as of the close of the previous quarter, or unless otherwise negotiated with the client as provided for in the Advisor's agreement that the client will sign. Advisor's fees will be deducted directly from the client's account. For new client accounts, the advisory fee for the initial quarter will be prorated for the number of days remaining in the calendar quarter between the date of the client's engagement and the end of the same calendar quarter. The Advisor's service may be terminated by either party upon written notification in accordance with the applicable contractual notice of termination. Upon receipt of written termination notice, CAM will advise the Custodian to transition the account as instructed by Client within two weeks of Client's written request. If an account is to be liquidated as a result of a termination notice, CAM will have a period of 72 hours to begin liquidation. Proceeds will be payable to Client upon settlement of all transactions in the account. When an account or any particular security is liquidated, generally, there may be adverse tax consequences and the client should seek advice from their tax professional as it relates to this transaction(s). Upon termination, the fees charged for advisory services will be pro-rated and a refund for any unearned fees will be issued. CAM reserves the right to collect an account closing fee of \$100.

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All Advisory fees are disclosed in Schedule "B" of the Investment Advisory Agreement.

Value Arbitrage Program (Actively Managed Equity Portfolios):

Castle Asset Management LLC, (the "Advisor") provides investment supervisory services on a discretionary basis through a proprietary program called Value Arbitrage (VA). Value Arbitrage is a value-oriented long-only equity strategy that utilizes quantamental (a combination of quantitative and fundamental) analysis to identify undervalued securities across the U.S. stock market, regardless of size or industry. In essence, it looks for equities trading materially below the value of the cash flows they are currently generating, assuming no future growth.

For risk management purposes, the portfolio is diversified across sectors and market capitalizations. However, it is a high conviction / high active share strategy that is not managed to track any benchmark index and generally holds 20-30 securities, depending on the opportunities available.

For investment supervisory services, Advisory fees are based upon the percentage of assets under management. The Advisory fee structure is explained and agreed with the client in advance before any services are rendered. The Advisor has adopted a blended fee structure; whereas certain asset tiers will be charged a specific rate regardless of account balance. Typically, the second asset tier is 80% of the first tier and the third asset tier is calculated at 80% of the second tier.

An example of the recommended fee structure is as follows:

<u>Asset Tiers</u>	<u>Annual Mgt. Fee</u>
\$ 500,000	1.00%
Next 1,000,000	0.80%
\$1,500,000 & above	0.64%

In this example, an account that has an asset level of \$1,000,000 will be charged no more than 90 bps or \$9,000 annually.

There are no additional transaction fees or commissions charged to a client's account by the Advisor; however, the account may incur such transaction fees and commission charges if they are imposed by the broker-dealer or custodian. Advisor's fees are generally paid quarterly, in advance, based on the value of the account(s) as of the close of the previous quarter, or unless otherwise negotiated with the client as provided for in the Advisor's agreement that the client will sign. Advisor's fees will be deducted directly from the client's account. For new client accounts, the advisory fee for the initial quarter will be prorated for the number of days remaining in the calendar quarter between the date of the client's engagement and the end of the same calendar quarter. The Advisor's service may be terminated by either party upon written notification in accordance with the applicable contractual notice of termination. Upon receipt of written termination notice, CAM will advise the Custodian to transition the account as instructed by Client within two weeks of Client's written request. If an account is to be liquidated as a result of a termination notice, CAM will have a period of 72 hours to begin liquidation. Proceeds will be payable to Client upon settlement of all transactions in the account. When an account or any particular security is liquidated, generally, there may be adverse tax consequences and the client should seek advice from their tax professional as it relates to this transaction(s). Upon termination, the fees charged for advisory services will be pro-rated and a refund for any unearned fees will be issued. CAM reserves the right to collect an account closing fee of \$100.

Castle recognizes, that certain clients have multiple advisory accounts, with varying custodians, that may cover different investment programs. These clients' accounts, may contain fee billing rates that vary from account to account. Castle will aggregate such clients' accounts to apply fee rates on a household basis, resulting in reduced fees.

All Advisory fees are disclosed in Schedule "B" of the Investment Advisory Agreement.

With respect to **Wealth Builder**, **Managed Solutions** and the **Value Arbitrage** investment platforms, please note the following:

1. Each client's account in the program is managed on the basis of the client's financial situation and investment objectives and in accordance with any reasonable restrictions imposed by the client on the management of the account.
2. At the opening of the client's account, the Advisor obtains information from the client regarding the client's financial situation and investment objectives, and gives the client the opportunity to impose reasonable restrictions on the management of the account.
3. At least annually, the Advisor contacts the client to determine whether there have been any changes in the client's financial situation or investment objectives, and whether the client wishes to impose any reasonable restrictions on the management of the account or reasonably modify existing restrictions.
4. The Advisor periodically notifies the client in writing to contact the Advisor if there have been any changes in the client's financial situation or investment objectives, or

if the client wishes to impose any reasonable restrictions on the management of the client's account or reasonably modify existing restrictions, and provides the client with a means through which such contact may be made.

5. The Advisor and Advisor's personnel who are knowledgeable about the client's account and its management are reasonably available to the client for consultation.
6. Each client has the ability to impose reasonable restrictions on the management of the client's account, including the designation of particular securities or types of securities that should not be purchased for the account, or that should be sold if held in the account.
7. The Advisor provides each client with a statement, at least quarterly, containing a description of all activity in the client's account during the preceding period, including all transactions made on behalf of the account, all contributions and withdrawals made by the client, all fees and expenses charged to the account, and the value of the account at the beginning and end of the period.
8. Each client retains, with respect to all securities and funds in the account, to the same extent as if the client held the securities and funds outside the program, the right to: (a) withdraw securities or cash; (b) vote securities, or delegate the authority to vote securities to another person; (c) be provided in a timely manner with a written confirmation or other notification of each securities transaction, and all other documents required by law to be provided to security holders; and (d) proceed directly as a security holder against the issuer of any security in the client's account and not be obligated to join any of Advisor's personnel or any other person involved in the operation of the program, or any other client of the program, as a condition precedent to initiating such proceeding.

Indexed Solutions – (Passively Managed Portfolios):

Castle Asset Management LLC, (the "Advisor") may provide portfolio management services through Institutional Intelligent Portfolios™ (robo-advisor), a digital technology solution, online investment management platform for use by independent investment advisors and sponsored by Schwab Performance Technologies (the "Program" and "SPT," respectively). Through the Program, the Advisor offers clients a range of investment strategies it has constructed and manages, each consisting of a portfolio of exchange traded funds ("ETFs") that provides diversified exposure to global asset classes as well as a cash allocation at a low cost. The client's portfolio is held in a brokerage account opened by the client at SPT's affiliate, Charles Schwab & Co., Inc. ("CS&Co"). the Advisor is independent of and not owned by, affiliated with, or sponsored or supervised by SPT, CS&Co or their affiliates (together, "Schwab"). The Program is described in the Schwab Performance Technologies Institutional Intelligent Portfolios™ Disclosure Brochure (the "Program Disclosure Brochure"), which is delivered to clients by SPT during the online enrollment process. The Advisor, and not Schwab, is the client's investment advisor and primary point of contact with respect to the Program. The Advisor is solely responsible, and Schwab is not responsible, for determining the appropriateness of the Program for the client, choosing a suitable investment strategy and portfolio for the client's investment needs and goals, and managing that portfolio on an ongoing basis. SPT's role is limited to

delivering the Program Disclosure Brochure to clients and administering the Program so that it operates as described in the Program Disclosure Brochure.

The Advisor has contracted with SPT to provide us with the technology platform and related trading and account management services for the Program. This platform enables us to make the Program available to clients online and includes a system that automates certain key parts of our investment process (the “System”). The System includes an online questionnaire that helps us determine the client’s investment objectives and risk tolerance and select an appropriate investment strategy and portfolio. Clients should note that the Advisor will recommend a portfolio via the System in response to the client’s answers to the online questionnaire. The client may then indicate an interest in a portfolio that is one level less or more conservative or aggressive than the recommended portfolio, but the Advisor then makes the final decision and selects a portfolio based on all the information the Advisor has about the client. The System also includes an automated investment engine through which the Advisor manages the client’s portfolio on an ongoing basis through daily automatic rebalancing and tax-loss harvesting if the client is eligible.

The Schwab Disclosure Brochure, which is delivered to clients by SPT during the online enrollment process, is limited to a description and explanation about the administration and operational process of the program. To address potential gaps in a client’s understanding of how this program provides its investment advice, we offer the following:

- An algorithm is used to manage individual client accounts for daily rebalancing and tax loss harvesting.
- The algorithm might rebalance client accounts without regard to market conditions or on a more frequent basis than the client might expect. Also the algorithm may not address prolonged changes in market conditions.
- SPT may halt trading or take other temporary defensive measures in stressed market conditions.
- CAM initially sets the allocations and their respective tolerance ranges and may change either of them accordingly.
- Based on the information gathered from the on-line questionnaire, CAM will direct the account to an appropriate allocation.
- The client should update their information to CAM through the on-line portal on an annual basis.
- The tax-loss harvesting service does not provide comprehensive tax advice;
- Information other than that collected by the questionnaire is not considered when generating investment recommendations.

Clients do not pay fees to SPT in connection with the Program and our fees are not set or supervised by Schwab. Clients do not pay brokerage commissions or any other fees to Schwab as part of the Program. Schwab does receive other revenues in connection with the Program, as described in the Program Disclosure Brochure.

Fees and Compensation. Our fees are not set or supervised by Schwab. Clients do not pay brokerage commissions or any other fees to Schwab as part of the Program. Schwab does receive other revenues in connection with the Program, as described in the Program Disclosure Brochure.

The Advisor does not pay SPT fees for its services in the Program so long as the Advisor maintains \$100 million in client assets in accounts at Schwab that are not enrolled in the Program. If the Advisor does not meet this condition, then the Advisor pays SPT an annual fee of 0.10% (10 basis points) on the value of our

clients' assets in the Program. This fee arrangement gives us an incentive to recommend or require that our clients with accounts not enrolled in the Program be maintained with Schwab.

The fee charged to a client's account is all-inclusive in that there are no additional transaction fees or commissions charged to a client's account by the Advisor; however, the account may incur such transaction fees and commission charges if they are imposed by the broker-dealer or custodian. Advisor's fees are generally paid quarterly, in advance, based on the value of the account(s) as of the close of the previous quarter, or unless otherwise negotiated with the client as provided for in the Advisor's agreement that the client will sign. Advisor's fees will be deducted directly from the client's account. For new client accounts, the advisory fee for the initial quarter will be prorated for the number of days remaining in the calendar quarter between the date of the client's engagement and the end of the same calendar quarter. The Advisor's service may be terminated by either party upon written notification in accordance with the applicable contractual notice of termination. Upon receipt of written termination notice, the Advisor will advise the Custodian to transition the account as instructed by Client within two weeks of Client's written request. If an account is to be liquidated as a result of a termination notice, the Advisor will have a period of 72 hours to begin liquidation. Proceeds will be payable to Client upon settlement of all transactions in the account. When an account or any particular security is liquidated, generally, there may be adverse tax consequences and the client should seek advice from their tax professional as it relates to this transaction(s). Upon termination, the fees charged for advisory services will be pro-rated and a refund for any unearned fees will be issued. CAM reserves the right to collect an account closing fee of \$100.

Castle recognizes, that certain clients have multiple advisory accounts, with varying custodians, that may cover different investment programs. These clients' accounts, may contain fee billing rates that vary from account to account. Castle will aggregate such clients' accounts to apply fee rates on a household basis, resulting in reduced fees.

The Advisor has adopted a flat fee of 35bps. Solicitors may add an additional fee of up to 35 bps from inception of the account opening to the end of the fifth year.

All Advisory fees are disclosed in Schedule "B" of the Investment Advisory Agreement.

Referral Fee Services:

Advisor also will serve as a solicitor for various unaffiliated investment managers that have agreed to pay an ongoing referral fee for any such client referrals made by Advisor. As a solicitor, any potential conflict of interest will be fully disclosed to any individual who may be referred. The amount of the on-going referral fee will be negotiated with each investment advisor. The typical on-going referral fee will range from 40% - 80% of the fee earned by the investment manager to whom the client has been referred. In the event a referred client terminates its arrangement with the investment adviser to which Adviser referred the client, any unearned fees will be refunded immediately. Advisor presently has a solicitation arrangement with Brinker Capital, Inc., and BNY Mellon's Private Wealth Group. They are both registered investment advisors. Advisor will continue to receive solicitor compensation as long as the client's funds remain under the management of the investment manager.

Financial Planning Program:

CAM charges a fee when Financial Plans are prepared for clients and may be collected based upon the level of service provided. The fee for each plan is quoted in advance, but not prepaid. Financial Planning Fees are negotiable and often the service is provided without a fee.

At the discretion of the Advisor, Fixed Fees may be charged for financial planning services. The Fixed Fees charged to a client for the preparation of a financial plan typically may range from \$500 to \$5,000. All financial planning fees are quoted in advance, prior to the commencement of any work. One half of the fee is collected upon the financial planning engagement and the balance is due upon the completion of the written financial plan. Financial Plans are also prepared for a client referred to Castle Asset Management by such client's CPA firms and other Third Parties.

A client may terminate its agreement with CAM at any time if not satisfied with the services provided. If the agreement is terminated within five days of acceptance, such client will receive a full refund. Also, if we do not give a client a copy of our disclosure brochure at least 48 hours prior to execution of our agreement, such client shall have five days from the date of execution of our agreement to terminate our services for a full refund.

Consulting services are also available through Castle Asset Management. A client is able to receive financial advice on a more limited basis. The advice can address all items that fall under Financial Planning or in some other area where the client has a financial concern. Fees for specific consulting services may be billed at a rate of \$150 to \$300 per hour, depending of the nature of the client's circumstance and the specific items to be addressed. The exact hourly rate will be mutually agreed upon with the client, and shall be due and payable as earned.

Certain representatives of Castle Asset Management are registered as representatives of separate broker dealers and are also insurance agents/brokers of various insurance companies. Castle Asset Management representatives will earn additional income in the form of commissions in the event a client chooses to purchase insurance products, investments products or investment advisory services from them. The earnings realized by Castle Asset Management or its representatives are not used to offset any fees billed for Financial Planning or Consulting Services.

John D. Caffrey earns additional compensation if a client purchases mutual funds or other investment products through Purshe Kaplan Sterling Investments. This compensation is in the form of commissions and 12b1 fees. Because John Caffrey may receive this economic benefit, CAM has a potential conflict of interest if it recommends to clients that they purchase mutual funds or other investment products through Purshe Kaplan Sterling Investments. This gives John Caffrey an incentive to recommend mutual funds and investment products based on the compensation he may receive, rather than on a client's need. Nonetheless, we believe that we have addressed this conflict of interest because clients are under no obligation to purchase mutual funds or investment products through Purshe Kaplan Sterling Investments or John Caffrey. Further, clients have the option to purchase mutual funds and investment products that John Caffrey recommends through other brokers or agents not affiliated with CAM. Any commission/fee that John Caffrey receives from the sale of mutual funds or investment products is in addition to the advisory fee CAM charges, which advisory fee will not be reduced to offset the commission/fee he receives.

John D. Caffrey earns additional compensation from insurance companies in the form of renewal compensation for all life, disability, health or long-term care insurance in force after the first policy year.

The principal officer of Advisor, John D. Caffrey is a licensed insurance agent with The Guardian Life Insurance Company of America, Schneider & Schulman Brokerage Services, Inc., Crump Life Insurance Services, Mass Mutual Financial Group and Security Mutual Life Insurance Co. of NY and may receive compensation for the sale of insurance products from advisory and non-advisory clients. For clients who purchase products causing commissions to be generated from such purchases, these commissions are paid to John D. Caffrey in his separate capacity as an insurance agent. This activity represents a conflict of interest and gives him an incentive to recommend the purchase of insurance products for a client account based on that person's ability to receive compensation from such a purchase, rather than based on a client's needs. However, CAM believes that it has addressed this conflict by (a) requiring that any such transaction will be on commercially reasonable terms that are generally consistent with industry standards, and (b) neither requiring nor expecting that a client will purchase any such insurance product from or through John D. Caffrey. In addition, John D. Caffrey must maintain compliance with applicable rules and regulations that govern the sale of such products.

John D. Caffrey may earn additional compensation from RoseMark Advisors, Inc. (RMA) as a business consultant. His primary roles are sales training, advanced insurance underwriting, mentoring and sales support.

RMA also acts as an unrelated solicitor to Castle. Pursuant to a written solicitation agreement between Castle and RMA, RMA may receive solicitor compensation from Castle for the referral of investment advisory clients to Castle. RMA does not provide Investment Advisory Services. Upon engaging Castle, the client will receive a copy of Castle's ADV disclosure brochure and a separate disclosure statement discussing RMA's relationship with Castle and the fee the RMA will receive for the referral. We believe that we have addressed any conflict of interest between Castle, RMA and John Caffrey because fees (refer to item 5) are not increased through the referral process except for clients referred to the Indexed Solution Platform. CAM has adopted a flat fee of 35bps. Solicitors may add an additional fee of up to 35 bps from inception of the account opening to the end of the fifth year. Castle provides the Investment Advisory Services for RMA Clients.

Please see further information in Item 10 relating to the additional registrations disclosed in this Item 5, including information pertaining to conflicts of interest arising out of these other registrations of CAM and CAM personnel.

CAM's fees for services are negotiable and are deducted directly from client's accounts. In the event that CAM's advisory services are terminated, a refund of any unearned portion of the prepaid advisory fee will be reimbursed. CAM will calculate the pro-rata unearned portion and promptly refund such amount, if any CAM reserves the right to collect an account closing fee of \$100.

Please see our discussion concerning brokerage in Item 12.

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

CAM does not charge any performance fees. Some investment advisors experience conflicts of interest in connection with the side-by-side management of accounts with different fee structures. However, these conflicts of interest are not applicable to CAM.

Item 7: Types of Clients

Advisor requires a minimum account size of \$100,000 for the **Wealth Builder Program**; however, the Advisor has discretion to waive the account minimum. Accounts that do not meet the account minimum may be set up when the client and Advisor anticipate the client will add additional funds to the accounts bringing the total up to \$100,000 within a reasonable time.

Advisor requires a minimum account size of \$100,000 for the **Managed Solutions Program**; however, the Advisor has discretion to waive the account minimum. Accounts that do not meet the account minimum may be set up when the client and Advisor anticipate the client will add additional funds to the accounts bringing the total up to \$100,000 within a reasonable time.

Advisor requires a minimum account size of \$100,000 for the **Value Arbitrage Program**; however, the Advisor has discretion to waive the account minimum. Accounts that do not meet the account minimum may be set up when the client and Advisor anticipate the client will add additional funds to the accounts bringing the total up to \$100,000 within a reasonable time.

Advisor requires a minimum account size of \$5,000 for the **Indexed Solutions Program**; Clients eligible to enroll in the Program include individuals, IRAs, UTMA's and revocable living trusts. Clients that are organizations (such as corporations and partnerships) or government entities, and clients that are subject to the Employee Retirement Income Security Act of 1974, are not eligible for the Program. The Program Disclosure Brochure describes related minimum required account balances for maintenance of the account, automatic rebalancing, and tax-loss harvesting.

CAM primarily provides customized Financial Planning for individuals and associated trusts, estates, pension and profit sharing plans, Corporations or other legal entities.

CAM also requires each client to sign an Investment Advisory Agreement before CAM will open or maintain an account for that client.

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

CAM's Owner, John D. Caffrey, and Chief Investment Strategist, Jason Seo, work together to conduct fundamental and quantitative analysis on all investments recommended for client accounts within the **Wealth Builder, Managed Solutions** and **Value Arbitrage** Strategies. Below are some, but not necessarily all, of the factors included in our analysis of various investment instruments.

For exchange-traded funds (ETFs): (these securities are used in the following strategies; Wealth Builder, Managed Solutions and Indexed Solutions)

- The underlying exposure provided by the instrument
- The attractiveness of the asset class relative to its risk
- Liquidity
- Cost

For mutual funds: (these securities are used in the Wealth Builder strategy)

- Performance on an absolute basis as well as relative to relevant benchmarks and risk profile
- Investment philosophy and process
- Management experience and tenure

- Fees

For equities: (these securities are used in the Value Arbitrage strategy)

- Free cash flows
- Valuation
- Business model
- Financial strength

All of the investments we make are at risk of capital loss due to many factors, including:

- Macroeconomic data
- Systemic market shocks
- Geopolitical developments
- Security-specific news

CAM's Investment Committee is led by John D. Caffrey, the Chief Investment Officer, and also includes Jason Seo, Chief Investment Strategist. The Investment Committee generally meets monthly to discuss existing and prospective investments. Investments are evaluated independently, as well as in the context of clients' existing holdings and sector exposures.

CAM primarily invests for relatively long time horizons, often for a year or more. However, market developments could cause CAM to sell securities more quickly.

Depending on a client's investment objectives, CAM might engage in short selling or trading. The use of short selling and trading poses additional risks that are discussed in detail with any clients who are considering the use of these investment vehicles.

All investing involves a risk of loss, that clients should be prepared to bear and aware that recovery is not guaranteed.

Item 9: Disciplinary Information

CAM and its employees have not been involved in any legal or disciplinary events in the past that would be material to a client's evaluation of the company or its personnel.

Item 10: Other Financial Industry Activities and Affiliations

John D. Caffrey is also a registered representative for Purshe Kaplan Sterling Investments, member of FINRA, SIPC located at 80 State Street, Albany, NY 12207. The telephone number is 800-801-6851. Mr. Caffrey is able to implement recommended securities products with his clients for separate compensation from Purshe Kaplan Sterling Investments. Compensation is paid in the form of commissions directly to Mr. Caffrey from Purshe Kaplan Sterling Investments. Clients are not obligated to purchase their securities investments from John D. Caffrey. Clients are permitted to choose freely to effect securities transactions through any Broker/Dealer. This activity represents a conflict of interest and gives him an incentive to recommend the purchase of investment products for a client account based on that person's ability to receive compensation from such a purchase, rather than based on a client's needs. However, CAM believes that it has addressed this conflict by (a) requiring that any such transaction will be on commercially reasonable terms that are generally consistent with industry standards, and (b) neither requiring nor expecting that a

client will purchase any such investment product from or through John D. Caffrey. In addition, John D. Caffrey must maintain compliance with applicable rules and regulations that govern the sale of such products.

John D Caffrey may earn additional compensation from RoseMark Advisors, Inc. (RMA) as a business consultant. His primary roles are sales training, advanced insurance underwriting, mentoring and sales support.

RMA also acts as an unrelated solicitor to Castle. Pursuant to a written solicitation agreement between Castle and RMA, RMA may receive solicitor compensation from Castle for the referral of investment advisory clients to Castle. RMA does not provide Investment Advisory Services. Upon engaging Castle, the client will receive a copy of Castle's ADV disclosure brochure and a separate disclosure statement discussing RMA's relationship with Castle and the fee the RMA will receive for the referral. We believe that we have addressed any conflict of interest between Castle, RMA and John Caffrey because fees (refer to item 5) are not increased through the referral process except for clients referred to the Indexed Solution Platform. CAM has adopted a flat fee of 35bps. Solicitors may add an additional fee of up to 35 bps from inception of the account opening to the end of the fifth year. Castle provides the Investment Advisory Services for RMA Clients.

The principal officer of Advisor, John D. Caffrey, is a licensed insurance agent with The Guardian Life Insurance Company of America, Schneider & Shulman Brokerage Services, Inc., Crump Life Insurance Services, Mass Mutual Financial Group and Security Mutual Life Insurance Co. of NY and may receive compensation for the sale of insurance products from Advisory and non-Advisory clients. John D. Caffrey is also the sole owner of Castle Financial Advisors, LLC, which is an entity that maintains an insurance license. For clients who purchase products causing commissions to be generated from such purchases, these commissions are paid to John D. Caffrey in his separate capacity as an insurance agent. This activity represents a conflict of interest and gives him an incentive to recommend the purchase of insurance products for a client account based on that person's ability to receive compensation from such a purchase, rather than based on a client's needs. However, CAM believes that it has addressed this conflict by (a) requiring that any such transaction will be on commercially reasonable terms that are generally consistent with industry standards, and (b) neither requiring nor expecting that a client will purchase any such insurance product from or through John D. Caffrey. In addition, John D. Caffrey must maintain compliance with applicable rules and regulations that govern the sale of such products.

Please also see the discussion in Item 5 of this Disclosure Brochure concerning CAM's solicitation arrangement with Brinker Capital, Inc., and BNY Mellon's Private Wealth Group. CAM may be viewed to have an incentive to recommend the services of those companies because CAM may become entitled to receive compensation as a result of those recommendations. Nonetheless, no client is obligated to utilize the services of Brinker Capital, Inc., or BNY Mellon's Private Wealth Group, and any recommendation CAM makes to those entities will be made where CAM determines that it is in the client's interests.

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

As a licensed Registered Representative with Purshe Kaplan Sterling Investments, Mr. Caffrey may, on a fully disclosed basis, effect securities transactions on behalf of Advisory clients as well as non-Advisory clients. As previously described in this disclosure brochure, Mr. Caffrey will typically receive securities related compensation for such transactions. This activity represents a conflict of interest and gives him an

incentive to recommend the purchase of investment products for a client account based on that person's ability to receive compensation from such a purchase, rather than based on a client's needs. However, CAM believes that it has addressed this conflict by (a) requiring that any such transaction will be on commercially reasonable terms that are generally consistent with industry standards, and (b) neither requiring nor expecting that a client will purchase any such investment product from or through John D. Caffrey. In addition, John D. Caffrey must maintain compliance with applicable rules and regulations that govern the sale of such products.

Advisor and its employees may also buy and sell the same securities that may be recommended to clients. This creates a potential conflict of interest in the sense that it is remotely possible that Advisor or its employees may benefit financially from a transaction effected for a client account, although the volume of such securities transactions have not and do not rise to the level where any transaction in the account of either of the firm or any firm personnel has any appreciable impact on the market value of a security. If the possibility of a conflict of interest occurs, the client's interest will prevail. It is the policy of Advisor that priority will always be given to the client's orders over the orders of an employee of the Advisor. Advisor and its employees shall not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of his/her employment unless the information is also available to the investing public upon reasonable inquiry. In order to minimize this conflict of interest, securities recommended by Advisor are widely held and publicly traded. We also require that all personnel act in accordance with all applicable federal and state regulations governing registered investment Advisory practices. Any individual not in observance of the above may be subject to termination.

To avoid any potential conflicts of interest involving personal trades, Advisor has adopted written policies and procedures ("Code") for its Employees, which includes a formal code of ethics and insider trading policies and procedures. Advisor's Code requires, among other things, that Employees:

- Act with integrity, competence, diligence, respect, and in an ethical manner with the public, clients, prospective clients, employers, employees, colleagues in the investment profession, and other participants in the global capital markets;
- Place the integrity of the investment profession, the interests of clients, and the interests of Advisor above one's own personal interests;
- Adhere to the fundamental standard that you should not take inappropriate advantage of your position;
- Avoid any actual or potential conflict of interest;
- Conduct all personal securities transactions in a manner consistent with this policy;
- Use reasonable care and exercise independent professional judgment when conducting investment analysis, making investment recommendations, taking investment actions, and engaging in other professional activities;
- Practice and encourage others to practice in a professional and ethical manner that will reflect credit on yourself and the profession;
- Promote the integrity of, and uphold the rules governing, capital markets;
- Maintain and improve your professional competence and strive to maintain and improve the competence of other investment professionals.
- Comply with applicable provisions of the federal securities laws.

Advisor's Code also requires Employees to: 1) pre-clear certain personal securities transactions, 2) report personal securities transactions on at least a quarterly basis, and 3) provide the Advisor with a detailed summary of certain holdings (both initially upon commencement of employment and annually thereafter) over which such Employees have a direct or indirect beneficial interest.

A copy of Advisor's Code shall be provided to any client or prospective client upon request.

Item 12: Brokerage Practices

When a client agrees to discretionary management within the Wealth Builder, Managed Solutions and / or Value Arbitrage programs, the Advisor will be responsible for selecting the amount of securities to be bought and sold. The only limitations on the investment authority will be those limitations imposed in writing by the client.

In the course of providing our services, we will execute trades for our clients through broker-dealers. When a client has given us broker discretion, there is no restriction on the brokers we may select to execute client transactions. Our general guiding principle is to trade through broker-dealers who offer the best overall execution under the particular circumstances. With respect to execution, we consider a number of factors, including if the broker has custody of client assets, the actual handling of the order, the ability of the broker-dealer to settle the trade promptly and accurately, the financial standing of the broker-dealer, the ability of the broker-dealer to position stock to facilitate execution, our past experience with similar trades, and other factors which may be unique to a particular order. Based on these judgmental factors, we may trade through broker-dealers that charge fees that are higher than the lowest available fees if that broker-dealer still provides best execution given the qualitative components we consider.

The Advisor will assist the client with developing a relationship with a broker with which that the Advisor has a relationship. The Advisor currently has relationships with Fidelity Investments Institutional Brokerage Group (Fidelity) and Schwab Advisor Services (Schwab) (Formerly known as Schwab Institutional).

As part of the institutional programs offered by Fidelity and Schwab, the Advisor receives non-soft dollar benefits that it would not receive if it did not provide investment advice to clients or execute client transactions through Fidelity or Schwab. While there is no direct affiliation or fee sharing arrangement between Fidelity or Schwab and the Advisor, economic benefits are received by the Advisor which would not be received if the Advisor did not have an established relationship with these companies, so the Advisor may have an incentive to select or recommend a broker-dealer based on its interest in receiving those benefits, rather than on its client's interests in receiving the most favorable execution. Advisor does not need to produce or pay for the benefits it may receive as a result of client transactions being executive through Fidelity or Schwab. However, these benefits do not depend on the amount of transactions directed by the Advisor to Fidelity or Schwab. These benefits may include: a dedicated trading desk that services the Advisor's clients, a dedicated service group and an account services manager dedicated to the Advisor's accounts, access to a real time order matching system, ability to block client trades, electronic download of trades, portfolio management software, access to an electronic interface, duplicate and batched client statements, confirmations and year-end summaries, the ability to have Advisory fees directly debited from client accounts (in accordance with federal and state requirements), a quarterly newsletter, access to mutual funds, ability to have loads waived for the Advisor's clients who invest in certain loaded funds when certain conditions are met and maintained, and the ability to have custody fees waived. We do not limit our use of these benefits to only those clients who have a relationship with the broker-dealer/custodian that provided

those benefits to Advisor; rather, the Advisor may use any benefits received for any or all of its client relationship. The commission rates for certain customers may be higher or lower for identical or similar transactions, had they been executed at other broker/dealers, especially discount brokers. However, the commission schedule for Fidelity and Schwab is competitively priced when compared to other brokerage institutions.

Best Execution Reviews

On at least an annual basis CAM's Chief Compliance Officer and other senior executives evaluate the pricing and services offered by Fidelity and Schwab with those offered by other reputable firms. CAM has sought to make a good-faith determination that Fidelity and Schwab provide clients with good services at competitive prices. Historically CAM has concluded that Fidelity and Schwab is as good as, or better than, the other firms that have been considered. CAM would notify its clients if it were to determine that another firm offered better pricing and services than Fidelity and Schwab.

Aggregated Trades

CAM typically aggregates client trades in an effort to treat all clients fairly. Clients participating in a bunched order receive the same average price and incur trading costs that are the same as would be paid if they were trading individually. If an order is partially filled, clients will have their orders fully filled on a randomized basis; CAM will seek to complete any unfilled client orders on the next trading day. Employees are excluded from bunched trades whenever client orders are only partially filled.

CAM preferably uses block trading whenever possible. There are specific times when an individual client will request CAM to make trades on their account for specific service requirements. These trades will not be done in block form.

Client Referrals

CAM does not compensate Fidelity or Schwab or any other custodian or broker/dealer for referring client accounts.

As it pertains to the strategy offering, Indexed Solutions through our affiliation with Schwab Performance Technologies (SPT) and Charles Schwab and Company (CS&Co), a broker-dealer registered with the Securities and Exchange Commission and a member of FINRA and SIPC, our clients are required to use CS&Co as custodian/broker to enroll in this Program. The client opens its account with CS&Co by entering into an account agreement directly with CS&Co. We do not open the account for the client. If the client does not wish to place his or her assets with CS&Co, then we cannot manage the client's account through the Program. As described in the Program Disclosure Brochure, SPT may aggregate purchase and sale orders for ETFs across accounts enrolled in the Program, including both accounts for our clients and accounts for clients of other independent investment advisory firms using the Program.

Schwab Advisor Services (formerly called Schwab Institutional) is Schwab's business serving independent investment advisory firms like us. Through Schwab Advisor Services, CS&Co provides us and our clients, both those enrolled in the Program and our clients not enrolled in the Program, with access to its institutional brokerage services – trading, custody, reporting and related services – many of which are not typically available to CS&Co retail customers. CS&Co also makes available various support services. Some of those services help us manage or administer our clients' accounts while others help us manage and grow our business. CS&Co's support services described below are generally available on an unsolicited basis (we don't

have to request them) and at no charge to us. The availability to us of CS&Co's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients. Here is a more detailed description of CS&Co's support services:

CS&Co's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. CS&Co's services described in this paragraph generally benefit the client and the client's account.

CS&Co also makes available to us other products and services that benefit us but may not directly benefit the client or its account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or some substantial number of our clients' accounts, including accounts not maintained at CS&Co. In addition to investment research, CS&Co also makes available software and other technology that:

- provide access to client account data (such as duplicate trade confirmations and account statements);
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- provide pricing and other market data;
- facilitate payment of our fees from our clients' accounts; and
- assist with back-office functions, recordkeeping and client reporting.

CS&Co also offers other services intended to help us manage and further develop our business enterprise. These services include:

- educational conferences and events
- technology, compliance, legal, and business consulting;
- publications and conferences on practice management and business succession; and
- access to employee benefits providers, human capital consultants and insurance providers.

CS&Co may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. CS&Co may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. CS&Co may also provide us with other benefits such as occasional business entertainment of our personnel.

The availability of services from CS&Co benefits us because we do not have to produce or purchase them. We don't have to pay for these services, and they are not contingent upon us committing any specific amount of business to CS&Co in trading commissions or assets in custody. With respect to the Program, as described above under Item 4 Advisory Business, we do not pay SPT fees for its services in connection with the Program so long as we maintain \$100 Million in client assets in accounts at CS&Co that are not enrolled in the Program. In light of our arrangements with Schwab, we may have an incentive to recommend/require that our clients maintain their accounts with CS&Co based on our interest in receiving Schwab's services that benefit our business rather than based on the client's interest in receiving the best value in custody services and the most favorable execution of transactions. This is a potential conflict of interest. We believe, however, that our

selection of CS&Co as custodian and broker is in the best interests of our clients. It is primarily supported by the scope, quality and price of CS&Co's services and not Schwab's services that benefit only us. We have adopted policies and procedures designed to ensure that our use of Schwab's services is appropriate for each of our clients.

Item 13: Review of Accounts

The reviewing of accounts is a multi-stage process that occurs at varying intervals. Initially, upon becoming a client, account documentation is verified and authenticated for accuracy. This includes careful examination of all documents clients have signed and provided to Advisor.

The second stage of the process includes the regular maintenance required to keep accounts in good order. Monthly reports are generated that indicate the clients' variance from targeted model. Clients that are not within a specified tolerance from their target weight, are repositioned toward their model.

Interim transactions, such as deposits and withdrawals, will incur a modified review.

Accounts are reviewed and maintained in aggregate by:

John D. Caffrey, Owner

Jason Seo, Chief Investment Strategist

Clients are kept fully informed about their portfolio activity by receiving copies of all transaction confirmations and monthly/quarterly statements directly from brokerage firms and/or custodians. Additionally, CAM may but is not obligated to provide the Client and Client's Solicitor with a quarterly report for all accounts with account balances in excess of \$100,000, describing account performance. CAM may contract with a third party to conduct the performance reporting function on behalf of Client. Client's personal account information and trading activities may be made available to this third party directly from the investment custodian.

Client financial plans are reviewed by Advisor's representative as requested by the client. Other factors that may trigger more frequent reviews include changes in the client's financial, personal or business circumstances as well as changes in general market conditions. Clients may receive a written update of their financial plan as part of the review process described above.

Item 14: Client Referrals and Other Compensation

CAM pays a portion of its advisory fees to another investment advisor in connection with that advisor's referral of a client to CAM. Advisor has arrangements with various CPA firms and other third parties whereby Advisor will compensate said firms for client referrals in accordance with Rule 206(4)-3 under the Advisors Act.

John D Caffrey may earn additional compensation from RoseMark Advisors, Inc. (RMA) as a business consultant. His primary roles are sales training, advanced insurance underwriting, mentoring and sales support.

RMA also acts as an unrelated solicitor to Castle. Pursuant to a written solicitation agreement between Castle and RMA, RMA may receive solicitor compensation from Castle for the referral of investment advisory clients to Castle. RMA does not provide Investment Advisory Services. Upon engaging Castle, the client will receive a copy of Castle's ADV disclosure brochure and a separate disclosure statement discussing RMA's relationship with Castle and the fee the RMA will receive for the referral. We believe that we have addressed any conflict of interest between Castle, RMA and John Caffrey because fees (refer to item 5) are

not increased through the referral process except for clients referred to the Indexed Solution Platform. CAM has adopted a flat fee of 35bps. Solicitors may add an additional fee of up to 35 bps from inception of the account opening to the end of the fifth year. Castle provides the Investment Advisory Services for RMA Clients.

As previously described, CAM receives products and services from Fidelity and Schwab. CAM does not receive any other economic benefits from non-clients, vendors or solicitors in connection with the provision of investment advice to clients.

John D. Caffrey may earn additional passive income from 145 Marcus Realty, LLC. 145 Marcus Realty, LLC is the real estate management company that owns and manages the location that CAM is currently located in. CAM and John Caffrey did not invite or market this business opportunity to CAM clients. Presently, one of the co-members became a CAM client after the creation of 145 Marcus Realty, LLC in 2005. John D. Caffrey is not the controlling owner of 145 Marcus Realty, LLC.

John D. Caffrey may earn additional passive income from 201- 205 South Ocean Realty, LLC. 201- 205 South Ocean Realty, LLC is a real estate management company managing a commercial property in Patchogue, NY. John D. Caffrey is not the controlling owner of 201-205 South Ocean Realty, LLC. CAM and John D. Caffrey did not invite or market this business opportunity to CAM clients. There are currently two co-members of 201-205 South Ocean Realty, LLC that are CAM clients.

John D. Caffrey may earn additional passive income from 96 S. Ocean Ave., LLC. 96 S. Ocean Ave., LLC is a real estate management company managing a commercial property in Patchogue, NY. John D. Caffrey is not the controlling owner of 96 S. Ocean Ave., LLC. CAM and John D. Caffrey did not invite or market this business opportunity to CAM clients. 96 S. Ocean Ave, LLC does not have any CAM clients as co-members.

Item 15: Custody

Pursuant to applicable rules, CAM has “custody” of client funds by directly debiting its fees from client accounts pursuant to applicable agreements granting such right. Clients whose fees are directly debited will provide written authorization to debit advisory fees from their accounts held by the qualified custodian. Each month, the client will receive a statement from their account custodian showing all transactions in their account, including the fee. We encourage clients to carefully review the statements and confirmations sent to them by their custodian, and to compare the information on reports prepared by CAM against the information in the statements provided directly from the custodian. Please alert us of any discrepancies.

Item 16: Investment Discretion

CAM has investment discretion over all **Wealth Builder, Managed Solutions, Value Arbitrage, and Indexed Solutions** client’s accounts. Clients grant CAM trading discretion through the execution of a limited power of attorney included in CAM’s Advisory contract.

Clients can place reasonable restrictions on CAM’s investment discretion. For example, some clients have asked CAM not to buy securities issued by companies in certain industries, or not to sell certain securities where the client has a particularly low tax basis.

Item 17: Voting Client Securities

Notwithstanding Advisor's discretionary authority to make investment decisions on behalf of clients in **Wealth Builder, Managed Solutions** and **Value Arbitrage**, Advisor will not exercise proxy voting authority over securities held in client accounts. The obligation to vote client proxies shall at all times rest with the client. Advisor shall not be deemed to have proxy voting authority solely as a result of providing advice or information about a particular proxy vote to a client.

Should Advisor inadvertently receive proxy information for a security held in a client's account, then Advisor will make a good faith effort to forward such information on to Client in a timely manner, but will not take any further action with respect to the voting of such proxy. Upon termination of its Investment Advisory Agreement with a client, Advisor shall make a good faith and reasonable attempt to forward proxy information inadvertently received by Advisor on behalf of the client to the forwarding address provided by the client to Advisor.

Client may contact Advisor with questions about a particular solicitation. Should client contact Advisor for advice on proxy information for a security held in a client's account, the Advisor will request the client to put such request in written form to CAM. All communications will be stored in client's file.

For Indexed Solutions and as described in the Program Disclosure Brochure, clients enrolled in this program designate SPT to vote proxies for the ETFs held in their accounts. We have directed SPT to process proxy votes and corporate actions through and in accordance with the policies and recommendations of a third party proxy voting service provider retained by SPT for this purpose. Additional information about this arrangement is available in the Program Disclosure Brochure. Client's who do not wish to designate SPT to vote proxies, may retain the ability to vote proxies themselves by signing a special CS&Co form available from us.

Item 18: Financial Information

CAM has never filed for bankruptcy and is not aware of any financial condition that is expected to affect its ability to manage client accounts.

Item 1:
Castle Asset Management, LLC
Part 2B of Form ADV
The Brochure Supplement

145 Marcus Blvd, Suite 1, Hauppauge, NY 11788
www.castleasset.com

Updated: May 2021

This brochure supplement provides information about John D. Caffrey and Jason Seo. It supplements CAM's accompanying Form ADV brochure. Please contact CAM's Chief Compliance Officer, John D. Caffrey at 631-952-3700 if you have any questions about the Form ADV brochure or this supplement, or if you would like to request additional or updated copies of either document.

Additional information about John D. Caffrey and Jason Seo is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: John Caffrey's Biographical Information

Educational Background and Business Experience

John D. Caffrey was born in 1961. He received a Bachelor of Science degree in Accounting from SUNY at Oswego in 1983 and a CFP from the College of Financial Planning, Denver CO, in 1988.

Qualifications and Description for the CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the "CFP® marks") are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. ("CFP Board").

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 76,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board's studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor's Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board's financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board's Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the Code of Ethics and other parts of the Standards of Professional Conduct, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the Standards of Professional Conduct. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of

care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

Mr. Caffrey has served as CAM's Chief Executive Officer since 2004. Prior to founding CAM, Mr. Caffrey was a Partner of Castle Financial Advisors, LLC from 2001 to 2010. In 2011 Mr. Caffrey became sole owner of Castle Financial Advisors, LLC. He also serves as a registered representative of the Broker Dealer, Purshe Kaplan Sterling Investments from 2005 to Present.

Item 3: Disciplinary Information

Mr. Caffrey has not been involved in any legal or disciplinary events that would be material to a client's evaluation of Mr. Caffrey or of CAM.

Item 4: Other Business Activities

John D Caffrey may earn additional compensation from RoseMark Advisors, Inc. (RMA) as a business consultant. His primary roles are sales training, advanced insurance underwriting, mentoring and sales support.

RMA also acts as an unrelated solicitor to Castle. Pursuant to a written solicitation agreement between Castle and RMA, RMA may receive solicitor compensation from Castle for the referral of investment advisory clients to Castle. RMA does not provide Investment Advisory Services. Upon engaging Castle, the client will receive a copy of Castle's ADV disclosure brochure and a separate disclosure statement discussing RMA's relationship with Castle and the fee the RMA will receive for the referral. We believe that we have addressed any conflict of interest between Castle, RMA and John Caffrey because fees (refer to item 5) are not increased through the referral process, except for clients referred to the Indexed Solution Platform. CAM has adopted a flat fee of 35bps. Solicitors may add an additional fee of up to 35 bps from inception of the account opening to the end of the fifth year. Castle provides the Investment Advisory Services for RMA Clients.

The principal officer of Advisor, John D. Caffrey is a licensed insurance agent with The Guardian Life Insurance Company of America, Schneider & Shulman Brokerage Services, Inc., Crump Life Insurance Services, Mass Mutual Financial Group and Security Mutual Life Insurance Co. of NY and may receive compensation for the sale of insurance products from Advisory and non-Advisory clients. For clients who purchase products causing commissions to be generated from such purchases, these commissions are paid to John D. Caffrey in his separate capacity as an insurance agent. This activity represents a conflict of interest and gives him an incentive to recommend the purchase of insurance products for a client account based on that person's ability to receive compensation from such a purchase, rather than based on a client's needs. However, CAM believes that it has addressed this conflict by (a) requiring that any such transaction will be on commercially reasonable terms that are generally consistent with industry standards, and (b) neither requiring nor expecting that a client will purchase any such insurance product from or through John D. Caffrey. In addition, John D. Caffrey must maintain compliance with applicable rules and regulations that govern the sale of such products.

Mr. Caffrey's Employment History

Castle Financial Advisors, LLC
Member since 2001

Castle Asset Management, LLC
Member since 2004

145 Marcus Realty, LLC
Member since 2005

GDC Funding, LLC
Member since 2005

Great American Advisors, Inc.
Registered Representative 02/05 to 11/05

Crescent Capital Group, LLC
Member 2009 – 2020

201-205 South Ocean Avenue, LLC
Member since 2014

The Guardian Life Insurance Co.
Field representative since 1995

96 S. Ocean Ave., LLC
Member since 2009

Mogul Men
General Partner 2002 - 2020

Empire National Bank
Board member 2007 - 2020

Purshe Kaplan Sterling Investments
Registered Representative 11/05 to Present

RoseMark Advisors, Inc.
Co-Shareholder 2013 - 2021

Item 5: Additional Compensation

John D Caffrey may earn additional compensation from RoseMark Advisors, Inc. (RMA) as a business consultant. His primary roles are sales training, advanced insurance underwriting, mentoring and sales support.

RMA also acts as an unrelated solicitor to Castle. Pursuant to a written solicitation agreement between Castle and RMA, RMA may receive solicitor compensation from Castle for the referral of investment advisory clients to Castle. RMA does not provide Investment Advisory Services. Upon engaging Castle, the client will receive a copy of Castle's ADV disclosure brochure and a separate disclosure statement discussing RMA's relationship with Castle and the fee the RMA will receive for the referral. We believe that we have addressed any conflict of interest between Castle, RMA and John Caffrey because fees (refer to item 5) are not increased through the referral process, except for clients referred to the Indexed Solution Platform. CAM has adopted a flat fee of 35bps. Solicitors may add an additional fee of up to 35 bps from inception of the account opening to the end of the fifth year. Castle provides the Investment Advisory Services for RMA Clients.

As mentioned above, the principal officer of Advisor, John D. Caffrey is a licensed insurance agent with The Guardian Life Insurance Company of America, Schneider & Shulman Brokerage Services, Inc., Crump Life Insurance Services, Mass Mutual Financial Group and Security Mutual Life Insurance Co. of NY and may receive compensation for the sale of insurance products form Advisory and non-Advisory clients. For clients who purchase products causing commissions to be generated from such purchases, these commissions are paid to John D. Caffrey in his separate capacity as an insurance agent. This activity represents a conflict of interest and gives him an incentive to recommend the purchase of insurance products for a client account based on that person's ability to receive compensation from such a purchase, rather than based on a client's needs. However, CAM believes that it has addressed this conflict by (a) requiring that any such transaction will be on commercially reasonable terms that are generally consistent with industry standards, and (b) neither requiring nor expecting that a client will purchase any such insurance product from or through John

D. Caffrey. In addition, John D. Caffrey must maintain compliance with applicable rules and regulations that govern the sale of such products.

As a licensed Registered Representative with Purshe Kaplan Sterling Investments, Mr. Caffrey may, on a fully disclosed basis, effect securities transactions on behalf of Advisory clients as well as non-Advisory clients. Mr. Caffrey will typically receive securities related compensation for such transactions. This activity represents a conflict of interest and gives him an incentive to recommend the purchase of investment products for a client account based on that person's ability to receive compensation from such a purchase, rather than based on a client's needs. However, CAM believes that it has addressed this conflict by (a) requiring that any such transaction will be on commercially reasonable terms that are generally consistent with industry standards, and (b) neither requiring nor expecting that a client will purchase any such investment product from or through John D. Caffrey. In addition, John D. Caffrey must maintain compliance with applicable rules and regulations that govern the sale of such products.

Other than the previously described products and services that CAM receives from Fidelity and Schwab, CAM does not receive any other economic benefits from non-clients, vendors or solicitors in connection with the provision of investment advice to clients.

Item 6: Supervision

As CAM's founder and Chief Executive Officer, Mr. Caffrey maintains ultimate responsibility for the company's operations. Mr. Caffrey discusses investment decisions with the other Investment Committee member, CAM's Chief Investment Strategist Jason Seo. Operational and Compliance decisions are discussed with CAM's Director of Operations Patricia Oseback. Any of these individuals can be reached directly by calling the telephone number on the cover of this brochure supplement.

Item 2: Jason Seo's Biographical Information

Educational Background and Business Experience

Jason Seo, CFA, is the Chief Investment Strategist / Portfolio Manager at Castle Asset Management. Previously, he has worked in various investment management functions at Neuberger Berman, New Amsterdam Partners, Standard & Poor's and Citigroup. Mr. Seo received a B.S. in Accounting from Penn State University and an M.B.A. from New York University's Stern School of Business. He is also a CFA charterholder and member of the CFA Institute.

The Chartered Financial Analyst® (CFA) charter is a professional investment credential that, for more than 60 years, has been the global standard for embodying the integrity, dedication, and advanced skills needed to build a stronger, more accountable financial industry. More than 110,000 individuals of over 31,000 investment firms across more than 135 countries have obtained the charter, which is offered globally by the U.S.-based CFA Institute.

To earn the CFA charter, candidates must have a bachelor's or equivalent degree, pass three levels of exams that are offered once a year (except for Level I, which is offered twice) and have at least four years of professional work experience in the investment decision-making process. Charterholders are also required to join the CFA Institute as regular members and commit to uphold a comprehensive code of ethics.

Item 3: Disciplinary Information

Mr. Seo has not been involved in any legal or disciplinary events that would be material to a client's evaluation of Mr. Seo or of CAM.

Item 4: Other Business Activities

Mr. Seo is not engaged in any other investment related business and does not receive compensation in connection with any business activity outside of CAM. Mr. Seo is licensed as a non-producing, registered representative with Purshe Kaplan Sterling Investments.

Item 5: Additional Compensation

Mr. Seo does not receive economic benefits from any person or entity other than CAM in connection with the provision of investment advice to clients.

Item 6: Supervision

Mr. Seo investment recommendations are supervised by CAM's CEO, John D. Caffrey. Mr. Seo's activities are also overseen by the Chief Operating and Compliance Officer, John D. Caffrey. Any of these individuals can be reached directly by calling the telephone number on the cover of this brochure supplement.